UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _________ to _____________.

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report:

Commission file number: 001-39977

Baosheng Media Group Holdings Limited

(Exact name of Registrant as Specified in its Charter)

Cayman Islands

(Jurisdiction of Incorporation or Organization)

East Floor 5
Building No. 8, Xishanhui
Shijingshan District, Beijing 100041
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+86- 010-82088021

(Address of Principal Executive Offices)

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(Name, Telephone, E-mail and/or Facsimile Number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary Shares, par value $0.0096 per share	BAOS	The Nasdaq Stock Market LLC

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

An aggregate of 1,534,487 ordinary shares, par value $0.0096 per share ("Ordinary Shares"), as of December 31, 2025.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Emerging growth company	☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accountant firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP	☒	International Financial Reporting Standards as issued by the International Accounting Standards Board	☐	Other	☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow: Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☐ No ☐

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INTRODUCTION

"We," "us," "our," or the "Company" are to Baosheng Media Group Holdings Limited, a Cayman Islands exempted company with limited liability, and its subsidiaries, as the case may be. Unless the context otherwise requires, in this annual report on Form 20-F references to:

Conventions that apply to this annual report

- "An Rui Tai BVI" are to AnRuiTai Investment Limited, a BVI (as defined below) business company incorporated in the BVI with limited liability in November 2018, owned as to 90% by Ms. Wenxiu Zhong and 10% by Mr. Sheng Gong;

- "Beijing Baosheng" are to Beijing Baosheng Technology Company Limited, a limited liability company established in the PRC and a direct wholly-owned subsidiary of Baosheng Hong Kong;

- "Baosheng BVI" are to Baosheng Media Group Limited, a BVI business company incorporated with limited liability under the laws of the BVI and a direct wholly-owned subsidiary of Baosheng Group;

- "Baosheng Group" are to Baosheng Media Group Holdings Limited, an exempted company with limited liability incorporated under the laws of the Cayman Islands;

- "Baosheng Hong Kong" are to Baosheng BVI's wholly owned subsidiary, Baosheng Media Group (Hong Kong) Holdings Limited, a Hong Kong company with limited liability;

- "Baosheng Network" are to Beijing Baosheng Network Technology Co., Ltd., a limited liability company established in the PRC and a direct wholly-owned subsidiary of Baosheng Hong Kong;

- "Baosheng Technology" are to Baosheng Technology (Horgos) Company Limited, a limited liability company established in the PRC and a direct wholly-owned subsidiary of Beijing Baosheng (as defined below);

- "Beijing Xunhuo" are to Beijing Xunhuo E-commerce Co., Ltd., a limited liability company established in the PRC and a direct wholly-owned subsidiary of Baosheng Network;

- "Beijing Zhiding" are to Beijing Zhiding Baosheng Network Technology Co. Ltd., a limited liability company established in the PRC and a direct wholly-owned subsidiary of Baosheng Hong Kong;

- "BVI" are to the British Virgin Islands;

- "China" or the "PRC" are to the People's Republic of China, excluding Taiwan for the purposes of this annual report only;

- "CYY Holdings" are to CYY Holdings Limited, a business company formed in the BVI with limited liability in November 2013 and is wholly owned by Mr. Yick Yan Chan;

- "Horgos Baosheng" are to Horgos Baosheng Advertising Company Limited, a limited liability company established in the PRC and a direct wholly-owned subsidiary of Beijing Baosheng;

- "PBCY Investment" are to PBCY Investment Limited, a business company incorporated in the BVI with limited liability in November 2018, and is owned as to 86.35% by Pubang Landscape (as defined below) through Pubang Hong Kong (as defined below) and 13.65% by Mr. Yick Yan Chan through CYY Holdings;

- "Pubang Hong Kong" represents Pubang Landscape Architecture (HK) Co., Ltd., a company formed in Hong Kong with limited liability in September 2013 and is a direct wholly owned subsidiary of Pubang Landscape.

- "Pubang Landscape" represents Pubang Landscape Architecture Co., Ltd., a joint stock company established in the PRC with limited liability on July 19, 1995, whose shares are listed on the Shenzhen Stock Exchange (stock code: 002663.SZ), and is a financial investor of our Company and one of our pre-IPO investors.

- "shares," "Shares," or "Ordinary Shares" are to the ordinary shares of the Company, par value US$0.0096 per share;

- "we," "us," or the "Company" are to one or more of Baosheng Group, and its subsidiaries, as the case may be.

Glossary of Technical Terms

- "ad inventory" are to the space available to advertisers on digital platforms in the online marketing industry;

- "ad" are to an advertisement;

- "audiences" are to the recipients of information (including advertisements);

- "authorized agency status" are to the qualification to serve as a designated agency for the media in identifying and procuring advertisers to purchase ad inventory from the media, facilitating the transaction process, and assisting ad deployment. See "Item 4. Information on the Company — B. Business Overview" in this annual report for more information on our authorized agency status with media.

- "feed" are to an internet service in which updates from electronic information sources are presented in a continuous stream;

- "in-feed ad" are to a form of ads that are typically placed in article and content feeds and mimic the surrounding site design and aesthetics so that the articles or content feeds are mixed with the in-feed ads providing the audience an uninterrupted content flow;

- "mobile app ad" are to a form of ads which are served on apps in various formats such as display ads and video ads, and for the purpose of this annual report excluding in-feed ads;

- "mobile app" are to a computer program or software application designed to run on a mobile device such as phone, tablet, or watch;

- "social media marketing" are to the use of social media platforms and websites to promote a product or service;

- "ad currency unit" are to a kind of virtual currency that needs to be purchased from relevant media for use in acquiring their ad inventory;

- "CPA" are to cost per acquisition, an online advertising pricing model where the advertiser pays for a specified acquisition;

- "CPC" are to cost per click, an online advertising pricing model where an advertiser pays a media (typically a search engine, website owner, or a network of websites) when the ad is clicked;

- "CPM" are to cost per mille, an online advertising pricing model where an advertiser pays for one thousand views or clicks of an advertisement;

- "CPT" are to cost per time, an online advertising pricing model where an advertiser pays for an advertisement to be placed for a set amount of time;

- "DMP" are to data management platform, a technology platform used for collecting and managing data, mainly for digital marketing purposes;

- "DSP" are to demand-side platform, a system that allows buyers of digital advertising inventory to manage multiple ad exchange and data exchange accounts through one interface;
- "gross billing" are to the actual dollar amount of advertising spend of advertisers, net of any rebates and discounts given to those advertisers;
- "gross media costs" are to the costs paid to media for acquisition of ad inventory without being offset by rebates received from media;
- "media costs" are to the costs for acquisition of ad inventory or other advertising services from media and other advertising service providers as offset by rebates we receive from the relevant media and advertising service providers (if any);
- "performance-based advertising" are to a form of advertising in which the purchaser pays only when there are measurable results (e.g., number of purchases, downloads, and registrations);
- "SEM" are to search engine marketing, a form of online marketing that involves the promotion of websites by increasing their visibility in search engine results pages and search-related products and services; and
- "SSP" are to supply-side platform, a technology platform to enable media owners to manage their ad inventory, fill it with ads, and receive income.

FORWARD-LOOKING INFORMATION

This annual report contains statements that constitute forward-looking statements. Many of the forward- looking statements contained in this annual report can be identified by the use of forward-looking words such as “anticipate,” “believe,” “could,” “expect,” “should,” “plan,” “intend,” “estimate” and “potential,” among others.

Forward-looking statements appear in a number of places in this annual report and include, but are not limited to, statements regarding our intent, belief or current expectations. Forward-looking statements are based on our management’s beliefs and assumptions and on information currently available to our management. Such statements are subject to risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements due to of various factors, including, but not limited to, those identified under the section entitled “Item 3. Key Information—D. Risk Factors” in this annual report. These risks and uncertainties include factors relating to:

- assumptions about our future financial and operating results, including revenues, income, expenditures, cash balances and other financial items;
- our ability to execute our growth, and expansion, including our ability to meet our goals;
- current and future economic and political conditions;
- our ability to compete in the highly-competitive advertising service industry;
- our capital requirements and our ability to raise any additional financing which we may require;
- our ability to attract clients and further enhance our brand recognition;
- our ability to hire and retain qualified management personnel and key employees in order to enable us to develop our business;
- trends and competition in the advertising service industry;
- the future development of the COVID-19 pandemic; and
- other assumptions described in this annual report underlying or relating to any forward-looking statements.

These forward-looking statements involve various risks and uncertainties. Although we believe that our expectations expressed in these forward-looking statements are reasonable, our expectations may later be found to be incorrect. Our actual results could be materially different from our expectations. Other sections of this annual report include additional factors that could adversely impact our business and financial performance. Moreover, we operate in an evolving environment. New risk factors and uncertainties emerge from time to time and it is not possible for our management to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. You should read thoroughly this annual report and the documents that we refer to with the understanding that our actual future results may be materially different from, or worse than, what we expect. We qualify all of our forward-looking statements by these cautionary statements.

This annual report contains certain data and information that we obtained from various government and private publications. Statistical data in these publications also include projections based on a number of assumptions. The advertising service industry may not grow at the rate projected by market data, or at all. Failure of this market to grow at the projected rate may have a material and adverse effect on our business and the market price of the Ordinary Shares. In addition, the rapidly evolving nature of this industry results in significant uncertainties for any projections or estimates relating to the growth prospects or future condition of our market. Furthermore, if any one or more of the assumptions underlying the market data are later found to be incorrect, actual results may differ from the projections based on these assumptions. You should not place undue reliance on these forward-looking statements.

The forward-looking statements made in this annual report relate only to events or information as of the date on which the statements are made in this annual report. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this annual report and the documents that we refer to in this annual report and exhibits to this annual report completely and with the understanding that our actual future results may be materially different from what we expect.

PART I

Item 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not Applicable.

Item 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not Applicable.

Item 3. KEY INFORMATION

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Summary of Risk Factors

Investing in our Ordinary Shares involves significant risks. You should carefully consider all of the information in this annual report before making an investment in our Ordinary Shares. Below please find a summary of the principal risks we face, organized under relevant headings. These risks are discussed more fully in the section titled "Item 3. Key Information—D. Risk Factors" in this annual report.

Risks Related to our Business and Industry

Risks and uncertainties related to our business and industry include, but are not limited to, the following:

- We are involved in legal proceedings and related disputes, and an adverse outcome—or the costs, diversion of management time, and reputational impact of defending these matters—could materially adversely affect us

- Legal expenses incurred in litigation increase our operational costs and adversely affect our cash flow.

- Cutbacks on advertising budgets by advertisers, changes in rebate and incentive policies by the media, failure to maintain and grow our advertiser base and secure emerging media resources could all materially and adversely affect our business and financial condition.

- If we fail to maintain our relationships with our business stakeholders, mainly advertisers and media, our business, results of operations, financial condition and business prospects could be materially and adversely affected.

- Failure to appropriately evaluate the credit profile of our advertisers or effectively manage our credit risk associated with credit terms granted to our advertisers and/or delay in settlement of accounts receivable from our advertisers could materially and adversely impact our operating cash flow and may result in significant provisions and impairments on our accounts receivable which in turn would have a material adverse impact on our business operations, results of operation, financial condition and our business pursuits and prospects.

- If our advertisers delay in settlement of our accounts receivable or if we are unable to issue invoices to our advertisers on a timely basis, our business, financial condition and results of operations may be materially and adversely affected.

Risks Related to Doing Business in China

- Adverse changes in political and economic policies of the PRC government could have a material adverse effect on the overall economic growth of the PRC, which could reduce the demand for our products and materially and adversely affect our competitive position.

- Uncertainties regarding interpretation and enforcement of the laws, rules and regulations in China may impose adverse impact on our business, operations and profitability.

- Changes in the policies, regulations, rules, and the enforcement of laws of the PRC government may be quick with little advance notice and could have a significant impact upon our ability to operate profitably in the PRC.

- The Chinese government exerts substantial influence over the manner in which we must conduct our business, and may intervene or influence our operations at any time, or may exert more control over offerings conducted overseas and/or foreign investment in China-based issuers, which could result in a material change in our operations, significantly limit or completely hinder our ability to offer or continue to offer securities to investors and, and cause the value of our Ordinary Shares to significantly decline or be worthless.

- Recent greater oversight by the Cyberspace Administration of China, or the CAC, over data security, particularly for companies seeking to list on a foreign exchange, could adversely impact our business and our offering.

- The Opinions on Severely Cracking Down on Illegal Securities Activities According to Law recently issued by the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council may subject us to additional compliance requirement in the future.

Risks Related to Our Ordinary Shares

Risks and uncertainties related to our Ordinary Shares include, but are not limited to, the following:

- Shares eligible for future sale may adversely affect the market price of our Ordinary Shares, as the future sale of a substantial amount of outstanding Ordinary Shares in the public marketplace could reduce the price of our Ordinary Shares.

- We cannot assure you that we will declare and distribute any dividends in the future.

Risks Related to Our Business and Industry

We are involved in legal proceedings and related disputes, and an adverse outcome—or the costs, diversion of management time, and reputational impact of defending these matters—could materially adversely affect us.

As described under “Item 8.A. Legal Proceedings” of this annual report, we and/or certain of our directors are parties to legal proceedings in the PRC, the United States and the Cayman Islands, including claims and petitions that allege, among other things, mismanagement and disclosure-related violations, and a winding-up petition in the Cayman Islands. These matters are at varying stages and may continue for an extended period of time, and we cannot predict their outcome.

Regardless of the merits of these proceedings, litigation and related disputes can be costly, time-consuming, and disruptive to our business. We have incurred substantial legal fees, expert and advisory costs, and other expenses, and these proceedings have diverted the attention of our management and key personnel from operating our business and executing our strategy. They may also result in adverse publicity and reputational harm, which could negatively affect our relationships with investors, customers, business partners and other stakeholders, and could contribute to volatility or a decline in the market price of our securities.

In addition, these proceedings could result in, among other things, monetary damages, settlement payments, injunctive or other equitable relief, or other remedies that could be significant. The Cayman Islands proceeding, if determined adversely, could also result in relief that could materially disrupt our operations, including an order to wind up the Company and the appointment of a liquidator. Any such outcome could materially adversely affect our business, financial condition, results of operations, cash flows and prospects.

Furthermore, these matters may increase our costs of directors' and officers' liability insurance, reduce the availability of coverage on acceptable terms, and make it more difficult to attract and retain qualified directors, officers and employees. Even if we ultimately prevail, the expense, management distraction and reputational impact associated with these proceedings could be substantial and could materially adversely affect us.

Legal expenses incurred in litigation increase our operational costs and adversely affect our cash flow.

As a result of ongoing litigation in which we are involved in mainland China, the Cayman Islands and the United States, we have incurred substantial legal fees and expenses. See "Item 8. Financial Information-A. Consolidated Statements and Other Financial Information-Legal Proceedings." These legal expenses have increased the our operating costs and have reduced the capital available for our other business activities. Adequate cash flow is critical to the our ability to operate and to support our short-term and long-term business growth strategies, including, particularly, the prepayment for client services and fulfilment of our payment obligations to suppliers in the online marketing business. For example, constraints on our available resources have adversely affected our ability to support customer advertising campaigns, and we have lost certain customers that previously placed advertisements on major media platforms. If the Company's cash flow is insufficient going forward, it may not be able to meet these payment obligations, which could result in additional loss of customers and key suppliers, and materially adversely affect the Company's business, financial condition and results of operations.

Cutbacks on advertising budgets by advertisers, changes in rebate and incentive policies by the media, failure to maintain and grow our advertiser base and secure emerging media resources could all materially and adversely affect our business and financial condition.

We derive our revenue (i) from rebates and incentives offered by media (or their authorized agencies, collectively "publishers") for procuring advertisers to place advertisements with them, which are usually calculated with reference to the advertising spend of our advertisers and are closely correlated to our gross billing from advertisers, netting of rebates to advertisers (if any); and (ii) from net fees from advertisers, which are essentially the fees we charge our advertisers (i.e. gross billing), net of the media costs and other costs of procuring advertising services we incurred on their behalf. Accordingly, our revenue base and our profitability are very much driven by our gross billing with our advertisers, and the relevant media's rebate policies which determine, among other things, the rates of rebates we receive from media (or their authorized agencies).

The willingness of advertisers to spend their online advertising budget through us is critical to our business and our ability to generate grossing billing. Our advertisers' demand for advertising services can be influenced by a variety of factors including:

(i) Macro-economic and social factors: domestic, regional and global social, economic and political conditions (such as concerns over a severe or prolonged slowdown in China's economy and threats of political unrest), economic and geopolitical challenges (such as trade disputes between countries such as the United States and China), economic, monetary and fiscal policies (such as the introduction and winding-down of qualitative easing programs).

(ii) Industry-related factors: such as the trends, preferences and habits of audiences towards online media and their receptiveness towards online advertising as well as the development of emerging and varying forms of online media and contents.

(iii) Advertiser-specific factors: an advertiser's specific development strategies, business performance, financial condition and sales and marketing plans.

A change in any of the above factors may result in significant cutbacks on advertising budgets by our advertisers, which would not only result in a reduction of our revenue but would also weaken our negotiating position with media on rebate policies and negatively impact our ability to earn advertising spend-driven rebates and incentives from media. As a result, our business, results of operations and financial condition could be materially and adversely affected.

Besides, media (or their authorized agencies) may change the rebate and incentive policies offered to us based on the prevailing economic outlook, competitive landscape of the online advertising market, and their own business strategy and operational targets. For instance, a media may reduce the rate of rebates offered to us due to changes in its business strategies, resource reallocation, increased popularity and demand for their media resources, or may adjust their incentive programs or their benchmarks and measuring parameters for incentive offerings based on their changing marketing and target audience strategies. If media impose rebate and incentive policies that are less favorable to us, our revenue, results of operations and financial condition may be adversely affected.

On the other hand, we may offer rebates to our advertisers. The level of rebates we offer to our advertisers is determined case by case with reference to the rebates and incentives we are entitled to receive from the relevant media (or its authorized agency), an advertiser's committed total spend, our business relationships with such advertiser and the competitive landscape in the online advertising industry. If it emerges that an increase in the rate of rebate to our advertisers is necessary for us to remain competitive or align with the emerging competitive environment, our revenue and profitability may reduce. As a result, our results of operations and financial condition could be materially and adversely affected.

Our ability to maintain our advertiser base and attract new advertisers is, to a significant extent, associated with our ability to secure popular and emerging media resources sought after by our advertisers. We believe our authorized agency status with media and the large number of media we work with have helped us attract advertisers and contributed to our revenue and advertiser base. However, there is no assurance that we will be able to maintain such authorized agency status in the future, or that these media will remain popular among our advertisers in the future. The online advertising industry is dynamic. New media and innovative advertising formats are constantly introduced into the market, while existing media may lose market visibility and audience base. If the media with which we have authorized agency status lose their audience popularity or market visibility, or are no longer preferred by our advertisers, or if we fail to secure authorized agency status with new media of emerging popularity or preferred by our advertisers, we may lose our advertiser base and their advertising spend through us. In such event, our business, results of operations, financial condition and future prospects could be materially and adversely affected.

If we fail to maintain our relationships with our business stakeholders, mainly advertisers and media, our business, results of operations, financial condition and business prospects could be materially and adversely affected.

We regard our business value as revolving around our ability to serve the needs of two major business stakeholders: advertisers and media. Further, our main sources of revenue are (i) rebates and incentives from media (or their authorized agencies); and (ii) the net fees we earn from advertisers. Hence, our success depends on our ability to, among other things, develop and maintain relationships with our existing advertisers and media partners and attract new ones.

Relationship with our advertisers

Our advertiser base is comprised of direct advertisers, as well as third-party advertising agencies which place advertisements for their advertiser clients through us. The number of advertisers we served increased from 285 in 2023 to 528 in 2024, and further increased to 714 in 2025.

We would usually enter into framework agreements with advertisers who intend to acquire ad inventory through us over a period of time (usually a year or shorter). If we are asked to run a specific advertising campaign for a short period (usually for our social media marketing services), we may enter into one-off agreements with the advertisers. Our contracts with our advertisers generally do not include exclusive obligations to use our services, and our advertisers are generally free to place their ads through other advertising agencies or work with multiple advertising agencies on a specific advertising campaign.

If our relationships with our advertisers deteriorate for any reason (for instance, our advertiser is dissatisfied with the effectiveness of the advertising campaigns run through us), or our advertisers switch to other advertiser because they are offer better terms (such as more competitive rebates and discounts), or if our advertisers reduce their advertising budget to be spent through us, they may reduce or cease using our advertising services.

Hence, we cannot assure you that our advertisers will continue to use our services or that we will be able to replace, in a timely or effective manner, departing advertisers with potential new advertisers. If we fail to retain our existing advertiser base or increase their advertising spend through us, or to provide effective advertising services or pricing structures to attract new advertisers, the demand for our advertising services will not grow and may even decrease, which could materially and adversely affect our revenue and profitability.

Relationship with our media

We have established and maintained relationships with a wide range of media, which offer our advertisers a diverse choices ad formats, including search ads, in-feed ads, mobile app ads and social media ads. Our future growth will depend on our ability to maintain our relationships with existing media partners as well as building partnerships with new media.

In particular, we act as authorized agency for some popular online media, such as Super Huichuan (超级汇川), to help them procure advertisers to buy their ad inventory and facilitate ad deployment on their advertising channels. As media's authorized agency, our relationships with the media are mainly governed by agency agreements which provide for, among other things, credit periods and the rebate polices offered to us. These agency agreements typically have a term of one year and are subject to renewal upon expiry. The commercial terms under the agency agreements are subject to renegotiation when they are renewed. Besides, media usually retain the right to terminate the authorized agency relationship based on business needs at their discretion.

Hence, there is no assurance that we can maintain stable business relationships with any media or their authorized agencies. Further, there is no guarantee that the media will continue to rely on authorized agencies to acquire and serve advertisers. Besides, our relationships with our media could be adversely affected if we cannot meet the target minimum advertising spend stipulated in the relevant agency agreements.

If any media ends its cooperative relationship with us or terminates our authorized agency status or imposes commercial terms which are less favorable to us, or we fail to secure partnerships with new media partners, we may lose access to the relevant advertising channels, sustain advertiser deflection, and suffer revenue drop. As a result, our business, results of operations, financial condition and prospects might be materially and adversely affected.

Also, our business depends on our media to deliver their advertising services on their platforms (such as search engines, mobile apps and social media platforms), which in turn rely on the performance, reliability and stability of the internet infrastructure and telecommunications systems. Since we rely on the performance of our media to deliver ads for our advertisers, any interruption or failure of their information technology and communications systems may undermine the delivery of our advertising services and cause us to lose advertisers. All in all, any interruption or failure of the internet infrastructure and telecommunications systems could impair our ability to effectively deliver ads and provide our services, and could cause us to lose advertisers, and our business, financial condition and results of operations would be adversely affected.

In addition, we depend on the accuracy and genuineness of advertising performance data and other data provided by media in evaluating the effectiveness of our advertisers' advertising campaigns and calculating the amount of rebates or incentives that we are entitled to receive from our media. If the advertising performance data or other data provided by media is inaccurate or fraudulent, it may undermine our optimization efforts to achieve better performance for our advertisers' ads. This could also result in disputes with our advertisers and media, harm to our reputation and loss of our advertisers and media, and adversely affect our business, results of operations and financial condition.

Failure to appropriately evaluate the credit profile of our advertisers or effectively manage our credit risk associated with credit terms granted to our advertisers and/or delay in settlement of accounts receivable from our advertisers could materially and adversely impact our operating cash flow and may result in significant provisions and impairments on our accounts receivable which in turn would have a material adverse impact on our business operations, results of operation, financial condition and our business pursuits and prospects.

Our gross accounts receivable decreased from $39.5 million as of December 31, 2023 to $29.4 million as of December 31, 2024, and further decreased to $4.7 million as of December 31, 2025. As of December 31, 2025 and 2024, accounts receivable outstanding for over six months were $0.4 million and $26.9 million, representing approximately 7.7% and 91.5% of our gross accounts receivable, respectively. As of December 31, 2025 and 2024, we had allowance for expected credit losses of $0.1 million and $25.7 million against our gross outstanding accounts receivable, respectively. As of December 31, 2025 and 2024, we also wrote off accounts receivable of $27.1 million and $10.1 million, respectively.

The increase in the accounts receivable aging over the fiscal year as of December 31, 2025 was mainly because of increase in aged balance of accounts receivable. We attributed our decrease in our gross accounts receivable during the fiscal year ended December 31, 2025 to writing off accounts receivable as a result of remote collection. See also "— Risks Related to Our Business and Industry — *If our advertisers delay in settlement of our accounts receivable or if we are unable to issue invoices to our advertisers on a timely basis, our business, financial condition and results of operations may be materially and adversely affected*."

Regardless, given our "agency-based" business model and that we earn our revenue on a net basis but have accounts receivable from advertisers based on our gross billing, we are particularly sensitive and susceptible to credit risk. Our gross accounts receivable as of December 31, 2025 and 2024 represented 24.1% and 246.6% of our gross billing, respectively, and gross accounts receivable outstanding over six months represented 1.9% and 225.7% of our gross billing, respectively. While we have implemented policies and measures with the aim of improving our management of credit risk and have expanded our efforts in the collection of overdue or long outstanding accounts receivable, there is no assurance that our substantial accounts receivable position with respect to our reported revenue (on a net basis) will not persist in the future given the nature of our business. Any deterioration of credit profile of our advertisers or any failure or delay in their settlement of our accounts receivable could put tremendous pressure on our operating cash flow and may result in material and adverse impact on our business operations, results of operations and financial condition.

If our advertisers delay in settlement of our accounts receivable or if we are unable to issue invoices to our advertisers on a timely basis, our business, financial condition and results of operations may be materially and adversely affected.

As of December 31, 2025 and 2024, our gross accounts receivable amounted to $4.7 million and $29.4 million, respectively. Our business operations and cash flow are subject to the risk of delay in payment from our advertisers. Our advertisers' settlement day will generally be affected by their internal policies. Our efforts in strengthening our accounts receivable collection and management may be in vain, and we cannot assure you that we will be able to fully recover the outstanding amounts due from our advertisers, if at all, or that our advertisers will settle the amounts in a timely manner. As a result, our business, financial condition and results of operations may be materially and adversely affected.

As we continue to strive for business growth, we may continue to experience net cash outflow from operating activities, and we cannot assure you that we can maintain sufficient net cash inflows from operating activities.

We reported net cash used in operating activities of $2.3 million, $1.5 million and $2.3 million, respectively, for the fiscal years 2025, 2024 and 2023. During the fiscal years ended December 31, 2025, 2024 and 2023, certain media we procured for our advertisers required prepayment or offer relatively short credit periods to us. While we have used reasonable endeavor to align credit terms granted to us in connection with a particular media when we offered credit terms to advertisers using the relevant media, in cases where we engaged in cross-selling of ad inventories or services of different media to our existing advertisers, we usually aligned the credit terms we offer to such advertisers to the most favorable terms offered to us among the media used. Moreover, we may offer more competitive terms to selected advertisers of established business relationship with us or of significant size, with significant market impact or strategic value, while their choices of media may not offer comparable credit terms to us or at all. In addition, during the fiscal years ended December 31, 2025, 2024 and 2023, we were required by certain media (or their authorized agencies) to place deposits as performance security, among other things of a similar nature, and we may elect to pay deposit associated with committed advertising spend on behalf of selected advertisers as required by certain media before running their advertising campaigns. We consider the above practices to be generally in line with industry practice and competitive landscape, and we expect these practices to continue in the foreseeable future.

All the above have contributed to a temporal mismatch in our operating cash flow, as such impact is generally positively correlated with our business volume. As we further expand our business, our requirement for business running capital and other payments (such as capital expenditures) will increase. Our operations may not generate sufficient cash flows to meet our operating and capital requirements in the future. Historically we have utilized peer-to-peer and third-party short-term borrowings to supplement our operating cash flow shortage from time to time. See "Item 5. Operating and Financial Review and Prospects — B. Liquidity and Capital Resources — Cash Flows —Financing Activities." We cannot assure you that going forward we will be able to reverse back to a net operating cash inflow position or generate sufficient cash inflow from our operations or obtain adequate debt or equity financing at reasonable costs, or at all, to meet such requirements. If we fail to successfully manage our working capital or acquire adequate funding to finance our expansion, our ability to pay our media and employees and otherwise fund our operations and expansion could be impaired, and our business, financial condition and results of operations may be materially and adversely affected.

Our limited operating history in a rapidly evolving industry makes it difficult to accurately forecast our future operating results and evaluate our business prospects.

We substantially commenced developing our online advertising service business since the arrival of Ms. Wenxiu Zhong, our founder, in 2015. We expect we will continue to expand as we seek to expand our advertiser and media bases and explore new market opportunities. However, due to our limited operating history, our historical growth rate may not be indicative of our future performance. Our future performance may be more susceptible to certain risks than a company with a longer operating history in a different industry. Many of the factors discussed below could adversely affect our business and prospects and future performance, including:

- our ability to maintain, expand and further develop our relationships with advertisers to meet their increasing demands;
- our ability to maintain our first-tier agency relationships with our key media and further develop agency relationships with popular media of different and emerging media formats;
- our ability to introduce and manage the development of new services;
- the continued growth and development of the online advertising industry;
- our ability to keep up with the technological developments or new business models of the rapidly evolving online advertising industry;
- our ability to attract and retain qualified and skilled employees;
- our ability to effectively manage our growth; and
- our ability to compete effectively with our competitors in the online advertising industry.

We may not be successful in addressing the risks and uncertainties listed above, among others, which may materially and adversely affect our business, results of operations, financial condition and future prospects.

Certain customers contributed to a significant percentage of our total revenue during the fiscal years 2025, 2024 and 2023, and losing one or more of them could result in a material adverse impact on our financial performance and business prospects.

In 2025, our top five customers were Shenzhen Oriental Modern Information Technology Co., Ltd., Beijing Dajia Network Information Technology Co., Ltd., Ctrip Network Technology (Shanghai) Co., Ltd., Guazi Automobile Service (Tianjin) Co., Ltd., and Beijing Quna Software Technology Co., Ltd., representing 43.0%, 19.3%, 16.6%, 2.8% and 2.2% of our total revenue, respectively.

In 2024, our top five customers were Guangzhou Juyao Information Technology Co., Ltd., Shanghai Shoutui Network Technology Co., Ltd., Youju Interactive (Beijing) Technology Co., Ltd., Anhui Denggao Erge Network Technology Co., Ltd., and Beijing Dajia Network Information Technology Co., Ltd., representing 47.7%, 19.3%, 15.6%, 8.0% and 7.9% of our total revenue, respectively.

In 2023, our top five customers were Xiamen Toutiao Information Technology Co., Ltd., Guangzhou Juyao Information Technology Co., Ltd., Jiangxi Toujing Network Technology Co., Ltd., Tianjin Hengchuang Xintai Technology Co., Ltd., and Beijing Dajia Internet Information Technology Co., Ltd., representing 47.7%, 12.2%, 6.4%, 4.9% and 3.5% of our total revenue, respectively.

Our top five customers during the fiscal years 2025, 2024 and 2023 include search engine operators, short-video platform operators, and advertising agencies who place ads for their advertiser clients through us. The identities of our customers vary depending on the type of revenue and the nature of the business transaction, comprising both advertisers and publishers (or their authorized agencies). See "Item 4. Information on the Company - B. Business Overview - Customers." For the fiscal year ended December 31, 2025, three customers, accounted for more than 10% of our total revenue, representing approximately 43.0% 19.3% and 16.6% of our total revenue, respectively. For the fiscal year ended December 31, 2024, three customers accounted for more than 10% of our total revenue, representing approximately 47.7%, 19.3% and 15.6% of our total revenue, respectively. For the fiscal year ended December 31, 2023, two customers accounted for more than 10% of our total revenue, representing approximately 47.7% and 12.2% of our total revenue, respectively.

We typically enter into agency agreements (in case of media for which we are authorized agency) and framework agreements with these top customers with a term of one year or shorter, which are subject to renewal after expiry. Any failure to renew these agreements or any termination of such agreements may have a material adverse impact on our results of operations.

There are a number of factors, including our performance, which could cause the loss of, or decrease in the volume of business from, a customer. We cannot assure you that we will continue to maintain the business cooperation with these customers at the same level, or at all. The loss of business from one or more of these significant customers, or any downward adjustment of the rates of rebates and incentives paid by media (or their authorized agencies), could materially and adversely affect our revenue and profit. Furthermore, if any significant advertiser or media terminates its relationship with us, we cannot assure you that we will be able to secure an alternative arrangement with comparable advertiser or media in a timely manner, or at all.

We are in the highly competitive online advertising service industry and we may not be able to compete successfully against existing or new competitors, which could reduce our market share and adversely affect our competitive position and financial performance.

There are numerous companies that specialize in the provision of online advertising services in China. We compete primarily with our competitors and potential competitors for access to quality ad inventory, agency relationships with popular media, and advertiser base. The online advertising industry in China is rapidly evolving. Competition can be increasingly intensive and is expected to increase significantly in the future. Increased competition may result in price reductions for advertising services, decrease in the rates of rebates and incentives offered by media to their authorized agencies, reduced margins and loss of our market share. We compete with other competitors in China primarily on the following bases:

- brand recognition;
- quality of services;
- effectiveness of sales and marketing efforts;
- creativity in design and contents of ads;
- optimization capability;
- pricing, rebate and discount policies;
- strategic relationships; and
- hiring and retention of talented staff.

Our existing competitors may in the future achieve greater market acceptance and recognition, secure authorized agency status with increasing number of popular media, and gain a greater market share. It is also possible that potential competitors may emerge and acquire a significant market share. If existing or potential competitors develop or offer services that provide significant performance, price, creative, optimization or other advantages over those offered by us, our business, results of operations and financial condition would be negatively affected.

Our existing and potential competitors may enjoy competitive advantages over us, such as longer operating history, greater brand recognition, larger advertiser base, greater access to ad inventory, and significantly greater financial, technical and marketing resources.

We also compete with traditional forms of media, such as newspapers, magazines, radio and television broadcast, for advertisers and advertising revenues.

If we fail to compete successfully, we could lose out in procuring advertisers, securing agency relationships with media and acquiring access to ad inventory, which could result in adverse impact to our business, results of operations and prospects. We also cannot assure you that our strategies will remain competitive or that they will continue to be successful in the future. Increasing competition could result in pricing pressure and loss of our market share, either of which could have a material adverse effect on our financial condition and results of operations.

If we fail to improve our services to keep up with the rapidly changing demands, preferences, advertising trends or technologies in the online advertising industry, our revenues and growth could be adversely affected.

We consider the online advertising industry to be dynamic, as we face constant changes in audiences' interests, preferences and receptiveness over different ad formats, evolution of the needs of advertisers in response to shifts in their business needs and marketing strategies, as well as innovations in the means on online advertising. On the other hand, information technology and "big-data" are increasingly being utilized in online advertising, as evidenced by the emergence of "data-driven" and programmatic advertising services. Our success therefore depends not only on our ability to offer proper choices of media, deliver effective optimization services, providing creative advertising ideas, but also to adapt to rapidly changing online trends and technologies to enhance the quality of existing services and to develop and introduce new services to address advertisers' changing demands. We may experience difficulties that could delay or prevent the successful development, introduction or marketing of our new services. Any new service or enhancement will need to meet the requirements of our existing advertiser base and potential advertisers and may not achieve significant market acceptance. If we fail to keep pace with changing trends and technologies, continue to offer effective optimization services and creative advertising ideas to the satisfaction of our advertisers, or to introduce successful and well-accepted services for our existing advertiser base and potential advertisers, we could lose our advertisers and our revenue and growth could be adversely affected.

Limitations on the availability of data and our ability to analyze such data could significantly restrict our optimization capability and cause us to lose advertisers, which may harm our business and results of operations.

Our capability to plan and optimize advertising campaigns are partly dependent on the availability of data generated by the media concerned based on the ad interaction behavior between such media and their end users. Our access to such data from media is limited by the relevant media's data policies. Typically, we can only access data that are made available by the media to us or their authorized agencies on their back-end platforms. In addition, there is no assurance that the government will not adopt legislation that prohibits or limits collection of data on the Internet and the use of such data, or that third parties will not bring lawsuits against the media or us relating to internet privacy and data collection. As of the date of this annual report, our business operations are in material compliance with the relevant laws and regulations on data protection and privacy, including the Cyber Security Law of the People's Republic of China (《中华人民共和国网络安全法（2025修正）》), as most recently amended by the Standing Committee of the National People's Congress on October 28, 2025 and became effective on January 1, 2026. Due to the recent development of laws and regulations on data protection and privacy and evolving interpretation of competent authorities, media and online advertising service providers will be subject to more stringent requirements on data sharing with third parties, which may limit our ability to obtain data from them. Therefore, we cannot assure you that we will be in full compliance with all applicable laws and regulations on data protection and privacy in the future. See "Item 4. Information on the Company-B. Business Overview-Regulation-Regulations relating to Information Security and Privacy Protection."

If any of the above happens, we may be unable to provide effective services and may lose our advertisers, and our business, financial condition and results of operations would be adversely affected. Lawsuits or administrative inquiries relating to internet privacy and data collection could also be costly and divert management resources, and the outcome of such lawsuits or inquiries may be uncertain and may harm our business.

The regulatory environment of the online advertising industry is rapidly evolving. If we fail to obtain and maintain the requisite licenses and approvals as applicable to our businesses in China from time to time, our business, financial condition and results of operations may be materially and adversely affected.

As confirmed by our PRC counsel, Beijing Dacheng Law Offices, LLP ("Beijing Dacheng"), each of our PRC subsidiaries currently holds a valid business license, and we and our subsidiaries are not required to obtain any other licenses, permits or approvals from the regulatory authorities in China for our business undertakings. However, the licensing requirements within the online advertising industry, particularly in China, are constantly evolving and subject to the interpretation of the competent authorities, and we may be subject to more stringent regulatory requirements due to changes in the political or economic policies in the relevant jurisdictions or the changes in the interpretation of the scope of internet culture business. We cannot assure you that we will be able to satisfy such regulatory requirements and we may be unable to retain, obtain or renew relevant licenses, permits or approvals in the future, and as a result, our business operations may be materially and adversely affected.

We may be adversely affected by the complexity, uncertainties and changes in the regulation of internet-related businesses and companies in China.

The PRC government extensively regulates the internet industry, including foreign ownership of, and the licensing and permit requirements pertaining to, companies in the internet industry. These internet-related laws and regulations are relatively new and evolving, and their interpretation and enforcement involve significant uncertainty. As a result, in certain circumstances some actions or omissions may be deemed to be violations of applicable laws and regulations. Risks and uncertainties relating to regulation in China of the internet-related business include, but are not limited to, the following:

- There are uncertainties relating to the regulation of the internet-related business in China, including evolving licensing practices. This means that some of our permits, licenses or operations in China may be subject to challenge, or we may fail to obtain permits or licenses that may be deemed necessary for our operations, or we may not be able to obtain or renew certain permits or licenses. If we fail to maintain any of these required licenses or permits, we may be subject to various penalties, including fines and discontinuation of or restriction on our operations in China. Any such disruption in our business operations in China may have a material and adverse effect on our results of operations in China.

- New laws and regulations may be promulgated in China to regulate internet activities, including digital marketing. If these new laws and regulations are promulgated, additional licenses and/or cost of compliance may be required for our operations. If our operations are not in compliance with these new laws and regulations after they become effective, or if we fail to obtain any licenses required under these new laws and regulations, we could be subject to penalties or restrictions on our operations in China.

According to our PRC Counsel, Beijing Dacheng, our PRC subsidiaries are not required to obtain any other industry-specific qualification, license or permit, including an Internet Content Provider license, or ICP license, for carrying out our online advertising service business in China. Given that the interpretation and application of existing PRC laws, regulations and policies and possible new laws, regulations or policies relating to the internet industry have created substantial uncertainties regarding the legality of existing and future foreign investments in, and the businesses and activities of, internet-related businesses in China, including our business in China, there is no assurance that we have obtained all the permits or licenses required for conducting our business in China or will be able to maintain our existing licenses or obtain any new licenses required under any new laws or regulations. There is also no assurance that the PRC government will not classify our business as one requiring an ICP license or other licenses in the future. If new regulations in China classify our business as one requiring an ICP license or other licenses, we may be prevented from operating in China if we are unable to obtain the required licenses. If the change in classification of our business were to be retroactively applied, we might be subject to sanctions, including payment of taxes and fines. Any change in the PRC laws and regulations may therefore significantly disrupt our operations in China and materially and adversely affect our business, results of operations and financial conditions in China.

Non-compliance with laws and regulations on the part of any third parties with which we conduct business could expose us to legal expenses, compensations to third parties, penalties and disruption of our business, which may adversely affect our results of operations and financial performance.

Third parties with which we conduct business with may be subject to regulatory penalties or punishments because of their regulatory compliance failures or may be infringing upon other parties' legal rights, which may, directly or indirectly, disrupt our business. We cannot be certain whether such third party has violated any regulatory requirements or infringed or will infringe any other parties' legal rights, which could expose us to legal expenses, compensation to third parties, or compensation.

We, therefore, cannot rule out the possibility of incurring liabilities or suffering losses due to any non-compliance by third parties. There is no assurance that we will be able to identify irregularities or non-compliance in the business practices of third parties we conduct business with, or that such irregularities or non-compliance will be corrected in a prompt and proper manner. Any legal liabilities and regulatory actions affecting third parties involved in our business may affect our business activities and reputations, and may in turn affect our business, results of operations and financial performance.

Moreover, regulatory penalties or punishments against our business stakeholders (i.e., advertisers and media), even without resulting in any legal or regulatory implications upon us, may nonetheless cause business interruptions or even suspension of these business stakeholders of ours, and may result in abrupt changes in their business emphasis, such as changes in advertising and/or ad inventory offering strategies, any of which could disrupt our usual course of business with them and result in material negative impact on our business operations, results of operation and financial condition.

Regulation and censorship of information disseminated through the Internet in China may adversely affect our business in China, and we may be liable for content disseminated by us through the Internet.

The PRC government has enacted laws and regulations governing internet access and the distribution of products, services, news, information, audio-video programs and other content through the Internet. The PRC government has prohibited the dissemination of information through the Internet that it deems to be in violation of PRC laws and regulations. If any internet content disseminated by us is deemed by the PRC government to violate any content restrictions, we would not be able to continue to disseminate such content and could become subject to penalties, including confiscation of income, fines, suspension of business and revocation of licenses, which could materially and adversely affect our business, financial conditions and results of operations in China. We may also be subject to potential liability for any unlawful actions of our clients or for content we disseminate that is regarded as inappropriate.

We have implemented measures to ensure that our ad content does not violate these laws and regulations. After we receive the ad content from our advertisers, it is subject to a compliance review by our experienced employees. If we determine that the ad content does not violate any applicable laws and regulations, we will share such ad content with the relevant media for their internal review. If we determine that the ad content may be in violation of applicable laws or regulations, we will provide suggested edits to the ad content and send it back to the advertiser for revision. After both we and the media have determined that the ad content is in full compliance with applicable laws and regulations on information dissemination, we will confirm with the advertiser on its opinion with respect to the compliance prior to the deployment of the ad. Despite our efforts, we cannot assure you that we will be in full compliance with all applicable regulations on information dissemination. In addition, we have no control over and are not informed of the specific review standards applied by the advertisers or the media, and it may be difficult to determine the type of content that may result in liability to us. If we are found to be liable, we may be subject to penalties, fines, suspension of licenses, or revocation of licenses, which could materially and adversely affect our business, financial conditions and results of operations.

We are subject to, and may expend significant resources in defending against, government actions and civil claims in connection with false, fraudulent, misleading or otherwise illegal marketing content for which we provide agency services.

Under the Advertising Law of the PRC (《中华人民共和国广告法》) (the “Advertising Law”), where an advertising operator provides advertising design, production or agency services with respect to an advertisement when it knows or should have known that the advertisement is false, fraudulent, misleading or otherwise illegal, the competent PRC authority may confiscate the advertising operator’s advertising revenue from such services, impose penalties, order it to cease dissemination of such false, fraudulent, misleading or otherwise illegal advertisement or correct such advertisement, or suspend or revoke its business licenses under certain serious circumstances.

Under the Advertising Law, “advertising operators” include any natural person, legal person or other organization that provides advertising design, production or agency services to advertisers for their advertising activities. Since our service involve provision of agency services to advertisers, including helping them identify, engage and convert audiences, and create content catering to their potential audience across different media, we are deemed as an “advertising operator” under the PRC Advertising Law. Therefore, we are required to examine advertising content for which we provide advertising services for compliance with applicable laws, notwithstanding the fact that the advertising content may have been previously published, and that the advertisers also bear liabilities for the content in their advertisements.

In addition, for advertising content relating to certain types of products and services, such as pharmaceuticals and medical procedures, we are expected to confirm that the advertisers have obtained requisite government approvals, including operating qualifications, proof of quality inspection for the advertised products, government pre-approval of the content of the advertisements and filings with the local authorities.

Although we have established internal policies to review the advertising contents before they are distributed to ensure compliance with applicable laws, we cannot ensure that each advertisement for which we provide advertising services complies with all PRC laws and regulations relevant to advertising activities, that supporting documentation provided by our advertisers is authentic or complete, or that we are able to identify and rectify all non-compliances in a timely manner.

Moreover, civil claims may be filed against us for fraud, defamation, subversion, negligence, copyright or trademark infringement or other violations due to the nature and content of the information for which we provide agency services. For example, we generally represent and warrant in our contracts with media as to the truthfulness of the advertising content that we place on these media, and agree to indemnify the media for any losses resulting from false, fraudulent, misleading or otherwise illegal advertising content that we place on these media. In the event we are subject to government actions or civil claims in connection with false, fraudulent, misleading or otherwise illegal marketing content for which we provide agency services, our reputation, business and results of operations may be materially and adversely affected.

If we or our media clients sustain cyber-attacks or other privacy or data security incidents that result in security breaches, we could be subject to increased costs, liabilities, reputational harm or other negative consequences.

Our information technology may be subject to cyber-attacks, viruses, malicious software, break-ins, theft, computer hacking, phishing, employee error or malfeasance or other security breaches. Hackers and data thieves are increasingly sophisticated and operate large-scale and complex automatic hacks. Experienced computer programmer and hackers may be able to penetrate our security controls and misappropriate or compromise sensitive proprietary or confidential information, create system disruptions or cause shutdowns. They also may be able to develop and deploy malicious software programs that attack our systems or otherwise exploit any security vulnerabilities. Our systems and the data stored on those systems also may be vulnerable to security incidents or security attacks, acts of vandalism or theft, coordinated attacks by activist entities, misplaced or lost data, human errors, or other similar events that could negatively affect our systems and the data stored on or transmitted by those systems, including the data of our advertisers or our media clients. Further, third parties such as our media, could also be subject to similar risks of security breaches, which are out of our control. If any of our media experiences cyber-attacks and fail to publish advertisements as a result, we may be liable to our advertisers.

Although we take measures to protect sensitive data from unauthorized access, use or disclosure, our protective measures may not be effective and our information technology may still be vulnerable to attacks. In the event of such attacks, the costs to eliminate or address the foregoing security threats and vulnerability before or after a cyber-incident could potentially be significant. Our remediation efforts may not be successful and could result in interruptions or delays of services. As threats related to cyber-attacks develop and grow, we may also find it necessary to take further steps to protect our data and infrastructure, which could be costly and therefore impact our results of operations. In the event that we are unable to prevent, detect, and remediate the foregoing security threats and vulnerabilities in a timely manner, our operations could be interrupted or we could incur financial, legal or reputational losses arising from misappropriation, misuse, leakage, falsification or intentional or accidental release or loss of information maintained in our systems. The number and complexity of these threats continue to increase over time. Although we inspect our systems on a regular basis to prevent these events from occurring, the possibility of these events occurring cannot be eliminated entirely.

Any negative publicity about us, our services and our management may materially and adversely affect our reputation and business.

We may from time to time receive negative publicity about us, our management or our business. Certain of such negative publicity may be the result of malicious harassment or unfair competition acts by third parties. We may even be subject to government or regulatory investigation (including but not limited to those relating to advertising materials which are alleged to be illegal) as a result of such third-party conduct and may be required to spend significant time and incur substantial costs to defend ourselves against such third-party conduct, and we may not be able to conclusively refute each of the allegations within a reasonable period of time, or at all. Harm to our reputation and confidence of advertisers and media can also arise for other reasons, including misconduct of our employees or any third-party business partners whom we conduct business with. Our reputation may be materially and adversely affected as a result of any negative publicity, which in turn may cause us to lose market share, advertising customers, industry partners, and other business partnerships.

If we fail to manage our growth or execute our strategies and future plans effectively, we may not be able to take advantage of market opportunities or meet the demands of our advertisers.

We expect our business to grow in terms of the scale and diversity of operations in the long run, along with steady development in terms of advertiser base and media relationships. Any such growth and development will increase the complexity of our operations and may cause strain on our managerial, operational and financial resources. We must continue to hire, train and effectively manage new employees. If our new hires perform poorly or if we are unsuccessful in hiring, training, managing and integrating new employees, our business, financial condition and results of operations may be materially harmed. Our expansion will also require us to maintain the consistency of our service offerings to ensure that our market reputation does not suffer as a result of any deviations, whether actual or perceived, in the quality of our services.

Our future results of operations also depend largely on our ability to execute our future plans successfully. In particular, our continued growth may subject us to the following additional challenges and constraints:

- we face challenges in ensuring the productivity of a large employee base and recruiting, training and retaining highly skilled personnel, including areas of sales and marketing, advertising concepts, optimization skills, media management and information technology for our growing operations;

- we face challenges in responding to evolving industry standards and government regulation that impact our business and the online advertising industry in general, particularly in the areas of content dissemination;

- we may have limited experience for certain new service offerings, and our expansion into these new service offerings may not achieve broad acceptance among advertisers;

- the technological or operational challenges may arise from the new services;

- the execution of the future plan will be subject to the availability of funds to support the relevant capital investment and expenditures; and

- the successful execution of our strategies may depend upon factors beyond our control, such as general market conditions, economic and political development in China and globally.

All of these endeavors involve risks and will require significant management, financial and human resources. We cannot assure you that we will be able to effectively manage our growth or to implement our strategies successfully. Besides, there is no assurance that the investment to be made by us as contemplated under our future plans will be successful and generate the expected return. If we are not able to manage our growth or execute our strategies effectively, or at all, our business, results of operations and prospects may be materially and adversely affected.

We may not be able to obtain the additional capital we need in a timely manner or on acceptable terms, or at all.

Although we believe that our anticipated cash flows from operating activities, together with cash on hand and short-term or long-term borrowings, will be sufficient to meet our anticipated working capital requirements and capital expenditures in the ordinary course of business for the next twelve months, there is no assurance that further on we would not have needs for additional capital and cash resources for our growth and expansion plan. We may also need additional cash resources in the future if we find and wish to pursue opportunities for investment, acquisition, capital expenditure or similar actions. If we determine that our cash requirements exceed the amount of cash and cash equivalents we have on hand at the time, we may seek to issue equity or debt securities or obtain credit facilities. The issuance and sale of additional equity would result in further dilution to our shareholders. The incurrence of indebtedness would result in increased fixed obligations and could result in the required compliance with operating covenants that could restrict our operations. We cannot assure you that additional financing will be available in amounts or on terms acceptable to us, if at all.

Seasonal fluctuations in advertising activities could have a material impact on our revenues, cash flow and operating results.

Our revenues, cash flow, operating results and other key operating and performance metrics may vary from quarter to quarter due to the seasonal nature of our advertisers' budgets and spending on advertising campaigns. For example, advertising spend tends to rise in holiday seasons with consumer holiday spending, or closer to end-of-year in fulfilment of their annual advertising budgets, which may lead to the increase in our revenues and cash flow. Moreover, advertising inventory in holiday seasons may be more expensive due to increased demand for advertising inventory. While our historical revenues growth may have, to some extent, masked the impact of seasonality, but if our growth rate declines or seasonal spending becomes more pronounced, seasonality could have a material impact on our revenues, cash flow and operating results from period to period.

If we fail to attract, recruit or retain our key personnel including our executive officers, senior management and key employees, our ongoing operations and growth could be affected.

Our success depends to a large extent on the efforts of our key personnel including our executive officers, senior management and other key employees who have valuable experience, knowledge and connection in the online advertising industry. There is no assurance that these key personnel will not voluntarily terminate their employment with us. The loss of any of our key personnel could be detrimental to our ongoing operations. Our success will also depend on our ability to attract and retain qualified personnel in order to manage our existing operations as well as our future growth. We may not be able to successfully attract, recruit or retain key personnel and this could adversely impact our growth. Moreover, we rely on our sales and marketing team to source new advertisers for our business growth. We have three (3) sales and marketing personnel in total as of the date of this annual report, who are responsible for pitching and soliciting advertisers to place ads with our media. If we are unable to attract, retain and motivate our sales and marketing personnel, our business may be adversely affected.

Unauthorized use of our intellectual property by third parties and expenses incurred in protecting our intellectual property rights may adversely affect our business, reputation and competitive edge.

We regard our software copyrights, trademarks, domain names and similar intellectual property as important to our success, and we rely on a combination of intellectual property laws and contractual arrangements, including confidentiality and non-compete agreements with our employees and others to protect our proprietary rights. For details, please refer to "Item 4. Information on the Company — B. Business Overview — Intellectual property."

Despite these measures, any of our intellectual property rights could be challenged, invalidated, circumvented or misappropriated, or such intellectual property may not be sufficient to provide us with competitive advantages. It may be difficult to maintain and enforce intellectual property rights in China. Statutory laws and regulations are subject to judicial interpretation and enforcement and may not be applied consistently. Confidentiality, invention assignment and non-compete agreements may be breached by counterparties, and there may not be adequate remedies available to us for any such breach. Accordingly, we may not be able to effectively protect our intellectual property rights or to enforce our contractual rights in all jurisdictions.

Preventing any unauthorized use of our intellectual property is difficult and costly and the steps we take may be inadequate to prevent the misappropriation of our intellectual property. In the event that we resort to litigation to enforce our intellectual property rights, such litigation could result in substantial costs and a diversion of our managerial and financial resources. We can provide no assurance that we will prevail in such litigation.

In addition, our trade secrets may be leaked or otherwise become available to, or be independently discovered by, our competitors. To the extent that our employees use intellectual property owned by others in their work for us, disputes may arise as to the rights in related know-how and inventions. Any failure in protecting or enforcing our intellectual property rights could have a material adverse effect on our business, reputation and competitive edge.

Third parties may claim that we infringe their proprietary intellectual property rights, which could cause us to incur significant legal expenses and prevent us from promoting our services.

We cannot be certain that our operations or any aspects of our business do not or will not infringe upon or otherwise violate trademarks, patents, copyrights, know-how or other intellectual property rights held by third parties. We may be from time to time in the future subject to legal proceedings and claims relating to the intellectual property rights of others. In addition, there may be third-party trademarks, patents, copyrights, know-how or other intellectual property rights that are infringed by our products, services or other aspects of our business without our awareness. Holders of such intellectual property rights may seek to enforce such intellectual property rights against us in various jurisdictions.

If any third-party infringement claims are brought against us, we may be forced to divert management's time and other resources from our business and operations to defend against these claims, regardless of their merits. Additionally, the application and interpretation of intellectual property right laws and the procedures and standards for granting trademarks, patents, copyrights, know-how or other intellectual property rights are evolving and may be uncertain, and we cannot assure you that courts or regulatory authorities would agree with our analysis.

If we were found to have violated the intellectual property rights of others, we may be subject to liability for our infringement activities or may be prohibited from using such intellectual property, and we may incur licensing fees or be forced to develop alternatives of our own. As a result, our business and financial performance may be materially and adversely affected.

We may not have sufficient insurance coverage to cover our potential liability or losses and as a result, our business, financial condition, results of operations and prospects may be materially and adversely affected should any such liability or losses arise.

We face various risks in connection with our business and may lack adequate insurance coverage or have no relevant insurance coverage. Further, insurance companies in China offer limited business insurance products to online advertising service providers and do not currently offer as extensive an array of insurance products as insurance companies in other more developed economies. We currently do not have any business liability or disruption insurance to cover our operations. We have determined that the costs of insuring against these risks and the difficulties associated with acquiring such insurances on commercially reasonable terms render these coverage categories of insurance impractical for our business and purposes. Any uninsured business disruptions may result in our incurring substantial costs and the diversion of resources, which could have an adverse effect on our business and results of operations.

Legal claims, government investigations or other regulatory enforcement actions could subject us to civil and criminal penalties.

We operate in the online advertising industry in China with constantly evolving legal and regulatory frameworks. Our operations are subject to various laws and regulations, including but not limited to those related to advertising, employee benefits (such as social insurance and housing funds), taxation, and the use of properties. Consequently, we are subject to risks of legal claims, government investigations or other regulatory enforcement actions. Although we have implemented policies and procedures designed to ensure compliance with existing laws and regulations, there can be no assurance that our employees or agents will not violate our policies and procedures. Moreover, a failure to maintain effective control processes could lead to violations, unintentional or otherwise, of laws and regulations. Legal claims, government investigations or regulatory enforcement actions arising out of our failure or alleged failure to comply with applicable laws and regulations could subject us to civil and criminal penalties that could materially and adversely affect our product sales, reputation, financial condition and operating results. In addition, the costs and other effects of defending potential and pending litigation and administrative actions against us may be difficult to determine and could adversely affect our financial condition and operating results.

We have identified material weaknesses in our internal control over financial reporting. If we fail to develop and maintain an effective system of internal control over financial reporting, we may be unable to accurately report our financial results or prevent fraud.

We have identified "material weaknesses" and other control deficiencies including significant deficiencies in our internal control over financial reporting. As defined in the standards established by the Public Company Accounting Oversight Board of the United States, or PCAOB, a "material weakness" is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis.

One material weakness that has been identified related to our lack of sufficient financial reporting and accounting personnel with appropriate knowledge of the generally accepted accounting principles in the United States ("U.S. GAAP") and SEC reporting requirements to properly address complex U.S. GAAP accounting issues and to prepare and review our consolidated financial statements and related disclosures to fulfill U.S. GAAP and SEC financial reporting requirements. The other material weakness that has been identified related to our lack of comprehensive accounting policies and procedures manual in accordance with U.S. GAAP. We plan to implement a number of measures to address the material weaknesses, including but not limited to, engaging experienced accounting staff to assist us in establishing appropriate policies and procedures in accordance with U.S. GAAP.

While we remain an emerging growth company, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. Our independent registered public accounting firm didn't undertake a comprehensive assessment of our internal control for purposes of identifying and reporting material weaknesses and other control deficiencies in our internal control over financial reporting. Had our independent registered public accounting firm performed an audit of our internal control over financial reporting, additional deficiencies may have been identified.

We have become a public company in the United States subject to the Sarbanes-Oxley Act of 2002. Section 404 of the Sarbanes-Oxley Act, or Section 404, requires that we include a report from management on the effectiveness of our internal control over financial reporting in our annual report on Form 20-F.

During the course of documenting and testing our internal control procedures, in order to satisfy the requirements of Section 404, we may identify other weaknesses and deficiencies in our internal control over financial reporting. If we fail to achieve and maintain an effective internal control environment, we could suffer material misstatements in our financial statements and fail to meet our reporting obligations, which would likely cause investors to lose confidence in our reported financial information. This could in turn limit our access to capital markets, harm our results of operations, and lead to a decline in the trading price of our Ordinary Shares. Additionally, ineffective internal control over financial reporting could expose us to increased risk of fraud or misuse of corporate assets and subject us to potential delisting from the stock exchange on which we list, regulatory investigations and civil or criminal sanctions. We may also be required to restate our financial statements from prior periods.

We face risks related to natural disasters and health epidemics.

Our business could be materially and adversely affected by natural disasters, health epidemics or other public safety concerns. Natural disasters may give rise to server interruptions, breakdowns, system failures, technology platform failures or internet failures, which could cause the loss or corruption of data or malfunctions of software or hardware as well as adversely affect our ability to operate our platform and provide services. In recent years, there have been outbreaks in China and globally, such as the COVID-19, H1N1 flu, avian flu and other epidemics. Our business could also be adversely affected if our employees are affected by health epidemics. In addition, our results of operations could be adversely affected to the extent that any health epidemic harms the national economy in general. Our headquarters is located in Beijing, where most of our management and employees currently reside. Consequently, if any natural disasters, health epidemics or other public safety concerns were to affect Beijing or other cities in our other offices are located, our operation may experience material disruptions, which may materially and adversely affect our business, financial condition and results of operations.

The ongoing effects of COVID-19 in China may have a material adverse effect on our business.

The economic downturn caused by the COVID-19 pandemic has adversely affected the Company's ability to collect accounts receivable from its customers. As a result, in 2025, the Company recorded a full provision for bad debt related to these uncollected receivables. While COVID-19 no longer directly impacts our operations in 2025, the resulting increase in bad debt may affect the Company's income statement. There can be no assurance that similar economic disruptions or delays in receivables collection will not occur in the future, which could negatively impact the Company's financial condition and results of operations.

Risks Related to Doing Business in China

Adverse changes in political and economic policies of the PRC government could have a material adverse effect on the overall economic growth of the PRC, which could reduce the demand for our products and materially and adversely affect our competitive position.

All of our business operations are conducted in China though our subsidiaries. Accordingly, our business, results of operations, financial condition and prospects are subject to economic, political and legal developments in China. Although the Chinese economy is no longer a planned economy, the PRC government continues to exercise significant control over China's economic growth through direct allocation of resources, monetary and tax policies, and a host of other government policies such as those that encourage or restrict investment in certain industries by foreign investors, control the exchange between RMB and foreign currencies, and regulate the growth of the general or specific market. These government involvements have been instrumental in China's significant growth in the past 40 years. If the PRC government's current or future policies fail to help the Chinese economy achieve further growth or if any aspect of the PRC government's policies limits the growth of our industry or otherwise negatively affects our business, our growth rate or strategy, our results of operations could be adversely affected as a result.

Uncertainties regarding interpretation and enforcement of the laws, rules and regulations in China may impose adverse impact on our business, operations and profitability.

We conduct our business through our subsidiaries in China. Our operations in China are governed by PRC laws and regulations. Our PRC subsidiaries are generally subject to laws and regulations applicable to foreign investments in China and, in particular, laws and regulations applicable to wholly foreign-owned enterprises. The PRC legal system is based on statutes. Prior court decisions may be cited for reference but have limited precedential value.

Since 1979, PRC legislation and regulations have significantly enhanced the protections afforded to various forms of foreign investments in China. However, China has not developed a fully integrated legal system and recently enacted laws and regulations may not sufficiently cover all aspects of economic activities in China. Because these laws and regulations are relatively new, and because of the limited volume of published decisions and their nonbinding nature, the interpretation and enforcement of these laws and regulations involve uncertainties. In addition, the PRC legal system is based in part on government policies and internal rules (some of which are not published on a timely basis or at all) that may have a retroactive effect. As a result, we may not be aware of our violation of these policies and rules until sometime after the violation. In addition, any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention.

PRC regulation of loans and direct investment by offshore holding companies to PRC entities may delay or prevent us from using the proceeds of our future offerings to make loans or additional capital contributions to our PRC subsidiaries, which could materially and adversely affect our liquidity and our ability to fund and expand our business.

Changes in the policies, regulations, rules, and the enforcement of laws of the PRC government may be quick with little advance notice and could have a significant impact upon our ability to operate profitably in the PRC.

We currently conduct all of our operations, and all of our revenue is generated in the PRC. Accordingly, economic, political, and legal developments in the PRC will significantly affect our business, financial condition, results of operations, and prospects. Policies, regulations, rules, and the enforcement of laws of the PRC government can have significant effects on economic conditions in the PRC and the ability of businesses to operate profitably. Our ability to operate profitably in the PRC may be adversely affected by changes in policies, regulations, rules, and the enforcement of laws by the PRC government, which changes may be quick with little advance notice.

The Chinese government exerts substantial influence over the manner in which we must conduct our business, and may intervene or influence our operations at any time, or may exert more control over offerings conducted overseas and/or foreign investment in China-based issuers, which could result in a material change in our operations, significantly limit or completely hinder our ability to offer or continue to offer securities to investors and, and cause the value of our Ordinary Shares to significantly decline or be worthless.

The Chinese government has exercised and continues to exercise substantial control over virtually every sector of the Chinese economy through regulation and state ownership and may intervene with or control our operations as the government deems appropriate to further regulatory, political and societal goals. The PRC government has recently published new policies that significantly affected certain industries, such as the cryptocurrency industry and the education industry. Even though as of the date of this annual report, we have not been affected by any newly published policies concerning our industry or our business operations that have limited or may limit our business operations to a significant degree, to the extent that the PRC government publishes any policies in the future that concern and affect the advertising industry that our subsidiaries operate in, the ability of our PRC subsidiaries to continue operating their business or serving their customers in China may be severely restricted. We cannot assure you that government authorities in China will not introduce any enhanced regulation over the industry our PRC subsidiaries operate in that may lead to our inability to operate in China at all. Additionally, our ability to operate in China may also be harmed by changes in its laws and regulations, including those relating to taxation, environmental regulations, land use rights, property and other matters. The central or local governments of these jurisdictions may impose new, stricter regulations or interpretations of existing regulations that would require additional expenditures and efforts on our part to ensure our compliance with such regulations or interpretations. Accordingly, government actions in the future, including any decision not to continue to support recent economic reforms and to return to a more centrally planned economy or regional or local variations in the implementation of economic policies, could have a significant effect on economic conditions in China or particular regions thereof, and could require us to divest ourselves of any interest we then hold in Chinese properties. In any of these events, our PRC subsidiaries' ability to continue their operations may be significantly impacted, and the value of our Ordinary Shares may significantly decline or become worthless.

Furthermore, the PRC government has recently indicated an intent to exert more oversight and control over overseas securities offerings and other capital markets activities and foreign investment in China-based companies like us. Recent statements made by the Chinese government have indicated an intent to increase the government's oversight and control over offerings of companies with significant operations in the PRC that are to be conducted in foreign markets, as well as foreign investment in China-based issuers. On February 17, 2023, the China Securities Regulatory Commission (the "CSRC") released the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (the "Trial Measures"), (《境内企业境外发行证券和上市管理试行办法》) and five supporting guidelines (collectively, the "Overseas Listings Rules"), which took effect on March 31, 2023. On the same date of the issuance of the Overseas Listings Rules, the CSRC circulated No.1 to No.5 Supporting Guidance Rules, the Notes on the Overseas Listings Rules, the Notice on Administration Arrangements for the Filing of Overseas Listings by Domestic Enterprises and the relevant CSRC Answers to Reporter Questions on the official website of CSRC, or collectively, the Guidance Rules and Notice.

The Overseas Listing Rules aim to lay out the filing regulation arrangement for both direct and indirect overseas listing and clarify the determination criteria for indirect overseas listing in overseas markers. Where an enterprise whose principal business activities are conducted in the PRC seeks to issue and list its shares in the name of an overseas enterprise based on equity, assets, income, or other similar rights and interests of the relevant domestic enterprise in the PRC, such activities are deemed an indirect overseas issuance and listing. According to the Overseas Listings Rules, after the submission of relevant application for initial public offerings or listings in overseas markets, or after the completion of subsequent securities offerings of an issuer in the same overseas market where it has previously offered and listed, or after the submission of relevant application for subsequent securities offerings and listings of an issuer in other overseas markets than where it has offered and listed, all China-based companies shall file the required filing materials with the CSRC within three working days. In addition, overseas offerings and listings will be prohibited for such China-based companies when any of the following applies: (i) where such securities offerings and listings are explicitly prohibited by the PRC laws and regulations; (ii) where the intended securities offerings and listings may endanger national security as reviewed and determined by competent authorities under the State Council in accordance with laws; (iii) where the domestic company intending to make the securities offering and listing, or its controlling shareholders and the actual controller, have committed crimes such as corruption, bribery, embezzlement, misappropriation of property or undermining the order of the socialist market economy during the latest three years; (iv) where the domestic company intending to make the securities offering and listing is suspected of committing crimes or major violations of laws and regulations, and is under investigation according to law, and no conclusion has yet been made thereof; (v) where there are material ownership disputes over equity held by the domestic company's controlling shareholder or by other shareholders that are controlled by the controlling shareholder and/or actual controller. The Trial Measures further stipulate that a fine between RMB1 million (approximately $157,255) and RMB10 million (approximately $1,572,550) may be imposed if an applicant fails to fulfill the filing requirements with the CSRC or conducts an overseas offering or listing in violation of the Overseas Listings Rules.

Under the Overseas Listings Rules and the Guidance Rules and Notice, domestic companies conducting overseas securities offering and listing activities, either in direct or indirect form, shall complete filing procedures with the CSRC pursuant to the requirements of the Trial Measures within three working days following their submissions of initial public offerings or listing applications. The companies that have already been listed on overseas stock exchanges or have obtained the approval from overseas supervision administrations or stock exchanges for their offerings and listings and will complete their overseas offering and listing prior to September 30, 2023 are not required to make immediate filings for its listing yet but need to make filings for subsequent offerings in accordance with the Overseas Listings Rules. The companies that have already submitted an application for an initial public offering to overseas supervision administrations prior to the effective date of the Overseas Listings Rules but have not yet obtained the approval from overseas supervision administrations or stock exchanges for the offering and listing may arrange for the filing within a reasonable time period and should complete the filing procedure before such companies' overseas issuance and listing.

As of the date of this annual report, we have not received any formal inquiry, notice, warning, sanction, or any regulatory objection from the CSRC with respect to our listing or subsequent offerings. However, if we decide to conduct offerings in the future, we will be required to complete filings under the Overseas Listings Rules with the CSRC. As the Overseas Listings Rules were newly published and there exists uncertainty with respect to the filing requirements and its implementation, if we are required to submit to the CSRC and complete the filing procedure of our subsequent overseas public offerings, we cannot be sure that we will be able to complete such filings in a timely manner. Any failure or perceived failure by us to comply with such filing requirements under the Overseas Listings Rules may result in forced corrections, warnings and fines against us and could materially hinder our ability to offer or continue to offer our securities.

Notwithstanding the above, our PRC counsel, Beijing Dacheng, has further advised us that uncertainties still exist as to whether we, our subsidiaries, or any of its subsidiaries are required to obtain permissions from the CAC, the CSRC, or any other governmental agency that is required to approve our operations and/or consequent offerings. We have been closely monitoring the development in the regulatory landscape in the PRC, particularly regarding the requirement of approvals, including on a retrospective basis, from the CAC, the CSRC, or other PRC authorities with respect to this offering, as well as other procedures that may be imposed on us. In the event that we, our subsidiaries, or any of its subsidiaries are subject to the compliance requirements, we cannot assure you that any of these entities will be able to receive clearance of such compliance requirements in a timely manner, or at all. Any failure of our Company, our subsidiaries, or any of its subsidiaries to fully comply with new regulatory requirements may subject us to regulatory actions, such as fines, relevant businesses or operations suspension for rectification, revocation of relevant business permits or operational license, or other sanctions, which may significantly limit or completely hinder our ability to offer or continue to offer our securities cause significant disruption to our business operations, severely damage our reputation, materially and adversely affect our financial condition and results of operations and cause our securities to significantly decline in value or become worthless.

Recent greater oversight by the Cyberspace Administration of China, or the CAC over data security, particularly for companies seeking to list on a foreign exchange, could adversely impact our business and our offering.

On July 7, 2022, the CAC published the Measures for the Security Assessment of Outbound Data Transfer (《数据出境安全评估办法》), which took effect on September 1, 2022. The measures apply to the security assessment of important data and personal information collected and generated during operation within the territory of the People's Republic of China and transferred abroad by a data handler. According to the Measures, if a data processor transfers data abroad under any of the following circumstances, it shall file to the State Cyberspace Administration for security assessment via the Province Cyberspace Administration: (i) a data handler who transfers important data to abroad; (ii) a critical information infrastructure operator, or a data handler processing the personal information of more than 1 million individuals transfers personal information to abroad; (iii) since January 1 of the previous year, a data handler cumulatively transferred abroad the personal information of more than 100,000 individuals, or the sensitive personal information of more than 10,000 individuals, or; (iv) other circumstances where the security assessment for the outbound data transfer is required by the State Cyberspace Administration.

On December 28, 2021, the CAC and other relevant PRC governmental authorities jointly promulgated the Cybersecurity Review Measures Transfer (《网络安全审查办法》), which took effect on February 15, 2022. The Cybersecurity Review Measures provide that, in addition to "critical information infrastructure operators" (CIIOs) that intend to purchase Internet products and services, online platform operators engaging in data processing activities that affect or may affect national security must be subject to cybersecurity review by the Cybersecurity Review Office of the PRC. According to the Cybersecurity Review Measures, a cybersecurity review assesses potential national security risks that may be brought about by any procurement, data processing, or overseas listing. The Cybersecurity Review Measures require that an online platform operator which possesses the personal information of at least one million users must apply for a cybersecurity review by the CAC if it intends to be listed in foreign countries.

On September 24, 2024, the State Council of the PRC promulgated the Regulation on Network Data Security Management, (《网络数据安全管理条例》). The Regulations provides that data processors refer to individuals or organizations that autonomously determine the purpose and the manner of processing data. If a data processor that processes the personal data of more than one million users intends to list overseas, it shall apply for a cybersecurity review. In addition, data processors that process important data or are listed overseas shall carry out an annual data security assessment on their own or by engaging a data security services institution, and the data security assessment report for the prior year should be submitted to the local cyberspace affairs administration department before January 31 of each year.

As advised by our PRC counsel, Beijing Dacheng, based on our aforementioned business operation, we are not a CIIO nor an internet platform operator as mentioned above. However, it remains unclear on how the relevant laws and regulations will be interpreted, amended and implemented by the relevant PRC governmental authorities. If the implementation of the Cybersecurity Review Measures (2021 version), the Measures for the Security Assessment of Outbound Data Transfer, and/or the Regulation on Network Data Security Management mandates clearance of cybersecurity review and other specific actions to be completed by companies like us, we will face uncertainties as to whether such clearance can be timely obtained, or at all.

As of the date of this annual report, we do not expect that the current PRC laws on cybersecurity or data security would have a material adverse impact on our business operations. However, as uncertainties remain regarding the interpretation and implementation of these laws and regulations, we cannot assure you that we will comply with such regulations in all respects, and we may be ordered to rectify or terminate any actions that are deemed illegal by regulatory authorities. We may also become subject to fines and/or other sanctions and the costs of compliance with, and other burdens imposed by such laws and regulations may limit the use and adoption of our products, which may have material adverse effects on our business, operations, and financial condition.

The Opinions on Severely Cracking Down on Illegal Securities Activities According to Law recently issued by the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council may subject us to additional compliance requirement in the future.

Recently, the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council jointly issued the Opinions on Severely Cracking Down on Illegal Securities Activities According to Law (《关于依法从严打击证券违法活动的意见》), or the Opinions, which were made available to the public on July 6, 2021. The Opinions emphasized the need to strengthen the administration over illegal securities activities and the supervision on overseas listings by China-based companies. These opinions proposed to take effective measures, such as promoting the construction of relevant regulatory systems, to deal with the risks and incidents facing China-based overseas-listed companies and the demand for cybersecurity and data privacy protection. The aforementioned policies and any related implementation rules to be enacted may subject us to additional compliance requirements in the future that may be onerous. As the Opinions were recently issued, official guidance and interpretation of the Opinions remain unclear in several respects at this time. Therefore, we cannot assure you that we will remain fully compliant with all new regulatory requirements of the Opinions or any future implementation rules on a timely basis, or at all.

Labor Contract Law and other labor-related laws in the PRC may adversely affect our business and our results of operations.

On December 28, 2012, the PRC government released the revision of the Labor Contract Law of the PRC (《中华人民共和国劳动合同法》), which became effective on July 1, 2013. Pursuant to the Labor Contract Law of the PRC, employers are subject to stricter requirements in terms of signing labor contracts, minimum wages, paying remuneration, determining the term of employees' probation and unilaterally terminating labor contracts. In the event that we decide to terminate some of our employees or otherwise change our employment or labor practices, the Labor Contract Law of the PRC and its implementation rules may limit our ability to effect those changes in a desirable or cost-effective manner, which could adversely affect our business and results of operations. According to the PRC Social Insurance Law (《中华人民共和国社会保险法》), employees must participate in pension insurance, work-related injury insurance, medical insurance, unemployment insurance and maternity insurance and the employers must, together with their employees or separately, pay the social insurance premiums for such employees.

As of the date of this annual report, we are in compliance with labor-related laws and regulations in China in material aspects, including those relating to obligations to make social insurance payments and contribute to the housing provident fund. From July 2018 to March 2019, we had not made adequate contributions to social insurance and other employee benefits for our employees. We have recorded accruals for the estimated amount of underpayment in our financial statements. Pursuant to the PRC Social Insurance Law, if an employer fails to make full and timely contributions to social insurance, the relevant enforcement agency shall order the employer to make all outstanding contributions within five days of such order and impose penalties equal to 0.05% of the total outstanding amount for each additional day such contributions are overdue. If the employer fails to make all outstanding contributions within five days of such order, the relevant enforcement agency may impose penalties equal to one to three times the amount overdue. We estimate the amount of outstanding contributions from July 2018 to December 2018 to be approximately $0.1 million, and the amount of outstanding contributions from January 2019 to March 2019 to be approximately $0.09 million.

Ms. Wenxiu Zhong, our founder, through a guarantee letter dated April 29, 2020 (the "Guarantee Letter"), promised to unconditionally, irrevocably and personally bear any and all the economic losses and expenses actually incurred by our Company if we are subject to any payment or penalty in relation to our outstanding social insurance contributions from July 2018 to April 2019.

As of the date of this annual report, we have not received any notice from relevant government authorities or any claim or request from our employees in this regard. However, we cannot assure you that the relevant government authorities will not require us to pay the outstanding amount and impose late fees or fines on us. If we are otherwise subject to investigations related to non-compliance with labor laws and are imposed severe penalties or incur significant legal fees in connection with labor disputes or investigations, our business, financial condition and results of operations may be adversely affected.

As the interpretation and implementation of labor-related laws and regulations are still evolving, we cannot assure you that our employment practices will not violate PRC labor-related laws and regulations in the future, which may subject us to labor disputes or government investigations. We cannot assure you that we will be able to comply with all labor-related law and regulations regarding including those relating to obligations to make social insurance payments and contribute to the housing provident fund. If we are deemed to violate relevant labor laws and regulations, we could be required to provide additional compensation to our employees and our business, financial condition and results of operations will be adversely affected.

Under the Enterprise Income Tax Law, we may be classified as a "Resident Enterprise" of China. Such classification will likely result in unfavorable tax consequences to us and our non-PRC shareholders.

Under the EIT Law, an enterprise established outside of China with "de facto management bodies" within China is considered a "resident enterprise", meaning that it can be subject to an EIT rate of 25.0% on its global income. In April 2009, the State Administration of Taxation ("SAT") promulgated a circular, known as Circular 82, and partially amended by Circular 9 promulgated in January 2014, to clarify the certain criteria for the determination of the "de facto management bodies" for foreign enterprises controlled by PRC enterprises or PRC enterprise groups. Under Circular 82, a foreign enterprise is considered a PRC resident enterprise if all of the following apply: (1) the senior management and core management departments in charge of daily operations are located mainly within China; (2) decisions relating to the enterprise's financial and human resource matters are made or subject to approval by organizations or personnel in China; (3) the enterprise's primary assets, accounting books and records, company seals, and board and shareholders' meeting minutes are located or maintained in China; and (4) 50.0% or more of voting board members or senior executives of the enterprise habitually reside in China. Further to Circular 82, SAT issued a bulletin, known as Bulletin 45, effective in September 2011 and amended on 1 June 2015 and 1 October 2016 to provide more guidance on the implementation of Circular 82 and clarify the reporting and filing obligations of such "Chinese controlled offshore incorporated resident enterprises." Bulletin 45 provides for, among other matters, procedures for the determination of resident status and administration of post-determination matters. Although Circular 82 and Bulletin 45 explicitly provide that the above standards apply to enterprises that are registered outside China and controlled by PRC enterprises or PRC enterprise groups, Circular 82 may reflect SAT's criteria for determining the tax residence of foreign enterprises in general.

If the PRC tax authorities determine that we are a "resident enterprise" for PRC enterprise income tax purposes, a number of unfavorable PRC tax consequences could follow. First, we may be subject to the enterprise income tax at a rate of 25% on our worldwide taxable income as well as PRC enterprise income tax reporting obligations. In our case, this would mean that income such as non-China source income would be subject to PRC enterprise income tax at a rate of 25%. Currently, we do not have any non-China source income, as we conduct our business operations in China. Second, under the EIT Law and its implementing rules, dividends paid to us from our PRC subsidiaries would be deemed as "qualified investment income between resident enterprises" and therefore qualify as "tax-exempt income" pursuant to the clause 26 of the EIT Law. Finally, it is possible that future guidance issued with respect to the new "resident enterprise" classification could result in a situation in which the dividends we pay with respect to our Ordinary Shares, or the gain our non-PRC shareholders may realize from the transfer of our Ordinary Shares, may be treated as PRC-sourced income and may therefore be subject to a 10% PRC withholding tax. The EIT Law and its implementing regulations are, however, relatively new and ambiguities exist with respect to the interpretation and identification of PRC-sourced income, and the application and assessment of withholding taxes. If we are required under the EIT Law and its implementing regulations to withhold PRC income tax on dividends payable to our non-PRC shareholders, or if non-PRC shareholders are required to pay PRC income tax on gains on the transfer of their Ordinary Shares, our business could be negatively impacted and the value of your investment may be materially reduced. Further, if we were treated as a "resident enterprise" by PRC tax authorities, we would be subject to taxation in both China and such countries in which we have taxable income, and our PRC tax may not be creditable against such other taxes.

You may be subject to PRC income tax on dividends from us or on any gain realized on the transfer of our Ordinary Shares.

Under the EIT Law and its implementation rules, subject to any applicable tax treaty or similar arrangement between the PRC and your jurisdiction of residence that provides for a different income tax arrangement, PRC withholding tax at the rate of 10.0% is normally applicable to dividends from PRC sources payable to investors that are non-PRC resident enterprises, which do not have an establishment or place of business in China, or which have such establishment or place of business if the relevant income is not effectively connected with the establishment or place of business. Any gain realized on the transfer of shares by such investors is subject to 10.0% PRC income tax if such gain is regarded as income derived from sources within China unless a treaty or similar arrangement otherwise provides. Under the Individual Income Tax Law of the PRC (《中华人民共和国个人所得税法》) and its implementation rules, dividends from sources within China paid to foreign individual investors who are not PRC residents are generally subject to a PRC withholding tax at a rate of 20% and gains from PRC sources realized by such investors on the transfer of shares are generally subject to 20% PRC income tax, in each case, subject to any reduction or exemption set forth in applicable tax treaties and PRC laws.

There is a risk that we will be treated by the PRC tax authorities as a PRC tax resident enterprise. In that case, any dividends we pay to our shareholders may be regarded as income derived from sources within China and we may be required to withhold a 10.0% PRC withholding tax for the dividends we pay to our investors who are non-PRC corporate shareholders, or a 20.0% withholding tax for the dividends we pay to our investors who are non-PRC individual shareholders, including the holders of our Ordinary Shares. In addition, our non-PRC shareholders may be subject to PRC tax on gains realized on the sale or other disposition of our Ordinary Shares, if such income is treated as sourced from within China. It is unclear whether our non-PRC shareholders would be able to claim the benefits of any tax treaties between their tax residence and China in the event that we are considered as a PRC resident enterprise. If PRC income tax is imposed on gains realized through the transfer of our Ordinary Shares or on dividends paid to our non-resident investors, the value of your investment in our Ordinary Shares may be materially and adversely affected. Furthermore, our shareholders whose jurisdictions of residence have tax treaties or arrangements with China may not qualify for benefits under such tax treaties or arrangements.

PRC regulation of loans to PRC entities by offshore holding companies and governmental control of currency conversion may delay or prevent us from using proceeds from our future financing activities to make loans to our PRC operating subsidiaries, which might adversely affect our liquidity and our ability to fund and expand our business.

Any foreign loan provided by us to our PRC operating subsidiaries is required to be registered or filed with the State Administration of Foreign Exchange, or SAFE, or the authorized local banks, and our PRC operating subsidiaries may not procure foreign loans which exceed the difference between its total investment amount and registered capital (the “Current Foreign Debt Mechanism”) or, as an alternative, only procure loans subject to the calculation approach and limitations as provided in the People’s Bank of China (“PBOC”) Circular on Matters concerning the Macro-Prudential Management of Full-Covered Cross-Border Financing (银发〔2017〕9号《中国人民银行关于全口径跨境融资宏观审慎管理有关事宜的通知》), or “PBOC Notice No. 9” (the “PBOC Notice No. 9 Mechanism”), which shall not exceed 200% of the net asset of the relevant PRC operating subsidiary. According to PBOC Notice No. 9, after a transition period of one year since its promulgation, PBOC and SAFE will determine the cross-border financing administration mechanism for the foreign-invested enterprises after evaluating the overall implementation of PBOC Notice No. 9. On March 11, 2020, Notice of PBOC and SAFE on the Adjustment of Macro-Prudential Adjustment Parameters for Full-Covered Cross-border Financing was issued, according to which, the Macro-Prudential Adjustment Parameters provided in the PBOC Notice No. 9 was adjusted from 1 to 1.25. On January 7, 2021, Notice of People’s Bank of China and State Administration of Foreign Exchange on the Adjustment of Macro-Prudential Adjustment Parameters for Cross-border Financing of Enterprises (《中国人民银行、国家外汇管理局关于调整企业跨境融资宏观审慎调节参数的通知》) was issued, according to which, the Macro-Prudential Adjustment Parameters provided in the PBOC Notice No. 9 was adjusted from 1.25 to 1. On October 25, 2022, the PBOC and SAFE further adjusted the Macro-Prudential Adjustment Parameters from 1 to 1.25.On July 20, 2023, the PBOC and SAFE increased the Macro-Prudential Adjustment Parameters from 1.25 to 1.5. As of the date of this annual report, neither PBOC nor SAFE has promulgated and made public any further rules, regulations, notices, or circulars in this regard. It is uncertain which mechanism will be adopted by PBOC and SAFE in the future and what statutory limits will be imposed on us when providing loans to our PRC operating subsidiaries. Currently, our PRC operating subsidiaries have the flexibility to choose between the Current Foreign Debt Mechanism and the PBOC Notice No. 9 Mechanism. However, if a more stringent foreign debt mechanism becomes mandatory, our ability to provide loans to our PRC subsidiaries may be significantly limited, which may adversely affect our business, financial condition, and results of operations.

If we seek to provide any loans to our PRC operating subsidiaries in the future, we may not be able to obtain the required government approvals or complete the required registrations on a timely basis, if at all. If we fail to receive such approvals or complete such registrations, our ability to capitalize our PRC operations may be negatively affected, which could adversely affect our liquidity and our ability to fund and expand our business.

To the extent cash in the business is in the PRC/Hong Kong or a PRC/Hong Kong entity, the funds may not be available to fund operations or for other use outside of the PRC/Hong Kong due to interventions in or the imposition of restrictions and limitations on the ability of our Company or our subsidiaries by the PRC government to transfer cash.

Relevant mainland PRC laws and regulations permit the companies in mainland China to pay dividends only out of their respective retained earnings, if any, as determined in accordance with mainland China accounting standards and regulations. Additionally, each of the companies in mainland China are required to set aside at least 10% of its after-tax profits each year, if any, to fund a statutory reserve until such reserve reaches 50% of its registered capital. The companies in mainland China are also required to further set aside a portion of their after-tax profits to fund the employee welfare fund, although the amount to be set aside, if any, is determined at their discretion. These reserves are not distributable as cash dividends. Furthermore, in order for us to pay dividends to our shareholders, we may rely on payments made from our mainland PRC subsidiaries to their respective shareholders and then to our Company. If these entities incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other payments to us.

Our cash dividends, if any, will be paid in U.S. dollars. If we are considered a tax resident enterprise of mainland China for tax purposes, any dividends we pay to our overseas shareholders may be regarded as mainland China-sourced income and as a result may be subject to mainland PRC withholding tax. See “Item 3. Key Information—D. Risk Factors — Risks Related to Doing Business in China — Under the Enterprise Income Tax Law, we may be classified as a ‘Resident Enterprise’ of China. Such classification will likely result in unfavorable tax consequences to us and our non-PRC shareholders.” The PRC government also imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of mainland China. Shortages in foreign currencies may restrict our ability to pay dividends or other payments, or otherwise satisfy our foreign currency denominated obligations, if any. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and expenditures from trade-related transactions, can be made in foreign currencies without prior approval from the State Administration of Foreign Exchange as long as certain procedural requirements are met. Approval from appropriate government authorities is required if Renminbi is converted into foreign currency and remitted out of mainland China to pay capital expenses such as the repayment of loans denominated in foreign currencies. The PRC government may, at its discretion, impose restrictions on access to foreign currencies for current account transactions and if this occurs in the future, we may not be able to pay dividends in foreign currencies to our shareholders.

As of the date of this annual report, there are no restrictions or limitations imposed by the Hong Kong government on the transfer of capital within, into, and out of Hong Kong (including funds from Hong Kong to mainland China), except for the transfer of funds involving money laundering and criminal activities. However, there is no guarantee that the Hong Kong government will not promulgate new laws or regulations that may impose such restrictions in the future. If there is a significant change to current political arrangements between mainland China and Hong Kong, or the applicable laws, regulations, or interpretations change, our Hong Kong subsidiary may become subject to PRC laws or authorities. As a result, our Hong Kong subsidiary could be subject to similar government controls on the convertibility of foreign currency and the remittance of currency out of Hong Kong as described above.

As a result of the above, to the extent cash in the business is in the PRC/Hong Kong or a PRC/Hong Kong entity, such funds or assets may not be available to fund operations or for other use outside of the PRC/Hong Kong, due to interventions in or the imposition of restrictions and limitations on the ability of us or our subsidiaries by the competent government to the transfer of cash.

We may rely on dividends paid by our subsidiaries for our cash needs, and any limitation on the ability of our subsidiaries to make payments to us could have a material adverse effect on our ability to conduct business.

As a holding company, we conduct substantially all of our business through our consolidated subsidiaries incorporated in China, and this structure involves unique risks to investors. We may rely on dividends paid by these PRC subsidiaries for our cash needs, including the funds necessary to pay any dividends and other cash distributions to our shareholders, to service any debt we may incur and to pay our operating expenses.

According to the Company Law of the PRC, the Foreign Investment Law of the PRC and its implementing rules, which jointly established the legal framework for the administration of foreign-invested companies, a foreign investor may, in accordance with other applicable laws, freely transfer into or out of China its contributions, profits, capital earnings, income from asset disposal, intellectual property rights, royalties acquired, compensation or indemnity legally obtained, and income from liquidation, made or derived within the territory of China in RMB or any foreign currency, and any entity or individual shall not illegally restrict such transfer in terms of the currency, amount and frequency. According to the Company Law of the PRC and other Chinese laws and regulations, our PRC subsidiaries may pay dividends only out of their respective accumulated profits as determined in accordance with Chinese accounting standards and regulations. In addition, each of our PRC subsidiaries is required to set aside at least 10% of its accumulated after-tax profits, if any, each year to fund a certain statutory reserve fund, until the aggregate amount of such fund reaches 50% of its registered capital. Where the statutory reserve fund is insufficient to cover any loss the PRC subsidiary incurred in the previous financial year, its current financial year's accumulated after-tax profits shall first be used to cover the loss before any statutory reserve fund is drawn therefrom. Such statutory reserve funds and the accumulated after-tax profits that are used for covering the loss cannot be distributed to us as dividends. At their discretion, our PRC subsidiaries may allocate a portion of their after-tax profits based on Chinese accounting standards to a discretionary reserve fund.

Renminbi is not freely convertible into other currencies. As result, any restriction on currency exchange may limit the ability of our PRC subsidiaries to use any future Renminbi revenues to pay dividends to us. The Chinese government imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China. Shortages in availability of foreign currency may then restrict the ability of our PRC subsidiaries to remit sufficient foreign currency to our offshore entities for our offshore entities to pay dividends or make other payments or otherwise to satisfy our foreign-currency-denominated obligations. The Renminbi is currently convertible under the "current account transactions," which includes dividends, trade and service-related foreign exchange transactions, but not under the "capital account," which includes foreign direct investment and foreign currency debt, including loans we may secure for our onshore subsidiaries. Currently, our PRC subsidiaries may purchase foreign currency for settlement of "current account transactions," including payment of dividends to us, without the approval of SAFE by complying with certain procedural requirements. However, the relevant Chinese governmental authorities may limit or eliminate our ability to purchase foreign currencies in the future for current account transactions. Any existing and future restrictions on currency exchange may limit our ability to utilize revenue generated in Renminbi to fund our business activities outside of China or pay dividends in foreign currencies to holders of our Ordinary Shares. Foreign exchange transactions under the capital account remain subject to limitations and require approvals from, or registration with, SAFE and other relevant Chinese governmental authorities. This could affect our ability to obtain foreign currency through debt or equity financing for our subsidiaries.

In response to the persistent capital outflow in China and Renminbi's depreciation against the U.S. dollar in the fourth quarter of 2016, PBOC and SAFE have promulgated a series of capital controls in early 2017, including stricter vetting procedures for domestic companies to remit foreign currency for overseas investments, dividends payments and shareholder loan repayments.

The Chinese government may continue to strengthen its capital controls, and more restrictions and substantial vetting processes may be put forward by SAFE for cross-border transactions falling under both the current account and the capital account. Any limitation on the ability of our PRC subsidiaries to pay dividends or make other kinds of payments to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends or otherwise fund and conduct our business.

Failure to comply with PRC regulations relating to the establishment of offshore special purpose companies by PRC residents may subject our PRC resident shareholders to personal liability, may limit our ability to acquire PRC companies or to inject capital into our PRC subsidiaries, may limit the ability of our PRC subsidiaries to distribute profits to us or may otherwise materially and adversely affect us.

Pursuant to the Circular on relevant issues concerning Foreign Exchange Administration of Overseas Investment and Financing and Return Investments Conducted by Domestic Residents through Overseas Special Purpose Vehicle (《关于境内居民通过特殊目的公司境外投融资及返程投资外汇管理有关问题的通知》) ("Circular 37"), which was promulgated by SAFE, and became effective on July 4, 2014, (1) a PRC resident must register with the local SAFE branch before he or she contributes assets or equity interests in an overseas special purpose vehicle, or an Overseas SPV, that is directly established or indirectly controlled by the PRC resident for the purpose of conducting investment or financing; and (2) following the initial registration, the PRC resident is also required to register with the local SAFE branch for any major change, in respect of the Overseas SPV, including, among other things, a change in the Overseas SPV's PRC resident shareholder, name of the Overseas SPV, term of operation, or any increase or reduction of the contributions by the PRC resident, share transfer or swap, and merger or division. Additionally, pursuant to the Circular of SAFE on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies (《关于进一步简化和改进直接投资外汇管理政策的通知》) ("Circular 13"), which was promulgated on February 13, 2015 and became effective on June 1, 2015, the aforesaid registration shall be directly reviewed and handled by qualified banks in accordance with the Circular 13, and SAFE and its branches shall perform indirect regulation over the foreign exchange registration via qualified banks.

Ms. Wenxiu Zhong, Mr. Sheng Gong and Mr. Hui Yu have completed the initial foreign exchange registration on January 9, 2019. As it remains unclear how Circular 37 and Circular 13 will be interpreted and implemented, and how or whether SAFE will apply them to us, therefore, we cannot predict how they will affect our business operations or future strategies. For example, the ability of our present and prospective PRC subsidiaries to conduct foreign exchange activities, such as the remittance of dividends and foreign currency-denominated borrowings, may be subject to compliance with Circular 37 and Circular 13 by our PRC resident beneficial holders. In addition, as we have little control over either our present or prospective, direct or indirect shareholders or the outcome of such registration procedures, we cannot assure you that these shareholders who are PRC residents will amend or update their registration as required under Circular 37 and Circular 13 in a timely manner or at all. Failure of our present or future shareholders who are PRC residents to comply with Circular 37 and Circular 13 could subject these shareholders to fines or legal sanctions, restrict our overseas or cross-border investment activities, limit the ability of our PRC subsidiaries to make distributions or pay dividends or affect our ownership structure, which could adversely affect our business and prospects.

We may be unable to complete a business combination transaction efficiently or on favorable terms due to complicated merger and acquisition regulations and certain other PRC regulations.

On August 8, 2006, six PRC regulatory authorities, including the Ministry of Commerce of the PRC ("MOFCOM"), the State Assets Supervision and Administration Commission, SAT, the Administration for Industry and Commerce ("SAIC"), the CSRC and SAFE, jointly issued the Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《关于外国投资者并购境内企业的规定》) (the "M&A Rules"), which became effective on September 8, 2006 and was amended in June 2009. The M&A Rules, governing the approval process by which a PRC company may participate in an acquisition of assets or equity interests by foreign investors, require the PRC parties to make a series of applications and supplemental applications to the government agencies, depending on the structure of the transaction. The M&A Rules also prohibit a transaction at an acquisition price obviously lower than the appraised value of the business or assets in China and in certain transaction structures, require that consideration must be paid within defined periods, generally not in excess of a year. In addition, the M&A Rules also limit our ability to negotiate various terms of the acquisition, including aspects of the initial consideration, contingent consideration, holdback provisions, indemnification provisions and provisions relating to the assumption and allocation of assets and liabilities.

Following the promulgation of the Foreign Investment Law, the Measures on Reporting of Foreign Investment Information (effective from January 1, 2020) and other relevant regulations recently in China, certain provisions of the M&A Rules, which are in conflict with the new foreign investment rules, are no longer enforceable. For example, mergers and acquisitions by foreign investor of a PRC entity which is not an affiliate to the foreign investor and does not engage in any business on the special administrative measures for access of foreign investment (the "Negative List") for foreign investment, will not be subject to the approval process as prescribed by the M&A Rules. However, given the M&A Rules are not officially abolished and due to lack of official interpretation and guidance, the M&A Rules might still be enforceable against the transaction parties in terms of price evaluation, payment terms, and certain other aspects that the new foreign investment rules are silent on. Therefore, the M&A Rules may impede our ability to negotiate and complete a business combination transaction on legal and/or financial terms that satisfy our investors and protect our shareholders' economic interests.

We face uncertainties with respect to indirect transfers of equity interests in PRC resident enterprises by their non-PRC holding companies.

SAT released a circular on December 15, 2009 that addresses the transfer of shares by nonresident companies, generally referred to as Circular 698. Circular 698, which became effective retroactively to January 1, 2008, may have a significant impact on many companies that use offshore holding companies to invest in China. Circular 698 has the effect of taxing foreign companies on gains derived from the indirect sale of a PRC company. Where a foreign investor indirectly transfers equity interests in a PRC resident enterprise by selling the shares in an offshore holding company, and the latter is located in a country or jurisdiction that has an effective tax rate less than 12.5% or does not tax foreign income of its residents, the foreign investor must report this indirect transfer to the tax authority in charge of that PRC resident enterprise. Using a "substance over form" principle, the PRC tax authority may disregard the existence of the overseas holding company if it lacks a reasonable commercial purpose and was established for the purpose of avoiding PRC tax. As a result, gains derived from such indirect transfer may be subject to PRC withholding tax at a rate of up to 10.0%.

SAT subsequently released public notices to clarify issues relating to Circular 698, including the Announcement on Several Issues concerning the EIT on the Indirect Transfers of Properties by Nonresident Enterprises (《关于非居民企业间接转让财产企业所得税若干问题的公告》) (the "SAT Notice 7"), which became effective on February 3, 2015. SAT Notice 7 abolished the compulsive reporting obligations originally set out in Circular 698. Under SAT Notice 7, if a non-resident enterprise transfers its shares in an overseas holding company, which directly or indirectly owns PRC taxable properties, including shares in a PRC company, via an arrangement without reasonable commercial purpose, such transfer shall be deemed as indirect transfer of the underlying PRC taxable properties. Accordingly, the transferee shall be deemed as a withholding agent with the obligation to withhold and remit the EIT to the competent PRC tax authorities. Factors that may be taken into consideration when determining whether there is a "reasonable commercial purpose" include, among other factors, the economic essence of the transferred shares, the economic essence of the assets held by the overseas holding company, the taxability of the transaction in offshore jurisdictions, and economic essence and duration of the offshore structure. SAT Notice 7 also sets out safe harbors for the "reasonable commercial purpose" test.

On October 17, 2017, SAT released the Notice on Several Issues concerning the Withholding and Collection of Income Tax of Non-resident Enterprises from the Source (《关于非居民企业所得税源泉扣缴有关问题的公告》) ("SAT Notice 37"). SAT Notice 37 clarifies: (1) matters concerning the withholding and collection of corporate income tax, and property transfer of non-resident enterprises based on the EIT Law; (2) the currencies required to be used by the withholding agents (when the payments is made in a currency rather than RMB), as well as the time, venue and business for the performance of the withholding and collection obligations; and (3) the abolishment of Circular 698.

There is little guidance and practical experience regarding the application of SAT Notice 7 and SAT Notice 37 and the related SAT notices. Moreover, the relevant authority has not yet promulgated any formal provisions or formally declared or stated how to calculate the effective tax rates in foreign tax jurisdictions. As a result, we may become at risk of being taxed under SAT Notice 7 and SAT Notice 37 and we may be required to expend valuable resources to comply with SAT Notice 7 and SAT Notice 37 or to establish that we should not be taxed under SAT Notice 7 and SAT Notice 37, which could have a material adverse effect on our financial condition and results of operations.

You may have difficulty effecting service of legal process, enforcing judgments or bringing actions against us and our management.

We are an exempted Cayman Islands holding company. In addition, substantially all of our assets and substantially all of the assets of our directors and executive officers are located in the PRC. As a result, investors may not be able to effect service of process upon us or our directors and executive officers.

Further, China has not entered into treaties or arrangements providing for the recognition and enforcement of judgments made by courts of most other jurisdictions. Any final judgment obtained against us in any court other than the courts of the PRC in connection with any legal suit or proceeding arising out of or relating to our Ordinary Shares will be enforced by the courts of the PRC without further review of the merits only if the court of the PRC in which enforcement is sought is satisfied that:

- the court rendering the judgment has jurisdiction over the subject matter according to the laws of the PRC;
- the judgment and the court procedure resulting in the judgment are not contrary to the public order or good morals of the PRC;
- if the judgment was rendered by default by the court rendering the judgment, we, or the above-mentioned persons, were duly served within a reasonable period of time in accordance with the laws and regulations of the jurisdiction of the court or process was served on us with judicial assistance of the PRC; and
- judgments at the courts of the PRC are recognized and enforceable in the court rendering the judgment on a reciprocal basis.

If you fail to establish the foregoing to the satisfaction of the courts in the PRC, you may not be able to enforce a judgment against us rendered by a court in the United States.

Further, pursuant to the Civil Procedures Law of the PRC, any matter, including matters arising under U.S. federal securities laws, in relation to assets or personal relationships may be brought as an original action in China, only if the institution of such action satisfies the conditions specified in the Civil Procedures Law of the PRC. As a result of the conditions set forth in the Civil Procedures Law and the discretion of the PRC courts to determine whether the conditions are satisfied and whether to accept action for adjudication, there remains uncertainty as to whether an investor will be able to bring an original action in a PRC court based on U.S. federal securities laws.

U.S. regulatory bodies may be limited in their ability to conduct investigations or inspections of our operations in China.

We are incorporated in the Cayman Islands and conduct our operations in China through our subsidiaries. Substantially all of our assets are located outside of the United States. In addition, all of our directors and officers reside in China, including our chief executive officer and chairperson of the board, Lina Jiang, our chief financial officer, Chenfang Zhai, and our directors, Sheng Gong, Jianhua Cheng, Tao Liu, and Changhong Jiang. As a result, it may be difficult or impossible for you to bring an action against us or against these individuals in the United States in the event that you believe we have violated your rights, either under United States federal or state securities laws or otherwise, or if you have a claim against us. Even if you are successful in bringing an action of this kind, the laws of the Cayman Island and of China may render you unable to enforce a judgment against our assets or the assets of our directors and officers.

The U.S. Securities and Exchange Commission (the “SEC”), the U.S. Department of Justice and other U.S. authorities may also have difficulties in bringing and enforcing actions against us or our directors or executive officers in the PRC. The SEC has stated that there are significant legal and other obstacles to obtaining information needed for investigations or litigation in China. China has adopted a revised securities law that became effective on March 1, 2020, Article 177 of which provides, among other things, that no overseas securities regulator is allowed to directly conduct investigation or evidence collection activities within the territory of the PRC. Accordingly, without governmental approval in China, no entity or individual in China may provide documents and information relating to securities business activities to overseas regulators when it is under direct investigation or evidence discovery conducted by overseas regulators, which could present significant legal and other obstacles to obtaining information needed for investigations and litigation conducted in China.

Our Ordinary Shares may be delisted and prohibited from being traded under the Holding Foreign Companies Accountable Act if the PCAOB is unable to inspect our auditors. The delisting and the cessation of trading of our Ordinary Shares, or the treat of their being delisted and prohibited from being traded, may materially and adversely affect the value of your investment. Additionally, any inability of the PCAOB to conduct inspections deprives our investors with the benefits of such inspections.

Pursuant to the Holding Foreign Companies Accountable Act, as amended by the Consolidated Appropriations Act 2023, if the SEC determines that we have filed audit reports issued by a registered public accounting firm that has not been subject to inspections by the PCAOB for two consecutive years, the SEC will prohibit our Ordinary Shares from being traded on a national securities exchange or in the over-the-counter trading market in the United States.

Our current auditor, GGF CPA LTD (“GGF”), (fka Guangzhou Good Faith CPA LTD), the independent registered public accounting firm that issues the audit report included in this annual report on Form 20-F, as a firm registered with the PCAOB (PCAOB ID:2729), is subject to laws in the U.S. pursuant to which the PCAOB conducts regular inspections to assess its compliance with the applicable professional standards. GGF, whose audit report is included in this report, is headquartered in Guangzhou, China. While our auditor is based in the PRC and is registered with PCAOB and subject to PCAOB inspection, in the event it is later determined that the PCAOB is unable to inspect or investigate completely the Company’s auditor because of a position taken by an authority in a foreign jurisdiction, then such lack of inspection could cause trading of our securities to be prohibited under the HFCA Act, and ultimately result in a determination by a securities exchange to delist the Company’s securities. The PCAOB continues to demand complete access in mainland China and Hong Kong moving forward and resumed regular inspections in 2023 and beyond, as well as to continue pursuing ongoing investigations and initiate new investigations as needed. The PCAOB has also indicated that it will act immediately to consider the need to issue new determinations with the HFCA Act, if needed.

If the PCAOB determines in the future that it no longer has full access to inspect and investigate completely accounting firms in mainland China and Hong Kong and we use an accounting firm headquartered in one of these jurisdictions to issue an audit report on our financial statements filed with the SEC, we would be identified as a Commission-Identified Issuer following the filing of the annual report on Form 20-F for the relevant fiscal year. In accordance with the Holding Foreign Companies Accountable Act, our securities would be prohibited from being traded on a national securities exchange or in the over-the-counter trading market in the United States if we are identified as a Commission-Identified Issuer for two consecutive years in the future. A prohibition of being able to trade in the United States would substantially impair or completely hinder your ability to sell or purchase our Ordinary Shares when you wish to do so, and the risk and uncertainty associated with delisting would have a negative impact on the price of our Ordinary Shares or render them worthless. Also, such a prohibition would significantly affect our ability to raise capital on terms acceptable to us, or at all, which would have a material adverse impact on our business, financial condition, and prospects.

Additionally, we cannot assure you whether the national securities exchange we are listed on or regulatory authorities would apply additional and more stringent criteria to us after considering the effectiveness of our auditor’s audit procedures and quality control procedures, adequacy of personnel and training, or sufficiency of resources, geographic reach, or experience as it relates to our audit.

We may be exposed to liabilities under the Foreign Corrupt Practices Act and Chinese anti-corruption law.

We are subject to the U.S. Foreign Corrupt Practices Act (the “FCPA”), and other laws that prohibit improper payments or offers of payments to foreign governments and their officials and political parties by U.S. persons and issuers as defined by the statute for the purpose of obtaining or retaining business. We are also subject to Chinese anti-corruption laws, which strictly prohibit the payment of bribes to government officials. We have operations, agreements with third parties, and provide services in China, which may experience corruption. Our activities in China create the risk of unauthorized payments or offers of payments by one of the employees, consultants or distributors of our Company, because these parties are not always subject to our control.

Although we believe we have complied in all material respects with the provisions of the FCPA and Chinese anti-corruption law to date, our existing safeguards and any future improvements may prove to be less than effective, and the employees, consultants or distributors of our Company may engage in conduct for which we might be held responsible. Violations of the FCPA or Chinese anti-corruption law may result in severe criminal or civil sanctions, and we may be subject to other liabilities, which could negatively affect our business, operating results and financial condition. In addition, the government may seek to hold our Company liable for successor liability FCPA violations committed by companies in which we invest or that we acquire.

Because our business is conducted in RMB and the price of our Ordinary Shares is quoted in the U.S. dollar, changes in the exchange rate between RMB and the U.S. dollar may affect the value of your investments.

Our business is conducted in the PRC with our books and records maintained in RMB. However, the financial statements that we file with the SEC and provide to our shareholders are presented in the U.S. dollar. Changes in the exchange rate between RMB and the U.S. dollar affect the value of our assets and the results of our operations in the U.S. dollar. The exchange rate between RMB and the U.S. dollar is affected by, among other things, changes in the PRC's political and economic conditions and perceived changes in the economy of the PRC and the United States. Any significant revaluation of the RMB may materially and adversely affect our cash flows, revenue and financial condition.

Risks Related to Our Ordinary Shares

Shares eligible for future sale may adversely affect the market price of our Ordinary Shares, as the future sale of a substantial amount of outstanding Ordinary Shares in the public marketplace could reduce the price of our Ordinary Shares.

The market price of our shares could decline as a result of sales of substantial amounts of our shares in the public market, or the perception that these sales could occur. In addition, these factors could make it more difficult for us to raise funds through future offerings of our Ordinary Shares. We cannot predict the effect, if any, market sales of shares held by our significant shareholders or any other shareholders or the availability of these shares for future sale will have on the market price of our Ordinary Shares.

If our shareholders sell substantial amounts of our Ordinary Shares in the public market, the market price of our Ordinary Shares could fall. Moreover, the perceived risk of this potential dilution could cause shareholders to attempt to sell their shares and investors to short our Ordinary Shares. These sales also make it more difficult for us to sell equity-related securities in the future at a time and price that we deem reasonable or appropriate.

We cannot assure you that we will declare and distribute any dividends in the future.

We have never declared or paid any cash dividends on our ordinary shares. We do not have any present plan to pay any cash dividends on our Ordinary Shares in the foreseeable future. We currently intend to retain most, if not all, of our available funds and any future earnings to operate and expand our business. As a result, you may have to rely on a sale of our ordinary shares after price appreciation, if any, as the only way to realize a return on your investment.

Subject to any rights and restrictions for the time being attached to any shares, our directors may from time to time declare dividends (including interim dividends) and other distributions on shares in issue and authorize payment of the same out of the funds of our Company lawfully available therefor. Our shareholders may by ordinary resolution declare dividends, but no dividend shall exceed the amount recommended by our directors. Under our amended and restated articles of association, our directors have the power to pay interim dividends but only if they are justified by the position of our Company. The decision to pay dividends will be reviewed in light of the factors such as the results of operations, financial condition and position, and other factors deemed relevant. Any distributable profits that are not distributed in any given year may be retained and available for distribution in subsequent years. To the extent profits are distributed as dividends, such portion of profits will not be available to be reinvested in our operations. There can be no assurance that we will be able to declare or distribute any dividend. Our future declarations of dividends will be at the absolute discretion of our board of directors. You may not realize a return on your investment in our Ordinary Shares and you may even lose your entire investment in our Ordinary Shares.

For as long as we are an emerging growth company, we will not be required to comply with certain reporting requirements, including those relating to accounting standards and disclosure about our executive compensation, that apply to other public companies.

In April 2012, President Obama signed into law the Jumpstart Our Business Startups Act, or the JOBS Act. We are classified as an "emerging growth company" under the JOBS Act. For as long as we are an emerging growth company, unlike other public companies, we will not be required to, among other things, (i) provide an auditor's attestation report on management's assessment of the effectiveness of our system of internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act, (ii) comply with any new requirements adopted by the PCAOB requiring mandatory audit firm rotation or a supplement to the auditor's report in which the auditor would be required to provide additional information about the audit and the financial statements of the issuer, (iii) provide certain disclosure regarding executive compensation required of larger public companies or (iv) hold nonbinding advisory votes on executive compensation. We will remain an emerging growth company for up to five years until December 31, 2026, although we will lose that status sooner if we have more than $1.235 billion of revenues in a fiscal year, have more than $700 million in market value of our Ordinary Shares held by non-affiliates, or issue more than $1.0 billion of non-convertible debt over a three-year period.

To the extent that we rely on any of the exemptions available to emerging growth companies, you will receive less information about our executive compensation and internal control over financial reporting than issuers that are not emerging growth companies. If some investors find our Ordinary Shares to be less attractive as a result, there may be a less active trading market for our Ordinary Shares and our stock price may be more volatile.

As a foreign private issuer, we are not subject to certain U.S. securities law disclosure requirements that apply to a domestic U.S. issuer, which may limit the information publicly available to our shareholders.

Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers, including:

- the rules under the Securities Exchange Act of 1934, as amended (the "Exchange Act") requiring the filing with the SEC of quarterly reports on Form 10-Q or current reports on Form 8-K;
- the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act;
- the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; provided that, effective March 18, 2026, our directors and officers will be subject to the insider reporting requirements of Section 16(a) of the Exchange Act; and
- the selective disclosure rules by issuers of material nonpublic information under Regulation FD.

We are required to file an annual report on Form 20-F within four months of the end of each fiscal year. However, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers. As a result, you may not be afforded the same protections or information that would be made available to you were you investing in a U.S. domestic issuer.

As a foreign private issuer, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the Nasdaq Stock Market corporate governance listing standards. These practices may afford less protection to shareholders than they would enjoy if we complied fully with corporate governance listing standards.

As a foreign private issuer, we are permitted to take advantage of certain provisions in the Nasdaq Stock Market listing rules that allow us to follow Cayman Islands law for certain governance matters. Certain corporate governance practices in the Cayman Islands may differ significantly from corporate governance listing standards as, except for general fiduciary duties and duties of care, Cayman Islands law has no corporate governance regime which prescribes specific corporate governance standards. Pursuant to the home country rule exemption set forth under Nasdaq Listing Rule 5615, we elected to be exempt from the requirement under Nasdaq Listing Rule 5635(d), which requires to obtain shareholder approval for a business combination and to obtain shareholder approval for the issuance of 20% or more of our outstanding Ordinary Shares, and Nasdaq Listing Rule 5620(a), which requires that each company listing common stock or voting preferred stock, and their equivalents, shall hold an annual meeting of shareholders no later than one year after the end of the company's fiscal year-end. Therefore, our shareholders may be afforded less protection than they otherwise would have under corporate governance listing standards applicable to U.S. domestic issuers.

We may lose our foreign private issuer status in the future, which could result in significant additional costs and expenses.

As discussed above, we are a foreign private issuer, and therefore, we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act. The determination of foreign private issuer status is made annually on the last business day of an issuer's most recently completed second fiscal quarter. We would lose our foreign private issuer status if, for example, more than 50% of our Ordinary Shares are directly or indirectly held by residents of the U.S. and we fail to meet additional requirements necessary to maintain our foreign private issuer status. If we lose our foreign private issuer status on this date, we will be required to file with the SEC periodic reports and registration statements on U.S. domestic issuer forms, which are more detailed and extensive than the forms available to a foreign private issuer. We will also have to mandatorily comply with U.S. federal proxy requirements, and our officers, directors and principal shareholders will become subject to the short-swing profit disclosure and recovery provisions of Section 16 of the Exchange Act. In addition, we will lose our ability to rely upon exemptions from certain corporate governance requirements under the Nasdaq listing rules. As a U.S. listed public company that is not a foreign private issuer, we will incur significant additional legal, accounting and other expenses that we will not incur as a foreign private issuer, and accounting, reporting and other expenses in order to maintain a listing on a U.S. securities exchange.

The requirements of being a public company may strain our resources and divert management's attention.

As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of Nasdaq, and other applicable securities rules and regulations. Despite recent reforms made possible by the JOBS Act, compliance with these rules and regulations will nonetheless increase our legal, accounting, and financial compliance costs and investor relations and public relations costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources, particularly after we are no longer an "emerging growth company." The Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and operating results as well as proxy statements, if we lose our foreign private issuer status.

As a result of disclosure of information in this annual report on Form 20-F and in filings required of a public company, our business and financial condition are more visible, which we believe may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business and operating results could be harmed, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and adversely affect our business, brand and reputation and results of operations.

Being a public company and these new rules and regulations will make it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our audit committee and compensation committee, and qualified executive officers.

The obligation to disclose information publicly may put us at a disadvantage to competitors that are private companies.

We have become a public company in the United States. As a public company, we will be required to file periodic reports with the SEC upon the occurrence of matters that are material to our Company and shareholders. Although we may be able to attain confidential treatment of some of our developments, in some cases, we will need to disclose material agreements or results of financial operations that we would not be required to disclose if we were a private company. Our competitors may have access to this information, which would otherwise be confidential. This may give them advantages in competing with our Company. Similarly, as a U.S. public company, we will be governed by U.S. laws that our competitors, which are mostly private Chinese companies, are not required to follow. To the extent compliance with U.S. laws increases our expenses or decreases our competitiveness against such companies, our public company status could affect our results of operations.

The laws of the Cayman Islands may not provide our shareholders with benefits comparable to those provided to shareholders of corporations incorporated in the United States. For instance, you may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under Cayman Islands law.

Our corporate affairs are governed by our memorandum and articles of association, as amended from time to time, by the Companies Act (As Revised) of the Cayman Islands and by the common law of the Cayman Islands. The rights of shareholders to take action against our directors, actions by minority shareholders and the fiduciary responsibilities of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law in the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands and from English common law. Decisions of the Privy Council (which is the final Court of Appeal for British Overseas Territories such as the Cayman Islands) are binding on a court in the Cayman Islands. Decisions of the English courts, and particularly the Supreme Court and the Court of Appeal are generally of persuasive authority but are not binding in the courts of the Cayman Islands. Decisions of courts in other Commonwealth jurisdictions are similarly of persuasive but not binding authority. The rights of our shareholders and the fiduciary responsibilities of our directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedents in the United States. In particular, the Cayman Islands has a less developed body of securities laws relative to the United States. Some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands. In addition, Cayman Islands companies may not have standing to initiate a shareholder derivative action in a federal court of the United States.

Shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect or obtain corporate records or copies of register of members (other than copies of the memorandum and articles of association, the register of mortgages and charges, and any special resolutions passed by the shareholders) of these companies. Under Cayman Islands law, the names of current directors can be obtained from a search conducted at the Registrar of Companies in the Cayman Islands. Our directors have discretion under our articles of association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

Certain corporate governance practices in the Cayman Islands, which is our home country, differ significantly from requirements for companies incorporated in other jurisdictions such as the United States. If we choose to follow home country practice in the future, our shareholders may be afforded less protection than they otherwise would under rules and regulations applicable to U.S. domestic issuers.

As a result of all of the above, our public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as public shareholders of a company incorporated in the United States.

You may be unable to present proposals before annual general meetings or extraordinary general meetings not called by shareholders.

Cayman Islands law provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. These rights, however, may be provided in a company's articles of association. Our amended and restated articles of association allow two or more of our shareholders holding shares representing in aggregate not less than one-third (1/3) of our voting share capital in issue, to requisition a general meeting of our shareholders. Advance notice of at least seven clear days is required for any general meeting of our shareholders. A quorum required for a meeting of shareholders consists of at least one shareholder present or by proxy, representing not less than one-third (1/3) of all votes attaching to all issued and outstanding shares that carry the right to vote at a general meeting of the Company.

If we cannot satisfy, or continue to satisfy, the continued listing requirements and other rules of the Nasdaq Capital Market, our securities may be delisted, which could negatively impact the price of our securities and your ability to sell them.

Our securities are listed on the Nasdaq Capital Market. We cannot assure you that our securities will continue to be listed on the Nasdaq Capital Market. In order to maintain our listing on the Nasdaq Capital Market, we are required to comply with certain rules, including those regarding minimum stockholders' equity, minimum share price, minimum market value of publicly held shares, and various additional requirements. Even if we initially meet the listing requirements and other applicable rules of the Nasdaq Capital Market, we may not be able to continue to satisfy these requirements and applicable rules. If we are unable to satisfy the criteria for maintaining our listing, our securities could be subject to delisting.

If our securities are subsequently delisted from trading, we could face significant consequences, including:

- a limited availability for market quotations for our securities;
- reduced liquidity with respect to our securities;
- a determination that our Ordinary Shares is a "penny stock," which will require brokers trading in our Ordinary Shares to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our Ordinary Shares;
- limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

We are an offshore holding company incorporated in the Cayman Islands and we are not a Chinese operating company. As a holding company with no operations of our own, our operations are conducted in China through our wholly owned PRC subsidiaries, Beijing Baosheng and its subsidiaries, Baosheng Network and its subsidiary, and Beijing Zhiding. Holders of our Ordinary Shares will not directly hold any equity interests in our operating subsidiaries. This structure involves unique risks to investors. The Chinese regulatory authorities could disallow our corporate structure, which would likely result in a material change in our operations and/or a material change in the value of our securities, including that it could cause the value of such securities to significantly decline or become worthless.

We initially conducted our business through Beijing Baosheng, a PRC company formed on October 17, 2014.

With the growth of our business, Horgos Baosheng was formed as a limited liability company in the PRC on August 30, 2016, and Kashi Baosheng was formed as a limited liability company in the PRC on May 15, 2018. Baosheng Technology was formed as a limited liability company in the PRC on January 2, 2020. As of the date of this annual report, Horgos Baosheng and Baosheng Technology are wholly owned and controlled by Beijing Baosheng.

Our Company completed its reorganization on June 4, 2019. In December 2018, our current holding company, Baosheng Media Group Holdings Limited was incorporated in the Cayman Islands, as an exempted company with limited liability. In December 2018, Baosheng BVI, a direct wholly owned subsidiary of our Company, was incorporated in the BVI as a business company with limited liability. Baosheng Hong Kong was incorporated in Hong Kong as a limited liability company in January 2019 and became a direct wholly owned subsidiary of Baosheng BVI and an indirect wholly owned subsidiary of our Company. In January 2019, Baosheng Hong Kong acquired 100% of the equity interests in Beijing Baosheng.

On March 22, 2021, Baosheng Hong Kong established a wholly-owned subsidiary, Baosheng Network, a limited liability company in the PRC. On April 2, 2022, Baosheng Network set up a wholly owned subsidiary, Beijing Xunhuo, a limited liability company in the PRC, which is primarily engaged in providing advertising optimization services to customers. In particular, Beijing Xunhuo works with customers prior to the placement of advertisements to optimize and upgrade the products and related advertising materials to be promoted on media platforms, with the goal of improving advertising exposure and helping customers achieve their desired advertising performance.

On February 8, 2021, our Ordinary Shares commenced trading on the Nasdaq Capital Market under the symbol "BAOS." On March 3, 2021, the underwriters of our initial public offering exercised in full the over-allotment option. We raised approximately US$30.2 million in net proceeds from our initial public offering after deducting underwriting commissions and the offering expenses payable by us.

On March 4, 2025, Baosheng Hong Kong established a wholly-owned subsidiary, Beijing Zhiding Baosheng Network Technology Co. Ltd., a limited liability company in the PRC, to provide information consulting services and marketing planning services.

On April 24, 2025, Beijing Zhiding Baosheng Network Technology Co. Ltd. established a wholly-owned subsidiary, Yuansheng Meiyan Healthcare Service (Hainan) Co., Ltd., a limited liability company in the PRC, to provide information consulting services and marketing planning services.

In May 2025, Kashi Baosheng was dissolved.

On July 18, 2025, Beijing Xunhuo entered into a Sale and Purchase Agreement ("Sale and Purchase Agreement") with Beijing Mr. Mo Technology Co., Ltd. (the "Buyer"), pursuant to which Beijing Xunhuo agreed to sell, and the Buyer agreed to purchase, certain real property owned by Beijing Xunhuo and located at Building 8, Yard 30, Shixing Street, Shijingshan District, Beijing, China (the "Property"). The Property has a total gross floor area of 758.83 square meters and was independently appraised at RMB 7,053,324.85 on July 4, 2025, by Beijing Hongyang Shiye Asset Appraisal Firm. The total sale price (the "Sale Price") for the Property was RMB 7,102,827.56 (approximately US$989,583), of which RMB 5,600,000 is paid in cash. The remaining RMB 1,502,827.56 of the Sale Price will be offset against lease payments under a three-year sale-and-leaseback arrangement. Under this arrangement, Beijing Xunhuo will lease back 479.83 square meters of the Property for a term of three years, at a rental rate of RMB 2.9 per square meter per day, which equals the deferred amount of RMB 1,502,827.56 over the lease term.

On April 4, 2026, Beijing Xunhuo, Guangzhou Yichuanghui Enterprise Management Consulting Co., Ltd. (the "Purchaser"), and Guangzhou Shanxingzhe Technology Investment LLP ("Shanxingzhe") entered into a Partnership Interest Transfer Agreement (the "Transfer Agreement"), pursuant to which Beijing Xunhuo agreed to sell, assign, and transfer its 42.8571% partnership interest in Shanxingzhe to the Purchaser for cash consideration of RMB15,000,000 (approximately US$2,179,408.94). The transferred partnership interest corresponds to Beijing Xunhuo's subscribed capital contribution of RMB 30,000,000 in Shanxingzhe. According to an independent appraisal report issued by Beijing Zhengtong Huirong Asset Appraisal Co., Ltd. on March 30, 2026, the appraised value of the transferred partnership interest was RMB 15,160,402.31.

Our principal executive office is located at East Floor 5, Building No. 8, Xishanhui, Shijingshan District Beijing, People's Republic of China. Our telephone number at this address is +86 010-82088021. Our registered office in the Cayman Islands is located at Harneys Fiduciary (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands. Investors should submit any inquiries to the address and telephone number of our principal executive offices set forth above. We maintain a corporate website at http://ir.bsacme.com. The information contained in our website is not a part of this annual report.

The SEC maintains a website at *www.sec.gov* that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC using its EDGAR system.

See "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Capital Expenditures" for a discussion of our capital expenditures.

B. Business Overview

We are an online marketing solution provider based in China. We are dedicated to helping our advertiser clients manage their online marketing activities with a view to achieving their business goals. We advise advertisers on online marketing strategies, offer value-added advertising optimization services and facilitate the deployment of online ads of various forms such as search ads, in-feed ads, mobile app ads and social media marketing ads. At the same time, as the authorized agency of some popular online media, such as Super Huichuan (超级汇川), we help online media procure advertisers to buy their ad inventory and facilitate ad deployment on their advertising channels.

Relying on our management's extensive industry experience, deep industry insights and well-established network of media resources, we have grown rapidly from a start-up online marketing agency founded in 2014 to a multi-channel online marketing solution provider.

We help advertisers formulate their online advertising strategies, optimize their ads and run their ads on suitable online advertising channels with a view to achieving their business goals. We have built a broad and diverse advertiser base across various industries, including ecommerce and online service platforms, online education, online travel agencies, financial services, online gaming, car services and other advertising agencies. We believe our ability to attract and retain these advertisers reflects the high level of our services, which is essential to our business growth.

Our business value chain. As an online advertising service provider, we regard our business values as revolving around our ability to serve the needs of two major business stakeholders: (i) advertisers; and (ii) media (or their authorized agencies).

- **Value to advertisers**: As an online marketing service provider, we connect advertisers and online media, helping advertisers to manage their online marketing activities in many ways, including, but not limited to, (i) advising on advertising strategies, budget and choice of advertising channels; (ii) procuring ad inventory; (iii) offering ad optimization services; and (iv) administrating and fine-tuning the ad placement process.

- **Value to media**: As an authorized agency of media, we create value to media businesses in several ways, including, but not limited to, (i) identifying advertisers to buy their ad inventory, (ii) facilitating payment arrangements with advertisers, (iii) assisting advertisers in handling ad deployment logistics with media, and (iv) engaging in other marketing and promotion activities aimed at educating and inducing advertisers to use online advertising.

Our advertising services. We offer two types of advertising services, SEM services, and Non-SEM services. Our SEM services include the deployment of ranked search ads and other display search ads offered by search engine operators. Our Non-SEM services, on the other hand, include social media marketing, in-feed advertising, and mobile app advertising through deploying ads on media such as social media platforms, short-video platforms, news portals and mobile apps. The display forms of our Non-SEM ads include in-feed ads, banner ads, button ads, interstitial ads, and posts on selected social media accounts.

Set forth below is a summary of the relevant ad formats, the corresponding pricing models generally adopted by media and our revenue model:

Type	Description	Media's principal pricing model	Our principal revenue model
SEM Services			
Search ads	Search ads are normally located at the top, or on the side of the search results page, or the related products of the search engine operators.	Auction-based ads: mainly CPC Non-auction-based ads: mainly CPT	Rebates and incentives
Non-SEM services			
In-feed ads	In-feed ads are advertisements that match the format, appearance and function of the platform upon which they appear, typically placed on short video sharing, social media and newsfeed platforms.	Mainly CPM, CPC	Rebates and incentives
Mobile app ads	Mobile app ads are displayed in apps with various formats such as banner ads, button ads, open screen ads, and interstitial ads.	Mainly CPT, CPA	Net fees; rebates and incentives
Social media ads	Social media ads take the form of contents appearing in the designated blogs or social media accounts with suitable target audience.	Mainly CPT	Net fees

Our gross billing decreased from $18.8 million in 2023 to $12.1 million in 2024, representing a decrease of 35.6%, and increased to $18.4 million in 2025. In the meantime, the media costs decreased from $17.8 million in 2023 to $11.5 million in 2024, and increased to $17.8 million in 2025, representing a decrease of 35.8% and an increase of 55.2%, respectively. Our revenue on a net basis (i.e. difference between gross billing and media costs) has decreased, in tandem our advertiser base and their advertising spend, from $0.9 million in 2023 to $0.6 million in 2024 and $0.6 million in 2025, representing a decrease of 32.3% and a decrease of 8.8%, respectively.

Our Business Model

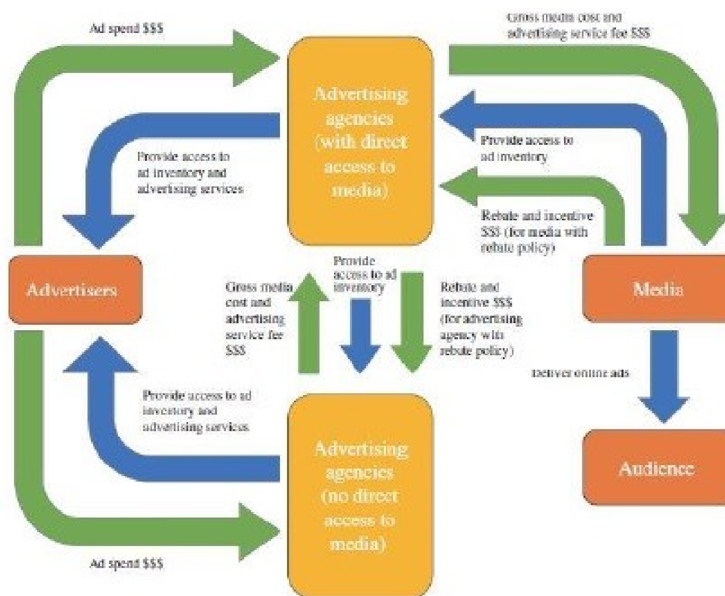
Business value chain

As an online advertising service provider, we regard our business values as revolving around our ability to serve the needs of two major business stakeholders: (i) advertisers; and (ii) media (or their authorized agencies).

- **Value to advertisers**: Advertising is driven by advertisers' need to reach their target customers to create demand for their products and services, build their brands, gain market shares, boost sales and enhance profitability. As an online marketing service provider, we act as intermediary between advertisers and online media, helping advertisers to manage their online marketing activities in many ways, including, but not limited to, (i) advising on advertising strategies, budget and choice of advertising channels; (ii) procurement of ad inventory; (iii) offering ad optimization services; and (iv) administrating and fine-tuning the ad placement process. We consider that our values to advertisers mainly lie in our ability to help them carry out effective online marketing activities economically. In particular, we can offer our advertisers various types of ad inventory, such as search ads, in-feed ads on various social media and media platforms, and mobile app ads, as well as various optimization services specific to such ad formats.

- **Value to media**: Media serve as the medium through which advertisers' marketing messages are conveyed to their target audience, and monetize their media resources mainly by offering ad inventory for sales to advertisers. Under the current online advertising ecosystem, established media acquire advertisers primarily through their networks of authorized agencies. We, as an authorized agency, create values to media's business in many ways, including but not limited to, (i) identifying advertisers to buy their ad inventory, (ii) facilitating payment arrangements with advertisers, (iii) assisting advertisers in handling ad deployment logistics with media, and (iv) engaging in other marketing and promotion activities aimed at educating and inducing advertisers to use online advertising. The use of the authorized agency model enables media to leverage their authorized agencies' connections to extend their reach to a large base of advertisers, and expand their business scale quickly without inflating their sales and marketing costs. To become the authorized agency of a media, we are typically subject to two to three rounds of evaluation by the media, during which the media takes into account factors including, but not limited to, the history of our Company, the size of our Company, our achievements, our service offerings, the advertisers we cooperate with, the history of our revenue, and the expertise of our employees.

The following is a simplified graphical illustration of our business value chain and the interrelationships among advertisers, media and advertising agencies:



As illustrated in the chart above, in cases where we have direct access to media's ad inventory, for instance as their authorized agency, we acquire ad inventory directly from the relevant media for our advertisers, which include both (i) direct advertisers; and (ii) third-party advertising agencies which do not have direct access to the relevant ad inventory and wish to place ads for their advertisers through us. Meanwhile, we may receive rebate and incentives from the media for selling their ad inventory.

When we do not have direct access to certain media's ad inventory, we can acquire such ad inventory for our advertisers from other third-party advertising agencies which have direct access, for instance, advertising agencies which are authorized agencies of certain media. Again, we may receive rebate and incentives from such advertising agencies for procuring buyer to acquire ad inventory through them.

Based on the above business value chain, we generate revenue typically (i) in the form of rebates and incentives we earn from media (or their authorized agencies) for procuring advertisers to place ads with them, or (ii) in the form of net fees we earn from advertisers when we purchase ad inventory on their behalf and provide advertising services to them.

Accordingly, both advertisers or media (or their authorized agencies) can be identified as our customers, depending on the revenue model applicable to the relevant services we provide. See "— Revenue model and payment cycle" in this section for further details.

Advertisers

Through our PRC subsidiaries, we have built a broad and diverse advertiser base from a broad range of industries, including ecommerce and online service platforms, online education, online travel agencies, financial services, online gaming, car services, and advertising agencies, among others.

The number of advertisers we served were 714, 528, and 285 for the years ended December 31, 2025, 2024 and 2023, respectively. Our gross billing were $18.4 million, $12.1 million, and $18.8 million for the years ended December 31, 2025, 2024 and 2023, respectively. Our top five advertisers contributed to 83.4%, 85.0%, 54.2% of our total gross billing in the fiscal years 2025, 2024 and 2023, respectively.

The table below sets out the breakdown of our gross billing by industries of our advertisers:

	Gross billing for the years ended December 31,					
	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
E-commerce & online service platforms	$ 13,024,541	71.0 %	$ 4,158,767	34.4 %	$ 3,667,880	19.5 %
Online education	44,918	0.2 %	160,293	1.3 %	2,712,961	14.5 %
Online travel agencies	3,493,226	19.0 %	3,604,735	29.8 %	1,649,663	8.8 %
Financial services	95,640	0.5 %	78,401	0.6 %	108,299	0.6 %
Online gaming	—	—	2,117,896	17.5 %	4,226,350	22.5 %
Car services	645,644	3.5 %	915,523	7.6 %	610,969	3.3 %
Third-party advertising agencies	747,184	4.1 %	887,065	7.3 %	3,145,393	16.8 %
Others	300,300	1.7 %	159,488	1.5 %	2,648,522	14.0 %
Total	**$ 18,351,453**	**100 %**	**$ 12,082,168**	**100 %**	**$ 18,770,037**	**100 %**

Our Media

We have established and maintained collaborative relationships (either directly or through their authorized agencies) with a wide range of media such as search engines, short-video platforms, and social media platforms, which enable us to offer our advertisers a diverse choices of ad formats, including search ads, in-feed ads (i.e. ads that match the format, appearance and function of the media format in which they appear), mobile app ads and social media ads on an array of advertising channels.

We act as the authorized agency for a number of media during the fiscal years 2025, 2024 and 2023, and will endeavor to secure new authorized agency status with media in the future. With our authorized agency status, we can offer our advertisers with direct access for placements of ads.

Set forth below is a summary of the media for which we have secured authorized agency status during the fiscal years 2025, 2024 and 2023, and up to the date of this annual report, and which we consider to be significant to our business operations:

Media	Description of media	Ad inventory covered by our authorized agency status	Effective period of authorized agency status
Guangzhou Juyao Information Technology Co. Ltd. (广州聚耀信息科技有限公司) ("Guangzhou Juyao")	Operator of an intelligent marketing platform owned by one of the leading internet technology conglomerates in China	Through Super Huichuan (超级汇川)search engine that includes search ads (卧龙), information flow ads (汇川), and ads provided through various channels such as UC browsers (UC浏览器), UC Headline (UC头条), Youku (优酷) (Note) PP mobile assistant apps (PP手机助手) and SnapPea (豌豆荚).	From January 2017 to December 2026
Hubei Today's Headline Technology Co., Ltd. (湖北今日头条科技有限公司)	Operator of one of the leading news portal apps and short-video apps in China	In-feed ads on various content distribution channels, including one of the most popular news portals and short-video apps in China.	January 2019 to December 2024

To the best of our understanding and based on our experience, certain media may require their authorized agencies to place deposits as payment security and/or to signify the authorized agencies' commitment in procuring certain minimum amount of ad inventory purchases and/or advertising spend for their advertisers. We determine the amount of deposits and the term of deposits based on the contractual terms with relevant media. These media typically require deposits in the amount of 5% to 10% of the minimum amount of ad inventory purchases and/or advertising spend, which will be refunded to us upon the expiration of the agreement if ad purchases and/or advertising spend our advertisers place with such media reach the minimum requirement. In our agreements with the advertisers seeking to purchase ad inventory from these media, we require the advertisers to pay deposits in the same amount required to be paid to the media, which will be refunded to the advertisers if the minimum requirement for ad inventory purchase and/or advertising spend is fulfilled. From time to time we may pay such deposits on behalf of our advertisers for our own as well as our advertisers' ease of administrative management. In such cases, depending on the background of such advertisers and our relationship with them, we may or may not require our advertisers to place deposits to us on a back-to-back basis. We determine whether to pay deposits on behalf of an advertiser based on several factors including, but not limited to, the advertiser's credit history, reputation in the industry, and the amount of ad inventory the advertiser purchases through the current order or has purchased in the past. We pay deposits on behalf of roughly 80% of our advertisers, and the amount of such deposits are about 85% of total deposits to be paid to media.

When we contemplate a potential partnership as an authorized agency of a media, we generally take into consideration various factors, including but not limited to:

(i) the types of online media with potential to attract more user traffic in the future;

(ii) the competitiveness of the advertising market of the media concerned;

(iii) the market position and growth potential of the media;

(iv) the sufficiency of the support which the media can offer to its advertising agencies; and

(v) the commercial terms, in particular the rebate policy, offered by the media and their requirements for deposits.

Overlapping of our advertisers and media (or their authorized agencies)

As an industry practice, some ad inventory is only available through the relevant media's authorized agencies as a result of the media's own policies or practices. Thus, advertising agencies may tap into the marketing channels possessed by other advertising agencies to gain access to a wider array of online media.

In our ordinary course of business, we may procure ad inventory on behalf of our advertisers from, and facilitate sales of ad inventory of media which we have authorized agency relationship with to, the same company in the following circumstances:

(i) An advertising agency procure ad inventory (of a media to which we have direct access and they do not) from us for itself or its advertisers, whereas we source from the same advertising agency on behalf of our advertisers for ad inventory (of a media to which they have direct access and we do not); and

(ii) We procure ad inventory from a media (such as operators of social media, video-sharing or gaming platforms) for our advertisers, whereas the same media acquires ad inventory of other media through us to market its own services and products.

As a result of the foregoing, we had four, three and three overlapping advertisers and media (which were mostly third-party advertising agencies) that we both procured ad inventory from and facilitated sales of ad inventory to in the fiscal years 2025, 2024 and 2023, respectively. The table below summarizes the aggregate gross billing and media cost attributable to such overlapping advertisers and media (or their authorized agencies) in the fiscal years 2025, 2024 and 2023.

	For the years ended December 31,					
	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
Gross billing (as our advertisers)	$ 97,160	0.5 %	$ 74,191	0.6 %	$ 2,222	0.01 %
Media costs (as our media or media agency)	$ 30,328	0.2 %	$ 50,862	0.4 %	$ 6,698	0.01 %

Our procurement of ad inventories from these overlapping advertisers and media (or their authorized agencies) and our procurement of advertisers to purchase ad inventories from these overlapping advertisers and media (or their authorized agencies) were neither inter-connected nor inter-conditional with each other, and were negotiated and conducted independently with each other in the ordinary course of business under normal commercial terms and on an arm's length basis.

Revenue Model and Payment Cycle

Our revenue is comprised primarily of (a) rebates and incentives offered by media (or their authorized agencies); and (b) net fees earned from advertisers. We determine the type of our revenue based on the contractual terms with relevant advertisers and media (or their authorized agents) and the nature of the business transactions, and we recognize the corresponding revenue when the related services are delivered. In business transactions where we receive rebates and incentives from media (or their authorized agencies), we are rewarded for assuming the role as sales agents of media (with which we have authorized agency arrangements) or other third-party advertising agencies (which are in turn authorized agencies of the relevant media), and these rebates and incentives are recognized as revenue for our provision of such sales agency services. Conversely, in cases where we procure advertising services or ad inventory from media (or other advertising agents and service providers) on behalf of our advertisers, we are rewarded for the arrangements of advertising services on behalf of our advertisers (but not as principal to the arrangements) such as sourcing and procuring ad inventory and executing ad placements, and we report our revenue earned and costs incurred in these transactions on a net basis as net fees from advertisers.

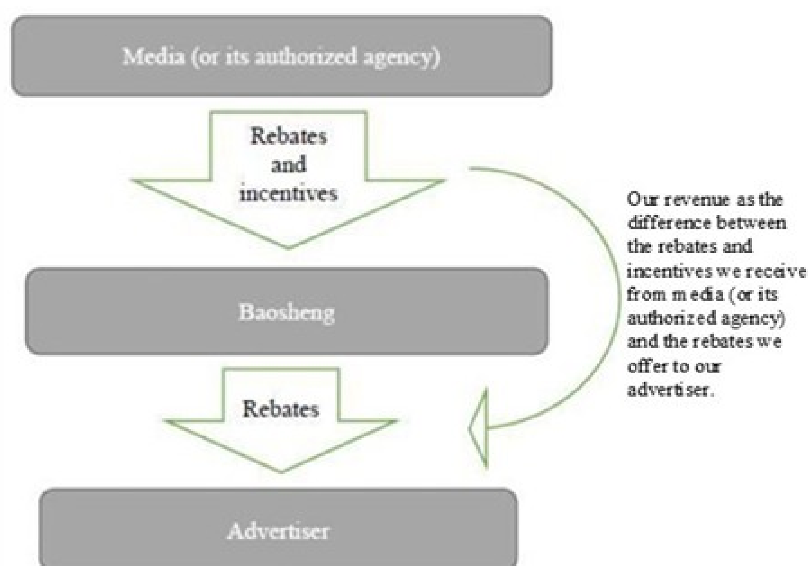
The following table sets forth a breakdown of our revenues during the fiscal years 2025, 2024 and 2023 by revenue model:

	For the years ended December 31,					
	2025		2024		2023	
	Amount	%	Amount	%	Amount	%
Rebates and incentives earned from publishers	$ 488,692	85.9 %	$ 402,462	64.5 %	$ 887,038	96.2 %
Net fees earned from advertisers	$ 80,301	14.1 %	221,625	35.5 %	34,796	3.8 %
Total	**$ 568,993**	**100.0 %**	**$ 624,087**	**100.0 %**	**$ 921,834**	**100.0 %**

Rebates and incentives from publishers

In the arrangements with certain media or their authorized agencies, we typically receive rebates and incentives for procuring advertisers to acquire the relevant media's ad inventory, and we recognize these media (or their authorized agencies) as our customers. On the other hand, to encourage advertisers to subscribe our services and acquire their desired ad inventories through us, we may also offer rebates to our advertisers for their acquisition of ad inventory and/or incurrence of advertising spend. Our revenue is recognized as the rebates and incentives we receive from media (or their authorized agencies) net of any rebates we offer to our advertisers. This revenue model is more commonly applicable in connection with our provision of SEM services and certain in-feed ad services, with major media including search engines, social media platforms and newsfeed platforms.

The following is a simplified illustration of our rebates and incentives revenue model:



Rebates and incentives offered by media (or their authorized agencies)

The rebates and incentives we earn from media (or their authorized agencies) come with a variety of structures and rates, which are primarily determined based on the contract terms with these media (or their authorized agencies) and their applicable rebate policies. Occasionally, media may also offer additional discretionary incentives to encourage their authorized agencies to achieve certain benchmarks according to the media's then sales and marketing goals.

Set forth below are some of the more typical structures of rebates and incentives that media (or their authorized agencies) offered to us during the fiscal years 2025, 2024 and 2023:

- across-the-board standard-rate rebates based on the amount of ad currency units* acquired or actual advertising spend;
- differential standard-rate rebates based on the amount of ad currency units acquired or actual advertising spend and certain prescribed classifications (e.g., industry of advertisers, new or existing advertisers, types of ad inventory);
- rebates and incentives on a scale of progressive rates based on accumulated ad currency units acquired or accumulated advertising spend; and

- rebates and incentives on progressive or differential rates based on certain prescribed measuring benchmarks (e.g., the number of new advertisers secured, accumulated ad currency units acquired or actual advertising spend from advertisers of a particular industry, growth in ad currency units acquired or actual advertising spend).

**Note:* "Ad currency units" are effectively a kind of virtual currency that needs to be purchased from relevant media for use in acquiring their ad inventory. See "— Our services and operational flow — *Campaign launch and performance review*" for further details.

The rates offered to us by media (or their authorized agencies) are based on the contractual terms and typically range from 10% to 20%.

These rebates and incentives may (i) take the form of cash which, when paid, are typically applied to set off our accounts payable with the relevant media or their authorized agency; or (ii) in the form of ad currency units which will be deposited in the account we maintained in the back-end platform of the media, and can then be utilized to fulfill our advertisers' orders for purchases of ad currency units, or as our rebates offered to our advertisers. These rebates and incentives are generally ascertained and settled on a quarterly or annual basis.

Rebates offered by us to advertisers

We may offer rebates to our advertisers in the form of ad currency units, or cash discounts which can be used to offset future payments with us.

The rates of rebates we offer to our advertisers are determined by us on a case-by-case basis, generally with reference to the rebates and incentives we obtain from the relevant media (or its authorized agency), an advertiser's committed total spend, and our business relationships with such advertiser.

Net fees from advertisers

Under our net fees revenue model, we are rewarded for our services provided to advertisers, which typically include, among other things, sourcing and procurement of ad inventory and advertising services on behalf of our advertisers with costs incurred in connection thereto. Under this revenue model, since we are not the principal in these arrangements, we report our revenue earned and costs incurred in these transactions on a net basis as net fees from advertisers and we recognize our advertisers as our customers.

This revenue model is more commonly applicable in connection with our provision of mobile app ad services and social media marketing services. We determine the gross fees we charge our advertisers on a client-by-client and campaign-by-campaign basis primarily based on the corresponding media and other advertising service costs and our targeted fee margin.

Payment Cycle

As described in "— Our services and operational flow" in this section below, we typically effect payments to media (or their authorized agencies and other advertising service providers) on behalf of our advertisers. We issue billing to our advertisers for our gross fees and/or payments we make on their behalf, and receive billing from media (or their authorized agencies and other advertising service providers) for acquisition of their advertising services and ad inventory. In this regard, the payment cycle of our business typically involves receivables and settlements from advertisers for our gross fees and/or the amounts we pay on their behalf, and payables and settlements with media (or their authorized agencies and other advertising service providers) for acquisition of their advertising services and ad inventory.

The following table sets out a general summary of our receipts and pay-outs with our advertisers and media, our two major stakeholders:

	Media (or their authorized agencies) or other service providers	Advertisers
Receipts	Rebates and incentives receivable by us from the media (or their authorized agencies)	Amounts receivable by us from advertisers for acquiring ad inventory and advertising services on their behalf
Pay-outs	Amounts payable by us for acquiring ad inventory and advertising services from media or other advertising service providers on behalf of our advertisers	Rebates payable by us to advertisers (or their advertising agencies)

For our SEM services, we are generally granted credit periods of up to 105 days by media (or their authorized agencies) for settlement of payments on acquisition of ad inventory on behalf of our advertisers. For our non-SEM services, given the variety of types and nature of media and service providers involved, credit terms granted to us by these media (or other advertising service providers) for settlement of payments on acquisition of advertising services and ad inventory are more diverse, which may range from prepayments to 180 days. For our non-SEM services, the most common credit terms granted to us by media for our in-feed ad services are 0 to 105 days, and media for our mobile app ad services and social media ad services typically require prepayments.

On the other hand, we may grant credit terms of up to 180 to 210 days to our advertisers in settlement of our billing to them (i.e., payments made on their behalf for acquisition of ad currency units, ad inventory and other advertising services). When considering whether credit terms are to be granted to our advertisers and the duration of credit terms to be granted, we generally take into account a variety of factors, including, but not limited to, the scale and profile of our advertisers' businesses, their length of business relationships with us, the media of their choices, their budgeted or committed total advertising spend, their financial conditions, their past legal proceedings, their reputation in the industry, and their historical settlement records. For advertisers with new or relatively short business history with us, we may require prepayments or deposits from our advertisers.

It should be noted that the above credit periods are primarily applicable to payments we make on behalf of our advertisers to media (or their authorized agencies and other service providers) for acquisition of their advertising services and ad inventory. In respect of our revenue, the specific credit terms for rebates and incentives from media (or their authorized agencies) are subject to the terms in our written contracts with them, and they are typically settled either by direct set-off of our accounts payable with them (in case of cash rebates and incentives) or through deposits of ad currency units into our accounts maintained with them (in case of in-kind rebates and incentives). Depending on the media, rebates and incentives we receive from media are settled on a quarterly or a yearly basis and at the beginning of the following quarter or following year. For revenue in the form of net fees, given that they represent the difference between the gross fees we charge our advertisers and the media costs incurred on their behalf, credit terms would correspond to our payments made to media (and other advertising agencies and service providers) and payments received from advertisers as described in the preceding paragraphs.

The following table illustrates the major composition of our accounts receivable and accounts payable generally corresponding to our business:

	Counter-party	*Nature or Origin*
Accounts receivable	Advertisers	Gross billing charged to advertisers for acquisition of advertising services and ad inventory on their behalf
Accounts payable	Media (or their authorized agencies) and other advertising services providers	Amounts owed to media (or their authorized agencies) or other advertising service providers for acquisition of ad inventory and other advertising services on behalf of our advertisers

Our Services and Operational Flow

Ad formats for which we offer our advertising services

We offer online advertising services for ads typically in the forms of search ads, in-feed ads, mobile app ads, and social media ads.

Search ads

Search engine marketing (SEM) is a form of internet marketing that involves the promotion of the advertisers' products or services by increasing the visibility of their ads on the search result pages or the derivative products of search engine operators, typically triggered by a keyword searching action initiated by the user of the search engine.

Generally, search ads may take the form of (i) ranked search ads, which are typically ads displayed among the search results triggered by and directly relevant to a user's keyword searches, and are typically bought through an auction-based model; or (ii) display search ads that appear in other positions (such as the margin) of a search results page, which is more typically bought through a non-auctioned based model.

In an auction-based model, advertisers typically place bids for a higher likelihood to have their ads displayed in the top positions of the search results page to potentially obtain more clicks on their ad. Under this model, ad inventory is typically priced under a "cost per click" ("CPC") model, which means the advertisers will pay for every click on their ad. The cost is determined by several factors determined by the search engine's algorithm, typically including the maximum bid, quality score, and the ad rank of other advertisers bidding for the same keyword. For non-auction-based model, advertisers generally acquire an ad space on a search results page at a price which is usually determined under a "cost per time" ("CPT") pricing model.

The following depicts samples of our search ad offerings:

- Ranked search ads (搜索排名广告):
- Display search ads (显示类搜索广告):

In-feed ads

In-feed ads are a form of display ads that blend into the environment they appear in, for instance, looking like part of the news feed on a news or social media webpage, or appearing as a video clip on a short-video sharing platform.

As a form of "precision marketing", in-feed advertising pushes ads to viewers based on data collected that is relevant to the user's interests and therefore improves the likelihood of delivering ads to the desired audience of the advertisers. Due to the nature of in-feed ads, optimization in their presentation based on the features of advertisers' products and services, including factors such as the graphic design of ads and the selection of the target audience, time slots, geographic regions and tiers of cities to display the ads, plays a vital role in improving the likelihood to attract clicks.

We have access to various in-feed advertising channels either directly with the media or with their authorized agencies. These channels include short-video sharing platforms such as ByteDance, and various news portal and social media platforms.

The cost model for in-feed ads is mostly CPC and CPM.

Mobile app ads

Mobile app ads generally refer to ads that are deployed in selected mobile sites or mobile apps, and typically appear in the form of banners, buttons, app-launch screen images and interstitial ads. During the fiscal years 2022 and 2021, media channels we utilized for deployment of mobile app ads for our advertisers included independent apps with acceptable level of traffic, app stores as well as demand-side platforms, or DSPs. We did not provide mobile app ads deployment services during the fiscal years ended December 31, 2023, 2024 and 2025.

The cost model for mobile app is normally CPT and CPA. CPA allows advertisers to pay for a specific action from a prospective customer where a payment is made only when a specific action takes place, such as download (also referred to as CPD), installation and activation.

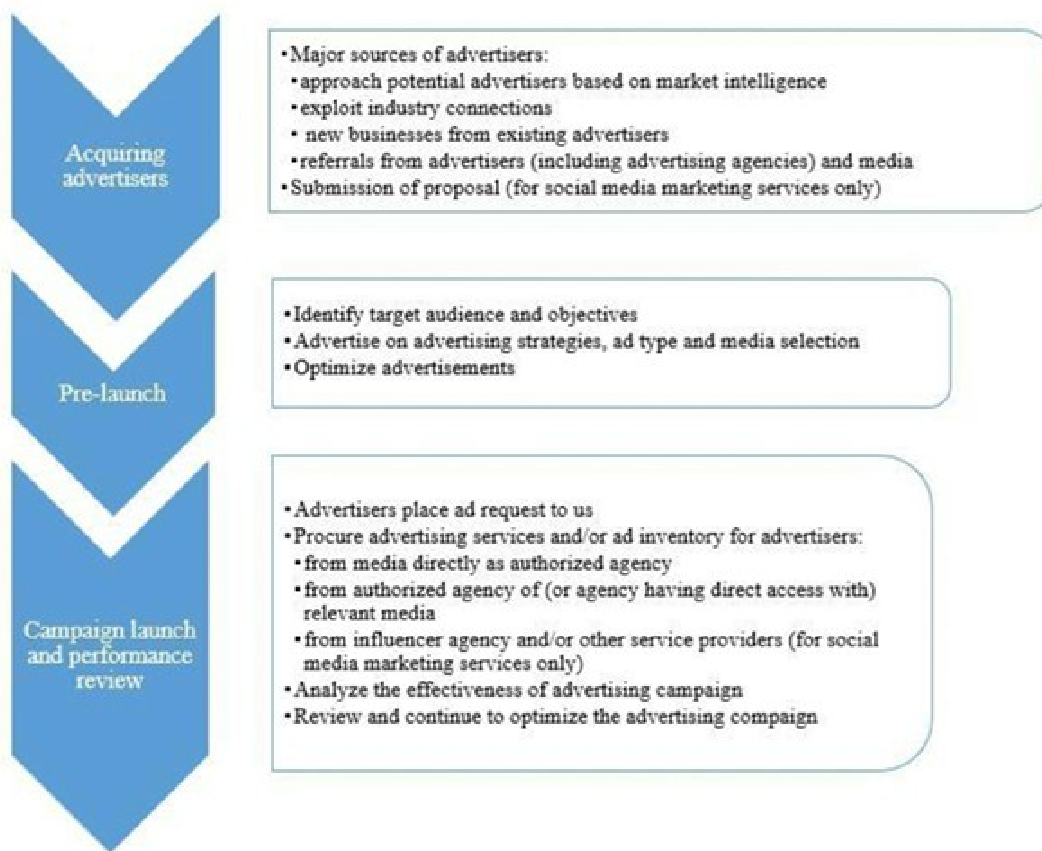
Social media ads

With the emergence of popular online social media attracting numerous users, advertisers are increasingly receptive of the idea of identifying social media accounts that have influence over potential customers on these platforms. Our social media marketing services generally involves the design and implementation of creative advertising campaigns carried out on social media platforms through the use of influential social media accounts with suitable target audiences.

Our social media campaigns generally take the form of coordinated issuances of content on accounts in various popular media platforms, including popular social networking platforms, video sharing platforms, live-streaming platforms, knowledge sharing platforms and information content platforms, which are intended to reach the readers of the contents of these accounts. Depending on the advertisers' marketing objectives, various types of social media accounts can be used, such as (i) the accounts of celebrities and famous bloggers who have many followers; (ii) the accounts of key opinion leaders who commands authority and influence in certain areas (such as fashion, cars); (iii) online publications; and (iv) "grass root" accounts within a more niche audience.

Operational Flow

The diagram below illustrates the major stages of operation flow for the delivery of our advertising services.



Acquiring advertisers

We acquire advertisers through various means, including (i) approaching potential advertisers based on market intelligence and our industry insights; (ii) exploit our industry connections to identify potential advertisers; (iii) reaching out to our existing advertisers to explore further business opportunities, and (iv) through referrals by our advertisers (including advertising agencies) and media. See "— Sales and marketing" in this section for details.

It is common in the advertising industry to have cross-referrals among advertising agencies to utilize each other's media resources which are not available to the others. For instance, we have been engaged by advertising agencies from time to time for placement of ads with media for which we are authorized agency, and we treat these advertising agencies and our direct advertisers alike in terms of the services we offer. Similarly, we may approach other advertising agencies who act as authorized agencies or have direct access of other media to acquire ad inventory for our advertisers.

We would negotiate with the advertisers on the commercial terms of the engagement, then we would enter into legally-binding contracts (framework agreements or one-off agreements) for the provision of our services.

Pre-launch

Before launching an advertising campaign, we would usually discuss with our advertiser to understand its products or services to be marketed, its marketing budget and its marketing objectives.

Depending on the needs of our advertisers, we may provide advices and services on advertising strategies and ad optimization, generally covering:

Ad Type	Our advices or services
SEM ads:	*Keywords research and selection*: We offer advices on selection of desired keywords and search-match criteria as well as exclusion of irrelevant search words to improve the click through rates (CTR) of ads. *Bidding price*: We offer advices on bidding price for various types of keywords under the CPC model with a view to improving the effectiveness of an advertising campaign within a certain budget. *Time and place for ad deployment*: We help advertisers identify their target audiences (such as their profiles and geographical locations) and target time slots to target the ad displays based on the characteristic of the advertisers' products and services. By setting these parameters, we aim to target the relevant audiences of the products and services we promoted to improve the efficiency of reaching users with higher likelihood to click on the ads. *Ad presentation*: In addition to optimization on search actions and search-match process as described in "Keyword research and selection" above, we also provide design optimization on the presentation of search results such as title phrases, text descriptions and special appearances.
In-feed ads:	*Customized audience*: Through direct access to the backend platform of the in-feed ad media which provides "tags" based on user profiles and behavior, we advise our advertisers on how to use these "tags" to define their target audiences, and assist our advertisers in adjusting the ad-trigger criteria to achieve more precise marketing. *Time and place for ad deployment*: We help our advertisers set parameters such as geographical regions and time slots of ad displays and profiles of target audiences based on the features of advertisers' products and services to increase the likelihood of the ads reaching their target audience. *Ad presentation*: In addition to increasing the precision of the advertisement, we also provide optimization services on the design and format of ads, such as the desired length, content, script and color tone of short video ads to make them more receptive to the target audiences.
Mobile app ads:	We advise our advertisers on the choice of media, length of deployment and the format of the advertisements, and negotiate pricing terms with the relevant media operators on behalf of our advertisers.
Social media marketing ads:	We assist our advertisers in the design of advertising strategies, provide advices on choices of ad formats and materials (such as short-video, image and text descriptions), and recommend appropriate social media accounts and suitable media channels for implementation and deployment of the advertising campaigns based on the themes and the desired effects of the campaigns. From time to time, we may be requested to arrange third party service providers to assist in the preparation of advertising materials on behalf of our advertisers.

We provide these advices and services on advertising strategies and ad optimization to our advertisers to improve the effectiveness of their ads, which we believe will serve to enhance our advertisers' satisfaction, promote their stickiness with us, and encourage them to retain our services.

Campaign launch and performance review

After the advertising strategies and materials are agreed with our advertisers, the advertising campaign will be ready to be launched.

Upon receiving our advertisers' orders, we would proceed to make ad placement orders with the relevant media or caused ad currency units to be recorded in our advertisers' accounts on behalf of our advertisers either directly in cases where we are an authorized agency of the relevant media or, in cases where we do not have direct access of the relevant media, through other advertising agencies acting as authorized agency of or having direct access to such media.

For auctioned-based ads (typically ranked search ads and certain in-feed ads), ad inventory is typically acquired through a bidding algorithm using “ad currency units”, a record of virtual currency purchased and recorded in the back-end platform of the media. We typically maintain accounts of ad currency units directly with media or indirectly with media’s authorized agencies on behalf of our advertisers. Ad currency units we purchase on behalf of our advertisers will be recorded in these ad currency accounts for use in bidding for ad inventory. When an ad was clicked or viewed, an amount of ad currency units which the advertiser bid will be deducted from the corresponding ad currency accounts. The advertiser can top up ad currency units in their ad currency accounts to keep the advertising campaign alive. When the balance in the ad currency accounts drops to zero, the campaign will go offline.

For non-auction-based ads (more commonly associated with display search ads, mobile app ads, certain in-feed ads and social media marketing ads), the costs of ad inventory are generally determined based on the ad placement order with reference to, among other things, the prices of the relevant ad inventory set by media, the form and length of exposure of the ads. The actual duration of an advertising campaign, on the other hand, will be determined by the advertiser with reference to its advertising budget and the actual advertising spend.

We have implemented measures to ensure that our ad content does not violate these laws and regulations. After we receive the ad content from our advertisers, it is subject to a compliance review by our experienced employees. If we determine that the ad content does not violate any applicable laws and regulations, we will share the ad content with the relevant media for their internal review. If we determine that the ad content may be in violation of applicable laws or regulations, we will provide suggested edits to the ad content and send it back to the advertiser for revision. After both we and the media have determined that the ad content is in full compliance with applicable laws and regulations on information dissemination, we will confirm with the advertiser on its opinion with respect to the compliance prior to the deployment of the ad.

After an ad is launched, we monitor and assess the overall effectiveness of the advertising campaign in various dimensions, such as the click consumption of search ads, ad exposure of in-feed ads and the visibility and degree of customer engagement of social media campaigns.

Based on the above review, we may further advise our advertisers on advertising strategies and optimization refinements to continuously improve the effectiveness of their ad campaigns. We would update our advertisers of the effectiveness of their advertising campaigns. Review reports may be prepared to highlight our suggested optimization strategies. For social media campaigns, we may also issue closing reports to our advertisers to summarize the key ad deliverables (such as screen shots of the relevant social media accounts) and analyze the campaign effectiveness.

Customers

The identities of our customers vary depending on the type of revenue and the nature of the business transactions. Where we recognize rebates and incentives we earn from media (or their authorized agencies) as our revenue, our customers are the media or their authorized agencies. If we recognize net fees we earn for procuring advertising services and ad inventory from media (or other advertising service providers) on behalf of our advertisers, our customers are our advertisers.

The table below summarizes our revenue model for different services:

Type		Our principal revenue model
SEM Services		
●	Search ads	Rebates and incentives
Non-SEM Services		
●	In feed ads	Rebates and incentives
●	Mobile app ads	Net fees; rebates and incentives
●	Social media ads	Net fees

Top customers

In 2023, our top five customers were Xiamen Toutiao Information Technology Co., Ltd., Guangzhou Juyao Information Technology Co., Ltd., Jiangxi Toujing Network Technology Co., Ltd., Tianjin Hengchuang Xintai Technology Co., Ltd., and Beijing Dajia Internet Information Technology Co., Ltd., representing 47.7%, 12.2%, 6.4%, 4.9% and 3.5% of our total revenue, respectively.

In 2024, our top five customers were Guangzhou Juyao Information Technology Co., Ltd., Shanghai Shoutui Network Technology Co., Ltd., Youju Interactive (Beijing) Technology Co., Ltd., Anhui Denggao Erge Network Technology Co., Ltd., and Beijing Dajia Network Information Technology Co., Ltd., representing 47.7%, 19.3%, 15.6%, 8.0% and 7.9% of our total revenue, respectively.

In 2025, our top five customers were Shenzhen Oriental Modern Information Technology Co., Ltd., Beijing Dajia Network Information Technology Co., Ltd., Ctrip Network Technology (Shanghai) Co., Ltd., Guazi Automobile Service (Tianjin) Co., Ltd., and Beijing Quna Software Technology Co., Ltd., representing 43.0%, 19.3%, 16.6%, 2.8% and 2.2% of our total revenue, respectively.

Suppliers

As we recognize all our revenue on a net basis as either rebates and incentives from media or net fees from advertisers, we do not have any significant suppliers and our cost of sales is mostly composed of our staff costs. For more details on our revenue model, see "—Revenue model and payment cycle" in this section.

Sales and Marketing

As of the date of this annual report, we had three employees in our sales and marketing teams who are mainly responsible for pitching and soliciting advertisers to place ads with media through us. They are tasked with growing and optimizing our advertiser base, understanding advertisers' needs, and cultivating and maintaining relationships with such advertisers.

To grow our advertiser base, it is part of our strategy to identify rapidly expanding industry sectors which show a growing need of online advertising services by gathering and analyzing available market intelligence (such as third-party industry research reports, observation regarding ad placements on major media, news about rolling out of new online products and services). We generally prioritize our focus on the lead players in these targeted sectors and reach out to them with a view to introducing our services to them. On the other hand, our management and sales and marketing team has extensive experience in the online marketing industry. It is also our strategy to exploit such industry connections to enhance our visibility in the market and explore opportunities to reach potential advertisers.

We also acquire new business opportunities from our existing advertiser base. By keeping in touch with our existing advertisers, we are able to gain a deeper understanding of our advertisers' latest business development and their specific advertising needs, and introduce services and ad inventory that are suitable for them.

While our business could come from direct marketing by contacting potential and existing advertisers, a significant portion of our business also come through various referral sources, with the most significant referrals coming from:

(i) **Existing and former advertisers who have used our services**: We believe we have established good reputation for the quality of our services in the online advertising industry spread through the word of mouth. Our authorized agency status of popular media also gives us a strong presence in the online advertising market. We believe these factors have increased the likelihood that an existing or former advertiser may recommend our services to its business connections.

(ii) **Media with existing and former business relationship with us**: Being an authorized agency for our media is an important source of referrals. Typically, popular media would take effort to market their media platforms to attract more advertisers. As a result, they may from time to time receive direct inquiries from advertisers regarding placement of ads on their platforms. For those media which maintain a network of authorized agencies, they would naturally refer the advertisers which have directly approached them to their authorized agency like us.

(iii) **Other third-party advertising agencies**: It is common in the advertising industry to have cross-referrals among advertising agencies to utilize each other's media resources which are not available to the others. On the back of our relationships and authorized agency status with certain media, we have direct access to the ad inventory offered by such media and attracts other third-party advertising agencies without such direct access to place ads through us. Occasionally, we may also receive referrals from other advertising agencies if they consider the services requested by an advertiser do not fit their business goals and strategies (for instance, in terms of sector focus and target profit margin).

Supporting our sales and marketing team are our customer service team, which helps to offer online advertising services to our clients. Our customer service officers are responsible for supporting our advertisers in the ad placement process. They provide consultative services on advertising strategies, campaign planning, execution and post-launch review. We believe that the quality of our service enables us to develop deeper, longer-lasting relationships with our advertisers, identify new opportunities and win new advertisers.

Competition

The online advertising services market in China is highly fragmented and competitive. Along with further consolidation of the market and the continuous innovation of marketing technologies, the concentration level of independent online advertising market is expected to increase gradually, as leading online marketing technology platforms are expected to take up higher market share in the future. Top-tier service providers with various distribution channels and technology advantages are expected to prevail in the future.

Online advertising service providers compete primarily on access to media resources, size of advertiser base, experience of management and service professionals, sufficiency of funding, quality of service, brand recognition, optimization capability, and technological competency. In addition to competition among online advertising service providers, the industry also faces competition from offline advertising through diversion of advertisers' marketing budgets.

We believe we can effectively compete with other online advertising service providers with our broad and diverse advertiser base, established relationships with media and their authorized agencies, authorized agency status with popular media, and our experienced and visionary management team.

Intellectual Property

We regard our proprietary domain names, copyrights, trademarks, trade secrets and other intellectual property critical to our business operations. We rely on a combination of copyrights, trademarks and trade secret laws and restrictions on disclosure to protect our intellectual property.

As of the date of this annual report, we have registered:

- two trademarks in Hong Kong;
- one domain name in China; and

- 13 software copyrights in China.

We implement a set of comprehensive measures to protect our intellectual properties, in addition to making trademark registration applications. Key measures include: (i) timely registration, filing and application for ownership of our intellectual properties, (ii) actively tracking the registration and authorization status of intellectual properties and take action in a timely manner if any potential conflicts with our intellectual properties are identified, (iii) clearly stating all rights and obligations regarding the ownership and protection of intellectual properties in all employment contracts and commercial contracts we enter into.

As of the date of this annual report, we have not been subject to any material dispute or claims for infringement upon third parties' trademarks, licenses and other intellectual property rights in China.

Seasonality

We have experienced, and expect to continue to experience, seasonal fluctuations in our results of operations, due to seasonal changes in our advertisers' budgets and spending on advertising campaigns. For example, our revenues tend to increase as advertising spend rises in holiday seasons with consumer holiday spending, or closer to end-of-year in fulfillment of their annual advertising budgets.

Insurance

We maintain certain insurance policies to safeguard us against risks and unexpected events. For example, we provide social security insurance including pension insurance, unemployment insurance, work-related injury insurance and medical insurance for our employees in compliance with applicable PRC laws. We do not maintain business interruption insurance or product liability insurance, which are not mandatory under PRC laws. We do not maintain key man insurance, insurance policies covering damages to our network infrastructures or information technology systems nor any insurance policies for our properties. During the fiscal years 2025, 2024 and 2023, we did not make any material insurance claims in relation to our business.

Regulation

This section sets forth a summary of the most significant rules and regulations that affect our business activities in China.

Regulations relating to Advertising Businesses

The Advertising Law (《中华人民共和国广告法》) which was promulgated by the Standing Committee of the National People's Congress ("SCNPC") on October 27, 1994 and amended on April 24, 2015, October 26, 2018, April 29, 2021 respectively and became effective on April 29, 2021, requires that advertisers, advertisement operators and advertisement publishers shall ensure that contents of advertisements produced or spread by them are true and totally comply with applicable laws and regulations, and contents of advertisements shall not include, inter alia, information which (1) damages the national dignity or interest, or involves state secrets; (2) contains such words as "national", "highest level" and "the best"; and (3) involves ethnic, racial, religious and gender discrimination. In addition, advertisements with certain special contents shall be subject to government review prior to publication, and advertisement operators and advertisement publishers shall confirm that such review has been sufficiently implemented and relevant approvals have been obtained. Violation of the aforesaid requirements may lead to penalties, confiscation of advertising revenues, or being ordered to stop spreading the advertisement or to publish an advertisement for correcting any misleading information. If such case is serious, the industrial and commercial administration authority may order termination of advertising operation or cancelation of the business license.

The Interim Measures for the Administration of Internet Advertising (《互联网广告管理暂行办法》) which was promulgated by SAIC on July 4, 2016 and came into effect on September 1, 2016 governs all advertisements published on the Internet, including but not limited to advertisements in the form of text, image, audio and video which are published through website, web page and application. Internet advertisement operators and publishers shall not design, produce, provide agency services for or publish any false advertisement they know or should have known; shall establish a review and file management system, inspect and verify relevant supporting documents, and check contents of advertisements; and shall not design, produce, provide agency services for or publish any advertisement whose contents are untrue or without sufficient supporting documents.

The Administrative Measures for Internet Advertising (《互联网广告管理办法》) (promulgated on February 25, 2023) will replace the Interim Measures from May 1, 2023. The Administrative Measures will generally uphold the legal principals and substantial requirements under the Interim Measures, whilst making some improvement based on recent development of the online advertising industry. Among others, it requires internet advertisement operators to timely cooperate with the market regulatory authorities in official inspections over internet advertising industry and allows the regulatory authority to mitigate or exempt the operators from certain administrative penalty, if the operators can prove that they have fulfilled the relevant responsibilities, adopted measures to prevent the illegal advertising and provided the contact information of the responsibility party to the authorities.

Regulations relating to Internet Information Services

On September 25, 2000, the State Council of the People's Republic of China (the "State Council") promulgated the Administrative Measures on Internet Information Services (《互联网信息服务管理办法》) (the "Internet Measures"), which was later amended and became effective on January 8, 2011. Under the Internet Measures, internet information services are divided into profitable services and non-profitable services, a license requirement shall be satisfied before conducting profitable internet information service, and a filing requirement shall be satisfied before conducting non-profitable internet information service. The provision of information services through mobile apps is subject to the PRC laws and regulations governing Internet information services.

The content of the Internet information is highly regulated in China and pursuant to the Internet Measures, the PRC government may shut down the websites of internet information providers (for non-profitable Internet information services) if they produce, reproduce, disseminate or broadcast internet content that contains content that is prohibited by law or administrative regulations. Internet information services providers are also required to monitor their websites. They may not post or disseminate any content that falls within the prohibited categories, and must remove any such content from their websites, save the relevant records and make a report to the relevant governmental authorities. Additionally, as the Internet information service providers, under the Civil Code of the PRC (《中华人民共和国民法典》), which became effective on January 1, 2021, they shall bear tortious liabilities in the event they infringe upon other persons' rights and interests. Where an internet service provider conducts tortious acts through internet services, the infringed person has the right to request the Internet service provider take necessary actions such as deleting contents, screening and de-linking. Failing to take necessary actions after being informed, the Internet service provider will be subject to its liabilities with regard to the additional damages incurred. Where an Internet service provider knows that an internet user is infringing upon other persons' rights and interests through its Internet service but fails to take necessary actions, it is jointly and severally liable with the Internet user.

Regulations relating to Information Security and Privacy Protection

Internet content in China is regulated and restricted from a state security standpoint. On December 28, 2000, the SCNPC enacted the Decisions on Maintaining Internet Security (《全国人民代表大会常务委员会关于维护互联网安全的决定》), later amended on August 27, 2009, which subject violators to criminal punishment in China for any effort to: (1) use the Internet to market fake and substandard products or carry out false publicity for any commodity or service; (2) use the Internet for the purpose of damaging the commercial goodwill and product reputation of any other person; (3) use the Internet for the purpose of infringing on the intellectual property of any person; (4) use the Internet for the purpose of fabricating and spreading false information that affects the trading of securities and futures or otherwise jeopardizes the financial order; or (5) create any pornographic website or webpage on the Internet, provide links to pornographic websites, or disseminate pornographic books and magazines, movies, audio-visual products, or images. Pursuant to the Administrative Measures for the Security Protection of Computer Information Networks Linked to the Internet (《计算机信息网络国际联网安全保护管理办法》) which was promulgated by the Ministry of Public Security (the "MPS") on December 16, 1997 and later amended and became effective on January 8, 2011, the Internet is prohibited to be used in ways which, among other things, would result in a leakage of state secrets or a spread of socially destabilizing content. On December 13, 2005, the MPS promulgated the Provisions on the Technical Measures for the Protection of the Security of the Internet (《互联网安全保护技术措施规定》) which require internet service providers to take proper measures including anti-virus, data back-up and other related measures, to keep records of certain information about its users (including user registration information, log-in and log-out time, IP address, content and time of posts by users) for at least 60 days, and to detect illegal information, stop transmission of such information, and keep relevant records. If an internet information service provider violates these measures, the MPS and the local public security bureaus may recommend that the original certificate examination, approval and issuing organizations revoke its operating license and shut down its websites. Pursuant to the Circular of the MPS, the State Secrecy Bureau, the State Cipher Code Administration and the Information Office of the State Council on Printing and Distributing the Administrative Measures for the Graded Protection of Information Security (《公安部、国家保密局、国家密码管理局、国务院信息化工作办公室关于印发〈信息安全等级保护管理办法〉的通知》) which was promulgated on June 22, 2007, the state shall, by formulating nationally effective administrative norms and technical standards for the graded protection of information security, organize citizens, legal persons and other organizations to grade information systems and protect their security, and supervise and administer the graded protection work. The security protection grade of an information system may be classified into the five grades. To newly build an information system of Grade II or above, its operator or user shall, within 30 days after it is put into operation, handle the record-filing procedures at the local public security organ at the level of municipality divided into districts or above of its locality.

PRC governmental authorities have enacted laws and regulations on internet use to protect personal information from any unauthorized disclosure. On December 28, 2012, the SCNPC promulgated the Decision on Strengthening Network Information Protection (《关于加强网络信息保护的决定》), which became effective on the same day, to enhance the legal protection of information security and privacy on the Internet. On July 16, 2013, the Ministry of Industry and Information Technology of the PRC (the "MIIT") promulgated the Provisions on Protection of Personal Information of Telecommunication and Internet Users (《电信和互联网用户个人信息保护规定》) to regulate the collection and use of users' personal information in the provision of telecommunication services and internet information services in China. Telecommunication business operators and internet service providers are required to establish its own rules for collecting and use of users' information and cannot collect or use users' information without users' consent. Telecommunication business operators and internet service providers are prohibited from disclosing, tampering with, damaging, selling or illegally providing others with, collected personal information.

Internet content in China is strictly regulated from a state security standpoint. The Cyber Security Law of the PRC (《中华人民共和国网络安全法》), which was enacted on November 7, 2016 and most recently amended by the SCNPC on October 28, 2025 (effective as of January 1, 2026), serves as the fundamental law in this area. It imposes comprehensive obligations on network operators to maintain network security, protect personal information, and strengthen the protection of critical information infrastructure. The 2025 Amendment significantly increased the penalties for non-compliance and further clarified the responsibilities of network operators in identifying and addressing cybersecurity threats.

On June 10, 2021, the SCNPC promulgated the Data Security Law of the PRC (《中华人民共和国数据安全法》), which became effective on September 1, 2021. The Data Security Law establishes a tiered and classified data protection system based on the importance of data to economic and social development, and the degree of harm caused to national security or public interests if the data is tampered with, destroyed, leaked, or illegally obtained. Data processors are required to establish a sound data security management system and fulfill social responsibilities in data processing.

On August 20, 2021, the SCNPC promulgated the Personal Information Protection Law of the PRC (《中华人民共和国个人信息保护法》), which became effective on November 1, 2021. As the first comprehensive law specifically regulating personal information protection in China, it stipulates the principles for processing personal information (including "informed consent"), the rights of individuals, and the obligations of personal information processors. It also imposes strict requirements on the cross-border transfer of personal information.

On September 24, 2024, the State Council promulgated the Regulations on the Administration of Network Data Security (《网络数据安全管理条例》), which became effective on January 1, 2025. These regulations provide detailed implementation rules for the Cyber Security Law, the Data Security Law, and the Personal Information Protection Law. Under these regulations, data processors that process "important data" or are listed overseas are required to carry out an annual data security assessment either on their own or by engaging a third-party services institution. The data security assessment report for the prior year must be submitted to the local cyberspace affairs administration department before January 31 of each year. Furthermore, any data processor processing the personal data of more than one million users must apply for a cybersecurity review before listing overseas.

The Cyber Security Law of the PRC requires network operators to perform certain functions related to cyber security protection and the strengthening of network information management. For instance, under the Cyber Security Law, network operators of key information infrastructure shall store within the territory of the PRC all the personal information and important data collected and produced within the territory of PRC and their purchase of network products and services that may affect national securities shall be subject to national cybersecurity review. Our PRC legal counsel, Beijing Dacheng, has advised us that, based on its understanding of the Cyber Security Law, we are not a network operator and not subject to the requirements imposed to network operators under the Cyber Security Law. However, as a non-network operator, like any individual or organization, we have an obligation under the Cyber Security Law not to acquire personal information by stealing or through other illegal means, or illegally sell or provide personal information to any other person. As of the date of this annual report, we are in material compliance with the Cyber Security Law, and this law has not had a significant impact on our business operations. However, our PRC legal counsel, Beijing Dacheng, has further advised us that there are uncertainties as to how the Cyber Security Law will be interpreted or amended by competent authorities in the future.

On April 13, 2020, the Cyberspace Administration of China and other departments issued Cybersecurity Review Measures (《网络安全审查办法》), which took effect on June 1, 2020, to provide for more detailed rules regarding cybersecurity review requirements. Later on December 28, 2021, the CAC and other relevant PRC governmental authorities jointly promulgated the Cybersecurity Review Measures Transfer (《网络安全审查办法》), which took effect on February 15, 2022. The Cybersecurity Review Measures provide that, in addition to CIIOs that intend to purchase Internet products and services, net platform operators engaging in data processing activities that affect or may affect national security must be subject to cybersecurity review by the Cybersecurity Review Office of the PRC. According to the Cybersecurity Review Measures, a cybersecurity review assesses potential national security risks that may be brought about by any procurement, data processing, or overseas listing. The Cybersecurity Review Measures require that an online platform operator which possesses the personal information of at least one million users must apply for a cybersecurity review by the CAC if it intends to be listed in foreign countries. See "Item 3. Key Information—D. Risk Factor— Risks Related to Doing Business in China—*Recent greater oversight by the Cyberspace Administration of China, or the CAC, over data security, particularly for companies seeking to list on a foreign exchange, could adversely impact our business and our offering*."

Regulations relating to Intellectual Property Rights

Copyrights

In accordance with the Copyright Law of the PRC (《中华人民共和国著作权法》) promulgated by the SCNPC on September 7, 1990, last amended on October 27, 2001, February 26, 2010, and November 11, 2020, respectively, and came into effect on June 1, 2021, Chinese citizens, legal persons or other entities own the copyright in their works whether published or not, including written works, oral works, music, comedy, arts of talking and singing, dance and acrobatics, work of art and architecture work, photographic works, video and audio works; engineering design drawing, product design drawing, map, sketch and other graphic works and model works, computer software and other works specified by laws and administrative regulations. The rights a copyright owner has include but not limited to the following rights of the person and property rights: the right of publication, right of authorship, right of modification, right of integrity, right of reproduction, distribution right, rental right, right of network communication, translation right and right of compilation.

In accordance with the Regulations on the Protection of Computer Software (《计算机软件保护条例》) promulgated by the State Council on December 20, 2001 and last amended on January 30, 2013, Chinese citizens, legal persons or other entities own the copyright,

including the right of publication, right of authorship, right of modification, right of reproduction, distribution right, rental right, right of network communication, translation right and other rights software copyright owners shall have in software developed by them, regardless of whether it has been published. In accordance with the Measures for the Registration of Computer Software Copyright (《计算机软件著作权登记办法》) promulgated by the National Copyright Administration on April 6, 1992 and last amended on February 20, 2002, software copyrights, exclusive licensing contracts for software copyrights and software copyright transfer contracts may be registered, and the National Copyright Administration shall be the competent authority for the administration of software copyright registration and designates the Copyright Protection Center of China as a software registration authority. The Copyright Protection Center of China shall grant a registration certification to a computer software copyright applicant who complies with regulations.

Trademark

In accordance with the Trademark Law of the PRC (《中华人民共和国商标法》) (the "Trademark Law"), which was promulgated by the SCNPC on August 23, 1982 and came into effect on March 1, 1983, and was last amended on April 23, 2019 and came into effect on November 1, 2019, and the Regulations for the Implementation of the Trademark Law of the PRC (《中华人民共和国商标法实施条例》) which was promulgated by the State Council on August 3, 2002, came into effect on September 15, 2002 and was last amended on April 29, 2014 and came into effect on May 1, 2014, any trademark which is registered with the approval of the Trademark Office is a registered trademark, including commodity trademark, service trademark, collective trademark, certification trademark, and the trademark registrant has the exclusive right to use a registered trademark and such right is protected by law. A registered trademark is valid for a period of 10 years commencing from the date on which the registration is approved. Use of a trademark that is identical with or similar to a registered trademark, for the same kind of or similar commodities, without authorization of the trademark registrant, constitutes infringement of the exclusive right to use a registered trademark.

Domain name

In accordance with the Measures for the Administration of Internet Domain Names (《互联网域名管理办法》) which was promulgated by the MIIT on August 24, 2017 and came into effect on November 1, 2017, the Implementing Rules of China Internet Network Information Center on Domain Name Registration (the "Implementing Rules of Domain Name Registration") (《中国互联网信息中心域名注册实施细则》) which was promulgated by China Internet Network Information Center (the "CNNIC") on May 28, 2012 and came into effect on May 29, 2012, and the Measures of the China Internet Network Information Center on Domain Name Dispute Resolution (the "Measures on Domain Name Dispute Resolution") (《中国互联网络信息中心域名争议解决办法》) which was promulgated by CNNIC May 28, 2012, came into effect on June 28, 2012, domain name registrations are handled through domain name service agencies established under relevant regulations, and the applicant becomes a domain name holder upon successful registration, and domain name disputes shall be submitted to an organization authorized by CNNIC, for resolution. Both the Implementing Rules of Domain Name Registration and the Measures on Domain Name Dispute Resolution were abolished on June 18, 2019 and replaced by Implementing Rules of China Top Level Domain Name Registration (《国家顶级域名注册实施细则》), which was promulgated by CNNIC on June 18, 2019 and came into effect on the same day.

In accordance with the Notice from the Ministry of Industry and Information Technology on Regulating the Use of Domain Names in Internet Information Services (《工业和信息化部关于规范互联网信息服务使用域名的通知》) which was promulgated by the MIIT on November 27, 2017 and came into effect on January 1, 2018, internet access service providers shall verify the identity of each internet information service provider, and shall not provide services to any internet information service provider which fails to provide real identity information.

Regulations Relating to Overseas Listings and Offerings

On December 24, 2021, the CSRC issued Provisions of the State Council on the Administration of Overseas Securities Offering and Listing by Domestic Companies (Draft for Comments) (the "Administration Provisions"), and the Provisions of the State Council on the Administration of Overseas Securities Offering and Listing by Domestic Companies (Draft for Comments) (the "Measures").

The Administration Provisions and Measures for overseas listings lay out specific requirements for filing documents and include unified regulation management, strengthening regulatory coordination, and cross-border regulatory cooperation. Domestic companies seeking to list abroad must carry out relevant security screening procedures if their businesses involve such supervision. Companies endangering national security are among those off-limits for overseas listings.

On February 17, 2023, the CSRC released the Trial Measures, (《境内企业境外发行证券和上市管理试行办法》), and five supporting guidelines, which became effective on March 31, 2023. On the same date of the issuance of the Overseas Listings Rules, the CSRC circulated No.1 to No.5 Supporting Guidance Rules, the Notes on the Overseas Listings Rules, the Notice on Administration Arrangements for the Filing of Overseas Listings by Domestic Enterprises and the relevant CSRC Answers to Reporter Questions on the official website of CSRC, or collectively, the Guidance Rules and Notice. The Overseas Listings Rules, together with the Guidance Rules and Notice, reiterate the basic supervision principles as reflected in the Administration Provisions and Measures by providing substantially the same requirements for filings of overseas offering and listing by domestic companies. Under the Overseas Listings Rules and the Guidance Rules and Notice, domestic companies conducting overseas securities offering and listing activities, either in direct or indirect form, shall complete filing procedures with the CSRC pursuant to the requirements of the Trial Measures within three working days following their submissions of initial public offerings or listing applications. The companies that have already been listed on overseas stock exchanges or have obtained the approval from overseas supervision administrations or stock exchanges for their offerings and listings and will complete their overseas offering and listing prior to September 30, 2023 are not required to make immediate filings for their listings yet need to make filings for subsequent offerings in accordance with the Overseas Listings Rules. The companies that have already submitted an application for an initial public offering to overseas supervision administrations prior to the effective date of the Overseas Listings Rules but have not yet obtained the approval from overseas supervision administrations or stock exchanges for the offerings and listings may arrange for the filing within a reasonable time period and should complete the filing procedure before such companies' overseas issuance and listing.

As of the date of this annual report, we have not received any formal inquiry, notice, warning, sanction, or any regulatory objection from the CSRC with respect to our listing or subsequent offerings. However, if we decide to conduct offerings in the future, we will be required to complete filings under the Overseas Listings Rules with the CSRC. As the Overseas Listings Rules were newly published and there exists uncertainty with respect to the filing requirements and its implementation, if we are required to submit to the CSRC and complete the filing procedure of our subsequent overseas public offerings, we cannot be sure that we will be able to complete such filings in a timely manner. Any failure or perceived failure by us to comply with such filing requirements under the Overseas Listings Rules may result in forced corrections, warnings and fines against us and could materially hinder our ability to offer or continue to offer our securities.

Regulations relating to Labor and Social Welfare

The Labor Contract Law

Pursuant to the Labor Contract Law of the PRC (《中华人民共和国劳动合同法》), which was issued on June 29, 2007, amended on December 28, 2012 and became effective on July 1, 2013, labor contracts shall be concluded in writing if employment relationships are to be or have been established between enterprises or institutions and the employees. Enterprises and institutions are forbidden to force employees to work beyond the time limit and employers shall pay employees for overtime work in accordance with national regulations. In addition, employee wages shall not be lower than local standards on minimum wages and shall be paid to employees in a timely manner.

According to the Labor Law of the PRC (《中华人民共和国劳动法》) which was promulgated on July 5, 1994 and last amended and came into effect on December 29, 2018, enterprises and institutions shall establish and improve their system of workplace safety and sanitation, strictly abide by state rules and standards on workplace safety, educate employees in occupational safety and sanitation in the PRC. Occupational safety and sanitation facilities shall comply with state-fixed standards. Enterprises and institutions shall provide employees with a safe workplace and sanitation conditions which are in compliance with state stipulations and the relevant articles of occupational protection.

Social Insurance and Housing Fund

Pursuant to the Interim Regulations on Levying Social Insurance Premiums (《社会保险费征缴暂行条例》) promulgated on January 22, 1999 and revised on March 24, 2019, Decisions of the State Council on Modifying the Basic Endowment Insurance System for Enterprise Employees (《国务院关于完善企业职工基本养老保险制度的决定》) promulgated on December 3, 2005, Decision on Establishment of Basic Medical System for Urban Employee (《国务院关于建立城镇职工基本医疗保险制度的决定》) issued by State Council with effect from December 14, 1998, the Regulations on Unemployment Insurance (《失业保险条例》) effective from January 22, 1999, Regulations on Work-Related Injury Insurance (《工伤保险条例》) promulgated on April 27, 2003, amended on December 20, 2010, and became effective on January 1, 2011, and the Interim Measures concerning the Maternity Insurance for Enterprise Employees (《企业职工生育保险试行办法》) promulgated on December 14, 1994 with effect from January 1, 1995, employers are required to register with the competent social insurance authorities and provide their employees with welfare schemes covering pension insurance, unemployment insurance, maternity insurance, work-related injury insurance and medical insurance.

Pursuant to Opinions of the General Office of the State Council on Comprehensively Advancing Combined Implementation of Maternity Insurance and Basic Medical Insurance for Employees (《国务院办公厅关于全面推进生育保险和职工基本医疗保险合并实施的意见》), promulgated by the General Office of State Council on March 6, 2019, maternity insurance fund shall merge into the basic medical care insurance fund for employees so as to unify payment and harmonize consolidation level. The new ratio of employers' contribution to basic medical care insurance for employees is determined based on the aggregate of the ratios of employers' contribution to maternity insurance and basic medical care insurance for employees, and an individual is not required to pay for maternity insurance. Therefore, after March 6, 2019, our Company has no record of maternity insurance fund in the payment details of social security, since it has been merged into the basic medical care insurance fund.

Pursuant to the Social Insurance Law of the PRC (《中华人民共和国社会保险法》), which became effective on July 1, 2011 with last amendment on December 29, 2018, all employees are required to participate in basic pension insurance, basic medical insurance schemes and unemployment insurance, which must be contributed by both the employers and the employees. All employees are required to participate in work-related injury insurance and maternity insurance schemes, which must be contributed by the employers. Employers are required to complete registrations with local social insurance authorities. Moreover, employers must timely make all social insurance contributions. Except for mandatory exceptions such as force majeure, social insurance premiums may not be paid late, reduced or be exempted. Where an employer fails to make social insurance contributions in full and on time, the social insurance contribution collection agencies shall order it to make all or outstanding contributions within a specified period and impose a late payment fee at the rate of 0.05% per day from the date on which the contribution becomes due. If such employer fails to make the overdue contributions within such time limit, the relevant administrative department may impose a fine equivalent to one to three times the overdue amount.

Pursuant to the Emergency Notice on Practicing Principles of the State Council Executive Meeting and Stabilizing Work on Collecting Social Insurance Premiums (《人力资源社会保障部办公厅关于贯彻落实国务院常务会议精神切实做好稳定社保费征收工作的紧急通知》), promulgated by the Ministry of Human Resources and Social Security on September 21, 2018, local authorities are prohibited from organizing the centralized settlement of historical unpaid social insurance premiums of enterprises.

Pursuant to the Administrative Regulations on the Housing Provident Fund (《住房公积金管理条例》) effective from April 3, 1999, amended on March 24, 2002 and March 24, 2019, enterprises are required to register with the competent administrative centers of housing provident fund and open bank accounts for housing provident funds for their employees. Employers are also required to timely pay all housing fund contributions for their employees. Where an employer fails to submit and deposit registration of housing provident fund or fails to go through the formalities of opening housing provident fund accounts for its employees, the housing provident fund management center shall order it to go through the formalities within a prescribed time limit. Failing to do so at the expiration of the time limit will subject the employer to a fine of not less than RMB10,000 and up to RMB50,000. When an employer fails to pay housing provident fund due in full and in time, housing provident fund center is entitled to order it to rectify, failing to do so would result in enforcement exerted by the court.

Regulations relating to Tax

Enterprise income tax

According to the EIT Law, enacted on March 16, 2007, effective on January 1, 2008 and last amended on December 29, 2018 by the SCNPC and the Implementation Regulations for the Enterprise Income Tax Law of the PRC (《中华人民共和国企业所得税法实施条例》), enacted on December 6, 2007, amended and came into effect on April 23, 2019 by the State Council, and its relevant implementation regulations, taxpayers consist of resident enterprises and non-resident enterprises. Resident enterprises are defined as enterprises that are established in China in accordance with PRC laws, or that are established in accordance with the laws of foreign countries but whose actual or de facto control is administered from within the PRC. Non-resident enterprises are defined as enterprises that are set up in accordance with the laws of foreign countries and whose actual administration is conducted outside the PRC, but have established institutions or premises in the PRC, or have no such established institutions or premises but have income generated from inside the PRC. Under the EIT Law and relevant implementing regulations, a uniform corporate income tax rate of 25% is applicable. However, if nonresident enterprises have not formed permanent establishments or premises in the PRC, or if they have formed permanent establishment institutions or premises in the PRC but there is no actual relationship between the relevant income derived in the PRC and the established institutions or premises set up by them, the enterprise income tax is, in that case, set at the rate of 10% for their income sourced from inside the PRC.

Pursuant to the Notice on Preferential EIT Policies for Two Special Economic Development Zones of Kashi and Horgos in Xinjiang Uygur Autonomous Region (《关于新疆喀什霍尔果斯两个特殊经济开发区企业所得税优惠政策的通知》) promulgated by MOF and SAT on November 29, 2011 and the Implementation Opinions on Accelerating the Construction of Kashi and Horgos Economic Development Zones (《关于加快喀什、霍尔果斯经济开发区建设的实施意见》) promulgated by the Government of Xinjiang Uygur Autonomous Region of China on April 29, 2012, an enterprise established in Horgos or Kashi between January 1, 2010 and December 31, 2020 and fallen within the scope of the Catalogue of EIT Incentives for Industries Particularly Encouraged for Development by Poverty Areas of Xinjiang (新疆困难地区重点鼓励发展产业企业所得税优惠目录) shall be exempted from EIT for five years beginning from the first year in which the manufacturing or business operational revenue is earned. After the initial EIT exemption period, the enterprise is entitled to another five-year exemption on the local portion of its EIT.

Value-added Tax

Pursuant to the Provisional Regulations on VAT of the PRC (《中华人民共和国增值税暂行条例》) promulgated by the State Council on December 31, 1993, and subsequently amended on November 5, 2008, February 6, 2016 and November 19, 2017 respectively, and the Implementation Rules of the Provisional Regulations on VAT of the PRC (《中华人民共和国增值税暂行条例实施细则》) promulgated by MOF on December 25, 1993 and amended on December 15, 2008 and October 28, 2011 respectively, tax payers engaging in sale of goods, provision of processing services, repairs and replacement services or importation of goods within the territory of the PRC shall pay VAT.

On November 16, 2011, MOF and SAT jointly promulgated the Pilot Plan for Levying VAT in Lieu of Business Tax (《营业税改征增值税试点方案》). Starting from January 1, 2012, the PRC government has been gradually implementing a pilot program in certain provinces and municipalities to levy a 6% VAT on revenue generated from certain kinds of services in lieu of the business tax.

The Administrative Measures on Tax Exemption for Cross-border Acts Subject to VAT in the Pilot Scheme for Levying VAT in Place of Business Tax (for Trial Implementation) (《营业税改征增值税跨境应税行为增值税免税管理办法(试行)》), which was promulgated on May 6, 2016 by SAT and effective on May 1, 2016, and was amended on June 15, 2018, effective on the same day, provides that if a domestic enterprise provides cross-border taxable services such as technology transfer (provided to and received by overseas entities), technical consulting (provided to and received by overseas entities), and software service (provided to and received by overseas entities), technical consulting (provided to and received by overseas entities), the above mentioned cross-border taxable services shall be exempt from the VAT. Technical consulting services provided by a domestic enterprise are subject to zero-rated policies, but such taxpayer might choose to forfeit the application of zero rate and opt for the tax exemption.

On March 23, 2016, MOF and SAT jointly issued the Circular of Full Implementation of Business Tax to VAT Reform (the "Circular 36") (《关于全面推开营业税改征增值税试点的通知》), which was last amended by the Announcement of the Ministry of Finance, the State Taxation Administration and the General Administration of Customs on Relevant Policies for Deepening the Value-Added Tax Reform (《财政部、税务总局、海关总署关于深化增值税改革有关政策的公告》) on March 20, 2019 and came into effect on April 1, 2019, confirms that business tax will be completely replaced by VAT from May 1, 2016. The Notice of MOF and SAT on the Adjustment to VAT Rates (《关于调整增值税税率的通知》), promulgated on April 4, 2018 and effective as of May 1, 2018, adjusted the applicative rate of VAT. The deduction rates of 17% and 11% applicable to the taxpayers who have VAT taxable sales activities or imported goods are adjusted to 16% and 10%, respectively. For the export goods to which a tax rate of 17% was originally applicable and the export rebate rate was 17%, the export rebate rate is adjusted to 16%. For the export goods and cross-border taxable activities to which a tax rate of 11% was originally applicable and the export rebate rate was 11%, the export rebate rate is adjusted to 10%.

Pursuant to the Announcement on Relevant Policies for Deepening Value-Added Tax Reform (《关于深化增值税改革有关政策的公告》),which was promulgated by MOF, SAT and the General Administration of Customs on March 20, 2019 and became effective on April 1, 2019, where (i) for VAT taxable sales or imports of goods originally subject to value-added tax rates of 16%, such tax rates shall be adjusted to 13%; (ii) for the exported goods originally subject to a tax rate of 16% and an export tax refund rate of 16%, the export tax refund rate shall be adjusted to 13%.

Dividend withholding tax

According to the EIT Law and its implementing rules, dividends paid to investors of an eligible PRC resident enterprise can be exempted from EIT and dividends paid to foreign investors are subject to a withholding tax rate of 10%, unless relevant tax agreements entered into by the PRC government provide otherwise.

The PRC and the government of Hong Kong entered into the Arrangement between the Mainland of the PRC and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Incomes (《内地和香港特别行政区关于对所得避免双重征税和防止偷漏税的安排》), or the Arrangement, on August 21, 2006. According to the Arrangement, 5% withholding tax rate shall apply to the dividends paid by a PRC company to a Hong Kong resident, provided that such Hong Kong resident directly holds at least 25% of the equity interests in the PRC company, and 10% of withholding tax rate shall apply if the Hong Kong resident holds less than 25% of the equity interests in the PRC company.

Pursuant to the Circular on Relevant Issues Relating to the Implementation of Dividend Clauses in Tax Treaties (《关于执行税收协定股息条款有关问题的通知》), which was promulgated by SAT and became effective on February 20, 2009, all of the following requirements shall be satisfied where a fiscal resident of the other party to a tax agreement needs to be entitled to such tax agreement treatment as being taxed at a tax rate specified in the tax agreement for the dividends paid to it by a PRC resident company: (i) such a fiscal resident who obtains dividends shall be a company as provided in the tax agreement; (ii) owner's equity interests and voting shares of the PRC resident company directly owned by such a fiscal resident reaches a specified percentage; and (iii) the equity interests of the PRC resident company directly owned by such a fiscal resident, at any time during the 12 months prior to obtaining the dividends, reach a percentage specified in the tax agreement.

According to the Tentative Administrative Measures on Tax Convention Treatment for Non-Residents (《非居民享受税收协定待遇管理办法(试行)》), which was promulgated by SAT on August 24, 2009 and became effective on October 1, 2009, where a non-resident enterprise that receives dividends from a PRC resident enterprise wishes to enjoy the favorable tax benefits under the tax arrangements, it shall submit an application for approval to the competent tax authority. Without being approved, the non-resident enterprise may not enjoy the favorable tax treatment provided in the tax agreements.

The Tentative Administrative Measures on Tax Convention Treatment for Non-Residents (《非居民享受税收协定待遇管理办法(试行)》) was repealed by the Administrative Measures on Tax Convention Treatment for Non-Resident Taxpayers (《非居民纳税人享受税收协议待遇管理办法》), which was promulgated by SAT on August 27, 2015 and became effective on November 1, 2015 with last amendment on June 15, 2018, where a non-resident enterprise that receives dividends from a PRC resident enterprise, it could directly enjoy the favorable tax benefits under the tax arrangements at tax returns, and subject to the subsequent regulation of the competent tax authority. The Administrative Measures on Tax Convention Treatment for Non-Resident Taxpayers has subsequently been repealed by the Administrative Measures on Treaty Benefits Treatment for Non-Resident Taxpayers (《非居民纳税人享受协定待遇管理办法》), promulgated by SAT on October 14, 2019 and became effective on January 1, 2020, which still adopts the same provisions as the Administrative Measures on Tax Convention Treatment for Non-Resident Taxpayers.

PRC Laws and Regulations relating to Foreign Exchange

General Administration of Foreign Exchange

According to the *Regulations on the Control of Foreign Exchange* (《中华人民共和国外汇管理条例》), which were promulgated by the State Council on January 29, 1996, came into effect on April 1, 1996, and were amended on January 14, 1997, and August 5, 2008, payments for transactions that take place within the PRC must be made in RMB. Unless otherwise approved, PRC companies may not repatriate foreign currency payments received from abroad or retain the same abroad. RMB is convertible into other currencies for current account items, such as trade-related receipts and payments and payment of interest and dividends. The conversion of RMB into other currencies and remittance of the converted foreign currency outside the PRC for of capital account items, such as direct equity investments, loans and repatriation of investment, requires the prior approval from the SAFE or its local office. According to regulations on foreign exchange settlement of FIEs, they may retain foreign exchange in accounts with designated foreign exchange banks under the current account items subject to a cap set by the SAFE or its local office. Foreign exchange proceeds under the current accounts may be either retained or sold to a financial institution engaged in settlement and sale of foreign exchange pursuant to relevant SAFE rules and regulations. For foreign exchange proceeds under the capital accounts, approval from the SAFE is generally required for the retention or sale of such proceeds to a financial institution engaged in settlement and sale of foreign exchange.

SAFE Circular No. 21

On May 10, 2013, the SAFE promulgated the Circular of the SAFE on Printing and Distributing the *Administrative Provisions on Foreign Exchange in Domestic Direct Investment by Foreign Investors and Relevant Supporting Documents* (《外国投资者境内直接投资外汇管理规定》) ("SAFE Circular No. 21"), which was amended on December 30, 2019. It provided for and simplified the operational steps and regulations on foreign exchange matters related to direct investment by foreign investors, including foreign exchange registration, account opening and use, receipt and payment of funds, and settlement and sales of foreign exchange.

SAFE Circular No. 59

Pursuant to the *Circular of the SAFE on Further Improving and Adjusting Foreign Exchange Administration Policies for Direct Investment* (《国家外汇管理局关于进一步改进和调整直接投资外汇管理政策的通知》), promulgated by SAFE on November 19, 2012, which became effective on December 17, 2012, and was further amended on May 4, 2015, October 10, 2018, and December 30, 2019, respectively, approval is not required for opening a foreign exchange account and depositing foreign exchange into the accounts relating to the direct investments. SAFE Circular No. 59 also simplified foreign exchange-related registration required for the foreign investors to acquire the equity interests of Chinese companies and further improve the administration on foreign exchange settlement for FIEs.

SAFE Circular No. 13

Pursuant to the *Circular on Further Simplifying and Improving the Foreign Currency Management Policy on Direct Investment* (《国家外汇管理局关于进一步简化和改进直接投资外汇管理政策的通知》), effective from June 1, 2015, and amended on December 30, 2019, which cancels the administrative approvals of foreign exchange registration of direct domestic investment and direct overseas investment and simplifies the procedure of foreign exchange-related registration, the investors shall register with banks for direct domestic investment and direct overseas investment.

SAFE Circular No. 19

The *Notice of the State Administration of Foreign Exchange on Reforming the Mode of Management of Settlement of Foreign Exchange Capital of Foreign-Funded Enterprises*(《国家外汇管理局关于改革外商投资企业外汇资本金结汇管理方式的通知》), or the SAFE Circular No.19, which was promulgated by the SAFE on March 30, 2015, and became effective on June 1, 2015 and was amended on December 30, 2019 and March 23, 2023, provides that a foreign-invested enterprise may, according to its actual business needs, settle with a bank the portion of the foreign exchange capital in its capital account for which the relevant foreign exchange administration has confirmed monetary capital contribution rights and interests (or for which the bank has registered the injection of the monetary capital contribution into the account). Pursuant to the SAFE Circular No.19, for the time being, FIEs are allowed to settle 100% of their foreign exchange capitals on a discretionary basis; a foreign-invested enterprise shall truthfully use its capital for its own operational purposes within the scope of business; where an ordinary foreign-invested enterprise makes domestic equity investment with the amount of foreign exchanges settled, the invested enterprise shall first go through domestic re-investment registration and open a corresponding account for foreign exchange settlement pending payment with the foreign exchange administration or the bank at the place where it is registered.

Based on the foregoing, when setting up a new foreign-invested enterprise, the foreign invested enterprise shall register with the bank located at its registered place after obtaining the business license, and if there is any change in capital or other changes relating to the basic information of the foreign-invested enterprise, including without limitation any increase in its registered capital or total investment, the foreign invested enterprise shall register such changes with the bank located at its registered place after obtaining the approval from or completing the filing with competent authorities. Pursuant to the relevant foreign exchange laws and regulations, the above-mentioned foreign exchange registration with the banks will typically take less than four weeks upon the acceptance of the registration application. If we intend to provide funding to Beijing Baosheng through capital injection at or after their establishment, we shall register the establishment of and any follow-on capital increase in our wholly foreign owned subsidiaries with the State Administration for Industry and Commerce or its local counterparts, file such via the FICMIS and register such with the local banks for the foreign exchange related matters.

Offshore Investment

Circular 37

Under the *Circular of the State Administration of Foreign Exchange on Issues Concerning the Foreign Exchange Administration over the Overseas Investment and Financing and Round-trip Investment by Domestic Residents via Special Purpose Vehicles* (《关于境内居民通过特殊目的公司境外投融资及返程投资外汇管理有关问题的通知》), or the SAFE Circular 37, issued by the SAFE and effective on July 4, 2014, PRC residents are required to register with the local SAFE branch prior to the establishment or control of an offshore special purpose vehicle, or SPV, which is defined as offshore enterprises directly established or indirectly controlled by PRC residents for offshore equity financing of the enterprise assets or interests they hold in China. An amendment to registration or subsequent filing with the local SAFE branch by such PRC resident is also required if there is any change in basic information of the offshore company or any material change with respect to the capital of the offshore company. At the same time, the SAFE has issued the *Operation Guidance for the Issues Concerning Foreign Exchange Administration over Round-trip Investment* regarding the procedures for SAFE registration under the SAFE Circular 37, which became effective on July 4, 2014, as an attachment of Circular 37.

Under the relevant rules, any failure by any of our shareholders who is a PRC resident, or is controlled by a PRC resident, to comply with relevant requirements under these regulations could subject Baosheng Group, our SPV, to restrictions imposed on foreign exchange activities, including restrictions on its ability to receive registered capital as well as additional capital from PRC resident shareholders, and contribute registered capital as well as additional capital to Beijing Baosheng. If Beijing Baosheng fails to obtain necessary registered capital within the approved business time limit, the industries and commercial administrative authorities might revoke its business license. Due to the failure by shareholders to complete the registration, WFOE’s ability to pay dividends or make distributions to Baosheng Group, our SPV, is also restricted, and repatriation of profits and dividends derived from SPV by PRC residents to China are illegal. The offshore financing funds are also not allowed to be used in China. In addition, the failure of the PRC resident shareholders to complete the registration may subject the shareholders to fines less than RMB50,000, and the enterprises to fines less than RMB300,000.

Regulations relating to Foreign Investment

Investment activities in the PRC conducted by foreign investors and foreign-owned enterprises shall comply with the Catalogue for the Guidance of Foreign Investment Industries (Revised in 2017) (《外商投资产业指导目录(2017年修订)》) (the "Catalogue"), which was promulgated jointly by MOFCOM and National Development and Reform Commission ("NDRC") on June 28, 2017 and became effective on July 28, 2017, and which Catalogue contains specific provisions guiding market access of foreign capital. Under the Catalogue, foreign-invested industries are classified into two categories, namely (1) encouraged foreign-invested industries; and (2) foreign-invested industries which are subject to special administrative measures for access of foreign investment (the "Negative List"). The Negative List is further divided into restricted foreign-invested industries and prohibited foreign-invested industries, setting out restrictions such as shareholding requirements and qualifications of the senior management. Any industry not listed in the Negative List is a permitted industry.

On September 8, 2024, the Special Administrative Measures for the Access of Foreign Investment (Negative List) (外商投资准入特别管理措施(负面清单) (2024年版)) (the "Negative List 2024"), which was promulgated by NDRC and MOFCOM and became effective on November 1, 2024. Industries listed in the Negative List 2024 are divided into two categories with respect to foreign investment: restricted and prohibited. On April 16, 2025, the Negative List for Market Access (2025) (市场准入负面清单2025 年版) was promulgated by NDRC and MOFCOM, which sets forth prohibited investment industries and industries requiring special permission, applicable to both the PRC investors and foreign investors. Industries not listed in the Negative List 2024 and Negative List for Market Access (2025) are generally deemed as falling under a third "permitted" category and are generally open to foreign investment unless otherwise specifically restricted by other PRC regulations.

Our principal businesses are precluded from the Special Administrative Measures (Negative List) for Foreign Investment Access (2024 Edition) (《外商投资准入特别管理措施（负面清单）（2024年版）》) and the Negative List for Market Access (2025 Edition) (《市场准入负面清单（2025年版）》), and are thus within the permitted industries for foreign investment.

Regulations relating to Foreign-Owned Enterprises

The establishment, operation and management of corporate entities in China are governed by the Company Law of the PRC (《中华人民共和国公司法》) (the "PRC Company Law"), which was promulgated by the SCNPC on December 29, 1993 and last amended and became effective on July 1, 2024. Under the PRC Company Law, companies are generally classified into two categories, i.e., limited liability companies and joint stock limited companies. The PRC Company Law also applies to foreign-invested limited liability companies. According to the PRC Company Law, any stipulations by other PRC laws governing foreign investment shall prevail over the PRC Company Law.

Pursuant to the Law on Wholly Foreign-owned Enterprises of the PRC (《中华人民共和国外资企业法》) (the "Law on Wholly Foreign-owned Enterprises of the PRC"), which was promulgated by the SCNPC on April 12, 1986, last amended on September 3, 2016 and became effective on October 1, 2016, where the establishment of wholly foreign-owned enterprises does not involve the implementation of special access administrative measures prescribed by the state, the establishment, breakup, merger, or any other major change and the operation period of such enterprises are subject to record-filing administration.

The Implementing Rules for the Law on Wholly Foreign-owned Enterprises of the PRC (《中华人民共和国外资企业法实施细则》) (the "Implementing Rules on Wholly Foreign-owned Enterprises") was promulgated by the State Council on December 12, 1990, then was amended on April 12, 2001 and February 19, 2014, and became effective on March 1, 2014. According to the Implementing Rules on Wholly Foreign-owned Enterprises, industries in which the establishment of wholly foreign-owned enterprises is prohibited or restricted shall be regulated in accordance with the provisions of the State about foreign investment orientation and the Catalogue.

The Law on Wholly Foreign-owned Enterprises of the PRC and the Implementing Rules on Wholly Foreign-owned Enterprises have been repealed by the Foreign Investment Law of the PRC (《中华人民共和国外商投资法》 (the "Foreign Investment Law"), which was adopted by the National People's Congress on March 15, 2019 and came into effect on January 1, 2020. According to the Foreign Investment Law, the State shall implement the management systems of pre-establishment national treatment and negative list for foreign investment. The pre-establishment national treatment refers to the treatment given to foreign investors and their investments during the investment access stage, which is not lower than that given to their domestic counterparts. The negative list refers to special administrative measures for the access of foreign investment in specific fields as stipulated by the State. The State shall give national treatment to foreign investment beyond the negative list. The organization form, institutional framework and standard of conduct of a foreign-funded enterprise shall be subject to the provisions of the PRC Company Law and the Partnership Enterprise Law of the PRC (《中华人民共和国合伙企业法》) and other laws. Foreign investors shall not invest in any field forbidden by the negative list for access of foreign investment. For any field restricted by the negative list, foreign investors shall conform to the investment conditions as required in the negative list, and fields not included in the negative list shall be managed under the principle that domestic investment and foreign investment shall be treated uniformly.

The Law on Sino-Foreign Equity Joint Ventures of the PRC (《中华人民共和国中外合资经营企业法》), the Law on Wholly Foreign-owned Enterprises of the PRC (《中华人民共和国外资企业法》) and the Law on Sino-Foreign Cooperative Joint Ventures of the PRC (《中华人民共和国中外合作经营企业法》) were repealed simultaneously when the Foreign Investment Law came into effect on January 1, 2020, and foreign-funded enterprises which were established in accordance with such laws before the implementation of the Foreign Investment Law may retain their original organization forms and other aspects for five years upon the implementation hereof.

PRC Regulations Relating to Offshore Investments by PRC Residents

SAFE promulgated Circular 37 in July 2014 that requires PRC residents or entities to register with SAFE or its local branch in connection with their establishment or control of an offshore entity established for the purpose of overseas investment or financing. In addition, such PRC residents or entities must update their SAFE registrations when the offshore SPV undergoes material events relating to any change of basic information (including change of such PRC citizens or residents, name and operation term), increases or decreases in investment amount, transfers or exchanges of shares, or mergers or divisions.

Circular 37 was issued to replace Circular 75 (the Notice on Relevant Issues Concerning Foreign Exchange Administration for PRC Residents Engaging in Financing and Round-trip Investments via Overseas Special Purpose Vehicles). SAFE further enacted the Notice on Further Simplifying and Improving the Foreign Exchange Management Policies for Direct Investment effective from June 1, 2015, which allows PRC residents or entities to register with qualified banks in connection with their establishment or control of an offshore entity established for the purpose of overseas investment or financing. However, remedial registration applications made by PRC residents that previously failed to comply with Circular 37 continue to fall under the jurisdiction of the relevant local branch of SAFE. In the event that a PRC shareholder holding interests in a SPV fails to fulfill the required SAFE registration, the PRC subsidiaries of that SPV may be prohibited from distributing profits to the offshore parent and from carrying out subsequent cross-border foreign exchange activities, and the SPV may be restricted in its ability to contribute additional capital into its PRC subsidiary. Moreover, failure to comply with the various SAFE registration requirements described above could result in liability under PRC law for evasion of foreign exchange controls. As of the date of this annual report, three of our beneficial owners who are PRC residents have completed the registrations required by Circular 37.

Regulations relating to M&A and Overseas Listing

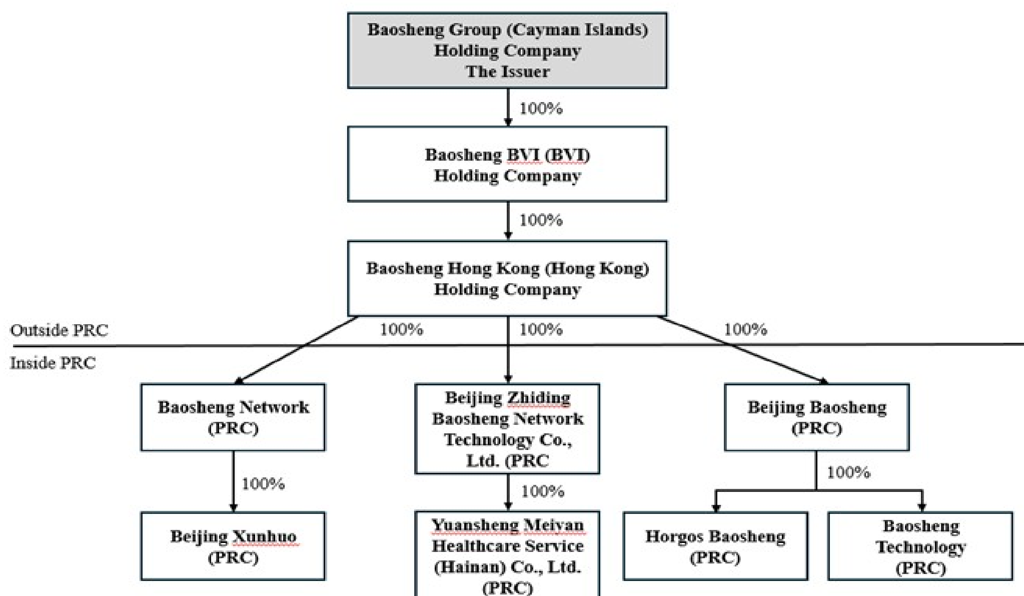
The M&A Rules was promulgated by six PRC ministries including MOFCOM, the State-owned Assets Supervision and Administration Commission of the State Council, SAT, SAIC, CSRC and SAFE on August 8, 2006, became effective on September 8, 2006, and was amended and became effective on June 22, 2009. A foreign investor is required to comply with the M&A Rules when it: (1) acquires the equity of a domestic enterprise so as to convert the domestic enterprise into a foreign-invested enterprise; (2) subscribes for the increased capital of a domestic enterprise so as to convert the domestic enterprise into a foreign-invested enterprise; (3) establishes a foreign-invested enterprise through which it purchases the assets of any domestic enterprise and operates these assets; or (4) purchases the assets of a domestic enterprise, and then invests such assets to establish a foreign-invested enterprise. The M&A Rules, among other things, further prescribed that a special purpose vehicle, formed for overseas listing purposes and controlled directly or indirectly by PRC companies or individuals, shall be approved by MOFCOM prior to its establishment and obtain the approval of the CSRC prior to the listing and trading of such special purpose vehicle's securities on an overseas stock exchange.

Pursuant to the Manual of Guidance on Administration for Foreign Investment Access (《外商投资准入管理指引手册》), which was issued and became effective on December 18, 2008 by MOFCOM, notwithstanding the fact that (1) the domestic shareholder is connected with the foreign investor or not; or (2) the foreign investor is the existing shareholder or the new investor, the M&A Rules shall not apply to the transfer of an equity interest in an incorporated foreign-invested enterprise from the domestic shareholder to the foreign investor.

Following the promulgation of the Foreign Investment Law, the Measures on Reporting of Foreign Investment Information (effective from January 1, 2020) and other relevant regulations recently in China, certain provisions of the M&A Rules, which are in conflict with the new foreign investment rules, are no longer enforceable. For example, mergers and acquisitions by foreign investor of a PRC entity which is not an affiliate to the foreign investor and does not engage in any business on the Negative Lists, including Negative List 2024 and Negative List for Market Access (2025) for foreign investment will not be subject to the approval process as prescribed by the M&A Rules. However, given the M&A Rules is not officially abolished and due to lack of official interpretation and guidance, the M&A Rules might still be enforceable against the transaction parties in terms of price evaluation, payment terms, and certain other aspects that the new foreign investment rules are silent on.

C. Organizational Structure

The following diagram illustrates our current corporate structure, which includes our significant subsidiaries as of the date of this annual report:



For details of each shareholder's ownership, please refer to the beneficial ownership table in "Item 6. Directors, Senior Management and Employees — 6.E. Share Ownership."

D. Property, Plants and Equipment

Our corporate headquarter is located in Beijing, China. We use the ten properties we own and two properties we lease from an unrelated third party in Horgos as office spaces with an aggregate gross floor area of approximately 11,737.51 ft2. We use a property we lease in Beijing as office space, with a total gross floor area of 8,167.98 ft2. We lease two properties as office spaces in Horgos and Kashi, from unrelated third parties under operating lease agreements. We believe that our existing facilities are generally adequate to meet our current needs, but we expect to seek additional space as needed to accommodate future growth.

ITEM 4.A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion of our financial condition and results of operations is based upon and should be read in conjunction with our consolidated financial statements and their related notes included elsewhere in this annual report. This annual report contains forward-looking statements. See "Forward-Looking Information" in this annual report. In evaluating our business, you should carefully consider the information provided under the caption "Item 3. Key Information—D. Risk Factors" in this annual report. We caution you that our businesses and financial performance are subject to substantial risks and uncertainties.

A. Operating Results

Overview

We are an online marketing solution provider based in China. We are dedicated to helping advertisers manage their online marketing activities to achieve their business goals. Founded in 2014, our business has grown rapidly from a start-up online marketing agency to a multi-channel online marketing solution provider. We advise advertisers on online marketing strategies, offer value-added advertising optimization services and facilitate the deployment of online ads in various forms such as search ads, in-app ads, mobile app ads and social media marketing ads. At the same time, as authorized agencies of some popular online media, we help online media to procure advertisers to buy their ad inventory and facilitate ad deployment on their advertising channels.

Along with the further penetration of the internet, particularly on mobile devices, we believe an increasing number of advertisers would use online advertising channels because of their unlimited geographic coverage, promptness and inclusivity. With our experience in the online advertising industry and insights on industry trends, we are well-positioned to capture the opportunities offered by the continued rapid growth of the online marketing industry.

Our service categories

Our advertising services are classified into two categories:

- SEM services, which include the deployment of ranked search ads and other display search ads offered by search engine operators; and

- Non-SEM services, which include social media marketing, in-feed advertising, and mobile app advertising by deploying ads on media such as social platforms, short-video platforms, news portals, and mobile apps in the forms of in-feed ads, banner ads, button ads, interstitial ads, and posts on selected social media accounts.

We regard our business value as revolving around our ability to serve the needs of two major business stakeholders: advertisers and media. On one hand, with our experience and insights in the online advertising industry, we help advertisers to effectively carry out their advertising campaigns by offering advices on online advertising strategies, carrying out advertising optimization and facilitating the deployment of online ads. On the other hand, we help media to connect with advertisers and facilitate the monetization of their advertising resources.

We have built a broad and diverse advertiser base from a broad range of industries, including ecommerce and online service platforms, online education, online travel agencies, financial services, online gaming, car services and advertising agencies, among others. For the years ended December 31, 2025, 2024 and 2023, the number of advertisers (including direct advertisers and third-party advertising agencies subscribing our services on behalf of their advertising clients) was 714, 528 and 285, respectively. For the years ended December 31, 2025, 2024 and 2023, top five advertisers contributed 83.4%, 85.0% and 52.4% of total gross billing, respectively. Our gross billing decreased from $18.8 million for the year of 2023 to $12.1 million for the year of 2024, while increased to $18.4 million for the year ended 2025.

We earn rebates and incentives from media or their authorized agencies (collectively "publishers") for procuring advertisers to place ads with them, or net fees from advertisers when we purchase ad inventory on their behalf and provide advertising services to them. As such, our customers are comprised of publishers and advertisers. We recognize revenues on a net basis as either rebates and incentives from publishers or net fees from advertisers. For the years ended December 31, 2025, 2024 and 2023, we generated rebates and incentives from publishers of $0.5 million, $0.4 million and $0.9 million, respectively, and net fees from advertisers of $0.1 million, $0.2 million and $34,796, respectively.

Gross billing and media costs

Gross billing is defined as the actual dollar amount of advertising spend of our advertisers, net of any rebates and discounts given by us to the advertisers (if any). We use gross billing to assess the business growth, market share and scale of operations.

Media cost represents the cost for acquisition of ad inventory or other advertising services from media and other advertising service providers, offset by rebates and incentives we receive from the relevant media and advertising service providers (if any).

Factors Affecting Our Results of Operations and Trend Information

Size and spending of advertiser base

We earn revenue in the form of (i) rebates and incentives offered by publishers for procuring advertisers to place ads with them, which are usually calculated with reference to the advertising spend of the advertisers and are closely correlated to the gross billing from advertisers, netting of rebates to advertisers (if any); and (ii) the net fees from advertisers, which are essentially the fees we charge advertisers (i.e. gross billing) net of the media costs and other costs of procuring advertising services we incur on their behalf. Accordingly, our revenue base and our profitability are very much driven by our gross billing with advertisers, and the relevant media's rebate policies which determine, among other things, the rates of rebates we receive from media (or their authorized agencies). The rebates and incentives we receive from media are calculated as a percentage of the total advertising spend of the advertisers procured by us in a given period, with the percentage typically ranging from 10% to 20%. See "Item 4. Information on the Company—B. Business Overview — Revenue Model and Payment Cycle — *Rebates and incentives from publishers — Rebates and incentives offered by media (or their authorized agencies)*" for details.

The willingness of advertisers to spend their online advertising budget through us is critical to our business and our ability to generate gross billing. Our advertisers' demand for advertising services can be influenced by a variety of factors including:

1 Macro-economic and social factors: domestic, regional and global social, economic and political conditions (such as concerns over a severe or prolonged slowdown in China's economy and threats of political unrest), economic and geopolitical challenges (such as trade disputes between countries such as the United States and China), economic, monetary and fiscal policies (such as the introduction and winding-down of qualitative easing programs).

2 Industry-related factors: such as the trends, preferences and habits of audiences towards online media and their receptiveness towards online advertising as well as the development of emerging and varying forms of online media and contents.

3 Advertiser-specific factors: an advertiser's specific development strategies, business performance, financial condition and sales and marketing plans.

A change in any of the above factors may result in significant cutbacks on advertising budgets by advertisers, which would not only result in a reduction of our revenue but would also weaken our negotiating position with media on rebate policies and negatively impact our ability to earn advertising spend-driven rebates and incentives from media.

Rebate policies offered from publishers and those offered to advertisers

Publishers may change the rebate and incentive policies offered to us based on prevailing economic outlook, competitive landscape of the online advertising market, and their own business strategy and operational targets. For instance, a media may reduce the rate of rebate offered to us for reason of changes in its business strategies, resource reallocation, increased popularity and demand for their media resources, etc., or may adjust their incentive programs or their benchmarks and measuring parameters for incentive offerings based on their changing marketing and target audience strategies. If media impose rebate and incentive policies that are less favorable to us, our revenue, results of operations and financial condition may be adversely affected.

On the other hand, we may offer rebates to our advertisers. The level of rebates we offer to our advertisers is determined case by case with reference to the rebates and incentives we are entitled to receive from the relevant media (or its authorized agency), an advertiser's committed total spend, our business relationships with such advertiser and the competitive landscape in the online advertising industry. If it emerges that an increase in the rate of rebate to our advertisers is necessary for us to remain competitive or align with the emerging competitive environment, our revenue and profitability may reduce.

Our ability to attract new media and to maintain relationship with existing media

We have established and maintained relationships with a wide range of media, which offer our advertisers diverse choices of ad formats, including search ads, in-feed ads, mobile app ads and social media ads. Our future growth will depend on our ability to maintain our relationships with existing media partners as well as building partnerships with new media.

In particular, we act as authorized agency for some popular online media to help them procure advertisers to buy their ad inventory and facilitate ad deployment on their advertising channels. As media's authorized agency, our relationships with the media are mainly governed by agency agreements which provide for, among other things, credit periods and the rebate polices offered to us. These agency agreements typically have a term of one year and are subject to renewal upon expiry. The commercial terms under the agency agreements are subject to renegotiation when they are renewed. Besides, media usually retain the right to terminate the authorized agency relationship based on business needs at their discretion.

If any media ends its cooperative relationship with us or terminates our authorized agency status or imposes commercial terms which are less favorable to us, or we fail to secure partnerships with new media partners, we may lose access to the relevant advertising channels, sustain advertiser deflection, and suffer revenue drop.

Results of Operations for the Years Ended December 31, 2025 and 2024

The following table summarizes the results of our operations during the years ended December 31, 2025 and 2024, respectively, and provides information regarding the dollar and percentage increase or (decrease) during such years.

	For the years ended December 31,		Variance	
	2025	2024	Amount	%
Revenues	$ 568,993	$ 624,087	$ (55,094)	(8.8)%
Cost of revenues	(497,610)	(433,488)	(64,122)	14.8 %
Gross profit	**71,383**	**190,599**	**(119,216)**	**(62.5)%**
Operating expenses				
Selling and marketing expenses	(259,864)	(405,345)	145,481	(35.9)%
General and administrative expenses	(4,022,720)	(3,521,692)	(501,028)	14.2 %
Provision for doubtful accounts	(3,244,489)	(23,009,903)	19,765,414	(85.9)%
Impairment of deposit due from a third party	(2,782,609)	—	(2,782,609)	100 %
Total operating expenses	**(10,309,682)**	**(26,936,940)**	**16,627,258**	**(61.7)%**
Loss from operations	**(10,238,299)**	**(26,746,341)**	**16,508,042**	**(61.7)%**
Other income (expenses)				
Interest expense, net	(12,137)	(135,164)	123,027	(91.0)%
Changes in fair value of short-term investments	17,752	473,361	(455,609)	(96.2)%
Subsidy income	—	14,896	(14,896)	(100.0)%
Other expenses, net	(1,788,270)	(477,986)	(1,310,284)	(274.1)%
Total other expenses, net	**(1,782,655)**	**(124,893)**	**(1,657,762)**	**1,327.3 %**
Loss before income taxes	**(12,020,954)**	**(26,871,234)**	**14,850,280**	**(55.3)%**
Income tax expense	(695)	—	(695)	100.0 %
Net loss	**$ (12,021,649)**	**$ (26,871,234)**	**$ 14,849,585**	**(55.3)%**

Revenues

We primarily generate our revenues from providing online marketing solutions. We recognize all our revenues on a net basis, which comprises of (i) rebates and incentives offered by publishers for procuring advertisers to place ads with them, which are typically calculated with reference to the advertising spend of our advertisers and are closely correlated to our gross billing from advertisers; and (ii) net fees from advertisers, which are essentially the fees we charge our advertisers (i.e. gross billing) net of the media costs we incurred on their behalf.

Our total revenues decreased by $55,094 or 8.8% to $0.6 million for the year ended December 31, 2025. The following table sets forth a breakdown of our revenues:

	For the Years Ended December 31,				Variance	
	2025	%	2024	%	Amount	%
Rebates and incentives offered by publishers	$ 488,692	85.9 %	$ 402,462	64.5 %	$ 86,230	21.4 %
Net fees from advertisers	80,301	14.1 %	221,625	35.5 %	(141,324)	(63.8)%
Total	**$ 568,993**	**100.0 %**	**$ 624,087**	**100.0 %**	**$ (55,094)**	**(8.8)%**

The rebates and incentives offered by publishers increased by $0.1 million, or 21.4%, from $0.4 million for the year ended December 31, 2024 to $0.5 million for the year ended December 31, 2025, which was primarily driven by increased orders in rebates and incentives offered by news feed ads publishers as a result of continuous demand in news feed ads among our publisher customers.

The net fees from advertisers decreased by $0.1 million, or 63.8%, from $0.2 million for the year ended December 31, 2024 to $0.1 million for the year ended December 31, 2025. The decrease was mainly caused by an increase of media costs we incurred on behalf of advertisers which was because we engaged outsourced labors to provide services for our advertisers while we focused on increased orders from rebates and incentive business.

The following table sets forth a breakdown of revenues by services offered during the years ended December 31, 2025 and 2024:

	For the years ended December 31,		Variance	
	2025	2024	Amount	%
SEM services				
Gross billing	$ 1,609,966	$ 3,074,622	$ (1,464,656)	(47.6)%
Less: Media costs	1,566,347	3,053,086	(1,486,739)	(48.7)%
(as % of gross billing)	97.3 %	99.3 %		
Revenue from SEM services	**$ 43,619**	**$ 21,536**	**$ 22,083**	**102.5 %**
Non-SEM services				
Gross billing	$ 16,741,487	$ 9,007,622	$ 7,733,865	85.9 %
Less: Media costs	16,216,113	8,405,071	7,811,042	92.9 %
(as % of gross billing)	96.9 %	93.3 %		
Revenue from Non-SEM services	**$ 525,374**	**$ 602,551**	**$ (77,177)**	**(12.8)%**
Revenues	**$ 568,993**	**$ 624,087**	**$ (55,094)**	**(8.8)%**

The revenues from SEM services consist of rebates and incentives offered by publishers and net fees from advertisers. The revenues from SEM services increased by $22,083, or 102.5%, to $43,619 for the year ended December 31, 2025 from $21,536 for the year ended December 31, 2024. We experienced further decrease in gross billings from SEM services because we reduced cooperation with publishers as we cannot obtain longer credit terms from the publishers or afford to prepay gross billing amount on behalf of our advertisers as the legal proceedings incurred significant legal expenses. However, the revenue from SEM services increased as a result of an increase in net fees from advertisers.

The revenues from non-SEM services consist of both rebates and incentives offered by publishers and the net fees from advertisers. The revenues from non-SEM services decreased by $0.1 million, or 12.8%, from $0.6 million for the year ended December 31, 2024 to $0.5 million for year ended December 31, 2025. Such a decrease was also attributable to an increase of media costs incurred in net fees from advertisers because we engaged more outsourced labors to provide services.

Cost of revenues

Our total cost of revenues increased by $0.1 million or 14.8%, from $0.4 million for the year ended December 31, 2024, to $0.5 million for the year ended December 31, 2025. The following table sets forth a breakdown of our cost of revenues for the years ended December 31, 2025 and 2024:

	For the Years Ended December 31,				Variance	
	2025	%	2024	%	Amount	%
Payroll and welfare expenses	$ 429,590	86.3 %	$ 381,184	69.7 %	$ 48,406	12.7 %
Others	68,020	13.7 %	52,304	30.3 %	15,716	30.0 %
Total	**$ 497,610**	**100.0 %**	**$ 433,488**	**100.0 %**	**$ 64,122**	**14.8 %**

Given that the revenues are recognized on a net basis, the cost of revenues was primarily comprised of payroll and welfare expenses incurred by staff responsible for advertiser services and media relations, and taxes and surcharges. The increase was primarily attributable to an increase of staff costs.

Gross profit

As a result of changes in revenue and cost of revenues, our gross profit decreased by $0.1 million from gross profit of $0.2 million for the year ended December 31, 2024 to gross profit of $0.1 million for the year ended December 31, 2025.

Selling and marketing expenses

Selling and marketing expenses primarily included payroll and welfare expenses incurred by sales and marketing personnel, business travel expenses, and entertainment expenses. Selling expenses decreased by $0.1 million, or 35.9% from $0.4 million for the year ended December 31, 2024 to $0.3 million for the year ended December 31, 2025. The decrease in selling expenses was primarily due to a decrease of $0.1 million in entertainment expenses.

General and administrative expenses

General and administrative expenses primarily consist of payroll and welfare expenses incurred by administration department as well as management, operating lease expenses for office rentals, depreciation and amortization expenses, travelling and entertainment expenses, and consulting and professional fees. General and administrative expenses increased from $3.5 million for the year ended December 31, 2024 to $4.0 million for the year ended December 31, 2025. The increase was primarily due to an increase of $0.3 million in professional consulting services as we engaged a financial advisor to find potential investor for the Company, and an increase of $0.2 million in bank charges.

Provision for doubtful accounts

The following table sets forth a breakdown of (reversal of provision)/provision for doubtful accounts for the years ended December 31, 2025 and 2024:

	For the years ended December 31,		Variance	
	2025	**2024**	**Amount**	**%**
Provision for credit loss against accounts receivables	$ 1,027,900	$ 22,911,671	$ (21,883,771)	(95.5)%
(Reversal of provision) provision for doubtful prepayments	(14,912)	47,645	(62,557)	(131.3)%
Provision for credit loss against other receivables	2,231,501	50,587	2,180,914	4,311.2 %
	$ 3,244,489	**$ 23,009,903**	**$ (19,765,414)**	**(85.9)%**

Provision for credit loss against accounts receivables

The Company provided allowance for credit loss against accounts receivable of $1.0 million and $22.9 million for the years ended December 31, 2025 and 2024, respectively. In determining the amount of the allowance for credit losses, the Company considers historical collectability based on past due status, the age of the balances, current economic conditions, reasonable and supportable forecasts of future economic conditions, and other factors that may affect the Company's ability to collect from customers.

Provision for credit loss against other receivables

The Company provided allowance for credit loss against other receivable of $2.2 million and $50,587 for the years ended December 31, 2025 and 2024, respectively. The increase in provision for credit loss against other receivables was attributable to full provision of $2.2 million against recoverable value-added tax ("VAT") because the Company assessed that it did not have sufficient output VAT to deduct against input VAT.

Impairment of deposit due from a third party

In November 2023, Baosheng Network and Nanjing Yunbei E-commerce Co., Ltd. ("Nanjing Yunbei") entered into an Asset Merger and Acquisition Security Deposit Agreement, pursuant to which the Company deposited $2.6 million (RMB 20 million) into a custodian account under the name of Nanjing Yunbei to support the Company's future investment opportunities. Once fully funded with the remaining RMB10 million, the deposit would be held in the custody account for up to twelve months. As of December 31, 2025, the Company assessed that it would not continue to fund the remaining RMB10.0 million and the collection of the deposits of RMB20 million is remote. Accordingly, the Company provided impairment of $2.8 million against deposits due from Nanjing Yunbei for the year ended December 31, 2025.

Other (expenses) income, net

For the year ended December 31, 2025, other income, net primarily consisted of share of equity gains of $0.5 million in one equity investee and impairment of $2.5 million against the long investment in the equity investee.

In June 2023, Beijing Xunhuo closed acquisition of 42.85% equity interest in Shanxingzhe, at cash consideration of $4.2 million (RMB 30 million). In May 2023, Beijing Xunhuo fully paid the cash consideration. Beijing Xunhuo is able to exercise significant influence over Shanxingzhe and accounted for the equity investment using equity method. By the end of year 2025, the Company decided to dispose its investment in an equity method investment and accordingly provided impairment of $2.5 million to reflect the estimated selling price, which was further evidenced by a selling agreement signed in April 2026.

For the year ended December 31, 2024, other loss, net primarily consisted of loss of $0.6 million disposal of property and equipment, partially net off against an increase in fair value of short-term investments of $0.5 million.

Income tax expense

For the year ended December 31, 2025, the Company incurred current income tax expenses of $695 from one profit-generating subsidiary. For the year ended December 31, 2024, the Company did not incur income tax expenses due to net operating losses.

Net Loss

As a result of the foregoing, we reported a net loss of $12.0 million and $26.9 million for the years ended December 31, 2025 and 2024, respectively.

Results of Operations for the Years Ended December 31, 2024 and 2023

The following table summarizes the results of our operations during the years ended December 31, 2024 and 2023, respectively, and provides information regarding the dollar and percentage increase or (decrease) during such years.

	For the years ended December 31,		Variance	
	2024	2023	Amount	%
Revenues	$ 624,087	$ 921,834	$ (297,747)	(32.3)%
Cost of revenues	(433,488)	(308,395)	(125,093)	40.6 %
Gross profit	**190,599**	**613,439**	**(422,840)**	**(68.9)%**
Operating expenses				
Selling and marketing expenses	(405,345)	(381,635)	(23,710)	6.2 %
General and administrative expenses	(3,521,692)	(1,845,064)	(1,676,628)	90.9 %
Provision for doubtful accounts	(23,009,903)	(726,294)	(22,283,609)	3,068.1 %
Total operating expenses	**(26,936,940)**	**(2,952,993)**	**(23,983,947)**	**812.2 %**
Loss from operations	**(26,746,341)**	**(2,339,554)**	**(24,406,787)**	**1,043.2 %**
Other income (expenses)				
Interest expense, net	(135,164)	(14,492)	(120,672)	832.7 %
Changes in fair value of warrant liabilities	—	832	(832)	(100.0)%
Changes in fair value of short-term investments	473,361	596,796	(123,435)	(20.7)%
Subsidy income	14,896	9,876	5,020	50.8 %
Other (expenses) income, net	(477,986)	(98,628)	(379,358)	(384.6)%
Total other (expenses) income, net	**(124,893)**	**494,384**	**(619,277)**	**(125.3)%**
Loss before income taxes	**(26,871,234)**	**(1,845,170)**	**(25,026,064)**	**1,356.3 %**
Income tax expense	—	—	—	0.0 %
Net loss	**$ (26,871,234)**	**$ (1,845,170)**	**$ (25,026,064)**	**1,356.3 %**

Revenues

We primarily generate our revenues from providing online marketing solutions. We recognize all our revenues on a net basis, which comprises of (i) rebates and incentives offered by publishers for procuring advertisers to place ads with them, which are typically calculated with reference to the advertising spend of our advertisers and are closely correlated to our gross billing from advertisers; and (ii) net fees from advertisers, which are essentially the fees we charge our advertisers (i.e. gross billing) net of the media costs we incurred on their behalf.

Our total revenues decreased by $0.3 million or 32.3%, from $0.9 million for the year ended December 31, 2023, to $0.6 million for the year ended December 31, 2024. The following table sets forth a breakdown of our revenues:

	For the Years Ended December 31,				Variance	
	2024	%	2023	%	Amount	%
Rebates and incentives offered by publishers	$ 402,462	64.5 %	$ 887,038	96.2 %	$ (484,576)	(54.6)%
Net fees from advertisers	221,625	35.5 %	34,796	3.8 %	186,829	536.9 %
Total	**$ 624,087**	**100.0 %**	**$ 921,834**	**100.0 %**	**$ (297,747)**	**(32.3)%**

The rebates and incentives offered by publishers decreased by $0.5 million, or 54.6%, from $0.9 million for the year ended December 31, 2023 to $0.4 million for the year ended December 31, 2024, which was mainly caused by a decrease of $0.7 million in rebates and incentives offered by SEM service publishers, partially offset by an increase of $0.3 million in rebates and incentives offered by news feed ads publishers. The decrease in rebates and incentives offered by SEM service publishers was primarily because of a decrease in services provided by these publishers as we cannot obtain longer credit terms to the publishers or afford to prepay gross billing amount on behalf of our advertisers. In the year of 2024, we were involved in two legal proceedings. As a result, we incurred significant amount in legal expenses and failed to renew borrowings, which decreased the bank balance. However, we expected the legal cases would be resolved in the year ending December 31, 2025. With the resolution of the legal cases, we expect to borrow additional loans from banks to resume the business with publishers, which will contribute to an increase in rebates and incentives from the SEM service publishers. The increase in rebates and incentives offered by news feed ads publishers was driven by the continuous demand in news feed ads among our publisher customers.

The net fees from advertisers increased by $0.2 million, or 536.9%, from $34,796 for the year ended December 31, 2023 to $0.2 million for the year ended December 31, 2024. The decrease was mainly caused by the decrease orders from advertisers.

The following table sets forth a breakdown of revenues by services offered during the years ended December 31, 2024 and 2023:

	For the years ended December 31,		Variance	
	2024	2023	Amount	%
SEM services				
Gross billing	$ 3,074,622	$ 6,684,788	$ (3,610,166)	(54.0)%
Less: Media costs	3,053,086	6,125,481	(3,072,395)	(50.2)%
(as % of gross billing)	99.3 %	91.6 %		
Revenue from SEM services	**$ 21,536**	**$ 559,307**	**$ (537,771)**	**(96.1)%**
Non-SEM services				
Gross billing	$ 9,007,622	$ 12,085,248	$ (3,077,626)	(25.5)%
Less: Media costs	8,405,071	11,722,721	(3,317,650)	(28.3)%
(as % of gross billing)	93.3 %	97.0 %		
Revenue from Non-SEM services	**$ 602,551**	**$ 362,527**	**$ 240,024**	**66.2 %**
Revenues	**$ 624,087**	**$ 921,834**	**$ (297,747)**	**(32.3)%**

The revenues from SEM services consist of rebates and incentives offered by publishers and net fees from advertisers. The revenues from SEM services decreased by $0.5 million, or 96.1%, to $21,536 for the year ended December 31, 2024 from $0.6 million for the year ended December 31, 2023. The decrease in revenues from SEM services was primarily due to a decrease of $0.7 million in rebates and incentives offered by SEM service publishers because we reduced cooperation with publishers as we cannot obtain longer credit terms from the publishers or afford to prepay gross billing amount on behalf of our advertisers as two legal proceedings incurred significant legal expenses and prevented us from renewal of bank borrowings, partially offset by an increase of $0.2 million in net fees from advertisers.

The revenues from non-SEM services consist of both rebates and incentives offered by publishers and the net fees from advertisers. The revenues from non-SEM services increased by $0.2 million, or 66.2%, from $0.4 million for the year ended December 31, 2023 to $0.6 million for year ended December 31, 2024. Such an increase was also attributable to an increase in rebates and incentives offered by news feed ads publishers as a result of continuous increase in demands among our publisher customers.

Cost of revenues

Our total cost of revenues increased by $0.1 million or 40.6%, from $0.3 million for the year ended December 31, 2023, to $0.4 million for the year ended December 31, 2024. The following table sets forth a breakdown of our cost of revenues by services offered for the years ended December 31, 2024 and 2023:

	For the years ended December 31,				Variance	
	2024	%	2023	%	Amount	%
SEM services	$ 302,322	69.7 %	$ 187,113	60.7 %	$ 115,209	61.6 %
Non-SEM services	131,166	30.3 %	121,282	39.3 %	9,884	8.1 %
Total	**$ 433,488**	**100.0 %**	**$ 308,395**	**100.0 %**	**$ 125,093**	**40.6 %**

Given that the revenues are recognized on a net basis, the cost of revenues was primarily comprised of payroll and welfare expenses incurred by staff responsible for advertiser services and media relations, and taxes and surcharges. The increase was primarily attributable to an increase of staff costs by $0.1 million.

Gross profit

As a result of changes in revenue and cost of revenues, our gross profit decreased by $0.4 million from gross profit of $0.6 million for the year ended December 31, 2023 to gross profit of $0.2 million for the year ended December 31, 2024. The following table sets forth a breakdown of gross profit by services offered for the year ended December 31, 2024 and 2023:

	For the years ended December 31,				Variance	
	2024	%	2023	%	Amount	%
SEM services	$ (280,786)	(147.3)%	$ 372,194	60.7 %	$ (652,980)	(175.4)%
Non-SEM services	471,385	247.3 %	241,245	39.3 %	230,140	95.4 %
Total	**$ 190,599**	**100.0 %**	**$ 613,439**	**100.0 %**	**$ (422,840)**	**(68.9)%**

Operating expenses

Our operating expenses increased by $23.8 million, or 774.2%, from $3.1 million for the year ended December 31, 2023, to $26.9 million for the year ended December 31, 2024. The following table sets forth a breakdown of our operating expenses for the years ended December 31, 2024 and 2023:

	For the years ended December 31,				Variance	
	2024	%	2023	%	Amount	%
Revenues	**$ 624,087**	**100 %**	**$ 921,834**	**100 %**	**$ (297,747)**	**(32.3)%**
Operating expenses						
Selling and marketing expenses	405,345	65.0 %	381,635	41.4 %	(23,710)	6.2 %
General and administrative expenses	3,521,692	564.3 %	1,845,064	200.2 %	(1,676,628)	90.9 %
Provision for doubtful accounts	23,009,903	3,687.0 %	726,294	78.8 %	(22,283,609)	3,068.1 %
Impairment of long-term investments	—	0.0 %	128,204	13.9 %	(128,204)	(100.0)%
Total operating expenses	**$ 26,936,940**	**4,316.2 %**	**$ 3,081,197**	**334.3 %**	**$ (23,855,743)**	**774.2 %**

Selling and marketing expenses

Selling and marketing expenses primarily included payroll and welfare expenses incurred by sales and marketing personnel, business travel expenses, and entertainment expenses. Selling expenses was stable at $0.4 million and $0.4 million for the years ended December 31, 2024 and 2023. The slight increase in selling expenses was primarily due to an increase in entertainment expenses which contributed to an increase in service orders from advertisers.

General and administrative expenses

General and administrative expenses primarily consist of payroll and welfare expenses incurred by administration department as well as management, operating lease expenses for office rentals, depreciation and amortization expenses, travelling and entertainment expenses, and consulting and professional fees. General and administrative expenses increased from $1.8 million for the year ended December 31, 2023 to $3.5 million for the year ended December 31, 2024. The increase was primarily due to an increase of $1.7 million in professional consulting services as we were engaged in two legal proceedings in the year of 2024.

Provision for doubtful accounts

The following table sets forth a breakdown of (reversal of provision)/provision for doubtful accounts for the years ended December 31, 2024 and 2023:

	For the years ended December 31,		Variances	
	2024	2023	Amount	%
Provision (reversal of provision) for doubtful accounts receivables	$ 22,911,671	$ (702,156)	$ 23,613,827	(3,363.0)%
Provision (reversal of provision) for doubtful prepayments	47,645	(1,243,233)	1,290,878	(103.8)%
Provision for doubtful other current assets	50,587	7,061	43,526	616.4 %
Provision for doubtful prepayments for licensed copyrights	—	2,664,622	(2,664,622)	(100.0)%
	$ 23,009,903	**$ 726,294**	**$ 22,283,609**	**(3,068.1)%**

Provision (reversal of provision) for doubtful accounts receivables

The Company provision for doubtful accounts receivable of $22.9 million for the year ended December 31, 2024, as compared with recorded reversal of provision for doubtful accounts receivable of $0.7 million for the year ended December 31, 2023.

On January 1, 2023, the Company adopted Accounting Standards Update ("ASU") No. 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments ("ASU 2016-13"), using the modified retrospective transition method. In determining the amount of the allowance for credit losses, the Company considers historical collectability based on past due status, the age of the balances, current economic conditions, reasonable and supportable forecasts of future economic conditions, and other factors that may affect the Company's ability to collect from customers. For the year ended December 31, 2024 and 2023, we provided provision for expected credit loss of $22.9 million and reversed provision for expected credit losses of $0.7 million, respectively.

Provision for doubtful prepayments

Provision for doubtful prepayments was $47,645 for the year ended December 31, 2024. Such prepayments were made to certain publishers for purpose of lock in media cost. For the year ended December 31, 2024, the Company provided full allowance against these prepayments because the prepayment aged over two years and the Company was uncertain if it could obtain the services underlying the prepayments or to be refunded.

Reversal of provision for doubtful prepayments was $1.2 million for the year ended December 31, 2023. The reversal was primarily because we received media services from our publishers in the year ended December 31, 2023, while the prepayments on these services were previously impaired.

Provision for doubtful prepayments for licensed copyrights

For the year ended December 31, 2023, the Company provided full on impairment of $2,664,622 against the prepayments for licensed copyrights underlying two games, the development of which were not completed by the vendors in due course as agreed.

Other (expenses) income, net

For the year ended December 31, 2024, other loss net primarily consisted of loss of $0.6 million disposal of property and equipment, partially net off against an increase in fair value of short-term investments of $0.5 million.

For the year ended December 31, 2023, other expenses, net primarily consisted of impairment of long-term investment of $0.1 million, partially net off against changes in fair value of short-term investments of $0.6 million.

Income tax expense

For the years ended December 31, 2024 and 2023, we incurred net operating losses and were not subject to or subject to minimal income tax expenses due to tax payments in quarterly tax return.

Net Loss

As a result of the foregoing, we reported a net loss of $26.9 million and $1.8 million for the years ended December 31, 2024 and 2023, respectively.

B. Liquidity and Capital Resources

Liquidity and Capital Resources

To date, we have financed the operations primarily through cash flow from operations and loans from third parties. We plan to support our future operations primarily from cash generated from our operations and cash on hand, borrowings from third parties and bank borrowings, and proceeds from equity instrument financing, where necessary.

In July 2023, Beijing Baosheng entered into a bank loan agreement with Bank of Communication, pursuant to which Beijing Baosheng borrowed a one-year loan of RMB6 million or $0.8 million. The interest rate for the borrowing was fixed at 3.55% per annum. The loan is guaranteed by Mr. Sheng Gong, the Company's director, his spouse, and one third party. Beijing Baosheng also involved Baosheng Network as counter-guarantor for the third-party guarantor. In addition, Mr. Sheng Gong and his spouse pledged their property with the counter guarantor. The guarantee and counter-guarantee were released with repayment of the borrowing.

In August 2024, Beijing Baosheng entered into a bank loan agreement with Bank of Communication, pursuant to which Beijing Baosheng borrowed a one-year loan of RMB5 million or $0.7 million. The interest rate for the borrowing was fixed at 3.0% per annum. The loan is guaranteed by Mr. Sheng Gong, the Company's director, his spouse, and one third party. Beijing Baosheng also involved Baosheng Network as counter-guarantor for the third-party guarantor.

In August 2025, Baosheng Network entered into a two-year revolving credit facility with China Merchant Bank, pursuant to which each borrowing was repayable in one year. In August 2025, Baosheng Network drew down approximately $0.4 (RMB 3.0 million) with interest rate was 4.58% per annum and fully repaid the borrowing in December 2025. As of December 31, 2025, the Company had no outstanding balance due to China Merchant Bank.

In September 2025, Baosheng Network entered into bank borrowing agreement with Bank of China, pursuant to which Baosheng Network borrowed approximately $0.4 million (RMB 3.0 million) for a period through August 31, 2026. The interest rate was 3.14% per annum.

In November 2025, Beijing Xunhuo entered into a bank borrowing agreement with Bank of Beijing, pursuant to which Beijing Xunhuo borrowed approximately $0.3 million (RMB 2.1 million) for a period through November 2026. The interest rate was 1.5% per annum. The Company also involved a third-party guarantor to provide guarantee service on the bank borrowing, and Mr. Sheng Gong provided counter-guarantee with the third-party guarantor.

As reflected in the Company's consolidated financial statements, the Company had a net loss of $12.0 million, $26.9 million and $1.8 million for the years ended December 31, 2025, 2024 and 2023, and reported a cash outflow of $2.3 million and $1.5 million from operating activities for the years ended December 31, 2025 and 2024, respectively. These factors raise a substantial doubt about the Company's ability to continue as a going concern.

As of December 31, 2025, the Company had cash and cash equivalent of $1.3 million and short-term investments of $0.4 million. On the other hand, the balance of current liabilities of $9.1 million, among which advance from customers of $0.6 million were not required to be settled in cash. The current assets are sufficient to cover the current liabilities which were expected to get paid in the year ending December 31, 2026. The Company also obtained certain one-year bank borrowings during the year ended December 31, 2025. The Company expected to renew the bank borrowing upon its maturity. The Company intends to meet the cash requirements for the next 12 months from the issuance date of this report through a combination of application of credit terms and bank loans. Additionally, in April 2026, Beijing Xunhuo transferred its 42.8571% partnership interest in Guangzhou Shanxingzhe Technology Investment LLP ("Shanxingzhe") to a third party buyer for cash consideration of RMB15.0 million (approximately $2.2 million). Pursuant to agreement between the Company and the third party buyer, the cash consideration will be fully received before June 30, 2026. Given the factors mentioned above, the Company assesses current working capital is sufficient to meet its obligations for the next 12 months from the issuance date of this report. Accordingly, management continues to prepare the Company's consolidated financial statements on going concern basis.

However, future financing requirements will depend on many factors, including the scale and pace of the expansion of the Company's advertising business, the expansion of the Company's sales and marketing activities, and potential investments in, or acquisitions of, businesses or technologies. Inability to obtain credit terms from medias or access to financing on favorable terms in a timely manner or at all would materially and adversely affect the Company's business, results of operations, financial condition, and growth prospects. We have limited financial obligations denominated in U.S. dollars, thus the foreign currency restrictions and regulations in the PRC on the dividends distribution will not have a material impact on our liquidity, financial condition, and results of operations.

Cash Flows

The following table presents the summary of our cash flows for the periods indicated:

	For the Years Ended December 31,		
	2025	2024	2023
Net Cash (Used in) Provided by Operating Activities	$ (2,260,994)	$ (1,520,419)	$ 2,259,466
Net Cash Provided by (Used in) Investing Activities	1,834,683	1,186,191	(6,312,936)
Net Cash Provided by (Used in) Financing Activities	15,305	(1,528,691)	847,350
Effect of exchange rate changes on cash, cash equivalents and restricted cash	196,323	27,385	(156,895)
Net decrease in cash and cash equivalents	(214,683)	(1,835,534)	(3,363,015)
Cash and cash equivalents at beginning of year	1,480,528	3,316,062	6,679,077
Cash and cash equivalents at end of year	**$ 1,265,845**	**$ 1,480,528**	**$ 3,316,062**

Operating Activities

Net cash used in operating activities was $2.3 million for the year ended December 31, 2025, mainly derived from (i) net loss of $12.0 million for the year adjusted for noncash impairment of deposit of $2.8 million, impairment of a long-term investment of $2.5 million, provision for expected credit loss against other receivable of $2.2 million, provision for expected credit losses against accounts receivable of $1.0 million, depreciation and amortization expenses of $0.4 million and loss from disposal of property and equipment of $0.1 million, and (ii) net changes in our operating assets and liabilities, principally comprising of (a) an increase in accounts receivable of $1.8 million because of delayed payments from advertisers; (b) a decrease in prepayment of $0.6 million to third parties as a result of the decrease of advertising services purchased from publishers; (c) an increase of $1.5 million in accounts payable because we delayed payments to advertisers which was in line with delayed collection from publishers; (d) an increase of $0.4 million in customer deposits; and (e) an increase of $0.7 million in accrued expenses and other liabilities.

Net cash used in operating activities was $1.5 million for the year ended December 31, 2024, mainly derived from (i) net loss of $26.9 million for the year adjusted for noncash provision for doubtful accounts of $22.9 million and loss from disposal of property and equipment of $0.6 million, (ii) net changes in our operating assets and liabilities, principally comprising of (a) an increase in accounts receivable of $0.9 million because of delayed payments from advertisers; (b) a decrease in prepayment of $0.3 million and $0.2 million to third parties and related parties, respectively, and a decrease of $0.4 million in media deposits as a result of the decrease of advertising services purchased from publishers; (c) an increase of $1.4 million in accounts payable because we delayed payments to advertisers which was in line with delayed collection from publishers; and (d) an increase of $0.2 million in customer deposits.

Net cash provided by operating activities was $2.3 million for the year ended December 31, 2023, mainly derived from (i) net loss of $1.8 million for the year adjusted for noncash provision for doubtful accounts of $0.7 million and increase of $0.6 million in fair value of short-term investments, (ii) net changes in our operating assets and liabilities, principally comprising of (a) a decrease in accounts receivable of $5.8 million because of collections; and (b) a decrease in prepayment of $1.1 million and $3.0 million to third parties and related parties, respectively, and a decrease of accounts payable to third parties of $6.3 million as a result of the decrease of purchases of ads on behalf of advertisers.

Investing Activities

Net cash provided by investing activities amounted to $1.8 million for the year ended December 31, 2025, primarily including proceeds of $1.5 million from redemption of short-term investments and proceeds of $0.8 million from sales of properties, partially offset by purchase of short-term investments of $0.4 million.

Net cash provided by investing activities amounted to $1.2 million for the year ended December 31, 2024, primarily including proceeds of $1.9 million from redemption of short-term investments, partially offset by purchase of property and equipment of $0.5 million and purchases of short-term investments of $0.3 million.

Net cash used in investing activities amounted to $6.3 million for the year ended December 31, 2023, primarily including the payment of deposits of $2.6 million to a third party to support our future business combinations, purchases of short-term investments of $1.3 million and investment in two investee of $4.8 million, partially offset by proceeds of $2.4 million from redemption of short-term investments.

Financing Activities

Net cash provided by financing activities amounted to $15,305 for the year ended December 31, 2025, primarily consisting of proceeds from bank borrowing of $1.1 million, partially offset by repayment of bank borrowings of $1.1 million.

Net cash used in financing activities amounted to $1.5 million for the year ended December 31, 2024, primarily consisting of repayment of bank borrowings of $2.2 million, partially offset by proceeds from bank borrowing of $0.7 million.

Net cash provided by financing activities amounted to $0.8 million for the year ended December 31, 2023, primarily consisting of proceeds from bank borrowing of $2.3 million, partially offset by repayment of bank borrowings of $1.4 million.

Capital Expenditures

Our capital expenditures were $3,988, $30,108 and $1.5 million in fiscal years ended December 31, 2025, 2024 and 2023, respectively. We intend to fund our future capital expenditures with our existing cash balance and cash flow from operating activities. We will continue to make capital expenditures to meet the expected growth of our business.

Holding Company Structure

Baosheng Media Group Holdings Limited is a holding company with no operations of its own. We conduct our operations primarily through our subsidiaries in China. As a result, our ability to pay dividends depends upon dividends paid by our PRC subsidiaries. In addition, our PRC subsidiaries are permitted to pay dividends to us only out of their retained earnings, if any, as determined in accordance with the Accounting Standards for Business Enterprise as promulgated by the Ministry of Finance of the PRC, or PRC GAAP. Pursuant to the law applicable to China's foreign investment enterprise, foreign investment enterprises in the PRC have been subject to the same statutory reserve requirements as domestic companies since January 1, 2025. Accordingly, our PRC subsidiaries are required to appropriate at least 10% of their after-tax profits, as determined in accordance with PRC GAAP, to a statutory reserve fund. Such appropriation is no longer required once the balance of the statutory reserve fund reaches 50% of the registered capital of the relevant subsidiary. In addition, our PRC subsidiaries may, upon approval by their shareholders, appropriate discretionary reserve funds from their after-tax profits.

C. Research and Development, Patents and Licenses, etc.

See "Item 4. Information on the Company—B. Business Overview—Intellectual Property."

D. Trend Information

Other than as disclosed elsewhere in this annual report, we are not aware of any trends, uncertainties, demands, commitments or events for the fiscal year ended December 31, 2025 that are reasonably likely to have a material effect on our net revenues, income, profitability, liquidity or capital resources, or that would cause the disclosed financial information to be not necessarily indicative of future operating results or financial conditions.

E. Critical Accounting Estimates

We prepare our consolidated financial statements in accordance with U.S. GAAP, which requires our management to make estimates that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the balance sheet dates, as well as the reported amounts of revenues and expenses during the reporting periods. To the extent that there are material differences between these estimates and actual results, our financial condition or results of operations would be affected. We base our estimates on our own historical experience and other assumptions that we believe are reasonable after taking account of our circumstances and expectations for the future based on available information. We evaluate these estimates on an ongoing basis.

Our expectations regarding the future are based on available information and assumptions that we believe to be reasonable, which together form our basis for making judgments about matters that are not readily apparent from other sources. Since the use of estimates is an integral component of the financial reporting process, our actual results could differ from those estimates. Some of our accounting policies require a higher degree of judgment than others in their application.

We consider an accounting estimate to be critical if: (i) the accounting estimate requires us to make assumptions about matters that were highly uncertain at the time the accounting estimate was made, and (ii) changes in the estimate that are reasonably likely to occur from period to period or use of different estimates that we reasonably could have used in the current period, would have a material impact on our financial condition or results of operations. When reading our consolidated financial statements, you should consider our selection of critical accounting policies, the judgment and other uncertainties affecting the application of such policies and the sensitivity of reported results to changes in conditions and assumptions.

When reading our consolidated financial statements, you should consider our selection of critical accounting policies, the judgment and other uncertainties affecting the application of such policies and the sensitivity of reported results to changes in conditions and assumptions. Our critical accounting policies and practices include the following: (i) revenue recognition; (ii) accounts receivable, net; and (iii) income taxes. See Note 2—Summary of Significant Accounting Policies to our consolidated financial statements for the disclosure of these accounting policies. We believe the following accounting estimates involve the most significant judgments used in the preparation of our financial statements.

While management believes its judgments, estimates and assumptions are reasonable, they are based on information presently available and actual results may differ significantly from those estimates under different assumptions and conditions. We believe that the following critical accounting estimates involve the most significant judgments used in the preparation of our financial statements.

Allowance against accounts receivable

Accounts receivable are recognized and carried at the gross billing amount less an allowance for any uncollectible accounts due from the advertisers.

On January 1, 2023, the Company adopted ASU No. 2016-13, using the modified retrospective transition method.

Upon the adoption of ASU 2016-13, the Company maintains an allowance for credit losses and records the allowance for credit losses as an offset to accounts receivable and the estimated credit losses charged to the allowance is classified as "provision for doubtful accounts" in the consolidated statements of loss and comprehensive loss. The Company assesses collectability by reviewing accounts receivable on aging schedules because the accounts receivable were primarily consisted of accounts due from the advertisers for the acquisition of ad inventory and other advertising services on their behalf. In determining the amount of the allowance for credit losses, the Company considers historical collectability based on past due status, the age of the balances, current economic conditions, reasonable and supportable forecasts of future economic conditions, and other factors that may affect the Company's ability to collect from customers. Delinquent account balances are written-off against the allowance for expected credit loss after management has determined that the likelihood of collection is not probable.

For the years ended December 31, 2025 and 2024, the Company provided allowance for expected credit losses of $1.0 million and $22.9 million against accounts receivable. For the year ended December 31, 2023, the Company reversed allowance for expected credit losses of $0.7 million against accounts receivable.

Valuation of deferred tax assets

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period including the enactment date. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. Current income taxes are provided for in accordance with the laws of the relevant taxing authorities.

As of December 31, 2025 and 2024, deferred tax assets from the net operating loss carryforwards amounted to $5.1 million and $4.5 million, respectively. We have recognized a valuation allowance against deferred tax assets of $5.1 million, $4.5 million and $3.1 million for the years ended December 31, 2025, 2024 and 2023, respectively.

The provisions of ASC 740-10-25, "Accounting for Uncertainty in Income Taxes," prescribe a more-likely-than-not threshold for consolidated financial statement recognition and measurement of a tax position taken (or expected to be taken) in a tax return. This interpretation also provides guidance on the recognition of income tax assets and liabilities, classification of current and deferred income tax assets and liabilities, accounting for interest and penalties associated with tax positions, and related disclosures. The PRC operating entities in PRC are subject to examination by the relevant tax authorities. According to the PRC Tax Administration and Collection Law, the statute of limitations is three years if the underpayment of taxes is due to computational errors made by the taxpayer or the withholding agent. The statute of limitations is extended to five years under special circumstances, where the underpayment of taxes is more than RMB100,000 ($14,300). In the case of transfer pricing issues, the statute of limitation is ten years. There is no statute of limitation in the case of tax evasion. Penalties and interest incurred related to underpayment of income tax are classified as income tax expense in the period incurred.

We did not accrue any liability, interest or penalties related to uncertain tax positions in its provision for income taxes line of its consolidated statements of income for the years ended December 31, 2025, 2024 and 2023, respectively. We do not expect that its assessment regarding unrecognized tax positions will materially change over the next 12 months.

Recent accounting pronouncements

A list of recently issued accounting pronouncements that are relevant to us is included in note 2 to our consolidated financial statements included elsewhere in this annual report.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Executive Officers

The following table sets forth information regarding our directors and executive officers as of the date of this annual report.

Name	Age	Position(s)
Lina Jiang	48	Chairperson of the board, Chief Executive Officer
Sheng Gong	44	Director
Chenfang Zhai	48	Chief Financial Officer
Jianhua Cheng	48	Independent Director
Tao Liu	42	Independent Director
Changhong Jiang	48	Independent Director

The following is a brief biography of each of our executive officers and directors:

Lina Jiang, age 48, serves as the Chairperson of the Board of Directors and Chief Executive Officer since January 2025. Ms. Lina Jiang has over 20 years of work experience and has held core management positions at various companies. Since June 2023, she has been serving as the Chairwoman of the board of directors at Wangmao Liquor Group Co., Ltd. Since November 2021, she has been serving as the President of Zhiding Group. From May 2019 to October 2021, she held the position of Vice President at Yueshang Group. In July 2000, she founded Qizhi Education, where she has severed as Chairwoman, overseeing nationwide franchise development and operations. She graduated from Northeast Normal University in 2000 with a bachelor's degree in English Education.

Sheng Gong, age 44, serves as our director and the national sales director of our SEM advertising, and is primarily responsible for overseeing the business development, sales and marketing of our SEM services. Mr. Sheng Gong has over 10 years of experience in business development and sales and marketing in the media industry in China. Since August 2021, Mr. Sheng Gong has served as the legal corporate representative and director of Baosheng Network, responsible for overseeing the company's business development, client relations, and management functions. From June 2018 to July 2021, Mr. Sheng Gong served as the head of business department of the Beijing branch company of Horgos Baosheng. Prior to that, Mr. Sheng Gong served as a director, head of business development, and legal corporate representative of Beijing Baosheng from May 2016 to May 2018. Mr. Sheng Gong received a bachelor's degree in computer application from Beijing Jianshe University in the PRC in 2004.

Chenfang Zhai, age 48, serves as our chief financial officer since May 2025. Mr. Zhai is responsible for managing our finances, evaluating our financial risks and opportunities, and is responsible for financial reporting. Ms. Zhai has 16 years of experience in finance. Since July 2015, she has served as the Chief Financial Officer of Wangmao Qianzhuang Liquor Industry (Beijing) Co., Ltd., where she is responsible for all functions of the finance department. She graduated in 2023 from the University of International Business and Economics with a major in Business Administration.

Jianhua Cheng, age 48, has served as the Company's independent director since March 2025. From August 2000 to February 2003, he worked at China Railway 17th Bureau Group Third Company as an officer in the Publicity Department, where he was responsible for corporate branding and publicity. From March 2003 to June 2008, he served as a Senior Secretary at Beijing Haidian Science Park Construction Co., Ltd., overseeing executive document drafting and corporate culture promotion. From June 2008 to March 2018, he held the position of Chairman of the Trade Union and Supervisor at Beijing Haidian Science Park Construction Co., Ltd., managing trade union affairs. From March 2018 to February 2025, he worked as the Manager of the General Administration Department at Beijing Haidian Science Park Construction Co., Ltd., where he was responsible for corporate administration, safety, and branding management. Since July 2016, he has been serving as a Board Director at Beijing Taihe Jia Technology Co., Ltd. (stock code 870737), where he contributes to business decision-making and corporate strategic planning. Since January 2023, he has been the Legal Representative of Beijing Huashi Zhuoyue Education Technology Co., Ltd. He earned a Doctor of Philosophy in Business Administration in 2024 and a Master of Business Administration in 2022 from the Seoul School of Integrated Sciences & Technologies, and a Bachelor's degree in Business Administration from Southwest Jiaotong University in 2009.

Tao Liu, age 42, has served as the Company's independent director since October 2025. Mr. Liu is currently the CEO of Beijing Kaoersi Education Consulting Group Co., Ltd., a Beijing-based international education consulting company focused on academic support for Chinese students studying abroad. Since 2022, Mr. Liu has acted as this company's CEO and has been responsible for its overall management and strategic planning. From 2014 to 2021, Liu Tao served as Deputy General Manager of the Eurasia Division and Assistant Vice President at New Oriental Education & Technology Group (NYSE: EDU), an education technology group headquartered and primarily operated in China. In that role, he oversaw study-abroad consulting services and language training programs across 17 Eurasian countries. Mr. Liu received his bachelor's degree in Business Information Management from Northumbria University in 2008 and his master's degree in Global Supply Chain and Logistics Management from Newcastle Business School, Northumbria University in 2010.

Changhong Jiang, age 48, has served as the Company's independent director since February 2022. Mr. Changhong Jiang has over 15 years of experience in corporate finance and auditing and is familiar with the reporting requirements of U.S. GAAP. Since June 2019, Mr. Changhong Jiang has served as the deputy general manager, board secretary and partner of Beijing Zhongke Natong Electronic Technology Co., Ltd., where he mainly oversees the company's initial public offering process. From December 2015 to May 2019, Mr. Jiang served as the financial director of Tianjin Taida Energy Group Co., Ltd., overseeing the company's financial management, financing, budgeting and auditing functions. Mr. Changhong Jiang obtained his associate degree in accounting from Beijing Forestry University in the PRC in 2004 and bachelor's degree in labor and social security from Jilin University in the PRC in 2015.

Family Relationships

None of our directors or executive officers has a family relationship as defined in Item 401 of Regulation S-K.

B. Compensation

For the fiscal year ended December 31, 2025, we paid an aggregate of $54,714 in cash to our executive officers, and we paid $10,561 in cash to our non-executive directors. We have not set aside or accrued any amount to provide pension, retirement or other similar benefits to our directors and executive officers. Our PRC subsidiary is required by law to make contributions equal to certain percentages of each employee's salary for his or her pension insurance, medical insurance, unemployment insurance and other statutory benefits and a housing provident fund.

Employment Agreements and Indemnification Agreements

We have entered into employment agreements with our Chief Executive Officer. Under the agreement, each of our executive officers is employed for a specified time period, which will be automatically renewed for additional one-year terms unless either party provides a two-month prior written notice before the end of the current employment term. We may terminate the employment for cause, at any time, without notice or remuneration, for certain acts of the executive officer, including but not limited to the commitments of any serious or persistent breach or non-observance of the terms and conditions of their employment, conviction of a criminal offense, willful disobedience of a lawful and reasonable order, fraud or dishonesty, receiving bribes, or severe neglect of his or her duties. An executive officer may terminate his or her employment at any time with a three-month prior written notice. Each executive officer has agreed to hold, both during and after the employment agreement expires, in strict confidence and not to use or disclose to any person, corporation or other entity without written consent, any confidential information.

We didn't enter into employment agreement with our CFO.

We have also entered into indemnification agreements with each of our directors and executive officers. Under these agreements, we agreed to indemnify our directors and executive officers against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being a director or officer of our company.

C. Board Practices

Board of directors

Our board of directors consists of five directors, including three independent directors. A director is not required to hold any shares in our company to qualify to serve as a director. A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract or arrangement with our company is required to declare the nature of his interest at a meeting of our directors. A director may vote in respect of any contract, proposed contract or arrangement notwithstanding that he may be interested therein, and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of our directors at which any such contract, proposed contract or arrangement is considered. Our directors may exercise all the powers of our company to borrow money, mortgage or charge its undertaking, property and uncalled capital, and to issue debentures or other securities whenever money is borrowed or as security for any debt, liability or obligation of our company or of any third party. None of our directors has a service contract with us that provides for benefits upon termination of service.

Committees of the board of directors

We have established the following committees in our board of directors: an audit committee, a compensation committee and a nominating and corporate governance committee. The committees operate in accordance with terms of reference established by our board of directors.

Audit Committee. Our audit committee consists of Changhong Jiang, Tao Liu, and Jianhua Cheng. Changhong Jiang is the chairman of our audit committee. We have determined that Changhong Jiang, Tao Liu, and Jianhua Cheng satisfy the "independence" requirements of the Nasdaq corporate governance rules and Rule 10A-3 under the Securities Exchange Act. Our board also has determined that Mr. Changhong Jiang qualifies as an audit committee financial expert within the meaning of the SEC rules or possesses financial sophistication within the meaning of the Nasdaq corporate governance rules. The audit committee oversees our accounting and financial reporting processes and the audits of the financial statements of our company. The audit committee is responsible for, among other things:

- appointing the independent auditors and pre-approving all auditing and non-auditing services permitted to be performed by the independent auditors;
- reviewing any audit problems or difficulties and management's response with the independent auditors;
- discussing the annual audited financial statements with management and the independent auditors;
- reviewing the adequacy and effectiveness of our accounting and internal control policies and procedures and any steps taken to monitor and control major financial risk exposures;
- reviewing and approving all proposed related party transactions;
- meeting separately and periodically with management and the independent auditors; and
- monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance.

Compensation Committee. Our compensation committee consists of Jianhua Cheng, Tao Liu, and Changhong Jiang. Mr. Jianhua Cheng is the chairperson of our compensation committee. We have determined that Jianhua Cheng, Tao Liu, and Changhong Jiang satisfy the "independence" requirements of the Nasdaq corporate governance rules and Rule 10C-1 under the Securities Exchange Act. The compensation committee assists the board in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers. Our chief executive officer may not be present at any committee meeting during which his compensation is deliberated. The compensation committee is responsible for, among other things:

- reviewing and recommending compensation packages for our most senior executive officers to the board;

- approving and overseeing compensation packages for our executives other than the most senior executive officers;
- reviewing and recommending to the board with respect to the compensation of our directors;
- reviewing periodically and approving any long-term incentive compensation or equity plans;
- selecting compensation consultants, legal counsel or other advisors after taking into consideration all factors relevant to that person's independence from management; and
- reviewing programs or similar arrangements, annual bonuses, employee pension and welfare benefit plans.

Nominating and Corporate Governance Committee. Our nominating and corporate governance committee consists of Tao Liu, Changhong Jiang, and Jianhua Cheng. Mr. Tao Liu is the chairperson of our nominating and corporate governance committee. Tao Liu, Changhong Jiang, and Jianhua Cheng satisfy the "independence" requirements of the Nasdaq corporate governance rules. The nominating and corporate governance committee assists the board of directors in selecting individuals qualified to become our directors and in determining the composition of the board and its committees. The nominating and corporate governance committee is responsible for, among other things:

- identifying and recommending nominees for election or re-election to our board of directors or for appointment to fill any vacancy;
- reviewing annually with our board of directors its current composition in light of the characteristics of independence, age, skills, experience and availability of service to us;
- identifying and recommending to our board the directors to serve as members of committees;
- advising the board periodically with respect to significant developments in the law and practice of corporate governance as well as our compliance with applicable laws and regulations, and making recommendations to our board of directors on all matters of corporate governance and on any corrective action to be taken; and
- monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance.

Duties of Directors

Under Cayman Islands law, our directors owe fiduciary duties to our company, including a duty of loyalty, a duty to act honestly, and a duty to act in what they consider in good faith to be in our best interests. Our directors must also exercise their powers only for a proper purpose. Our directors also have a duty to exercise skills they actually possess and such care and diligence that a reasonably prudent person would exercise in comparable circumstances. It was previously considered that a director need not exhibit in the performance of his duties a greater degree of skill than what may reasonably be expected from a person of his knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care, and these authorities are likely to be followed in the Cayman Islands. In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association, as amended and restated from time to time, and the class rights vested thereunder in the holders of the shares. Our company has the right to seek damages if a duty owed by our directors is breached. A shareholder may in certain circumstances have rights to damages if a duty owed by the directors is breached.

Our board of directors has all powers necessary for managing, and for directing and supervising, our business affairs. The functions and powers of our board of directors include, among others:

- convening shareholders' annual general meetings and reporting its work to shareholders at such meetings;
- declaring dividends and distributions;

- appointing officers and determining the terms of office of the officers;
- exercising the borrowing powers of our company and mortgaging the property of our Company; and
- approving the transfer of shares in our Company, including the registration of such shares in our share register.

Terms of Directors and Executive Officers

Our directors may be elected by a resolution of our board of directors or by an ordinary resolution of our shareholders. Our directors are not subject to a term of office and hold office until such time as they are removed from office by ordinary resolution of our shareholders. The office of directors shall be vacated if, among other things, the director (i) becomes bankrupt or makes any arrangement or composition with his creditors; (ii) dies or is found by our company to be or becomes of unsound mind; (iii) resigns his or her office by notice in writing to our company; (iv) without special leave of absence from our board, is absent from three consecutive board meetings and our directors resolve that his office be vacated; (v) is prohibited by any applicable law or Nasdaq listing rules from being a director or (vi) is removed from office pursuant to any other provision of our memorandum and articles of association.

Our officers are elected by and serve at the discretion of the board of directors.

D. Employees

The following table sets forth the breakdown of our employees by function as of December 31, 2025:

	As of December 31, 2025	
	Number	% of Total
Functions:		
Sales and marketing	1	4 %
Advertiser services	24	8 %
Ad optimization	11	42 %
Media relationships	2	8 %
Management and administration	10	38 %
Total	**26**	**100 %**

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our human resources strategy, we offer employees competitive salaries, performance-based cash bonuses and other incentives.

We primarily recruit our employees in China through direct hiring. We provide robust training programs for new employees that we hire. We also conduct regular and specialized internal training to meet the need of our employees in different departments. We believe such training program is effective in equipping our employees with the skill set and work ethics we require.

As required under PRC regulations, we participate 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.

We enter into standard contracts and agreements regarding confidentiality, intellectual property, employment, ethic policies and non-competition with most of our executive officers, managers and employees. These contracts typically include a non-competition provision effective during and up to one year after termination of their employment with us and a confidentiality provision effective during and up to one year after their employment with us.

Our employees have not formed any employee union or association. We believe we maintain a good working relationship with our employees and we have not experienced any difficulty in recruiting staff for our operations as of the date of this annual report.

Compensation Recovery Policy

We have adopted a compensation recovery policy to provide for the recovery of erroneously-awarded incentive compensation, as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, final SEC rules and applicable listing standards.

E. Share Ownership

Except as specifically noted, the following table sets forth information with respect to the beneficial ownership of our Ordinary Shares as of April 15, 2026 by:

- each of our directors and executive officers; and
- each of our principal shareholders who beneficially own more than 5% of our total outstanding Ordinary Shares.

The calculations in the table below are based on 1,534,487 Ordinary Shares issued and outstanding as of April 15, 2026.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, we have included shares that the person has the right to acquire within 60 days, including through the exercise of any option, warrant or other right or the conversion of any other security. These shares, however, are not included in the computation of the percentage ownership of any other person.

	Ordinary Shares Beneficially Owned		
	Number	Percentage of Total Ordinary Shares*	Percentage of aggregate voting power**
Directors and Executive Officers: †			
Lina Jiang	—	—	—
Sheng Gong (1)	34,375	2.24 %	— %
Chenfang Zhai	—	—	—
Tao Liu	—	—	—
Jianhua Cheng	—	—	—
Changhong Jiang	—	—	—
All directors and executive officers as a group:	34,375	2.24 %	— %
5% Shareholders:			
AnRuiTai Investment Limited (2)	343,750	22.40 %	22.40 %
PBCY Investment Limited (3)	156,250	10.18 %	10.18 %

Notes:

* For each person included in this column, percentage ownership is calculated by dividing the number of Ordinary Shares beneficially owned by such person by the sum of the total number of outstanding shares.

** For each person and group included in this column, percentage of voting power is calculated by dividing the voting power beneficially owned by such person or group by the voting power of all of our Ordinary Shares as a single class.

† The business address for our directors and executive officers is East Floor 5, Building No. 8, Xishanhui, Shijingshan District, Beijing, People’s Republic of China.

(1) Represents the number of Ordinary Shares beneficially owned by Mr. Sheng Gong through An Rui Tai BVI, a business company incorporated under the laws of the BVI, which is owned as to 10% by Mr. Gong. The registered address of An Rui Tai BVI is Craigmuir Chambers, Road Town, Tortola, VG 1110, British Virgin Islands.

(2) Represents the number of Ordinary Shares beneficially owned by An Rui Tai BVI, a business company incorporated under the laws of the BVI, which is owned as to 90% by Ms. Wenxiu Zhong and 10% by Mr. Sheng Gong. The registered address of An Rui Tai BVI is Craigmuir Chambers, Road Town, Tortola, VG 1110, British Virgin Islands.

(3) Represents the number of Ordinary Shares beneficially owned by PBCY Investment, a business company incorporated under the laws of the BVI and is owned as to 86.35% by Pubang Landscape through Pubang Hong Kong and 13.65% by CYY Holdings. The registered address of PBCY Investment is Craigmuir Chambers, Road Town, Tortola VG 1110, British Virgin Islands.

As of April 15, 2026, approximately 63.34% of our issued and outstanding Ordinary Shares are held in the United States by two record holders (Cede & Co. and Omar Marawi).

None of our shareholders has informed us that it is affiliated with a member of Financial Industry Regulatory Authority, or FINRA.

We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

See “Item 6. Directors, Senior Management and Employees—E. Share Ownership.”

B. Related Party Transactions

Material Transactions with Related Parties

For the years ended December 31, 2025, 2024 and 2023, our transactions with related parties were summarized in the below table:

RELATED PARTY TRANSACTIONS AND BALANCES

Name	Relationship with the Company
Horgos Zhijiantiancheng Technology Co., Ltd. (“Horgos Zhijiantiancheng”)	Controlled by EJAM Media Technology Group Holding Co., Ltd. (“EJAM Group”), which indirectly held a 6.8% equity interest in the Company, and ceased to be a related party of the Company since January 2024 when EJAM sold equity interest in the Company.
Anruitai Investment Limited (“Anruitai”)	22.4% shareholder of the Company
Sheng Gong	A director of the Company and 10% shareholder of Anruitai
Wenxiu Zhong	90% shareholder of Anruitai

2) Transactions with related parties

	For the Years Ended December 31,		
	2025	2024	2023
Services purchased from related parties			
Horgos Zhijiantiancheng	$ —	$ —	$ 161,264
	$ —	$ —	$ 161,264
Loans made to related parties			
Anruitai	$ 2,053	$ —	$ —
Sheng Gong	—	—	1,412
	$ 2,053	$ —	$ 1,412
Repayment of loans from a related party			
Sheng Gong	$ —	1,390	$ —
	$ —	1,390	$ —

3) Balances with related parties

As of December 31, 2025 and 2024, the balances due from related parties were as follows:

	December 31, 2025	December 31, 2024
Due from related parties		
Anruitai Investment Limited	$ 30,666	$ 28,667
	$ 30,666	**$** 28,667

As of December 31, 2025 and 2024, the balances due to related parties were as follows:

	December 31, 2025	December 31, 2024
Due to related parties		
Wenxiu Zhong	$ —	$ 3,566
	$ —	**$** 3,566

Employment Agreements and Indemnification Agreements

See “Item 6. Directors, Senior Management and Employees-B. Compensation-Employment Agreements and Indemnification Agreements.”

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

We have appended consolidated financial statements filed as part of this annual report.

Legal Proceedings

We may from time to time become a party to various legal administrative proceedings arising in our ordinary course of our business. As of the date of this annual report, we were a party to the material legal proceedings described below. As we routinely enter into business contracts with our advertisers, we have been and may continue to be involved in legal proceedings arising from contract disputes.

The China Proceedings

In 2019, Horgos Baosheng brought a breach of contract claim against Qingdao Xingyuan Automobile Information Technology Co., Ltd. (“Qingdao Xingyuan”) and sought recovery of RMB3.85 million in aggregate. On December 21, 2020, the reviewing court entered a judgment, ruling in favor of Horgos Baosheng and requiring Qingdao Xingyuan to compensate Horgos Baosheng RMB3.25 million and an extra penalty calculated based on the loan prime rate from August 28, 2019 to the actual date of payment. As of the date of this annual report, the judgment is under the stage of enforcement.

In April 2020, Beijing Baosheng brought a breach of contract claim against Guangzhou Aiyou Information Technology Co. Ltd. (“Guangzhou Aiyou”) and sought recovery of RMB1,255,000 in aggregate. On August 22, 2020, the Beijing arbitration committee entered a judgment, ruling in favor of Beijing Baosheng and requiring Guangzhou Aiyou to compensate Beijing Baosheng RMB1,255,000, with a penalty of RMB592,360, and an extra daily penalty of 0.05%, calculated from April 21, 2020 to the actual date of payment, and arbitration-related expenses. On November 17, 2020, Beijing Baosheng filed a request with Guangzhou Intermediate People’s Court, seeking to mandatorily enforce the judgment. As of the date of this annual report, the judgment is under the stage of enforcement.

In January 2022, Beijing Baosheng brought a breach of contract claim against Beijing Hekai Qianyu Intelligent Technology Co., Ltd. (“Hekai Qianyu”) and Beijing Zhigu Education Technology Co., Ltd. (“Zhigu Education”) and Mr. Hongpeng Yao (the legal representatives of both Hekai Qianyu and Zhigu Education) in the Beijing Dongcheng District People’s Court and sought recovery of RMB756, 000 (approximately $118,681) and related liquidated damages. Beijing Baosheng subsequently withdrew its action against Zhigu Education and agreed to resolve this dispute with the other two defendants through court mediation. On March 25, 2022, the court issued a civil mediation statement confirming that the parties had reached the following agreement: (1) Hekai Qianyu shall pay Beijing Baosheng RMB756,000 (approximately $118,681) by April 24, 2022, and in case of any late payment of the foregoing, an additional daily penalty calculated from April 25, 2022 to the actual date of payment shall be imposed; (2) Mr. Hongpeng Yao assumes jointly and several liability for the payment under item (1); and (3) the litigation-related expenses shall be borne by Hekai Qianyu and Mr. Hongpeng Yao. On April 25, 2022, Beijing Baosheng filed a request with the court, seeking to mandatorily enforce the settlement. As of the date of this annual report, the settlement is under the stage of enforcement, and Beijing Baosheng has not yet received any payment from the defendants.

In March 2022, Horgos Baosheng brought a breach of contract claim against Beijing Aipu New Media Technology Co., Ltd. (“Aipu”) in the Beijing Haidian District People’s Court and sought recovery of RMB1,783,834.04 (approximately $270,102) and related liquidated damages. On March 14, 2022, Horgos Baosheng applied for reservation of Aipu’s property in an amount of RMB1,783,834.04 (approximately $270,102) and said application was approved by the court on March 17, 2022. On February 10, 2023, Horgos Baosheng applied for extension for reservation of Aipu’ s property in an amount of RMB1,783,834.04 (approximately $270,102), and the court approved the extension of reservation to March 17, 2024. Due to the court’s reason, Horgos Baosheng withdrew the case filed at the Beijing Haidian District People’s Court. On January 24, 2024, Horgos Baosheng brought a breach of contract claim against Aipu in the Beijing Haidian District People’s Court again. The court held the hearings on September 10, 2024 and October 21, 2024. During the hearing, Horgos Baosheng was informed that the property reserved by Horgos Baosheng had been used for Aipu’s employee dispute and there was no property available for reservation. As of the date of this annual report, Horgos Baosheng has not yet received any payment from the defendants. Horgos Baosheng intends to file for enforcement.

In April 2022, the Beijing Dongcheng District People’s Court accepted a breach of contract case filed by Beijing Baosheng, as the complainant, and Beijing Kaikeba, as the defendant. In this case, Beijing Baosheng sought recovery of RMB2,197,472.35 (approximately $319,732.23) and related liquidated damages from Beijing Kaikeba. On July 11, 2022, the court issued a civil mediation statement confirming that the parties had reached an agreement that, among others, Beijing Kaikeba agreed to pay Beijing Baosheng the service fee for the period from January 1, 2022 to March 31, 2022, in an amount of RMB 2,197,472.35 (approximately $317,974.25) in three installments by the end of 2022. As of the date of this annual report, Beijing Baosheng has not received any payment from Beijing Kaikeba. Given that Beijing Kaikeba currently has no assets, the court enforcement procedures against Beijing Kaikeba has been terminated in April 2023. In the event that the court or Beijing Baosheng locates any asset of Beijing Kaikeba, Beijing Baosheng will be able to apply for resumption of the enforcement procedures against Beijing Kaikeba.

In April 2022, the Beijing Haidian District People’s Court accepted a breach of contract case, filed by Beijing Baosheng as the complainant and Beijing Kaikeba Technology Co., Ltd. (“Beijing Kaikeba”), Huike Education Technology Group Co., Ltd., Hangzhou Kaikeba Technology Co., Ltd. (“HZ Kaikeba”), and Fang Yechang, as the defendants. In this case, Beijing Baosheng sought recovery of RMB34,436,345.13 (approximately $5,010,488.22) and related liquidated damages from Beijing Kaikeba, HZ Kaikeba, and Fang Yechang. The court has a ruling in favor of Beijing Baosheng and requiring Beijing Kaikeba and Fang Yechang to compensate Beijing Baosheng the outstanding service fee of RMB35,781,421.17 (US$5,039,707.77), with liquidated damages of RMB2,620,526.68 (US$369,093.46), and court expenses and reservation expenses. The case is now under enforcement procedures.

In April 2022, the Beijing Haidian District People’s Court accepted a breach of contract case filed by Beijing Baosheng, as the complainant, and Beijing Kaikeba, HZ Kaikeba, and Fang Yechang, as the defendants. In this case, Beijing Baosheng sought recovery of RMB4,756,957.57 (approximately $692,137.33) and related liquidated damages from defendants. On February 27, 2023, the People’s Court of Hangzhou Yuhang District ruled to accept the bankruptcy liquidation case of HZ Kaikeba and requested the creditors of HZ Kaikeba file their claims by April 21, 2023. Beijing Baosheng has filed its creditor claims involved in this case against HZ Kaikeba following the bankruptcy procedures. The bankruptcy administrator confirmed Beijing Baosheng’s rights as a creditor (including the principal debt amount of RMB35,781,421.17 (US$5,039,707.77), and the amount of liquidate damages RMB2,620,526.68 (US$369,093.46). Beijing Baosheng accepted the bankruptcy administrator’s decision and then withdrew the case filed at the Beijing Haidian District People’s Court. As of the date of this annual report, Beijing Baosheng is waiting for the administrator’s notice of the subsequent procedures.

In November 2022, Beijing Baosheng brought a breach of contract claim against Shanghai Yituo Information Technology Co., Ltd. (“Yituo”) in the Shanghai Jinshan District People’s Court and sought recovery of RMB50,843.31 (approximately $7,383) and related liquidated damages. The court held the hearings on February 14, 2023 and March 27, 2023. The court entered a judgment on April 11, 2023, ruling in favor of Beijing Baosheng. The judgment was served to Beijing Baosheng on April 24, 2023, and became final and binding on the parties as Yituo did not file any appeals against the judgement before May 9, 2023. As of the date of this annual report, Beijing Baosheng has not yet received any payment from the defendants. Given that Yituo had no assets, the court enforcement procedures against Yituo were terminated on August 30, 2023. In the event that the court or Beijing Baosheng locates any asset of Yituo, Beijing Baosheng will be able to apply for resumption of the enforcement procedures against Yituo.

On November 10, 2022, the Beijing Shijingshan District People’s Court accepted a contract claim case filed by Beijing Baosheng, as the complainant, and Fang Yechang and his spouse, as defendants. In this case, Beijing Baosheng requested the defendants to assume joint and several guarantee liability for Beijing Kaikeba’s debt to Beijing Baosheng in an amount of RMB2,197,472.35 (approximately $319,732.23). As of the date of this annual report, Baosheng is waiting for the court’s notice on the hearing.

In December 2022, the Beijing Chaoyang District People’s Court accepted a breach of contract case filed by Beijing Baosheng, as the complainant and Beijing Zhijin Dapeng Education Technology Co., Ltd. (“Dapeng”), as the defendant. In this case, Beijing Baosheng sought recovery of RMB435,731.02 (approximately $63,271) and related liquidated damages from Dapeng. Later in February 2023, Beijing Baosheng submitted additional evidence to the court. The court hearing was held on September 20, 2023. On January 31, 2024, the court approved Beijing Baosheng’s application for reservation of the bank accounts of Dapeng. The court has a ruling in favor of Beijing Baosheng and requiring Dapeng to compensate Beijing Baosheng the service fee of RMB435,731.02 (US$63,271) and related liquidated damages. As of the date of this annual report, Beijing Baosheng has not yet received any payment from the defendant.

In April 2023, the Beijing Shijingshan People’s Court accepted a contract claim case filed by Beijing Baosheng, as the complainant, and Fang Yechang and his spouse, as defendants. In this case, Beijing Baosheng requested the defendants to assume joint and several guarantee liability for Beijing Kaikeba’s debt to Beijing Baosheng in an amount of RMB2,715,663.75 (US$382,493.24). On November 16, 2023, the court issued a civil mediation statement confirming that the parties had reached settlement that the defendants will compensate Beijing Baosheng RMB 2,715,663.75 and assume the court expenses. As of the date of this annual report, Beijing Baosheng has not received any payment from the defendants. Beijing Baosheng has filed a request with the court, seeking to mandatorily enforce the settlement.

On April 16, 2024, Beijing Haidian District People’s Court accepted a case filed by Beijing Baina Network Information Technology co., Ltd. (“Baina”) as the plaintiff, with Horgos Baosheng and Beijing Baosheng as the defendants. In this case, Baina sought the refund of the deposit and the account balance totaling RMB6,647,027.8 (approximately US$936,260.4). Baina voluntarily withdrew its claim on December 31, 2025.

On June 3, 2025, a director of the Company was served with a complaint filed by three institutional investors in the Beijing Fourth Intermediate People’s Court, alleging five defendants, including the director, engaged in corporate mismanagement that caused a significant decline in the value of the Company’s stock held by the investor, and seeking damages of RMB 47,249,848 (approximately US$6.59 million). The Beijing Fourth Intermediate People’s Court has split the case into three separate cases, with each of the three institutional investors serving as plaintiff, and transferred these three cases to the Beijing Shijingshan District People’s Court for trial. The claims and defendants in the three cases remain unchanged, with the case amounts adjusted to RMB 12,245,087, RMB 14,001,912, and RMB 21,002,849, respectively. Currently, the three cases have not yet been formally accepted and filed by the Beijing Shijingshan District People’s Court.

The U.S. and Cayman Islands Proceedings

On March 1, 2024, the Company was served a complaint regarding a lawsuit brought by three institutional investors (the "Plaintiffs") against the Company and certain other parties, filed with the United States District Court of the Southern District of New York (the "SDNY"), alleging that the Company violated Section 11 and Section 12 of the Securities Act of 1933, as amended, by including untrue statements of material facts and omitting to state material facts required to make the statements therein not misleading, in its registration statement on Form F-1, as amended (File No. 333-239800), which was declared effective by the SEC on February 5, 2021. On March 17, 2021, two institutional investors, which are also two of the Plaintiffs, purchased 1,960,784 units from the Company pursuant to a securities purchase agreement, with each unit consisting of one ordinary share of the Company and one warrant to purchase one half of one ordinary share of the Company, for an aggregate purchase price of US$10 million. On March 5, 2024, the Plaintiffs filed an amended complaint and served the Company on March 6, 2024. The Company filed a motion to dismiss on May 22, 2024, which was subsequently dismissed by the court without prejudice to refile after the Plaintiffs sought leave to file a third amended complaint on July 16, 2024. The Plaintiffs filed the third amended complaint on November 1, 2024, with the court's approval. On December 20, 2024, the Company filed a motion to dismiss the third amended complaint. In response to the Plaintiffs' opposition to the Company's motion to dismiss, filed on February 7, 2025, the Company submitted its reply brief on March 7, 2025, in further support of its motion to dismiss. As of the date of this annual report, the SDNY has denied the Company's motion to dismiss the complaint, and the litigation is proceeding to the next phase of answering the complaint and discovery.

On April 10, 2024, Orient Plus International Limited (the "Petitioner") filed with the Grand Court of the Cayman Islands a winding up petition ("Petition"), seeking an order that the Company be wound up pursuant to Section 92(e) of the Cayman Islands Companies Act (2023 Revision), claiming that the management of the Company have acted unfairly and/or oppressively towards the Petitioner, the other investors and other minority shareholders, and/or the affairs of the Company have been conducted with a lack of probity, and the Petitioner and the other investors have justifiably lost confidence in the management of the Company. By a summons dated July 10, 2024, the Company applied for an order striking out the Petition, which was heard by the court on October 17, 2024. The court dismissed the summons on October 30, 2024. The legal proceedings are currently ongoing. As of the date of this annual report, the parties are in the midst of discovery. The Company believes that the Petition is without any merit and intends to defend the matter vigorously.

Dividend Policy

We do not have any present plan to pay any cash dividends on our Ordinary Shares in the foreseeable future. We currently intend to retain most, if not all, of our available funds and any future earnings to operate and expand our business.

We are a holding company incorporated in the Cayman Islands. We rely principally on dividends from our PRC subsidiary for our cash requirements, including any payment of dividends to our shareholders. PRC regulations may restrict the ability of our PRC subsidiary to pay dividends to us.

Our board of directors has discretion as to whether to distribute dividends, subject to certain requirements of Cayman Islands law. Under Cayman Islands law, a Cayman Islands company may pay a dividend out of either profit or share premium account, provided that in no circumstances may a dividend be paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our board of directors may deem relevant.

B. Significant Changes

Except as disclosed elsewhere in this annual report, we have not experienced any significant changes since the date of our audited consolidated financial statements included in this annual report.

ITEM 9. THE OFFER AND LISTING

A. Offering and Listing Details

Our Ordinary Shares have been listed on the Nasdaq Capital Market since February 8, 2021. Our Ordinary Shares trade under the symbol "BAOS."

B. Plan of Distribution

Not applicable.

C. Markets

Our Ordinary Shares have been listed on the Nasdaq Capital Market since February 8, 2021. Our Ordinary Shares trade under the symbol "BAOS."

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

We are an exempted company with limited liability incorporated under the laws of the Cayman Islands and our affairs are governed by our Amended and Restated Memorandum and Articles of Association, as amended and restated from time to time, and Companies Act (As Revised) of the Cayman Islands, which we refer to as the Companies Act or the Cayman Companies Act below, and the common law of the Cayman Islands.

Our Amended and Restated Memorandum and Articles of Association is filed as Exhibit 1.1 to this annual report. Our shareholders adopted our Amended and Restated Memorandum and Articles of Association by a special resolution on July 20, 2020 and effective on February 10, 2021.

The following are summaries of material provisions of our Amended and Restated Memorandum and Articles of Association and the Companies Act insofar as they relate to the material terms of our Ordinary Shares.

Board of Directors

See "Item 6. Directors, Senior Management and Employees."

Ordinary Shares

General

Our authorized share capital is US$9,600,000 divided into 1,000,000,000 Ordinary Shares, par value $0.0096 per share. All of our issued and outstanding Ordinary Shares are fully paid and non-assessable. Certificates representing the Ordinary Shares are issued in registered form.

Dividends

Subject to the provisions of the Cayman Companies Act and any rights attaching to any class or classes of shares under and in accordance with the articles:

(a) the directors may declare dividends or distributions out of our funds which are lawfully available for that purpose; and

(b) the Company's shareholders may, by ordinary resolution, declare dividends but no such dividend shall exceed the amount recommended by the directors.

Subject to the requirements of the Cayman Companies Act regarding the application of a company's share premium account and with the sanction of an ordinary resolution, dividends may also be declared and paid out of the funds of our Company lawfully available therefor. The directors when paying dividends to shareholders may make such payment either in cash or in specie.

Unless provided by the rights attached to a share, no dividend shall bear interest.

Voting Rights

Subject to any rights or restrictions as to voting attached to any shares, unless any share carries special voting rights, on a show of hands every shareholder who is present in person and every person representing a shareholder by proxy shall have one vote per Ordinary Share. On a poll, every shareholder who is present in person and every person representing a shareholder by proxy shall have one vote for each share of which he or the person represented by proxy is the holder. In addition, all shareholders holding shares of a particular re entitled to vote at a meeting of the holders of that class of shares. Votes may be given either personally or by proxy.

Variation of Rights of Shares

Whenever our capital is divided into different classes of shares, the rights attaching to any class of share (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of all of the holders of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. The necessary quorum shall be one or more persons holding or representing by proxy at least one-third in nominal or par value amount of the issued shares of the relevant class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those shareholders who are present shall form a quorum).

Unless the terms on which a class of shares was issued state otherwise, the rights conferred on the shareholder holding shares of any class shall not be deemed to be varied by the creation or issue of further shares ranking *pari passu* with the existing shares of that class or subsequent to them or the redemption or purchase of any shares of any class by our company. The rights conferred upon the holders of the shares of any class issued shall not be deemed to be varied by the creation or issue of shares with preferred or other rights including, without limitation, the creation of shares with enhanced or weighted voting rights.

Alteration of Share Capital

Subject to the Cayman Companies Act, our shareholders may, by ordinary resolution:

(a) increase our share capital by new shares of the amount fixed by that ordinary resolution and with the attached rights, priorities and privileges set out in that ordinary resolution;

(b) consolidate and divide all or any of our share capital into shares of larger amount than our existing shares;

(c) sub-divide our shares or any of them into shares of an amount smaller than that fixed, so, however, that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived; and

(d) cancel shares which, at the date of the passing of that ordinary resolution, have not been taken or agreed to be taken by any person and diminish the amount of our share capital by the amount of the shares so cancelled.

Subject to the Cayman Companies Act and to any rights for the time being conferred on the shareholders holding a particular class of shares, our shareholders may, by special resolution, reduce its share capital and any capital redemption reserve in any manner authorized by law.

Liquidation

If we are wound up, the shareholders may, subject to the articles and any other sanction required by the Cayman Companies Act, pass a special resolution allowing the liquidator to do either or both of the following:

(a) to divide in specie among the shareholders the whole or any part of our assets and, for that purpose, to value any assets and to determine how the division shall be carried out as between the shareholders or different classes of shareholders; and

(b) to vest the whole or any part of the assets in trustees for the benefit of shareholders and those liable to contribute to the winding up.

The directors have the authority to present a petition for our winding up to the Grand Court of the Cayman Islands on our behalf without the sanction of a resolution passed at a general meeting.

Calls on Shares and Forfeiture

Subject to the terms of allotment, the directors may make calls on the shareholders in respect of any monies unpaid on their shares including any premium and each shareholder shall (subject to receiving at least 14 calendar days' notice specifying when and where payment is to be made), pay to us the amount called on his shares. Shareholders registered as the joint holders of a share shall be jointly and severally liable to pay all calls in respect of the share. If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or if no rate is fixed, at the rate of ten percent per annum. The directors may, at their discretion, waive payment of the interest wholly or in part.

We have a first and paramount lien on all shares (whether fully paid up or not) registered in the name of a shareholder (whether solely or jointly with others). The lien is for all monies payable to us by the shareholder or the shareholder's estate:

(a) either alone or jointly with any other person, whether or not that other person is a shareholder; and

(b) whether or not those monies are presently payable.

At any time, the directors may declare any share to be wholly or partly exempt from the lien on shares provisions of the articles.

We may sell, in such manner as the directors may determine, any share on which the sum in respect of which the lien exists is presently payable, if due notice that such sum is payable has been given (as prescribed by the articles) and, within 14 days of the date or other longer period as specified in the notice on which the notice is deemed to be given under the articles, such notice has not been complied with.

Unclaimed Dividend

A dividend that remains unclaimed for a period of six years after it became due for payment shall be forfeited to, and shall cease to remain owing by, the company.

Forfeiture or Surrender of Shares

If a shareholder fails to pay any capital call, the directors may give to such shareholder not less than 14 clear days' notice requiring payment and specifying the amount unpaid including any interest which may have accrued, any expenses which have been incurred by us due to that person's default and the place where payment is to be made. The notice shall also contain a warning that if the notice is not complied with, the shares in respect of which the call is made will be liable to be forfeited.

If such notice is not complied with, the directors may, before the payment required by the notice has been received, resolve that any share the subject of that notice be forfeited (which forfeiture shall include all dividends or other monies payable in respect of the forfeited share and not paid before such forfeiture).

A forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine and at any time before a sale, re-allotment or disposition the forfeiture may be cancelled on such terms as the directors think fit.

A person whose shares have been forfeited shall cease to be a shareholder in respect of the forfeited shares, but shall, notwithstanding such forfeiture, remain liable to pay to us all monies which at the date of forfeiture were payable by him to us in respect of the shares, together with all expenses and interest from the date of forfeiture or surrender until payment, but his liability shall cease if and when we receive payment in full of the unpaid amount.

A declaration, whether statutory or under oath, made by a director or the secretary shall be conclusive evidence that the person making the declaration is our director or secretary and that the particular shares have been forfeited or surrendered on a particular date.

Subject to the execution of an instrument of transfer, if necessary, the declaration shall constitute good title to the shares.

Share Premium Account

The directors shall establish a share premium account and shall carry the credit of such account from time to time to a sum equal to the amount or value of the premium paid on the issue of any share or capital contributed or such other amounts required by the Cayman Companies Act.

Redemption and Purchase of Own Shares

Subject to the Cayman Companies Act and any rights for the time being conferred on the shareholders holding a particular class of shares, we may by action of our directors:

(a) issue shares that are to be redeemed or liable to be redeemed, at our option or the shareholder holding those redeemable shares, on the terms and in the manner our directors determine before the issue of those shares;

(b) with the consent by special resolution of the shareholders holding shares of a particular class, vary the rights attaching to that class of shares so as to provide that those shares are to be redeemed or are liable to be redeemed at our option on the terms and in the manner which the directors determine at the time of such variation; and

(c) purchase all or any of our own shares of any class including any redeemable shares on the terms and in the manner which the directors determine at the time of such purchase.

We may make a payment in respect of the redemption or purchase of its own shares in any manner authorized by the Cayman Companies Act, including out of any combination of capital, our profits and the proceeds of a fresh issue of shares.

When making a payment in respect of the redemption or purchase of shares, the directors may make the payment in cash or in specie (or partly in one and partly in the other) if so authorized by the terms of the allotment of those shares or by the terms applying to those shares, or otherwise by agreement with the shareholder holding those shares.

Transfer of Shares

Provided that a transfer of Ordinary Shares complies with applicable rules of Nasdaq, a shareholder may transfer Ordinary Shares to another person by completing an instrument of transfer in a common form or in a form prescribed by Nasdaq or in any other form approved by the directors, executed:

(a) where the Ordinary Shares are fully paid, by or on behalf of that shareholder; and

(b) where the Ordinary Shares are partly paid, by or on behalf of that shareholder and the transferee.

The transferor shall be deemed to remain the holder of an Ordinary Share until the name of the transferee is entered into the register of members of the Company.

Where the Ordinary Shares in question are not listed on or subject to the rules of Nasdaq, our board of directors may, in its absolute discretion, decline to register any transfer of any Ordinary Share that has not been fully paid up or is subject to a company lien. Our board of directors may also decline to register any transfer of such Ordinary Share unless:

(a) the instrument of transfer is lodged with us, accompanied by the certificate for the Ordinary Shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;

(b) the instrument of transfer is in respect of only one class of Ordinary Shares;

(c) the instrument of transfer is properly stamped, if required;

(d) in the case of a transfer to joint holders, the number of joint holders to whom the Ordinary Shares are to be transferred does not exceed four; and

(e) a fee of such maximum sum as Nasdaq may determine to be payable, or such lesser sum as the Directors may from time to time require, is paid to the Company in respect thereof.

If our directors refuse to register a transfer, they are required, within two months after the date on which the instrument of transfer was lodged, to send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, on prior notice being given in compliance with the applicable rules of Nasdaq, be suspended and our register of members closed at such times and for such periods as our board of directors may from time to time determine. The registration of transfers, however, may not be suspended, and the register of members may not be closed, for more than 30 calendar days in any year.

Inspection of Books and Records

Holders of our Ordinary Shares will have no general right under the Cayman Companies Act to inspect or obtain copies of our register of members or our corporate records (other than the memorandum and the articles, any special resolutions passed by such companies and the registers of mortgages and charges of such companies). The Registrar of Companies of the Cayman Islands shall make available the list of the names of the current directors of the Company (and where applicable the current alternate directors of the Company) for inspection by any person upon payment of a fee by such person.

General Meetings

As a Cayman Islands exempted company, we are not obligated by the Cayman Companies Act to call annual general meetings; accordingly, we may, but shall not be obliged to, in each year hold a general meeting as an annual general meeting. Any annual general meeting held shall be held at such time and place as may be determined by our board of directors. All general meetings other than annual general meetings shall be called extraordinary general meetings.

The directors may convene general meetings whenever they think fit. General meetings shall also be convened on the written requisition of two or more of the shareholders entitled to attend and vote at our general meetings who (together) hold not less than one-third (1/3) of the rights to vote at such general meeting in accordance with the notice provisions in the articles, specifying the purpose of the meeting and signed by each of the shareholders making the requisition. If the directors do not convene such meeting for a date not later than 21 clear days' after the date of receipt of the written requisition, those shareholders who requested the meeting may convene the general meeting themselves within three months after the end of such period of 21 clear days in which case reasonable expenses incurred by them as a result of the directors failing to convene a meeting shall be reimbursed by us.

At least 7 calendar days' notice of general meetings shall be given to shareholders entitled to attend and vote at such meeting. The notice shall specify the place, the day and the hour of the meeting and the general nature of that business. In addition, if a resolution is proposed as a special resolution, the text of that resolution shall be given to all shareholders. Notice of every general meeting shall also be given to the directors and our auditors.

Subject to the Cayman Companies Act and with the consent of the shareholders who, individually or collectively, hold at least two-thirds (2/3rd) of the voting rights of all those who have a right to vote in the case of an extraordinary general meeting, and by all the shareholders in the case of an annual general meeting, a general meeting may be convened on shorter notice.

A quorum shall consist of the presence (whether in person or represented by proxy) of one or more shareholders holding shares that represent not less than one-third of the outstanding shares carrying the right to vote at such general meeting.

If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall be dissolved.

The chairman may, with the consent of a meeting at which a quorum is present, adjourn the meeting. When a meeting is adjourned for fourteen calendar days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before, or on, the declaration of the result of the show of hands) demanded by the chairman of the meeting or by any or one or more shareholders present who together hold not less than ten percent of the voting rights of all those who are entitled to vote on the resolution. Unless a poll is so demanded, a declaration by the chairman as to the result of a resolution and an entry to that effect in the minutes of the meeting, shall be conclusive evidence of the outcome of a show of hands, without proof of the number or proportion of the votes recorded in favor of, or against, that resolution.

If a poll is duly demanded it shall be taken in such manner as the chairman directs and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall not be entitled to a second or casting vote.

Anti-Takeover Provisions

Some provisions of our memorandum and articles of association may discourage, delay or prevent a change of control of our company or management that shareholders may consider favorable, including provisions that authorize our board of directors to issue preference shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preference shares without any further vote or action by our shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our memorandum and articles of association for a proper purpose and for what they believe in good faith to be in the best interests of our company.

Exempted Company

We are an exempted company with limited liability incorporated under the Companies Act. The Companies Act distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except that an exempted company:

- does not have to file an annual return of its shareholders with the Registrar of Companies;
- is not required to open its register of members for inspection;
- does not have to hold an annual general meeting;
- may issue shares with no par value;
- may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 30 years in the first instance);
- may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- may register as a limited duration company; and
- may register as a segregated portfolio company.

"Limited liability" means that the liability of each shareholder is limited to the amount unpaid by the shareholder on the shares of the company (except in exceptional circumstances, such as involving fraud, the establishment of an agency relationship or an illegal or improper purpose or other circumstances in which a court may be prepared to pierce or lift the corporate veil).

C. Material Contracts

We have not entered into any material contracts other than in the ordinary course of business and other than those described in "Item 4. Information on the Company," "Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions" or elsewhere in this annual report.

D. Exchange Controls

See "Item 4. Information on the Company—B. Business Overview—Regulation—PRC Laws and Regulations relating to Foreign Exchange."

E. Taxation

The following summary of the Cayman Islands, PRC and U.S. federal income tax considerations of an investment in the Ordinary Shares is based upon laws and relevant interpretations thereof in effect as of the date of this annual report, all of which are subject to change. This summary does not deal with all possible tax considerations relating to an investment in the Ordinary Shares, such as the tax considerations under U.S. state and local tax laws or under the tax laws of jurisdictions other than the Cayman Islands, the People's Republic of China and the United States.

Cayman Islands Taxation

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or, after execution, brought within the jurisdiction of the Cayman Islands. The Cayman Islands is not party to any double tax treaties that are applicable to any payments made to or by our company. There are no exchange control regulations or currency restrictions in the Cayman Islands.

Payments of dividends and capital in respect of our Ordinary Shares will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of a dividend or capital to any holder of our Ordinary Shares, as the case may be, nor will gains derived from the disposal of our Ordinary Shares be subject to Cayman Islands income or corporate tax.

People's Republic of China Taxation

The following brief description of Chinese enterprise laws is designed to highlight the enterprise-level taxation on our earnings, which will affect the amount of dividends, if any, we are ultimately able to pay to our shareholders. See "Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Dividend Policy."

Enterprise Income Tax

According to the EIT Law, which was promulgated by the Standing Committee of the National People's Congress on March 16, 2007, and became effective on January 1, 2008, and last amended on December 29, 2018, and the Implementation Rules of the EIT Law, or the Implementation Rules, which were promulgated by the State Council on December 6, 2007, and last amended on April 23, 2019, enterprises are divided into resident enterprises and non-resident enterprises. Resident enterprises pay enterprise income tax on their incomes obtained in and outside the PRC at the rate of 25%. Non-resident enterprises setting up institutions in the PRC pay enterprise income tax on the incomes obtained by such institutions in and outside the PRC at the rate of 25%. Non-resident enterprises with no institutions in the PRC, and non-resident enterprises with income having no substantial connection with their institutions in the PRC, pay enterprise income tax on their income obtained in the PRC at a reduced rate of 10%.

We are an exempted company with limited liability incorporated in the Cayman Islands and we gain substantial income by way of dividends paid to us from our PRC subsidiaries. The EIT Law and its implementation rules provide that China-sourced income of foreign enterprises, such as dividends paid by a PRC subsidiary to its equity holders that are non-resident enterprises, will normally be subject to PRC withholding tax at a rate of 10%, unless any such foreign investor's jurisdiction of incorporation has a tax treaty with China that provides for a preferential tax rate or a tax exemption.

Under the EIT Law, an enterprise established outside of China with a "de facto management body" within China is considered a "resident enterprise," which means that it is treated in a manner similar to a Chinese enterprise for enterprise income tax purposes. Although the implementation rules of the EIT Law define "de facto management body" as a managing body that actually, comprehensively manage and control the production and operation, staff, accounting, property and other aspects of an enterprise, the only official guidance for this definition currently available is set forth in SAT Notice 82, which provides guidance on the determination of the tax residence status of a Chinese-controlled offshore incorporated enterprise, defined as an enterprise that is incorporated under the laws of a foreign country or territory and that has a PRC enterprise or enterprise group as its primary controlling shareholder. Although Baosheng Group does not have a PRC enterprise or enterprise group as our primary controlling shareholder and is therefore not a Chinese-controlled offshore incorporated enterprise within the meaning of SAT Notice 82, in the absence of guidance specifically applicable to us, we have applied the guidance set forth in SAT Notice 82 to evaluate the tax residence status of Baosheng Group and its subsidiaries organized outside the PRC.

According to SAT Notice 82, a Chinese-controlled offshore incorporated enterprise will be regarded as a PRC tax resident by virtue of having a "de facto management body" in China and will be subject to PRC enterprise income tax on its worldwide income only if all of the following criteria are met: (i) the places where senior management and senior management departments that are responsible for daily production, operation and management of the enterprise perform their duties are mainly located within the territory of China; (ii) financial decisions (such as money borrowing, lending, financing and financial risk management) and personnel decisions (such as appointment, dismissal and salary and wages) are decided or need to be decided by organizations or persons located within the territory of China; (iii) main property, accounting books, corporate seal, the board of directors and files of the minutes of shareholders' meetings of the enterprise are located or preserved within the territory of China; and (iv) one half (or more) of the directors or senior management staff having the right to vote habitually reside within the territory of China.

We believe that we do not meet some of the conditions outlined in the immediately preceding paragraph. For example, as a holding company, the key assets and records of Baosheng Group, including the resolutions and meeting minutes of our board of directors and the resolutions and meeting minutes of our shareholders, are located and maintained outside the PRC. In addition, we are not aware of any offshore holding companies with a corporate structure similar to ours that has been deemed a PRC "resident enterprise" by the PRC tax authorities. Accordingly, we believe that Baosheng Group and its offshore subsidiaries should not be treated as a "resident enterprise" for PRC tax purposes if the criteria for "de facto management body" as set forth in SAT Notice 82 were deemed applicable to us. However, as the tax residency status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term "de facto management body" as applicable to our offshore entities, we will continue to monitor our tax status.

The implementation rules of the EIT law provides that, (i) if the enterprise that distributes dividends is domiciled in the PRC or (ii) if gains are realized from transferring equity interests of enterprises domiciled in the PRC, then such dividends or gains are treated as China-sourced income. It is not clear how "domicile" may be interpreted under the EIT Law, and it may be interpreted as the jurisdiction where the enterprise is a tax resident. Therefore, if we are considered as a PRC tax resident enterprise for PRC tax purposes, any dividends we pay to our overseas shareholders which are non-resident enterprises as well as gains realized by such shareholders from the transfer of our shares may be regarded as China-sourced income and as a result become subject to PRC withholding tax at a rate of up to 10%. Beijing Dacheng, our PRC counsel, is unable to provide a "will" opinion because it believes that it is more likely than not that we and our offshore subsidiaries would be treated as non-resident enterprises for PRC tax purposes because we do not meet some of the conditions outlined in SAT Notice 82. In addition, Beijing Dacheng is not aware of any offshore holding companies with a corporate structure similar to ours that has been deemed a PRC "resident enterprise" by the PRC tax authorities as of the date of this annual report. Therefore, Beijing Dacheng believes that it is possible but highly unlikely that the income received by our overseas shareholders will be regarded as China-sourced income. See "Item 3. Key Information—D. Risk Factors—*Risks Relating to Doing Business in China—Under the Enterprise Income Tax Law, we may be classified as a 'Resident Enterprise' of China. Such classification will likely result in unfavorable tax consequences to us and our non-PRC shareholders*."

Currently, as resident enterprises in the PRC, Beijing Baosheng and its subsidiaries, Baosheng Network and its subsidiary, and Beijing Zhiding in PRC are subject to the enterprise income tax at the rate of 25%, except that once an enterprise meets certain requirements and is identified as a small-scale minimal profit enterprise, the part of its taxable income not more than RMB1 million is subject to a reduced rate of 5% and the part between RMB1 million and 3 million is subject to a reduced rate of 10%. The EIT is calculated based on the entity's global income as determined under PRC tax laws and accounting standards. If the PRC tax authorities determine that Baosheng Group is a PRC resident enterprise for enterprise income tax purposes, we may be required to withhold a 10% withholding tax from dividends we pay to our shareholders that are non-resident enterprises. In addition, non-resident enterprise shareholders may be subject to a 10% PRC withholding tax on gains realized on the sale or other disposition of our Ordinary Shares, if such income is treated as sourced from within the PRC. It is unclear whether our non-PRC individual shareholders would be subject to any PRC tax on dividends or gains obtained by such non-PRC individual shareholders in the event we are determined to be a PRC resident enterprise. If any PRC tax were to apply to dividends or gains realized by non-PRC individuals, it would generally apply at a rate of 20% unless a reduced rate is available under an applicable tax treaty. However, it is also unclear whether our non-PRC shareholders would be able to claim the benefits of any tax treaties between their country of tax residence and the PRC in the event that we are treated as a PRC resident enterprise. There is no guidance from the PRC government to indicate whether or not any tax treaties between the PRC and other countries would apply in circumstances where a non-PRC company was deemed to be a PRC tax resident, and thus there is no basis for expecting how tax treaty between the PRC and other countries may impact non-resident enterprises.

Value-added Tax

Pursuant to the Provisional Regulations on Value-Added Tax of the PRC, or the VAT Regulations, which were promulgated by the State Council on December 13, 1993, and took effect on January 1, 1994, and were amended on November 5, 2008, February 6, 2016, and November 19, 2017, respectively, and the Rules for the Implementation of the Provisional Regulations on Value Added Tax of the PRC, which were promulgated by MOF, on December 25, 1993, and were amended on December 15, 2008, and October 28, 2011, respectively, entities and individuals that sell goods or labor services of processing, repair or replacement, sell services, intangible assets, or immovables, or import goods within the territory of the People's Republic of China are taxpayers of value-added tax. The VAT rate is 17% for taxpayers selling goods, labor services, or tangible movable property leasing services or importing goods, except otherwise specified; 11% for taxpayers selling transportation services, postal services, basic telecommunications, construction, real estate leasing services, sales of real estate, transfer of land use right; 6% for taxpayers selling services or intangible assets.

According to Provisions in the Notice on Adjusting the Value added Tax Rates (Cai Shui [2018] No. 32), or the Notice, issued by SAT and MOF, where taxpayers make VAT taxable sales or import goods, the applicable tax rates shall be adjusted from 17% to 16% and from 11% to 10%, respectively. The Notice took effect on May 1, 2018, and the adjusted VAT rates took effect at the same time.

The Notice of the Ministry of Finance and SAT on Implementing the Pilot Program of Replacing Business Tax with Value-Added Tax in an All-round Manner on March 23, 2016, which took effect on May 1, 2016. Pursuant to such circular, the Value Added Tax Pilot Program has been applicable nationwide since May 1, 2016.

According to the VAT Regulations and the related rules, as of the date of this annual report, as taxpayers selling services, Beijing Baosheng and its consolidated affiliated entities are generally subject to 6% VAT rate.

Dividend Withholding Tax

The EIT Law provides that since January 1, 2008, an income tax rate of 10% will normally be applicable to dividends declared to non-PRC resident investors which do not have an establishment or place of business in the PRC, or which have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends are derived from sources within the PRC.

Pursuant to an Arrangement Between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Incomes, or the Double Tax Avoidance Arrangement, and other applicable PRC laws, if a Hong Kong resident enterprise is determined by the competent PRC tax authority to have satisfied the relevant conditions and requirements under such Double Tax Avoidance Arrangement and other applicable laws, the 10% withholding tax on the dividends the Hong Kong resident enterprise receives from a PRC resident enterprise may be reduced to 5%. However, based on the Circular on Certain Issues with Respect to the Enforcement of Dividend Provisions in Tax Treaties, or the SAT Circular 81, issued on February 20, 2009, by SAT, if the relevant PRC tax authorities determine, in their discretion, that a company benefits from such reduced income tax rate due to a structure or arrangement that is primarily tax-driven, such PRC tax authorities may adjust the preferential tax treatment. According to the Circular on Several Questions regarding the “Beneficial Owner” in Tax Treaties, which was issued on February 3, 2018, by SAT and took effect on April 1, 2018, when determining the applicant’s status of the “beneficial owner” regarding tax treatments in connection with dividends, interests or royalties in the tax treaties, several factors, including without limitation, whether the applicant is obligated to pay more than 50% of his or her income in 12 months to residents in third country or region, whether the business operated by the applicant constitutes the actual business activities, and whether the counterparty country or region to the tax treaties does not levy any tax or grant tax exemption on relevant incomes or levy tax at an extremely low rate, will be taken into account, and it will be analyzed according to the actual circumstances of the specific cases. This circular further provides that applicants who intend to prove his or her status of the “beneficial owner” shall submit the relevant documents to the relevant tax bureau according to the Announcement on Issuing the Measures for the Administration of Non-Resident Taxpayers’ Enjoyment of the Treatment under Tax Agreements.

As of the date of this annual report, when considered as a non-PRC resident investor, which is much more likely to happen than not, Baosheng Hong Kong shall be subject to the dividend withholding tax at the rate of 10%. Upon identified as the Hong Kong resident enterprise stipulated by the Double Tax Avoidance Arrangement and other applicable laws, the withholding tax may be reduced to 5%.

Hong Kong Taxation

Entities incorporated in Hong Kong are subject to profits tax in Hong Kong at a standard rate of 16.5% (with the first HK$2 million of assessable profits potentially taxed at a lower rate of 8.25% under the two-tiered profits tax rates regime). Under the refined Foreign-Sourced Income Exemption (FSIE) regime in Hong Kong, certain foreign-sourced passive income (such as dividends, interest, and disposal gains) received in Hong Kong by an MNE entity may be subject to profits tax unless the relevant exemption requirements (e.g., economic substance, participation, or nexus requirements) are satisfied. In addition, payments of dividends from our Hong Kong subsidiary to us are not subject to any withholding tax in Hong Kong.

U.S. Federal Income Tax Considerations

The following is a summary of certain material U.S. federal income tax consequences generally applicable to the ownership and disposition of our Ordinary Shares by U.S. Holders (as defined below).

This summary is limited to certain U.S. federal income tax considerations generally relevant to U.S. Holders that hold Ordinary Shares, as "capital assets" within the meaning of Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (the "Code") (generally, property held for investment). This summary also does not address all aspects of U.S. federal income taxation that may be relevant to particular U.S. Holders in light of their individual circumstances or status, including but not limited to:

- our any member, founder, director, or officer, thereof;
- banks, financial institutions or financial services entities;
- broker-dealers or traders in securities or currencies;
- taxpayers that are subject to the mark-to-market tax accounting rules;
- tax-exempt entities including private foundations;
- governments or agencies or instrumentalities thereof;
- insurance companies;
- pension plans;
- cooperatives;
- partnerships (or entities or arrangements treated as partnerships for U.S. federal income tax purposes), S corporations, or other pass-through entities or arrangements (or investors therein);
- regulated investment companies;
- real estate investment trusts;
- persons liable for alternative minimum tax;
- expatriates or former long-term residents of the United States;
- persons that actually or constructively own five percent or more of our Ordinary Shares by vote or value;
- persons that acquired Ordinary Shares pursuant to an exercise of employee share options, in connection with employee share incentive plans or otherwise as compensation;
- persons that own Ordinary Shares as part of a straddle, constructive sale, hedging, conversion or other integrated or similar transaction;
- persons that own Ordinary Shares in connection with a trade or business, permanent establishment, or fixed place of business outside the United States; or
- U.S. Holders (as defined below) whose functional currency is not the U.S. dollar.

If a partnership (or any entity or arrangement so characterized for U.S. federal income tax purposes) owns Ordinary Shares, the U.S. federal income, tax treatment of such partnership and its partners will generally depend on the status of the partners and the activities of the partnership. Partnerships holding any Ordinary Shares and their partners should consult their tax advisers as to the particular U.S. federal income tax consequences of ownership and disposition of Ordinary Shares.

This summary is based on the Code, proposed, temporary and final Treasury regulations promulgated under the Code, and judicial and administrative interpretations thereof, all as of the date hereof. All of the foregoing are subject to differing interpretation and subject to change, which differing interpretation or change could apply retroactively and could affect the tax considerations described herein. This summary does not address any estate or gift tax considerations, any alternative minimum tax considerations, Medicare contribution tax considerations, the special tax accounting rules under Section 451(b) of the Code or U.S. federal taxes other than those pertaining to U.S. federal income taxation, nor does it address any aspects of U.S. state, local or non-U.S. taxation.

We have not requested nor will we request any ruling from the U.S. Internal Revenue Service (the "IRS") regarding any of the U.S. federal income tax considerations described herein. There can be no assurance that the IRS will not take positions that are inconsistent with those discussed below or that any such positions would not be sustained by a court.

As used herein, the term "U.S. Holder" means a beneficial owner of Ordinary Shares, as the case may be, who or that is for U.S. federal income tax purposes, (i) a citizen or individual resident of the United States, (ii) a corporation (or other entity that is treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state therein or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source or (iv) a trust if (A) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more "United States persons" (as defined in the Code) have the authority to control all substantial decisions of the trust or (B) the trust has in effect a valid election to be treated as a United States person.

THIS SUMMARY DOES NOT PURPORT TO BE A COMPREHENSIVE ANALYSIS OR DESCRIPTION OF ALL POTENTIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE OWNERSHIP AND DISPOSITION OF ORDINARY SHARES. U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISERS REGARDING THEIR PARTICULAR TAX CIRCUMSTANCES, INCLUDING THE APPLICABILITY AND EFFECTS OF U.S. FEDERAL, STATE, LOCAL, AND NON-U.S. TAX LAWS.

Ownership and Disposition of Ordinary Shares

Distributions on Ordinary Shares

Subject to the PFIC rules discussed below, a U.S. Holder generally will be required to include in gross income as dividends the amount of any cash distribution paid on Ordinary Shares at the time actually or constructively received to the extent the distribution is paid out of the Company's current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Such dividends will be taxable to a corporate U.S. Holder at regular corporate tax rates and will not be eligible for the dividends-received deduction generally allowed to domestic corporations in respect of dividends received from other domestic corporations. Subject to the PFIC rules discussed below, distributions in excess of such earnings and profits generally will be applied against and reduce the U.S. Holder's basis in its Ordinary Shares (but not below zero) and, to the extent in excess of such basis, will be treated as gain from the sale or exchange of such Ordinary Shares. Because the Company may not maintain calculations of earnings and profits under U.S. federal income tax principles, it is expected that the full amount of distributions (if any) paid by the Company will be reported as dividends for U.S. federal income tax purposes.

With respect to non-corporate U.S. Holders, under tax laws currently in effect and subject to the PFIC rules, dividends generally will be taxed at the lower applicable long-term capital gains rate (see "-Gain or Loss on Sale, or Other Taxable Disposition of Ordinary Shares") only if the Ordinary Shares are readily tradable on an established securities market in the United States and certain other requirements are met. U.S. Holders should consult their tax advisors regarding the availability of such lower rate for any dividends paid with respect to the Ordinary Shares.

Gain or Loss on Sale or Other Taxable Disposition of Ordinary Shares

Subject to the PFIC rules discussed below, a U.S. Holder generally will recognize capital gain or loss on the sale or other taxable disposition of the Ordinary Shares. Any such capital gain or loss generally will be long-term capital gain or loss if the U.S. Holder's holding period for such Ordinary Shares exceeds one year at the time of such disposition.

The amount of gain or loss recognized on a sale or other taxable disposition generally will be equal to the difference between (i) the sum of the amount of cash and the fair market value of any property received in such disposition and (ii) the U.S. Holder's adjusted tax basis in its Ordinary Shares so disposed of. Long- term capital gain realized by a non-corporate U.S. Holder is currently eligible to be taxed at reduced rates. The deductibility of capital losses is subject to certain limitations.

Passive Foreign Investment Company Rules

The treatment of a U.S. Holder of Ordinary Shares could be materially different from that described above if the Company is or was treated as a PFIC for U.S. federal income tax purposes.

In general, a non-U.S. corporation is a PFIC for U.S. federal income tax purposes for any taxable year in which (i) 50% or more of the value of its assets (generally determined on the basis of a quarterly average) consists of assets that produce, or are held for the production of, passive income, or (ii) 75% or more of its gross income consists of passive income. Passive income generally includes dividends, interest, certain royalties and rents, and gains from the disposition of passive assets. Cash and cash equivalents are passive assets. The value of goodwill will generally be treated as an active or passive asset based on the nature of the income produced in the activity to which the goodwill is attributable. For purposes of the PFIC rules, a non-U.S. corporation that owns, directly or indirectly, at least 25% by value of the stock of another corporation is treated as if it held its proportionate share of the assets of the other corporation, and received directly its proportionate share of the income of the other corporation.

Based on the expected composition of the Company's income and assets and the estimated value of the Company's assets, the Company does not believe they were a PFIC for the taxable year ending December 31, 2025. However, because the Company's PFIC status for any taxable year is an annual determination that can be made only after the end of that year and will depend on the composition of the Company's income and assets and the value of its assets from time to time (including the value of its goodwill, which may be determined in large part by reference to the market price of the Ordinary Shares from time to time, which could be volatile), there can be no assurances the Company will not be a PFIC for its taxable for the fiscal year ended December 31, 2026, or any future taxable year.

If the Company is a PFIC for any taxable year during which a U.S. person owns Ordinary Shares and any entity in which it owns equity interests is also a PFIC (a "Lower-tier PFIC"), the U.S. Holder will be deemed to own their proportionate amount (by value) of the shares of each Lower-tier PFIC and will be subject to U.S. federal income tax on (i) certain distributions by a Lower-tier PFIC and (ii) dispositions of shares of Lower-tier PFICs, in each case, as if the U.S. Holder held such shares directly, even though the U.S. Holder will not receive any proceeds of those distributions or dispositions.

If the Company is a PFIC for any taxable year (or portion thereof) that is included in the holding period of a U.S. Holder of Ordinary Shares, gain recognized by the U.S. Holder on a sale or other disposition (including certain pledges) of its Ordinary Shares will be allocated ratably over the U.S. Holder's holding period for such Ordinary Shares. The amounts allocated to the taxable year of the sale or disposition and to any year before the Company became a PFIC will be taxed as ordinary income. The amount allocated to each other taxable year will be subject to tax at the highest rate in effect for individuals or corporations, as applicable, for that taxable year, and an interest charge will be imposed on the resulting tax liability for each such year. Furthermore, to the extent that distributions received by a U.S. Holder in any taxable year on its Ordinary Shares exceed 125% of the average of the annual distributions on the Ordinary Shares received during the preceding three taxable years or the U.S. Holder's holding period, whichever is shorter, the excess distributions will be subject to taxation in the same manner. The foregoing PFIC tax consequences are referred to as the "PFIC Default Regime."

Alternatively, if the Company is a PFIC and if the Ordinary Shares are “regularly traded” on a “qualified exchange,” a U.S. Holder could avoid the PFIC Default Regime by making a mark-to-market election. The Ordinary Shares will be treated as regularly traded for any calendar year in which more than a de minimis quantity of the Ordinary Shares are traded on a qualified exchange on at least 15 days during each calendar quarter. Nasdaq, where the Ordinary Shares are listed, is a qualified exchange for this purpose. If a U.S. Holder of Ordinary Shares makes the mark-to-market election, the U.S. Holder generally will recognize as ordinary income any excess of the fair market value of the Ordinary Shares at the end of each taxable year over their adjusted tax basis, and will recognize an ordinary loss in respect of any excess of the adjusted tax basis of the Ordinary Shares over their fair market value at the end of the taxable year, but only to the extent of the net amount of income previously included as a result of the mark-to-market election. If a U.S. Holder makes the mark-to-market election, the U.S. Holder’s tax basis in the Ordinary Shares will be adjusted to reflect the income or loss amounts recognized. Any gain recognized on the sale or other disposition of Ordinary Shares in a year in which we are a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election, with any excess treated as capital loss). If a U.S. Holder makes the mark-to- market election, distributions paid on Ordinary Shares will be treated as discussed under “-Distributions on Ordinary Shares” above. U.S. Holders should consult their tax advisers regarding the availability and advisability of making a mark-to-market election in their particular circumstances. U.S. Holders should note that there is no provision in the Code, Treasury regulations or other official IRS guidance that would give them the right to make a mark-to-market election with respect to any Lower-tier PFIC, the shares of which are not regularly traded, and, therefore, the general rules applicable to ownership of a PFIC described above could continue to apply to a U.S. Holder with respect to any Lower-tier PFIC of the Company, even if the U.S. Holder made a mark-to-market election with respect to the Ordinary Shares.

The Company intends to provide the information necessary for a U.S. Holder to make and maintain a “qualified electing fund” election with respect to Ordinary Shares for the taxable year ended December 31, 2025 and the following taxable year if the Company determines that it is a PFIC for such year but may not make such information available for any subsequent year.

If the Company is a PFIC for any taxable year during which a U.S. Holder owns (or is deemed to own) any Ordinary Shares, subject to certain limited exceptions set forth in applicable Treasury regulations, the U.S. Holder will be required to file annual reports with the IRS with respect to the Company and any Lower-tier PFIC. U.S. Holders should consult their tax advisers regarding the determination of whether the Company is a PFIC for any taxable year and the potential application of the PFIC rules to their ownership of Ordinary Shares.

Information Reporting and Backup Withholding

Dividend payments with respect to Ordinary Shares and proceeds from the sale, exchange or redemption of Ordinary Shares may be subject to information reporting to the IRS and possible United States backup withholding. Backup withholding will not apply, however, to a U.S. Holder who furnishes a correct taxpayer identification number and makes other required certifications, or who is otherwise exempt from backup withholding and establishes such exempt status. U.S. Holders who are required to establish their exempt status may be required to provide such certification on IRS Form W-9.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. Holder’s United States federal income tax liability, and a U.S. Holder generally may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the IRS and furnishing any required information. U.S. Holders are urged to consult their own tax advisors regarding the application of backup withholding and the availability of and procedure for obtaining an exemption from backup withholding in their particular circumstances.

The U.S. federal income tax discussion set forth above is included for general information only and may not be applicable depending upon a holder’s particular situation. U.S. Holders are urged to consult their tax advisors with respect to the tax consequences to them of the ownership and disposition of Ordinary Shares and the exercise of their redemption rights, including the tax consequences under state, local, estate, non-U.S. and other tax laws and tax treaties and the possible effects of changes in U.S. or other tax laws.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to periodic reporting and other informational requirements of the Exchange Act as applicable to foreign private issuers. Accordingly, we are required to file reports, including annual reports on Form 20-F, and other information with the SEC. All information filed with the SEC can be obtained over the internet at the SEC's website at www.sec.gov. The SEC also maintains a web site at www.sec.gov that contains reports, proxy and information statements, and other information regarding registrants that make electronic filings with the SEC using its EDGAR system. As a foreign private issuer, we are exempt from the rules under the Exchange Act prescribing the furnishing and content of quarterly reports and proxy statements, and officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act; provided that, effective March 18, 2026, our directors and officers will be subject to the insider reporting requirements of Section 16(a) of the Exchange Act; and. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act.

In accordance with Nasdaq Stock Market Rule 5250(d), we will post this annual report on Form 20-F on our website at http://ir.bsacme.com/.

I. Subsidiary Information

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We are exposed to interest rate risk while we have short-term bank loans outstanding. The loan terms are typically 12 months and interest rates for our short-term loans are typically fixed for the terms of the loans.

Liquidity Risk

We are also exposed to liquidity risk which is risk that it we will be unable to provide sufficient capital resources and liquidity to meet our commitments and business needs. Liquidity risk is controlled by the application of financial position analysis and monitoring procedures. When necessary, we will turn to other financial institutions and related parties to obtain short-term funding to cover any liquidity shortage.

Foreign Exchange Risk

While our reporting currency is the U.S. dollar, almost all of our consolidated revenues and consolidated costs and expenses are denominated in RMB. All of our assets are denominated in RMB. As a result, we are exposed to foreign exchange risk as our revenues and results of operations may be affected by fluctuations in the exchange rate between the U.S. dollar and RMB. If the RMB depreciates against the U.S. dollar, the value of our RMB revenues, earnings and assets as expressed in our U.S. dollar financial statements will decline. We have not entered into any hedging transactions in an effort to reduce our exposure to foreign exchange risk.

Inflation Risk

To date, inflation in China has not materially affected our results of operations. Although we have not been materially affected by inflation in the past, we can provide no assurance that we will not be affected by higher rates of inflation in China in the future.

Seasonality

We have experienced, and expect to continue to experience, seasonal fluctuations in our results of operations, due to seasonal changes in our advertisers' budgets and spending on advertising campaigns. For example, our revenues tend to increase as advertising spend rises in holiday seasons with consumer holiday spending, or closer to end-of-year in fulfillment of their annual advertising budgets.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Material Modifications to the Rights of Security Holders

See “Item 10. Additional Information” for a description of the rights of securities holders, which remains unchanged.

Use of Proceeds

Not applicable.

ITEM 15. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, has performed an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report, as required by Rule 13a-15(b) under the Exchange Act.

Based upon that evaluation, our management has concluded that, due to the material weaknesses identified below, as of December 31, 2025, our disclosure controls and procedures were not effective in ensuring that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act was recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms, and that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and chief financial officer, to allow timely decisions regarding required disclosure.

Management’s Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP and includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of our company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with GAAP, and that receipts and expenditures of our company are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of the unauthorized acquisition, use or disposition of our company’s assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness of our internal control over financial reporting to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As required by Rule 13a-15(c) of the Exchange Act, our management conducted an evaluation of our company’s internal control over financial reporting as of December 31, 2025 based on the framework in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management concluded that our internal control over financial reporting was not effective as of December 31, 2025.

In accordance with reporting requirements set forth by the SEC, a "material weakness" is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our company's annual consolidated financial statements will not be prevented or detected on a timely basis.

The material weakness identified relate to (i) our lack of sufficient financial reporting and accounting personnel with appropriate knowledge of U.S. GAAP and SEC reporting requirements to properly address complex U.S. GAAP accounting issues and to prepare and review our consolidated financial statements and related disclosures to fulfill U.S. GAAP and SEC financial reporting requirements, and (ii) our lack of comprehensive accounting policies and procedures manual in accordance with U.S. GAAP. Due to the foregoing material weakness, management concluded that as of December 31, 2025, our internal control over financial reporting was ineffective.

To remedy our identified material weakness identified to date, we plan to undertake steps to strengthen our internal control over financial reporting, including (i) recruiting more financial reporting and accounting personnel who have adequate U.S. GAAP knowledge; and (ii) implementing regular and continuous U.S. GAAP accounting and financial reporting training programs for our accounting and financial personnel.

However, we cannot assure you that we will remediate our material weakness in a timely manner, or at all. See "Item 3. Key Information —D. Risk Factors—Risks Related to Our Business and industry—*We have identified material weaknesses in our internal control over financial reporting. If we fail to develop and maintain an effective system of internal control over financial reporting, we may be unable to accurately report our financial results or prevent fraud*."

Attestation Report of the Registered Public Accounting Firm

As a company with less than $1.235 billion in revenue for our last fiscal year, we qualify as an "emerging growth company" pursuant to the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002, in the assessment of the emerging growth company's internal control over financial reporting. This annual report on Form 20-F does not include an attestation report of our registered public accounting firm because we are an emerging growth company.

Changes in Internal Control over Financial Reporting

Other than as described above, there were no changes in our internal controls over financial reporting that occurred during the period covered by this annual report on Form 20-F that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16. [RESERVED]

ITEM 16.A. AUDIT COMMITTEE FINANCIAL EXPERT

Our board of directors has determined that Mr. Changhong Jiang, chairman of our audit committee and an independent director (under the standards set forth in Nasdaq Stock Market Rule 5605(a)(2) and Rule 10A-3 under the Exchange Act), is an audit committee financial expert.

ITEM 16.B. CODE OF ETHICS

Our board of directors has adopted a code of business conduct and ethics that applies to all of our directors, officers, employees, including certain provisions that specifically apply to our principal executive officer, principal financial officer or controller and any other persons who perform similar functions for us. We have filed our code of business conduct and ethics as Exhibit 99.1 of our registration statement on Form F-1 (File Number: 333-239800), as amended, initially filed with the SEC on July 10, 2020.

ITEM 16.C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

On July 25, 2025, the Company, upon the approval and ratification of the board of directors of the Company and the audit committee of the board, dismissed YCM CPA INC. (“YCM”), as its independent registered public accounting firm of the Company, effective on July 25, 2025, and appointed GGF CPA LTD (“GGF”) to serve as its independent registered public accounting firm, effective on July 25, 2025, for the year ending December 31, 2025. See also “Item 16F. Change in Registrant’s Certifying Accountant.”

The following table sets forth the aggregate fees by categories specified below in connection with certain professional services rendered by YCM and GGF, for the periods indicated.

	For the Years Ended December 31,	
	2024	2025
Audit fees(1)		
- YCM CPA INC.	$ 605,500	$ 280,000
- GGF CPA LTD	—	175,000
Audit-Related fees(2)	—	—
Tax fees(3)	—	—
All other fees(4)	—	—
Total	$ 605,500	$ 455,000

Note:

(1) “Audit fees” refer to the aggregate fees billed for professional services rendered by the principal accountant for the audit of the registrant’s annual financial statements, review of the interim financial statements and for the audits of the financial statements in connection with the initial public offering, as well as the issuance of comfort letter in connection with the initial public offering and consent letter for shelf registration.

(2) “Audit-related fees” means the aggregate fees billed for professional services rendered by our principal accounting firm for the assurance and related services, which mainly included the audit and review of financial statements and are not reported under “Audit fees” above.

(3) “Tax fees” means the aggregate fees billed for professional services rendered by our principal accounting firm for tax compliance, tax advice and tax planning.

(4) “Other fees” means the aggregate fees incurred in each of the fiscal years listed for the professional tax services rendered by our principal accounting firm other than services reported under “Audit fees,” “Audit-related fees” and “Tax fees.”

The policy of our audit committee is to pre-approve all audit and non-audit services provided by our independent registered public accounting firm, including audit services, audit-related services, tax services, and other services as described above.

ITEM 16.D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16.E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

None.

ITEM 16.F. CHANGE IN REGISTRANT’S CERTIFYING ACCOUNTANT

On July 25, 2025, the Company, upon the approval and ratification of the board of directors of the Company and the audit committee of the board, dismissed YCM CPA INC. (“YCM”), as its independent registered public accounting firm of the Company, effective on July 25, 2025, and appointed GGF CPA LTD (“GGF”) to serve as its independent registered public accounting firm, effective on July 25, 2025, for the year ending December 31, 2025.

YCM's reports on the Company's consolidated financial statements as of and for the fiscal years ended December 31, 2024 and 2023 did not contain any adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope, or accounting principle.

During the Company's fiscal years ended December 31, 2024 and 2023 and the subsequent interim period through July 25, 2025, there were no disagreements, as defined in Item 16F(a)(1)(iv) of Form 20-F and the related instructions, between the Company and YCM on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of YCM, would have caused YCM to make reference to the subject matter of the disagreements in its reports on the Company's financial statements for such years.

In addition, during the fiscal years ended December 31, 2024 and 2023 and the subsequent interim period through July 25, 2025, there were no "reportable events," as defined in Item 16F(a)(1)(v)(A) through (D) of Form 20-F.

The Company provided YCM with a copy of the disclosures made in our report on Form 6-K filed with the SEC on August 1, 2025 and requested that YCM furnish the Company with a letter addressed to the U.S. Securities and Exchange Commission stating whether or not it agrees with the above statements made herein. A copy of YCM's letter, dated July 31, 2025, is filed as Exhibit 16.1 to our Form 6-K filed with the SEC on August 1, 2025.

During the Company's fiscal years ended December 31, 2024 and 2023 and the subsequent interim period through July 25, 2025, neither the Company, nor anyone on behalf of the Company, has consulted GGF regarding either (i) the applicability of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company's financial statements, and neither a written report was provided to the Company nor oral advice was provided that GGF concluded was an important factor considered by the Company in reaching a decision as to the accounting, auditing or financial reporting issue; or (ii) any matter that was the subject of a disagreement, as defined in Item 16F(a)(1)(iv) of Form 20-F (and the related instructions thereto), or a "reportable event" as that term is described in Item 16F(a)(1)(v)(A) through (D) of Form 20-F.

ITEM 16.G. CORPORATE GOVERNANCE

As a Cayman Islands company listed on the Nasdaq Capital Market, we are subject to the Nasdaq Capital Market corporate governance listing standards. However, Nasdaq Capital Market rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from the Nasdaq Capital Market corporate governance listing standards.

Pursuant to the home country rule exemption set forth under Nasdaq Listing Rule 5615, we elected to be exempt from the requirement under Nasdaq Listing Rule 5635(d), which requires to obtain shareholder approval for a business combination and to obtain shareholder approval for the issuance of 20% or more of our outstanding Ordinary Shares, and under Nasdaq Listing Rule 5620(a), which requires to hold an annual meeting of shareholders no later than one year after the end of the company's fiscal year-end. As a result, our shareholders may be afforded less protection than they would have otherwise enjoy under Nasdaq's corporate governance requirements applicable to U.S. domestic issuers. See "Item 3. Key Information—D. Risk Factors—Risks Related to our Ordinary Shares—*As a foreign private issuer, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the Nasdaq Stock Market corporate governance listing standards. These practices may afford less protection to shareholders than they would enjoy if we complied fully with corporate governance listing standards*."

ITEM 16.H. MINE SAFETY DISCLOSURE

Not applicable.

Item 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

Item 16J. INSIDER TRADING POLICIES

All officers, directors and employees of, and consultants and contractors to, us or any of our subsidiaries are subject to our Insider Trading Policy. The Insider Trading Policy prohibits the unauthorized disclosure of any nonpublic information acquired in the workplace and the misuse of material nonpublic information in the trading of our securities. To ensure compliance with the Insider Trading Policy and applicable federal and state securities laws, all officers, directors and employees of, and consultants and contractors to, us or any of our subsidiaries must refrain from the sale or purchase of our securities except in specific designated trading windows or pursuant to 10b5-1 trading plans that were preapproved. Even during a trading window period, certain insiders, including our named executive officers and directors, must comply with our designated pre-clearance policy prior to trading in our securities.

Item 16K. CYBERSECURITY

We believe that cybersecurity is important to our operations and we recognize the importance of timely and appropriately assessing, preventing, identifying and managing risks associated with cybersecurity threats. Such risks include, among other things, potential operational risks, financial risks, intellectual property theft, fraud, extortion, harm to employees and clients, violation of privacy and other litigation and legal risks, and reputational risks.

Our board of directors is aware of the importance of adopting a group-wide cybersecurity program. Our board of directors actively oversees our cybersecurity risks by actively reviewing reports on cybersecurity risks, legislation, and incidents. To date, we have never experienced material cybersecurity threats, disruptions, data losses, or major impacts.

We have engaged a third-party advisor in assisting us in assessing and managing cybersecurity risks. They are responsible for providing assistance in managing daily cybersecurity tasks, updating cybersecurity policies, implementing remedial measures, and providing assessment reports. Our management receives regular briefings from the advisor on cybersecurity incidents and cybersecurity reports. Nevertheless, our efforts may not be adequate, and we may fail to accurately assess the severity of an incident, may not be sufficient to prevent or limit harm, or may fail to sufficiently remediate an incident in a timely fashion, any of which could harm our business, reputation, results of operations and financial condition.

PART III

ITEM 17. FINANCIAL STATEMENTS

We have elected to provide financial statements pursuant to Item 18.

ITEM 18. FINANCIAL STATEMENTS

The consolidated financial statements of Baosheng Media Group Holdings Limited are included at the end of this annual report.

ITEM 19. EXHIBITS

Exhibit Number	Description
1.1	Amended and Restated Memorandum and Articles of Association (incorporated herein by reference to Exhibit 1.1 to our annual report on Form 20-F for the fiscal year ended December 31, 2023 (File No. 001-39977), filed with the SEC on May 15, 2024)
2.1	Registrant's Specimen Certificate for Ordinary Shares (incorporated herein by reference to Exhibit 2.1 to our annual report on Form 20-F for the fiscal year ended December 31, 2022 (File No. 001-39977), filed with the SEC on May 8, 2023)
2.2	Form of Warrant (incorporated herein by reference to Exhibit 4.2 to our registration statement on Form F-1 (File No. 333-254449), filed with the SEC on March 18, 2021)
2.3*	Description of Securities
4.1	Form of Employment Agreement by and between executive officers and the Registrant (incorporated herein by reference to Exhibit 10.1 to our registration statement on Form F-1 (File No. 333-239800), as amended, initially filed with the SEC on July 10, 2020)
4.2	Form of Indemnification Agreement with the Registrant's directors and officers (incorporated herein by reference to Exhibit 10.2 to our registration statement on Form F-1 (File No. 333-239800), as amended, initially filed with the SEC on July 10, 2020)
4.3***	English Translation of Tencent Online Advertising Agency Service Contract by and between Beijing Xunhuo E-commerce Co., Ltd. and Beijing Zhiding Technology Co., Ltd., dated January 1, 2026
4.4***	English Translation of Super Huichuan Platform Business Agency & Service Agency Cooperation Agreement by and between Beijing Baosheng Technology Co., Ltd. and Guangzhou Juyao Information Technology Co., Ltd., dated March 9, 2026
4.5***	English Translation of Agency Operation Service Contract by and between Beijing Baosheng Network Technology Co., Ltd. And Beijing Maiyou Hudong Technology Co., Ltd., dated March 1, 2025
4.6***	English Translation of Information Service Entrustment Agreement by and between Beijing Dajia Internet Information Technology Co., Ltd. and Beijing Baosheng Network Technology Co., Ltd., dated August 6, 2025
4.7	English Translation of Asset Merger and Acquisition Security Deposit Agreement between Beijing Baosheng Network Technology Co., Ltd. and Nanjing Yunbei E-Commerce Co., Ltd. (incorporated herein by reference to Exhibit 4.7 to our annual report on Form 20-F for the fiscal year ended December 31, 2023 (File No. 001-39977), filed with the SEC on May 15, 2024)
4.8	Sale and Purchase Agreement, dated July 18, 2025, by and between Beijing Xunhuo E-commerce Co., Ltd. and Beijing Mr. Mo Technology Co., Ltd. (incorporated herein by reference to Exhibit 99.1 to our report of foreign private issuer on Form 6-K (File No. 001-39977), filed with the SEC on July 28, 2025)

4.9	Partnership Interest Transfer Agreement, dated April 4, 2026, by and among Beijing Xunhuo E-Commerce Co., Ltd., Guangzhou Yichuanghui Enterprise Management Consulting Co., Ltd., and Guangzhou Shanxingzhe Technology Investment LLP. (incorporated herein by reference to Exhibit 99.1 to our report of foreign private issuer on Form 6-K (File No. 001-39977), filed with the SEC on April 8, 2026)
8.1*	List of Subsidiaries of the Registrant
11.1	Code of Business Conduct and Ethics of the Registrant (incorporated herein by reference to Exhibit 99.1 to our registration statement on Form F-1 (File No. 333-239800), as amended, initially filed with the SEC on July 10, 2020)
11.2	Insider Trading Policy of the Registrant (incorporated herein by reference to Exhibit 4.8 to our annual report on Form 20-F for the fiscal year ended December 31, 2024 (File No. 001-39977), filed with the SEC on April 29, 2025)
12.1*	Certification by the Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
12.2*	Certification by the Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
13.1**	Certification by the Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
13.2**	Certification by the Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
15.1*	Consent of Beijing Dacheng Law Offices, LLP
15.2*	Consent of YCM CPA INC.
15.3*	Consent of GGF CPA LTD
15.4	Letter of YCM CPA INC. to the U.S. Securities and Exchange Commission dated July 31, 2025. (incorporated herein by reference to Exhibit 16.1 to our report of foreign private issuer on Form 6-K (File No. 001-39977), filed with the SEC on August 1, 2025)
97.1	Compensation Recovery Policy of the Registrant (incorporated herein by reference to Exhibit 97.1 to our annual report on Form 20-F for the fiscal year ended December 31, 2023 (File No. 001-39977), filed with the SEC on May 15, 2024)
101.INS*	XBRL Instance Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

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* Filed herewith.
** Furnished herewith.
*** Certain personally identifiable information has been omitted from th exhibit pursuant to Item 601(a)(6) of Regulation S-K.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Baosheng Media Group Holdings Limited

By:	*/s/ Lina Jiang*
Name:	Lina Jiang
Title:	Chief Executive Officer (Principal Executive Officer)
Date:	April 30, 2026

By:	*/S/ Chenfang Zhai*
Name:	Chenfang Zhai
Title:	Chief Financial Officer (Principal Financial Officer)
Date:	April 30, 2026

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Baosheng Media Group Holdings Limited:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Baosheng Media Group Holdings Limited, and its subsidiaries (the "Company") as of December 31, 2025, and the related consolidated statements of operations and comprehensive loss, changes in shareholders' equity, and cash flows for the year ended December 31, 2025, and the related notes (collectively, the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and the results of its operations and its cash flows for the year ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Going Concern Matter

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the consolidated financial statements, the Company has suffered recurring losses from operations and has a net working capital deficiency that raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ GGF CPA LTD

We have served as the Company's auditor since 2025.

Guangzhou, the People's Republic of China
April 30, 2026

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Baosheng Media Group Holdings Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Baosheng Media Group Holdings Limited and its subsidiaries (collectively, the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations and comprehensive loss, changes in shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023 and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Going Concern Matter

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the consolidated financial statements, the Company reported a net loss of $26.9 million and a cash outflow from operating activities of $1.5 million for the year ended December 31, 2024. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ YCM CPA INC.

We have served as the Company's auditor since 2022.

PCAOB ID 6781
Irvine, California
April 29, 2025

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
CONSOLIDATED BALANCE SHEETS
As of December 31, 2025 and 2024
(Expressed in U.S. dollar, except for the number of shares)

	December 31, 2025	December 31, 2024
ASSETS		
Current Assets		
Cash and cash equivalents	$ 1,265,845	$ 1,480,528
Short-term investments	368,253	1,326,241
Accounts receivable, net	4,575,267	3,663,506
Prepayments - third parties	—	615,811
Media deposits - third parties	563,582	265,784
Due from related parties	30,666	28,667
Deposit due from a third party	—	2,739,989
Other current assets	74,965	2,592,048
Total Current Assets	**6,878,578**	**12,712,574**
Long-term investments	4,817,921	6,576,688
Property and equipment, net	525,055	1,717,488
Operating right-of-use assets, net	194,207	—
Intangible assets, net	—	241,212
Total Assets	**$ 12,415,761**	**$ 21,247,962**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term bank borrowings	$ 730,720	$ 684,997
Accounts payable	5,365,635	3,618,790
Advance from advertisers	576,422	754,837
Advertiser deposits	690,781	314,578
Income tax payable	275,198	255,656
Due to related parties	—	3,566
Accrued expenses and other liabilities	1,489,693	791,780
Total Current Liabilities	**9,128,449**	**6,424,204**
Total Liabilities	**9,128,449**	**6,424,204**
Commitments and Contingencies		
Shareholders' Equity		
Ordinary Shares (par value $0.0096 per share, 1,000,000,000 shares authorized; 1,534,487 shares issued and outstanding at December 31, 2025 and 2024, respectively)	14,731	14,731
Additional paid-in capital	41,564,418	41,564,418
Statutory reserve	898,133	898,133
Accumulated deficits	(35,480,426)	(23,458,777)
Accumulated other comprehensive loss	(3,709,544)	(4,194,747)
Total Shareholders' Equity	**3,287,312**	**14,823,758**
Total Liabilities and Shareholders' Equity	**$ 12,415,761**	**$ 21,247,962**

The accompanying notes are an integral part of the consolidated financial statements.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
For the Years Ended December 31, 2025, 2024 and 2023
(Expressed in U.S. dollar, except for the number of shares and per share data)

	For the Years Ended December 31,		
	2025	2024	2023
Revenues	$ 568,993	$ 624,087	$ 921,834
Cost of revenues	(497,610)	(433,488)	(308,395)
Gross profit (loss)	**71,383**	**190,599**	**613,439**
Operating Expenses			
Selling and marketing expenses	(259,864)	(405,345)	(381,635)
General and administrative expenses	(4,022,720)	(3,521,692)	(1,845,064)
Provision for credit loss against doubtful accounts	(3,244,489)	(23,009,903)	(726,294)
Impairment of deposit due from a third party	(2,782,609)	—	—
Total Operating Expenses	**(10,309,682)**	**(26,936,940)**	**(2,952,993)**
Loss from Operations	**(10,238,299)**	**(26,746,341)**	**(2,339,554)**
Other Income (Expenses)			
Interest expense, net	(12,137)	(135,164)	(14,492)
Changes in fair value of warrant liabilities	—	—	832
Changes in fair value of short-term investments	17,752	473,361	596,796
Subsidy income	—	14,896	9,876
Other expenses, net	(1,788,270)	(477,986)	(98,628)
Total Other (Expenses) Income, Net	**(1,782,655)**	**(124,893)**	**494,384**
Loss Before Income Taxes	**(12,020,954)**	**(26,871,234)**	**(1,845,170)**
Income tax expenses	(695)	—	—
Net Loss	**$ (12,021,649)**	**$ (26,871,234)**	**$ (1,845,170)**
Other Comprehensive Income (Loss)			
Foreign currency translation adjustment	485,203	(665,119)	(1,231,344)
Comprehensive Loss	**$ (11,536,446)**	**$ (27,536,353)**	**$ (3,076,514)**
Weighted average number of ordinary shares outstanding			
Basic and Diluted*	1,534,487	1,534,487	1,534,487
Loss per share			
Basic and Diluted*	$ (7.83)	$ (17.51)	$ (1.20)

* Retrospectively restated to give effect to a share consolidation at a ratio of one-for-six (6) ordinary shares effective on March 21, 2023 (Note 16).

The accompanying notes are an integral part of the consolidated financial statements.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the Years Ended December 31, 2025, 2024 and 2023
(Expressed in U.S. dollar, except for the number of shares)

	Ordinary Shares		Additional Paid-in Capital	Statutory Reserve	Retained Earnings (Accumulated Deficits)	Accumulated Other Comprehensive Loss	Total Equity
	Shares*	Amount					
Balance as of December 31, 2022	**1,534,487**	**$ 14,731**	**$ 41,564,418**	**$ 898,133**	**$ 5,257,627**	**$ (2,298,284)**	**$ 45,436,625**
Net loss	—	—	—	—	(1,845,170)	—	(1,845,170)
Foreign currency translation adjustments	—	—	—	—	—	(1,231,344)	(1,231,344)
Balance as of December 31, 2023	**1,534,487**	**$ 14,731**	**$ 41,564,418**	**$ 898,133**	**$ 3,412,457**	**$ (3,529,628)**	**$ 42,360,111**
Net loss	—	—	—	—	(26,871,234)	—	(26,871,234)
Foreign currency translation adjustments	—	—	—	—	—	(665,119)	(665,119)
Balance as of December 31, 2024	**1,534,487**	**$ 14,731**	**$ 41,564,418**	**$ 898,133**	**$ (23,458,777)**	**$ (4,194,747)**	**$ 14,823,758**
Net loss	—	—	—	—	(12,021,649)	—	(12,021,649)
Foreign currency translation adjustments	—	—	—	—	—	485,203	485,203
Balance as of December 31, 2025	**1,534,487**	**$ 14,731**	**$ 41,564,418**	**$ 898,133**	**$ (35,480,426)**	**$ (3,709,544)**	**$ 3,287,312**

* Retrospectively restated to give effect to a share consolidation at a ratio of one-for-six (6) ordinary shares effective on March 21, 2023 (Note 16).

The accompanying notes are an integral part of the consolidated financial statements.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2025, 2024 and 2023
(Expressed in U.S. dollar, except for the number of shares)

	For the Years Ended December 31,		
	2025	**2024**	**2023**
Cash Flows from Operating Activities:			
Net loss	$ (12,021,649)	$ (26,871,234)	$ (1,845,170)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:			
Depreciation and amortization expenses	359,155	345,365	392,619
Amortization of right-of-use assets	20,134	—	—
Loss from disposal of property and equipment	133,582	578,553	6,991
Provision for credit loss of accounts receivables	1,027,900	22,911,671	(702,156)
(Reversal of provision) provision for doubtful accounts of prepayments	(14,912)	47,645	(1,243,233)
Provision for credit loss of other current assets	2,231,501	50,587	7,061
Impairment of prepayments for licensed copyrights	—	—	2,664,622
Investment income on short-term investments	(53,914)	—	—
Changes in fair value of short-term investments	(17,752)	(473,361)	(596,796)
Changes in fair value of warrant liabilities	—	—	(832)
Share of equity (gain) loss in one equity investee	(474,689)	86,405	9,214
Impairment of long-term investments	2,466,065	—	128,204
Impairment of deposit for a long-term investment	2,782,609	—	—
Changes in operating assets and liabilities:			
Accounts receivable	(1,758,930)	(892,403)	5,818,395
Prepayments - third parties	640,301	274,045	1,064,623
Prepayments - a related party	—	212,817	3,012,482
Media deposits - third parties	(278,420)	434,822	532,336
Media deposits - a related party	—	—	101,682
Other current assets	323,658	117,898	(445,227)
Accounts payable	1,545,432	1,408,546	(6,324,955)
Advance from advertisers	(205,747)	(64,345)	114,874
Advertiser deposits	352,626	230,242	(437,091)
Income tax payable	8,122	12,747	—
Accrued expenses and other liabilities	677,487	77,937	(6,830)
Due to related parties	(3,553)	(8,356)	8,653
Net Cash (Used in) Provided by Operating Activities	**(2,260,994)**	**(1,520,419)**	**2,259,466**
Cash Flows from Investing Activities:			
Purchases of property and equipment	(2,644)	(479,764)	(7,412)
Purchases of intangible assets	—	(5,805)	(22,696)
Proceeds from disposal of property and equipment	779,130	—	—
Purchases of short-term investments	(417,391)	(277,944)	(1,285,147)
Redemption of short-term investments	1,477,641	1,948,314	2,359,920
Purchase of long-term investments	—	—	(4,801,650)
Deposits made to a third party for future business combination	—	—	(2,554,539)
Loans made to related parties	(2,053)	—	(1,412)
Repayment of loans from a related party	—	1,390	—
Net Cash Provided by (Used in) Investing Activities	**1,834,683**	**1,186,191**	**(6,312,936)**
Cash Flows from Financing Activities:			
Proceeds from bank borrowings	1,128,348	694,859	2,259,600
Repayment of bank borrowings	(1,113,043)	(2,223,550)	(1,412,250)
Net Cash Provided by (Used in) Financing Activities	**15,305**	**(1,528,691)**	**847,350**
Effect of exchange rate changes on cash and cash equivalents	196,323	27,385	(156,895)
Net decrease in cash and cash equivalents	(214,683)	(1,835,534)	(3,363,015)
Cash and cash equivalents at beginning of year	1,480,528	3,316,062	6,679,077
Cash and cash equivalents at end of year	$ 1,265,845	$ 1,480,528	$ 3,316,062
Supplemental Cash Flow Information			
Cash paid for interest expense	$ 20,067	$ 69,234	$ —
Cash paid for income tax	$ —	$ —	$ —
Non-cash operating, investing and financing activities			
Right of use assets obtained in exchange for operating lease obligations	$ 209,089	$ —	$ —
Settlement of lease liabilities with receivable due from the buyer of properties (Note 7)	$ 209,089	$ —	$ —

The accompanying notes are an integral part of the consolidated financial statements.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND BUSINESS DESCRIPTION

Baosheng Media Group Holdings Limited ("Baosheng Group") was incorporated on December 4, 2018 under the laws of the Cayman Islands as an exempted company with limited liability. Baosheng Group, through its subsidiaries in the PRC, is engaged in providing online marketing channels to advertisers for them to manage their online marketing activities. At the same time, as the authorized agency of some popular online media, Baosheng Group helps online media procure advertisers to buy their ad inventory and facilitate ad deployment on their advertising channels.

As of December 31, 2025, the accompanying consolidated financial statements reflect the activities of Baosheng Group and each of the following entities:

Name of Entity	Date of Incorporation	Place of Incorporation	% of Ownership	Principal Activities
Parent company:				
Baosheng Group	December 4, 2018	Cayman Islands	Parent	Investment holding
Wholly owned subsidiaries of Baosheng Group				
Baosheng Media Group Limited ("Baosheng BVI")	December 14, 2018	British Virgin Islands	100	Investment holding
Baosheng Media Group (Hong Kong) Holdings Limited ("Baosheng Hong Kong")	January 7, 2019	Hong Kong	100	Investment holding
Beijing Baosheng Technology Company Limited ("Beijing Baosheng")	October 17, 2014	PRC	100	Provision of online marketing channels
Horgos Baosheng Advertising Co., Ltd. ("Horgos Baosheng")	August 30, 2016	PRC	100	Provision of online marketing channels
Kashi Baosheng Information Technology Co., Ltd. ("Kashi Baosheng") (Dissolved)	May 15, 2018	PRC	100	Provision of online marketing channels
Baosheng Technology (Horgos) Co., Ltd. ("Baosheng Technology")	January 2, 2020	PRC	100	Provision of online marketing channels
Beijing Baosheng Network Technology Co., Ltd. ("Baosheng Network")	March 21, 2021	PRC	100	Provision of online marketing channels
Beijing Xunhuo E-commerce Co., Ltd. ("Beijing Xunhuo")	April 2, 2022	PRC	100	Advertising optimization services
Beijing Zhiding Baosheng Network Technology Co. Ltd. ("Zhiding Baosheng")	March 4, 2025	PRC	100	Information consulting services and marketing planning services
Yuansheng Meiyan Healthcare Service (Hainan) Co., Ltd. ("Yuansheng Meiyan")	April 24, 2025	PRC	100	Information consulting services and marketing planning services

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND BUSINESS DESCRIPTION (CONTINUED)

Share consolidation and increase in authorized share capital

On March 6, 2023, the Company effected an increase in its authorized share capital from US$50,000 divided into 31,250,000 ordinary shares of a par value US$0.0016 each to US$60,000 divided into 37,500,000 ordinary shares of a par value US$0.0016 each(the "Increase in Share Capital"), and on March 21, 2023, the Company effected a share consolidation at a ratio of one-for-six, such that each (6) ordinary shares with a par value of US$0.0016 each in the Company's issued and unissued share capital were consolidated into one ordinary share with a par value of US$0.0096 ("2023 Share Consolidation"). Effective on September 29, 2023, the Company increased the authorized share capital of the Company from US$60,000 divided into 6,250,000 Ordinary Shares of par value US$0.0096 each, to US$9,600,000 divided into 1,000,000,000 Ordinary Shares of a par value of US$0.0096 each (the "2023 Share Capital Increase"). Immediately following the Increase in Share Capital, 2023 Share Consolidation, and the 2023 Share Capital Increase, the authorized share capital of the Company increased from US$50,000 to US$60,000, divided into 6,250,000 ordinary shares of a par value US$0.0096 each. The Company believes it is appropriate to reflect the Increase in Share Capital and 2023 Share Consolidation on a retroactive basis pursuant to Accounting Standards Codification ("ASC") 260. The Company has retroactively restated all shares and per share data for all periods presented. As a result, the Company had 1,000,000,000 authorized shares, par value of US$0.0096, of which 1,534,487 shares were issued and outstanding as of December 31, 2025 and 2024, respectively.

Disposition of a subsidiary

In May 2025, the Company dissolved the business of Kashi Baosheng Information Technology Co., Ltd. ("Kashi Baosheng"). The management believed the dissolution of Kashi Baosheng did not represent a strategic shift that has (or will have) a major effect on the Company's operations and financial results. The dissolution was not accounted as discontinued operations in accordance with ASC 205-20. On the date of dissolution, Kashi Baosheng recorded net assets of $3,772. The Company recognized the loss of $3,725 dissolution of Kashi Baosheng in the account of "other loss, net" on the consolidated statements of operations and comprehensive loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and pursuant to the rules and regulations of the U.S. Securities Exchange Commission ("SEC").

The consolidated financial statements include the financial statements of the Company and its wholly owned subsidiaries. All intercompany transactions and balances among the Company and its subsidiaries have been eliminated upon consolidation.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities on the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. On an ongoing basis, management reviews these estimates and assumptions using the currently available information. Changes in facts and circumstances may cause the Company to revise its estimates. The Company bases its estimates on past experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Estimates are used when accounting for items and matters including, but not limited to, determinations of the useful lives and impairment of long-lived assets, estimates of allowances for credit losses, valuation allowance for deferred tax assets, fair value of warrant liabilities, revenue recognition, and other provisions and contingencies.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

Cash and cash equivalents primarily consist of bank deposits, as well as highly liquid investments, with original maturities of three months or less, which are unrestricted as to withdrawal and use. The Company maintains most of the bank accounts in the PRC.

Short-term investments

Short-term investments consist investments in trading securities.

Trading securities are investments in publicly-listed equity securities through various open market transactions. During the year ended December 31, 2025, 2024 and 2023, the Company purchased certain publicly-listed equity securities through various open market transactions and accounted for such investments as "short-term investments" and subsequently measure the investments at fair value. The Company recorded an increase in fair value of short term investments of $17,752, $473,361 and $593,608 in the account of "changes in fair value of short-term investments" in consolidated statements of operations and comprehensive loss for the years ended December 31, 2025, 2024 and 2023, respectively. The Company recorded an investment income of $53,914, $nil, and $nil in the account of "other expenses, net" in consolidated statements of operations and comprehensive loss for the years ended December 31, 2025, 2024 and 2023, respectively.

Accounts receivable, net

Accounts receivable are recorded at the gross billing amount less an allowance for credit losses against any uncollectible accounts due from the advertisers for the acquisition of ad inventory and other advertising services on their behalf. Accounts receivable does not bear interest.

On January 1, 2023, the Company adopted Accounting Standards Update ("ASU") No. 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments ("ASU 2016-13"), using the modified retrospective transition method. ASU 2016-13 replaces the existing incurred loss impairment model with an expected loss methodology, which will result in more timely recognition of credit losses. Upon adoption, the Company changed the impairment model to utilize a forward-looking current expected credit losses (CECL) model in place of the incurred loss methodology for financial instruments measured at amortized cost and receivables resulting from the application of ASC 606, including contract assets. The adoption of the guidance had no material impact on the opening balance of allowance of expected credit loss as of January 1, 2023.

After the adoption of ASU 2016-13, the Company maintains an allowance for credit losses and records the allowance for credit losses as an offset to accounts receivable and the estimated credit losses charged to the allowance is classified as "provision for expected credit losses" in the consolidated statements of operations and comprehensive loss. The Company assesses collectability by reviewing accounts receivable on aging schedules because the accounts receivable were primarily consisted of accounts due from the advertisers for the acquisition of ad inventory and other advertising services on their behalf. In determining the amount of the allowance for credit losses, the Company considers historical collectability based on past due status, the age of the balances, current economic conditions, reasonable and supportable forecasts of future economic conditions, and other factors that may affect the Company's ability to collect from customers. Delinquent account balances are written-off against the allowance for expected credit loss after management has determined that the likelihood of collection is not probable.

For the year ended December 31, 2025 and 2024, the Company provided allowance for expected credit losses of $1,027,900 and $22,911,671 against accounts receivable. For the year ended December 31, 2023, the Company reversed allowance for expected credit losses of $702,156 against accounts receivable.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepayments

Prepayments represent amounts advanced to media or their authorized agencies (collectively, "publishers") for running of advertising campaigns of the advertisers. The publishers usually require advance payments when the Company orders advertising campaign services on behalf of its advertisers, and the prepayments will be utilized to offset the Company's future payments. These amounts are unsecured, non-interest bearing, and generally short-term in nature, and they are reviewed periodically to determine whether their carrying value has become impaired when publishers are not able to provide advertising campaign services in the events of liquidation.

Prepayments (cont.)

For the year ended December 31, 2024, the Company accrued allowances for doubtful accounts of $47,645 against prepayments. For the year ended December 31, 2025 and 2023, the Company reversed allowances for doubtful accounts of $14,912 and $1,243,233 against prepayments, respectively.

Media deposits

Media deposits represent performance security deposit upon becoming an authorized agency of the relevant media (platforms where online advertisement is delivered) as a guarantee of performance and obligations and deposit associated with committed advertising spend on behalf of selected advertisers as required by certain media before running their advertising campaigns, which are paid to media pursuant to the terms of the framework agreements and contracts.

In the event that the advertisers or their advertising agencies on behalf of their advertising clients (collectively the "advertisers") commit to spending a guaranteed minimum amount on a particular media with the Company, the Company enters into a back-to-back framework agreement with the relevant publishers committing the same level of guaranteed minimum spend and securing a preferential rebate policy applicable to the advertising spend of that advertiser. With the committed minimum spend, the Company is entitled to enjoy certain rebates and discounts and usually be required to pay a deposit of up to 10% of the guaranteed minimum spend. If the Company fails to fulfil the committed minimum spend, the Company would not be entitled to the additional rebates and discounts, and any deposit that has been paid may be forfeited or deducted to pay up the additional amount without the benefit of the additional rebates and discounts.

The media may deduct damages from performance security deposit if the Company has breached the agency agreement or authorized agency management rules and conditions formulated by media.

As of December 31, 2025 and 2024, the balances of media deposits were $563,582 and $265,784, respectively.

Operating Leases

The Company sells and leases back its office in the year ended December 31, 2025. Upon transfer of the office, the transfer of the asset qualifies as a sale because (1) The buyer-lessor obtains control of the office upon the transfer of the asset, (2) the transfer does not involve a repurchase option, and (3) the leaseback does not result in a finance lease. The Company derecognized the office at carrying value and recognized disposal loss at the amount of the difference between the consideration and carrying value, in the account of "other income (loss), net" on the consolidated statements of operations and comprehensive loss.

The leaseback of office is classified as operating leases in accordance with Topic 842. Operating leases are required to record in the balance sheet as right-of-use assets and lease liabilities, initially measured at the present value of the lease payments. The Company has elected the package of practical expedients, which allows the Company not to reassess (1) whether any expired or existing contracts as of the adoption date are or contain a lease, (2) lease classification for any expired or existing leases as of the adoption date, and (3) initial direct costs for any expired or existing leases as of the adoption date. The Company elected the short-term lease exemption as the lease terms are 12 months or less.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

At the commencement date, the Company recognizes the lease liability at the present value of the lease payments not yet paid, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate for the same term as the underlying lease.

The right-of-use asset is recognized initially at cost, which primarily comprises the initial amount of the lease liability, plus any initial direct costs incurred, consisting mainly of brokerage commissions, less any lease incentives received. All right-of-use assets are reviewed for impairment. There was no impairment for right-of-use lease assets as of December 31, 2025.

Property and equipment, net

Property and equipment primarily consist of property, leasehold improvements, office equipment, and electronic equipment, which are stated at cost less accumulated depreciation and impairment losses. Depreciation is calculated using the straight-line method based on the estimated useful life. The useful lives of property and equipment are as follows:

Property	20 years
Office equipment	5 years
Electronic equipment	3 years
Vehicle	4 years
Leasehold improvement	Shorter of useful life or lease term

Expenditures for repairs and maintenance, which do not materially extend the useful lives of the assets, are expensed as incurred. Expenditures for major renewals and betterments which substantially extend the useful life of assets are capitalized. The cost and related accumulated depreciation of assets disposed of or retired are removed from the accounts, and any resulting gain or loss is reflected in the account of "other income or expenses" in the consolidated statement of loss and comprehensive loss.

Intangible assets, net

Purchased intangible assets primarily consist of copyrights and software, which are recognized and measured at fair value upon acquisition. Separately identifiable intangible assets that have determinable lives continue to be amortized over their estimated useful lives using the straight-line method based on their estimated useful lives as. The estimated useful lives of copyrights and software range from 3 to 10 years.

Long-term investment

Long-term investments consist of the following types of investments.

Equity investment without readily determinable fair value measured at Measurement Alternative

The Company elects to record the equity investment in a privately held company, over which the Company had no control or significant influence, using the measurement alternative at cost, less impairment, with subsequent adjustments for observable price changes resulting from orderly transactions for identical or similar investments of the same issuer. Suh equity investment accounted for using the measurement alternative is subject to periodic impairment review. The Company's impairment analysis considers both qualitative and quantitative factors that may have a significant effect on the fair value of the equity investment. For the years ended December 31, 2025, 2024 and 2023, the Company recorded impairment loss of $nil, $nil, $128,204, respectively, against the long-term investments.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term investment (cont.)

Equity investment accounted for using the equity method

For the year ended December 31, 2023, the Company acquired one equity investment which was accounted for using equity method.

In accordance with ASC 323 "Investments - Equity Method and Joint Ventures", the Company accounts for the investment using the equity method because the Company has significant influence but does not own a majority equity interest or otherwise have control over the equity investee.

Under the equity method, the Company initially records its investment at cost. The Company's share of the post-acquisition profits or losses of the equity investee is recognized in the consolidated statements of loss and comprehensive loss, and its share of post-acquisition movements in accumulated other comprehensive income (loss) is recognized in other comprehensive income (loss). The Company records its share of the results of the equity investees on a one-quarter-in-arrears basis. When the Company's share of losses in the equity investee equals or exceeds its interest in the equity investee, the Company does not recognize further losses, unless the Company has incurred obligations or made payments or guarantees on behalf of the equity investee.

The Company continually reviews its investment in the equity investee to determine whether a decline in fair value below the carrying value is other-than-temporary. The primary factors the Company considers in its determination include the financial condition, operating performance and the prospects of the equity investee; other company specific information such as recent financing rounds; the geographic region, market and industry in which the equity investee operates; and the length of time that the fair value of the investment is below its carrying value. If the decline in fair value is deemed to be other-than-temporary, the carrying value of the equity investee is written down to fair value. For the years ended December 31, 2025, 2024 and 2023, the Company recorded impairment loss of $2,466,065, $nil, $128,204, respectively, against investment in an equity investee.

Impairment of long-lived assets

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets.

For the years ended December 31, 2025, 2024 and 2023, no impairment was provided against property and equipment, or intangible assets.

Advertiser deposits

The advertiser deposits represented deposits made by the advertisers who undertake a minimum total advertising spend as a condition for enjoying rebates and discounts. The Company generally requires these advertisers to place deposits with the Company at a percentage (usually up to 10%) of the committed spend, which usually equals to the amount of deposit payable to the media under the corresponding framework agreement with the media specific to such advertiser (see note 2 – media deposits). If the advertiser fails to reach the committed minimum spend upon expiry or termination of the framework agreement; (i) the advertiser would not be entitled to the rebates and discounts under the preferential pricing policy, if any; (ii) the advertiser's deposit may be forfeited or deducted to pay up the additional amount it should pay without the benefits of rebates or discounts.

As of December 31, 2025 and 2024, the balances of advertiser deposits were $690,781 and $314,578, respectively.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

The Company recognizes revenues in accordance with ASC 606, Revenue from Contracts with Customers ("ASC 606"), which establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts to provide goods or services to customers. The core principle requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration that it expects to be entitled to receive in exchange for those goods or services recognized as performance obligations are satisfied. In according with ASC 606, revenues are recognized when control of the promised services is transferred to customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services.

The Company identified each distinct service, or each series of distinct services that are substantially the same and that have the same pattern of transfer to the customer, as a performance obligation. Transaction price is allocated among different performance obligations identified in one contract, by using expected cost - plus margin approach, if the standalone selling price of each performance obligation is not observable.

The Company applied a practical expedient to expense costs as incurred for costs to obtain a contract with a customer when the amortization period would have been one year or less. The Company has no material incremental costs of obtaining contracts with customers that the Company expects the benefit of those costs to be longer than one year, which need to be recognized as assets.

The Company has advertising agency revenues from search engine marketing ("SEM", a form of online marketing that involves the promotion of websites by increasing their visibility in search engine results pages and search-related products and services) services and non-SEM services, including deployment of in-feed and mobile app ads on other media and social media marketing services in relation to running advertising campaigns on selected social media accounts. The Company acts as an agent between media or their authorized agencies (collectively "publishers") and advertisers by helping publishers procure advertisers and facilitate ad deployment on their advertising channels, and purchasing ad inventories and advertising services from publishers for advertisers. The Company places orders with publishers as per request from advertisers. Each order is materialized by a contract and explicitly quotes one agency service to arrange for the advertising service to be provided by a third - party publisher for a period of ad term. The Company provides advice and services on advertising strategies and ad optimization to advertisers to improve the effectiveness of their ads, all of which are highly interrelated and not separately identifiable. The Company's overall promise represents a combined output that is a single performance obligation; there is no multiple performance obligations.

The Company evaluated its advertising agency contracts and determined that it was not acting as principal in these arrangements with publishers and advertisers since it never takes control of the ad inventories at any time. The Company collects the costs of purchasing ad inventories and advertising services from advertisers on behalf of publishers. The Company generates advertising agency revenues either by charging additional fees to advertisers or receiving rebates and incentives offered by publishers. Accordingly, both advertisers and publishers can be identified as customers, depending on the revenue model applicable to the relevant services.

The Company recognizes revenues on a net basis, which equal to: (i) rebates and incentives offered by publishers, netting the rebates to advertises (if any); and (ii) net fees from advertisers.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (cont.)

Rebates and incentives offered by publishers

Rebates and incentives offered by publishers are determined based on the contract terms with publishers and their applicable rebate policies, which typically in the form of across-the-board standard-rate rebates, differential standard-rate rebates and progressive-rate rebates. Rebates and incentives offered by publishers are accounted for as variable consideration. The Company accrues and recognizes revenues in the form of rebates and incentives based on its evaluation as to whether the contractually stipulated thresholds of advertising spend are likely to being reached, or other benchmarks or certain prescribed classification are likely to being qualified (e.g. the number of new advertisers secured, growth in actual advertising spend), and to the extent that a significant reversal of cumulative revenue would not occur in future periods. These evaluations are based on the past experience and regularly monitoring of various performance factors set within the rebate policies (e.g. accumulated advertising spend, number of new advertisers). At the end of each subsequent reporting period, the Company re-evaluates the probability of achieving such advertising spend volume and any related constraint, and if necessary, adjusts the estimate of the amount of rebates and incentives. Any such adjustments are recorded on a cumulative catch-up basis, which would affect revenues and earnings in the period of adjustment. The rebates and incentives are generally ascertained and settled on a quarterly or annual basis. Historically, adjustments to the estimations for the actual amounts have been immaterial. These rebates and incentives take the form of cash which, when paid, are applied to set off accounts payable with the relevant publishers or settled separately; or can be in the form of ad currency units which will be deposited in the account in the back-end platform of the media and can then be utilized to acquire their ad inventory.

The Company may offer rebates to advertisers on a case - by - case basis, generally with reference to the rebates and incentives offered by publishers, the advertiser's committed total spend, and the business relationships with such advertiser. The rebates offered by the Company to advertisers are in the form of cash discounts or ad currency units that can be utilized to acquire ad inventory from relevant media, both of which are account for as a deduction of revenues.

Net fees from advertisers

Net fees from advertisers are the difference between the gross billing amount charged to the advertisers and the costs of purchasing ad inventories and advertising services on their behalf.

The publishers do not receive the benefits from the Company's facilitation services until the publishers deliver advertising services to the advertisers. The Company recognizes advertising agency revenues when it transfers the control of the facilitation service commitments, i.e., when the publishers deliver advertising services to the advertisers. Under the cost per click ("CPC") and cost per acquisition ("CPA") pricing model of media, the Company recognizes revenues at the point of time as the publishers deliver advertising services at the point in time. Under the cost per time ("CPT") pricing model of media, the publishers deliver advertising services over time when the advertising links are displayed over the contract periods, and therefore the Company recognizes revenue on a straight-line basis over the contracted display period. During the years ended December 31, 2025, 2024 and 2023, revenues from the advertising services under CPT pricing model that the Company arranged are immaterial.

The Company records revenues and costs on a net basis and the related accounts receivable and payable amounts on a gross basis.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (cont.)

Net fees from advertisers (cont.)

The gross billing amounts charged to the advertisers are collected either in advance to provision of services or after the services. Accounts receivable represent the gross billing charged to advertisers that the Company has an unconditional right to consideration (including billed and unbilled amount) when the Company has satisfied its performance obligation. Payment terms and conditions of accounts receivables vary by customers, and terms typically include a requirement for payment within a period from three to six months. The Company has determined that all the contracts generally do not include a significant financing component. The Company does not have any contract assets since revenue is recognized when control of the promised services is transferred and the payment from customers is not contingent on a future event. In cases where the gross billing amounts are collected in advance, the amounts are recorded as “advance from advertisers” in the condensed consolidated balance sheets. Advance from advertisers related to unsatisfied performance obligations at the end of the year is recognized as revenue when the Company delivers the services to its advertisers. The fees are non-refundable. In cases where amounts are collected after the services, accounts receivable are recognized upon delivery of ad inventories and advertising services to the advertisers. The gross billing amounts are determinable at the inception of the services.

The cost of purchasing ad inventories and advertising services is recorded as accounts payable or a deduction against prepayments in cases where prepayments are required by the publishers.

	For the Years Ended December 31,		
	2025	**2024**	**2023**
Nature of Revenue:			
Rebates and incentives offered by publishers	$ 488,692	$ 402,462	$ 887,038
Net fees from advertisers	80,301	221,625	34,796
Total	**$ 568,993**	**$ 624,087**	**$ 921,834**
Category of Revenue:			
SEM services	$ 43,619	$ 21,536	$ 559,307
Non-SEM services	525,374	602,551	362,527
Total	**$ 568,993**	**$ 624,087**	**$ 921,834**

Value added taxes

The Company’s PRC subsidiaries are subject to value added tax (“VAT”) and related surcharges based on gross service price depending on the type of services provided in the PRC (“output VAT”), and the VAT may be offset by VAT paid by the Company on service purchases (“input VAT”). The applicable rate of output VAT or input VAT for the Company is 6%. Gross billing charged to advertisers, which is reflected as accounts receivable on gross basis in the consolidated balance sheet, is subject to output VAT at a rate of 6% and subsequently paid to PRC tax authorities after netting input VAT on purchases incurred during the period. The Company’s revenues are presented net of costs of purchasing ad inventories and services paid on behalf of advertisers, VAT collected on behalf of PRC tax authorities and its related surcharges; the VAT is not included in the consolidated statements of loss and comprehensive loss.

Cost of revenues

Cost of revenues related to advertising agency is primarily personnel related costs and business taxes. These costs are expensed as incurred.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income taxes

The Company accounts for income taxes in accordance with the U.S. GAAP for income taxes. Under the asset and liability method as required by this accounting standard, the recognition of deferred income tax liabilities and assets for the expected future tax consequences of temporary differences between the income tax basis and financial reporting basis of assets and liabilities. Provision for income taxes consists of taxes currently due plus deferred taxes. The charge for taxation is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis. Deferred tax assets are recognized to the extent that it is probable that taxable income to be utilized with prior net operating loss carried forwards. Deferred tax is calculated using tax rates that are expected to apply to the period when the asset is realized or the liability is settled. Deferred tax is charged or credited in the income statement, except when it is related to items credited or charged directly to equity. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Current income taxes are provided for in accordance with the laws of the relevant taxing authorities.

An uncertain tax position is recognized as a benefit only if it is “more likely than not” that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. Penalties and interest incurred related to underpayment of income tax are classified as income tax expense in the period incurred. The Company does not believe that there was any uncertain tax position as of December 31, 2025 and 2024. As of December 31, 2025, income tax returns for the tax years ended December 31, 2020 through December 31, 2024 remain open for statutory examination.

Loss per share

Basic loss per ordinary share is computed by dividing net loss attributable to ordinary shareholders by the weighted-average number of ordinary shares outstanding during the period. Diluted loss per share is computed by dividing net income attributable to ordinary shareholders by the sum of the weighted average number of ordinary share outstanding and of potential ordinary share (e.g., convertible securities, options and warrants) as if they had been converted at the beginning of the periods presented, or issuance date, if later. Potential ordinary share that have an anti-dilutive effect (i.e., those that increase income per share or decrease loss per share) are excluded from the calculation of diluted loss per share. For the years ended December 31, 2025, 2024 and 2023, the Company had no dilutive shares.

Foreign currency translation

The reporting currency of the Company is U.S. dollars (“US$” or “$”) and the accompanying consolidated financial statements have been expressed in US$. The functional currency of the Company’s PRC subsidiaries is the Chinese Yuan (“RMB”). The functional currency of the Company’s other subsidiaries is the US$. The Company’s consolidated financial statements have been translated into the reporting currency U.S. dollars. Assets and liabilities of the Company are translated at the exchange rate at each reporting period end date. Equity is translated at historical rates. Income and expense accounts are translated at the average rate of exchange during the reporting period. Because cash flows are translated based on the average translation rate, amounts related to assets and liabilities reported on the statement of cash flows will not necessarily agree with changes in the corresponding balances on the balance sheet. The resulting translation adjustments are reported under other comprehensive income (loss). Gains and losses resulting from the translations of foreign currency transactions and balances are reflected in the results of operations.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation (cont.)

The following table outlines the currency exchange rates that were used in creating the consolidated financial statements in this report:

	December 31, 2025	December 31, 2024
Year-end spot rate	6.9931	7.2993

	For the Years Ended December 31,		
	2025	2024	2023
Average rate	7.1875	7.1957	7.0809

Fair value of financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-level fair value hierarchy prioritizes the inputs used to measure fair value. The hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of the fair value hierarchy are described below:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instruments.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value.

Financial instruments of the Company primarily comprised current assets and current liabilities including cash and cash equivalents, short-term investments, accounts receivable, third party and related party, media deposits, other receivables, accounts payables, advertiser deposits, other payables, and due to related parties. Warrant liabilities (Note 13) were measured at fair value using unobservable inputs and categorized in Level 3 of the fair value hierarchy.

As of December 31, 2025 and 2024, the carrying values of other financial instruments approximated to their fair values because of the short-term nature of these instruments.

Segment Reporting

The Company uses the management approach to determine operating segment. The management approach considers the internal organization and reporting used by the Company's chief operating decision maker ("CODM") for making decisions, allocation of resources and assessing performance. The Company's CODM has been identified as the Chief Executive Officer who reviews the consolidated net income when making decisions about allocating resources and assessing performances of the Company.

The CODM assesses performance and decides how to allocate resources for our one operating segment based on consolidated net income that is reported on the consolidated statements of operations. Further, the Company has also evaluated the significant segment expenses incurred by our single segment and regularly provided to the CODM. The significant segment expenses provided to the CODM are consistent with those reported on the consolidated statements of operations and include cost of sales, selling, general and administrative, and income taxes. The CODM uses these metrics to make key operating decisions such as: approving a new service launch strategy, making significant capital expenditures, approving the design of key commercialization strategies, decisions about key personnel, and approving annual operating and capital budgets. The CODM considers budget-to-actual variances and year over year performance when making decisions supporting capital resource allocation.

Since the Company operates in one reportable segment, all financial information required can be found in the consolidated financial statements.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Concentration and credit risk

Substantially all of the Company's operating activities are transacted into RMB, which is not freely convertible into foreign currencies. All foreign exchange transactions take place either through the People's Bank of China or other banks authorized to buy and sell foreign currencies at the exchange rates quoted by the People's Bank of China. Approval of foreign currency payments by the People's Bank of China or other regulatory institutions require submitting a payment application form together with suppliers' invoices, shipping documents and signed contracts.

The Company maintains certain bank accounts in the PRC, Hong Kong and Cayman Islands, which are not insured by Federal Deposit Insurance Corporation ("FDIC") insurance or other insurance. As of December 31, 2025 and 2024, $1,089,406 and $1,400,025 of the Company's cash were on deposit at financial institutions in the PRC, respectively. Each bank account in Mainland China is insured by the government authority with the maximum limit of RMB 500,000 (equivalent to approximately $68,500).

Accounts receivable are typically unsecured and derived from services rendered to advertisers that are located primarily in China, thereby exposed to credit risk. The risk is mitigated by the Company's assessment of advertisers' creditworthiness and its ongoing monitoring of outstanding balances. The Company has a concentration of its receivables with specific advertisers. As of December 31, 2025, two advertisers accounted for 43.4% and 38.1% of accounts receivable, respectively. As of December 31, 2024, four advertisers accounted for 23.1%, 21.2%, 15.8% and 12.3% of accounts receivable, respectively.

For the fiscal year ended December 31, 2025, three customers accounted for 43.0% 19.3% and 16.6% of total revenue, respectively. For the fiscal year ended December 31, 2024, three customers accounted for 47.7%, 19.3% and 15.6% of total revenue, respectively. For the fiscal year ended December 31, 2023, two customers accounted for 47.7% and 12.2% of our total revenue, respectively.

As of December 31, 2025 and 2024, one and one publisher accounted for 82.3% and 86.6% of the total accounts payable balance, respectively. For the fiscal year ended December 31, 2025, one publisher accounted for 93.0% of total purchase. For the fiscal year ended December 31, 2024, two publishers accounted for 70.7% and 23.7% of total purchase, respectively. For the fiscal year ended December 31, 2023, two publishers accounted for 59.9% and 25.1% of total purchase, respectively.

Recently adopted accounting standards

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic ASC 280) Improvements to Reportable Segment Disclosures ("ASU 2023-07"). The ASU improves reportable segment disclosure requirements, primarily through enhanced disclosure about significant segment expenses. The enhancements under this update require disclosure of significant segment expenses that are regularly provided to the CODM and included within each reported measure of segment profit or loss, require disclosure of other segment items by reportable segment and a description of the composition of other segment items, require annual disclosures under ASC 280 to be provided in interim periods, clarify use of more than one measure of segment profit or loss by the CODM, require that the title of the CODM be disclosed with an explanation of how the CODM uses the reported measures of segment profit or loss to make decisions, and require that entities with a single reportable segment provide all disclosures required by this update and required under ASC 280. The Company adopted ASU 2023-07 for the annual period ended December 31, 2024, retrospectively to all periods presented in the consolidated financial statement. The adoption of this standard did not have a material impact to our results of operations, cash flows or financial condition.

Recently issued accounting pronouncements

The Company is an "emerging growth company" ("EGC") as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). Under the JOBS Act, EGC can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. As a result, the Company's operating results and financial statements may not be comparable to the operating results and financial statements of other companies who have adopted the new or revised accounting standards.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently issued accounting pronouncements (cont.)

In July 2025, the FASB issued ASU 2025-05, which amends ASC 326-20 to provide a practical expedient for all entities which elect a practical expedient that assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset in developing reasonable and supportable forecasts as part of estimating expected credit losses, and an accounting policy election for all entities, other than a public business entity, that elect the practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. Under ASU 2025-05, an entity is required to disclose whether it has elected to use the practical expedient and, if so, whether it has also applied the accounting policy election. An entity that makes the accounting policy election is required to disclose the date through which subsequent cash collections are evaluated. ASU 2025-05 is effective for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods, with early adoption permitted. Entities should apply the new guidance prospectively. The Company is currently evaluating these new disclosure requirements and does not expect the adoption to have a material impact.

In January 2025, the FASB issued ASU 2025-01, “Income Statement – Comprehensive Income – Expense Disaggregation Disclosure (Subtopic 220-40): Clarifying the Effective Date.” This pronouncement revises the effective date of ASU 2024-03 and clarifies that all public business entities are required to adopt the guidance in annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. Entities within the ASU’s scope are permitted to early adopt the accounting standard update. The Company is currently evaluating these new disclosure requirements and does not expect the adoption to have a material impact.

In December 2023, the FASB issued ASU 2023-09, which is an update to Topic 740, Income Taxes. The amendments in this update related to the rate reconciliation and income taxes paid disclosures improve the transparency of income tax disclosures by requiring (1) adding disclosures of pretax income (or loss) and income tax expense (or benefit) to be consistent with U.S. Securities and Exchange Commission (SEC) Regulation S-X 210.4-08(h), Rules of General Application—General Notes to Financial Statements: Income Tax Expense, and (2) removing disclosures that no longer are considered cost beneficial or relevant. For public business entities, the amendments in this Update are effective for annual periods beginning after December 15, 2024. For entities other than public business entities, the amendments are effective for annual periods beginning after December 15, 2025. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. The amendments in this Update should be applied on a prospective basis. Retrospective application is permitted. The Company is currently evaluating these new disclosure requirements and does not expect the adoption to have a material impact.

The Company does not believe other recently issued but not yet effective accounting standards, if currently adopted, would have a material effect on the consolidated financial position, statements of loss and cash flows.

3. GOING CONCERN

As reflected in the Company’s consolidated financial statements, the Company had a net loss of $12,021,649, $26,871,234 and $1,845,170 for the years ended December 31, 2025, 2024 and 2023, respectively, and reported a cash outflow of $2,260,994 and $1,520,419 for the year ended December 31, 2025 and 2024. These factors raise a substantial doubt about the Company’s ability to continue as a going concern.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

3. GOING CONCERN (CONTINUED)

As of December 31, 2025, the Company had cash and cash equivalents of $1,265,845 and short-term investments of $368,253, compared to current liabilities of $9,128,449, of which advances from customers of $576,422 were not required to be settled in cash. Total current assets are sufficient to cover current liabilities expected to be paid during the year ending December 31, 2026. The Company also obtained a one-year bank borrowing during the year ended December 31, 2025. The Company intends to meet its cash requirements for the next 12 months from the issuance date of this report through a combination of application of credit terms and bank loans. Additionally, in April 2026, Beijing Xunhuo transferred its 42.8571% partnership interest in Guangzhou Shanxingzhe Technology Investment LLP ("Shanxingzhe") to a third party buyer for cash consideration of RMB15.0 million (approximately $2.2 million). Pursuant to agreement between the Company and the third party buyer, the cash consideration will be fully received before June 30, 2026. Given the factors mentioned above, the Company assesses current working capital to be sufficient to meet its obligations for the next 12 months from the issuance date of this report. Accordingly, management continues to prepare the Company's consolidated financial statements on a going concern basis.

However, future financing requirements will depend on many factors, including the scale and pace of the expansion of the Company's advertising business, the expansion of the Group's sales and marketing activities, and potential investments in, or acquisitions of, businesses or technologies. Inability to obtain credit terms from medias or access to financing on favorable terms in a timely manner or at all would materially and adversely affect the Company's business, results of operations, financial condition, and growth prospects.

4. ACCOUNTS RECEIVABLE, NET

The Company records revenues and costs on a net basis and the related accounts receivable and payable amounts on a gross basis. Accounts receivable, net of provision for credit losses consisted of the following:

	December 31, 2025	December 31, 2024
Accounts receivable	$ 4,688,247	$ 29,375,358
Less: allowance for expected credit losses	(112,980)	(25,711,852)
Accounts receivable, net	**$ 4,575,267**	**$ 3,663,506**

Movement of allowance for doubtful accounts was as follows:

	For the Years Ended December 31,		
	2025	2024	2023
Balance at beginning of the year	$ 25,711,852	$ 13,417,481	$ 17,681,792
Charge to expenses	1,027,900	22,911,671	—
Reversal of expenses	—	—	(702,156)
Writing off of accounts receivable	(27,083,829)	(10,068,481)	(3,067,433)
Foreign exchange loss (income)	457,057	(548,819)	(494,722)
Balance at end of the year	**$ 112,980**	**$ 25,711,852**	**$ 13,417,481**

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

5. PREPAYMENTS – THIRD PARTIES

Prepayments to third parties consist of the following:

	December 31, 2025	December 31, 2024
Prepayments to third party medias	$ —	$ 1,228,357
Less: Provision for doubtful accounts	—	(612,546)
	$ —	**$ 615,811**

Movement of allowance for doubtful prepayments was as follows:

	For the Years Ended December 31,		
	2025	2024	2023
Balance at beginning of the year	$ 612,546	$ 581,462	$ 2,153,390
Charge to expenses	—	47,645	—
Reversal of expenses	(14,912)	—	(1,243,233)
Writing off of prepayments	(607,163)	—	(271,269)
Foreign exchange loss (income)	9,529	(16,561)	(57,426)
Balance at end of the year	**$ —**	**$ 612,546**	**$ 581,462**

6. OTHER CURRENT ASSETS

Other current assets consist of the following:

	December 31, 2025	December 31, 2024
Recoverable value-added taxes	$ 2,313,646	$ 2,221,520
Others	74,965	427,080
Less: Provision for doubtful accounts	(2,313,646)	(56,552)
	$ 74,965	**$ 2,592,048**

Movement of allowance for doubtful accounts was as follows:

	For the Years Ended December 31,		
	2025	2024	2023
Balance at beginning of the year	$ 56,552	$ 6,678	$ 6,874
Charge to expenses	2,251,069	50,587	7,061
Reversal of expenses	(19,568)	—	—
Writing off of other receivable	(37,671)	—	(7,061)
Foreign exchange loss (income)	63,264	(713)	(196)
Balance at end of the year	**$ 2,313,646**	**$ 56,552**	**$ 6,678**

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

7. PROPERTY AND EQUIPMENT, NET

Property and equipment, net consisted of the following:

	December 31, 2025	December 31, 2024
Property	$ 492,941	$ 1,627,658
Leasehold improvement	—	468,708
Office equipment	146,394	138,800
Vehicles	143,812	137,779
Electronic equipment	110,957	105,151
Less: Accumulated depreciation	(369,049)	(760,608)
	$ 525,055	**$ 1,717,488**

Depreciation expense was $114,191, $188,042 and $228,806 for the years ended December 31, 2025, 2024 and 2023, respectively.

In July 2025, Beijing Xunhuo entered into a sale of property agreement with Beijing Mr. Mo Technology Co., Ltd. (the "Buyer"), pursuant to which Beijing Xunhuo sold certain of its real property for consideration of $988,220 (RMB 7,102,828), of which $779,130 (RMB 5,600,000) was paid in cash and the remaining $209,089 (RMB 1,502,828) would be offset against lease payments under a three - year sale - and - leaseback arrangement. Under the lease arrangement, Beijing Xunhuo would lease back certain property for a term of three years. On the date of sale of property, the cost and accumulated depreciation of properties were $1,173,368 and $157,916, respectively. On the same date, the Company also disposed of leasehold improvement underlying the properties, of which the cost and accumulated depreciation of properties were $475,998 and $369,648, respectively. The Company recorded loss from disposal of properties and leasehold improvement of $133,582.

During the year ended December 31, 2024, the Company disposed of property, office equipment and electronic equipment, and recorded loss from disposal of property and equipment of $578,553. On the date of disposal, the cost and accumulated depreciation of property were $760,615 and $185,755, respectively. On the date of disposal, the cost and accumulated depreciation of electronic equipment were $18,122 and $17,007, respectively. On the date of disposal, the cost and accumulated depreciation of office equipment were $8,325 and $5,747, respectively.

During the year ended December 31, 2023, the Company disposed of office equipment and electronic equipment and recorded loss from disposal of property and equipment of $6,991. On the date of disposal, the cost and accumulated depreciation of electronic equipment were $9,638 and $3,052, respectively. On the date of disposal, the cost and accumulated depreciation of office equipment were $866 and $480, respectively.

8. INTANGIBLE ASSETS, NET

Intangible assets consisted of the following:

	December 31, 2025	December 31, 2024
Copyrights	$ 741,971	$ 710,846
Software	73,687	69,273
Less: Accumulated amortization	(815,658)	(538,907)
	$ —	**$ 241,212**

Amortization expense was $244,964, $157,323 and $163,813 for the years ended December 31, 2025, 2024 and 2023, respectively.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
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9. OPERATING LEASE

In connection with sales of properties in July 2025 (Note 7), the Company lease back a portion of the sold properties for a lease term of three years, for consideration of $209,089 (RMB 1,502,828). The consideration was settled at the inception of the lease arrangement. The leaseback transaction was accounted for an operating lease. The Company considers those renewal or termination options that are reasonably certain to be exercised in the determination of the lease term and initial measurement of right of use assets and lease liabilities. Lease expense for lease payment is recognized on a straight-line basis over the lease term.

The Company determines whether a contract is or contains a lease at inception of the contract and whether that lease meets the classification criteria of a finance or operating lease. When available, the Company uses the rate implicit in the lease to discount lease payments to present value; however, most of the leases do not provide a readily determinable implicit rate. Therefore, the Company discount lease payments based on an estimate of the incremental borrowing rate. As of December 31, 2025, the Company had no lease liabilities, because the lease payments were settled at the inception of the lease arrangement.

For operating leases that include rent holidays and rent escalation clauses, the Company recognizes lease expense on a straight-line basis over the lease term from the date it takes possession of the leased property. The Company records the straight-line lease expense and any contingent rent, if applicable, in general and administrative expenses on the consolidated statements of operations and comprehensive (loss) income. The corporate office lease also requires the Company to pay real estate taxes, common area maintenance costs and other occupancy costs which are included in the general and administrative expenses on the consolidated statements of operations and comprehensive income (loss).

As of December 31, 2025, the Company had right-of-use assets of $194,207, which would be amortized in straight-line over the remaining lease term of 2.7 years.

Operating lease expenses was $53,285, $nil and $nil, respectively, for the years ended December 31, 2025, 2024 and 2023, among which $33,151, $nil and $nil were incurred for short-term leases.

10. DEPOSITS DUE FROM A THIRD PARTY

In November 2023, Baosheng Network and Nanjing Yunbei E-commerce Co., Ltd. (“Nanjing Yunbei”) entered into an Asset Merger and Acquisition Security Deposit Agreement, pursuant to which the Company deposited RMB20,000,000, or $2,554,539 into a custodian account under the name of Nanjing Yunbei to support the Company’s future investment opportunities. Once fully funded with the remaining RMB10,000,000, the deposit would be held in the custody account for up to twelve months. Due to its ongoing legal proceeds as described in Note 18, the Company has paused its funding of the remaining RMB10,000,000 until such matters are resolved. The deposit is interest-free during the custody period. As of December 31, 2025, the Company assessed that it would not continue to fund the remaining RMB 10,000,000 and the collection of the deposits of RMB 20,000,000 is remote. Accordingly, the Company provided impairment of $2,782,609 against deposits due from Nanjing Yunbei for the year ended December 31, 2025.

11. LONG-TERM INVESTMENTS

As of December 31, 2025 and 2024, long-term investments consisted of the following:

	December 31, 2025	December 31, 2024
Equity investment without readily determinable fair value measured at Measurement Alternative (a)	$ 2,672,950	$ 2,560,822
Equity investment accounted for using the equity method (b)	2,144,971	4,015,866
	$ 4,817,921	**$ 6,576,688**

(a) As of December 31, 2025 and 2024, the equity investment without readily determinable fair value measured at Measurement Alternative consisted of the following:

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

11. LONG-TERM INVESTMENTS (CONTINUED)

	December 31, 2025	December 31, 2024
Beijing Qucheng Technology Co., Ltd. (“Qucheng”)	$ 1,242,969	$ 1,190,828
Beijing Xinrong Fanxing Technology Co., Ltd. (“Xinrong Fanxing”)	1,429,981	1,369,994
	$ 2,672,950	**$ 2,560,822**

In January 2023, Beijing Baosheng closed an acquisition of 12% equity interest in Beijing Qucheng Technology Co., Ltd. (“Qucheng”) at cash consideration of RMB9,600,000, or $1,397,119. The Company made cash consideration of $564,900 and $832,219, respectively, in January 2023 and December 2022. The Company accounted for the transaction as an investment in privately held investment using the measurement alternative at cost, less impairment, with subsequent adjustments for observable price changes resulting from orderly transactions for identical or similar investments of the same issuer. As of December 31, 2025 and 2024, the Company did not identify orderly transactions for similar investments of the investees and the Company did not record upward or downward adjustments. For the year ended December 31, 2023, the Company provided impairment of $128,204 against investment in Qucheng as assessed that the Company’s share of fair value was below the investment as of December 31, 2023. As of December 31, 2025 and 2024, the Company did not identify indicators that the Company’s share of fair value was below the investment and did not provide impairment against investment in Qucheng.

In February 2021, the Company acquired 10% equity interest in Beijing Xinrong Fanxing Technology Co., Ltd. (“Xinrong Fanxing”) at cash consideration of RMB 10,000,000, or $1,550,195. The Company accounted for the transaction as an investment in privately held investment using the measurement alternative at cost, less impairment, with subsequent adjustments for observable price changes resulting from orderly transactions for identical or similar investments of the same issuer. As of December 31, 2025 and 2024, the Company did not identify orderly transactions for similar investments, or impairment indicators of the investees, and the Company did not record upward or downward adjustments or impairment against the investment in Xinrong Fanxing.

(b) As of December 31, 2025 and 2024, the equity investment accounted for using the equity method represented investment in Guangzhou Shanxingzhe Technology Investment LLP (“Shanxingzhe”). In June 2023, Beijing Xunhuo closed acquisition of 42.85% equity interest in Shanxingzhe, at cash consideration of RMB30,000,000, or $4,236,750. In May 2023, Beijing Xunhuo fully paid the cash consideration.

Shanxingzhe is primarily engaged in investment in advertisement entities. The investment in Shanxingzhe is to diversify the Company’s advertising business. Beijing Xunhuo is able to exercise significant influence over Shanxingzhe and accounted for the equity investment using equity method. For the years ended December 31, 2025, 2024 and 2023, equity investment gain (loss) of $474,689, $(86,405) and $(9,214) was recognized in the account of “other income, net” in the consolidated statements of operations and comprehensive loss. For the years ended December 31, 2024 and 2023, the Company did not note other-than-temporary decline in fair value below the carrying value of the investment and did not accrue impairment against the investment in Shanxingzhe.

In December 2025, the Board approved the disposition of Company’s 42.8571% equity interest in Shanxingzhe with located buyer. Accordingly the management provided impairment of $2,466,065 to reflect the estimated selling price, which was further evidenced by a selling agreement signed in April 2026 at a consideration of $2,144,971.

Subsequent on April 4, 2026, Beijing Xunhuo, Guangzhou Yichuanghui Enterprise Management Consulting Co., Ltd. (the “Purchaser”), and Shanxingzhe entered into a Partnership Interest Transfer Agreement (the “Transfer Agreement”), pursuant to which Beijing Xunhuo agreed to sell, assign, and transfer its 42.8571% partnership interest in Shanxingzhe to the Purchaser for cash consideration of $2,144,971 (RMB15,000,000).

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
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12. BANK BORROWINGS

	December 31, 2025	December 31, 2024
Bank borrowings	**$ 730,720**	**$ 684,997**

In December 2023, Baosheng Network entered into a bank loan agreement with the Bank of Beijing, under which Baosheng Network borrowed a one-year loan of RMB10,000,000, or $1,449,846. The interest rate for the borrowing was fixed at 3.65% per annum. In December 2023, the borrowing was renewed for one year through December 2024. The Company fully repaid the borrowing on due date. The loan was guaranteed by two third parties, for whom the Company involved a third-party counter-guarantor. In addition, the Company pledged its properties with the counter guarantor. The guarantee and pledge were released with repayment of the borrowing.

In July 2023, Beijing Baosheng entered into a bank loan agreement with the Bank of Communication, under which Beijing Baosheng borrowed a one-year loan of RMB6,000,000, or $847,350. The interest rate for the borrowing was fixed at 3.55% per annum. The Company fully repaid the borrowing on due date. The loan is guaranteed by Mr. Sheng Gong, the Company's director, his spouse, and one third party. Beijing Baosheng also involved Baosheng Network as counter-guarantor for the third-party guarantor. In addition, Mr. Sheng Gong and his spouse pledged their property with the counter guarantor. The guarantee and counter-guarantee were released with repayment of the borrowing.

In August 2024, Beijing Baosheng entered into a bank loan agreement with the Bank of Communication, under which Beijing Baosheng borrowed a one-year loan of RMB5,000,000, or $694,859. The interest rate for the borrowing was fixed at 3.0% per annum. The Company fully repaid the borrowing on due date. The loan was guaranteed by Mr. Sheng Gong, the Company's director, his spouse, and one third party. Beijing Baosheng also involved Baosheng Network as counter-guarantor for the third-party guarantor.

In August 2025, Baosheng Network entered into a two-year revolving credit facility with China Merchant Bank, pursuant to which each borrowing was repayable in one year. In August 2025, Baosheng Network drew down approximately $417,931 (RMB 3,000,000) with interest rate was 4.58% per annum and fully repaid the borrowing in December 2025. As of December 31, 2025, the Company had no outstanding balance due to China Merchant Bank.

In September 2025, Baosheng Network entered into bank borrowing agreement with Bank of China, pursuant to which Baosheng Network borrowed approximately $417,931 (RMB 3,000,000) for a period through August 31, 2026. The interest rate was 3.14% per annum.

In November 2025, Beijing Xunhuo entered into a bank borrowing agreement with Bank of Beijing, pursuant to which Beijing Xunhuo borrowed approximately $293,565 (RMB 2,110,000) for a period through November 2026. The interest rate was 1.5% per annum. The Company also involved a third-party guarantor to provide guarantee service on the bank borrowing, and Mr. Sheng Gong provided counter-guarantee with the third-party guarantor.

For the years ended December 31, 2025, 2024 and 2023, interest expense arising from the bank borrowings amounted to $20,067, $69,234 and $73,406, respectively.

13. WARRANT LIABILITIES

In connection with the private placement on March 18, 2021, the Company sold an aggregate of 112,610 warrants (*giving effect to a share consolidation at a ratio of one-for-six (6) ordinary shares effective on March 21, 2023*) with each warrant entitling the holder thereof to purchase one half of one ordinary share at an exercise price of $107.71 per ordinary share (*giving effect to a share consolidation at a ratio of one-for-six (6) ordinary shares effective on March 21, 2023*). A warrant may be exercised at any time on or after March 18, 2021 and on or prior to 5:00 p.m. (New York City time) on September 18, 2026 but not thereafter.

13. WARRANT LIABILITIES (CONTINUED)

The holders of warrants are granted with registration rights. If at any time after the six-month anniversary of March 18, 2021, there is no effective registration statement registering, or no current prospectus available for the issuance of the warrant shares to the holder and the resale of the warrant shares, then this warrant may also be exercised, in whole or in part, at such time by means of a "cashless exercise". The warrants are subject to adjustments in the event of 1) stock dividends and splits, 2) subsequent right offerings, 3) pro rata dilutions and 4) fundamental transactions. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of the warrants.

In the event of a fundamental transaction, the Company or any successor entity shall, at the holder's option, purchase this warrant from the holder by paying to the holder an amount of cash equal to the value of the remaining unexercised portion of the warrant, using Black-Scholes model, on the date of the consummation of such fundamental transaction; provided, however, that, if the fundamental transaction is not within the Company's control, including not approved by the Company's Board of Directors, holder shall only be entitled to receive from the Company or any successor entity the same type or form of consideration (and in the same proportion), at the value of the unexercised portion of the warrant, that is being offered and paid to the holders of ordinary shares of the Company in connection with the fundamental transaction, whether that consideration be in the form of cash, stock or any combination thereof, or whether the holders of ordinary shares are given the choice to receive from among alternative forms of consideration in connection with the fundamental transaction.

If the Company fails for any reason to deliver to the holders the warrant shares subject to a notice of exercise by the warrant share delivery date, the Company shall pay to the holder, in cash, as liquidated damages and not as a penalty, for each $1,000 of warrant shares subject to such exercise (based on the volume weighted average price of the ordinary shares on the date of the applicable Notice of Exercise), $10 per trading day (increasing to $20 per trading day on the fifth (5th) Trading Day after such liquidated damages begin to accrue) for each trading day after such warrant share delivery date until such warrant shares are delivered or holder rescinds such exercise. In addition, cash payment is required as a compensation for buy-in on failure of delivery warrant shares.

The above mentioned cash-settled make-whole provisions led the warrants classified as a derivative warrant liability. The derivative warrant liability was initially recorded at fair value on the closing date of the private placement and were subsequently remeasured at fair value at each reporting dates. The changes in the fair value of derivative warrant liability were charged to the account of "Changes in fair value of warrant liabilities" in the consolidated statements of operations and comprehensive loss.

As of December 31, 2025 and 2024, the Company had 112,610 of private placement warrants outstanding. The warrant liability related to such warrants was remeasured to its fair value at each reporting period. The change in fair value was recognized in the consolidated statements of operations. The change in the fair value of the warrant liabilities is summarized as follows:

Estimated fair value as of January 1, 2023	$	832
Changes in estimated fair value		(832)
Estimated fair value as of December 31, 2023		–
Changes in estimated fair value		–
Estimated fair value as of December 31, 2024 and 2025	$	–

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13. WARRANT LIABILITIES (CONTINUED)

The fair value of the warrant liabilities was estimated using Black-Scholes model. Inherent in these valuations are assumptions related to expected stock-price volatility, expected life, risk-free interest rate and dividend yield. The Company estimates the volatility of its ordinary share based on historical and implied volatilities of selected peer companies as well as its own that matches the expected remaining life of the warrants. The risk-free interest rate is based on the U.S. Treasury zero-coupon yield curve on the grant date for a maturity similar to the expected remaining life of the warrants. The expected life of the warrants is assumed to be equivalent to their remaining contractual term. The dividend rate is based on the historical rate, which the Company anticipates remaining at zero.

The following table provides quantitative information regarding Level 3 fair value measurements inputs for the Company's warrants at their measurement dates:

	As of December 31, 2025	As of December 31, 2024	As of December 31, 2023	As of March 18, 2021
Volatility	25.04 %	28.41 %	28.63 %	31.26 %
Stock price	3.48	3.48	3.61	126.34
Expected life of the warrants to convert	0.72	1.72	2.72	5.50
Risk free rate	3.63 %	4.25 %	4.20 %	1.09 %
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %

14. INCOME TAXES

Cayman Islands

Under the current and applicable laws of the Cayman Islands, the Company is not subject to tax on income or capital gain. Additionally, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax will be imposed.

British Virgin Islands

Under the current and applicable laws of BVI, Baosheng BVI is not subject to tax on income or capital gains.

Hong Kong

Baosheng Hong Kong is incorporated in Hong Kong and is subject to Hong Kong Profits Tax on the taxable income as reported in its statutory financial statements adjusted in accordance with relevant Hong Kong tax laws. The applicable tax rate for the first HKD$2 million of assessable profits is 8.25% and assessable profits above HKD$2 million will continue to be subject to the rate of 16.5% for corporations in Hong Kong, effective from the year of assessment 2018/2019. Before that, the applicable tax rate was 16.5% for corporations in Hong Kong. The Company did not make any provisions for Hong Kong profit tax as there were no assessable profits derived from or earned in Hong Kong since inception. Under Hong Kong tax laws, Baosheng Hong Kong is exempted from income tax on its foreign-derived income and there are no withholding taxes in Hong Kong on remittance of dividends.

PRC

Beijing Baosheng, Horgos Baosheng, Kashi Baosheng (dissolved), Baosheng Technology, Baosheng Network, Beijing Xunhuo, Zhiding Baosheng and Yuansheng Meiyan were incorporated in the PRC and are subject to PRC Enterprise Income Tax ("EIT") on the taxable income in accordance with the relevant PRC income tax laws. On March 16, 2007, the National People's Congress enacted a new enterprise income tax law, which took effect on January 1, 2008. The law applies a uniform 25% enterprise income tax rate to both foreign invested enterprises and domestic enterprises.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

14. INCOME TAXES (CONTINUED)

PRC (cont.)

Horgos Baosheng, Kashi Baosheng (dissolved), and Baosheng Technology are subject to a preferential income tax rate of 0% CIT for a period since generating revenues, as they were incorporated in the Horgos and Kashi Economic District, Xinjiang Uygur Autonomous Region. The five-year preferential income tax treatment ending on December 31, 2025 for Baosheng Technology. Horgos Baosheng was entitled to an extension of five-year preferential income tax treatment ending on December 31, 2025. Other than the preferential tax treatment received by Horgos Baosheng, Kashi Baosheng (dissolved), and Baosheng Technology, all the other PRC subsidiaries of the Company are subject to the uniform enterprise income tax rate of 25%.

For the year ended December 31, 2025, the Company recorded current income tax expenses of $695 and deferred income tax expenses of $nil, respectively. For the years ended December 31, 2024 and 2023, the Company did not record current income tax expenses or deferred income tax expenses.

Below is a reconciliation of the statutory tax rate to the effective tax rate:

	For the Years Ended December 31,		
	2025	2024	2023
PRC statutory income tax rate	25 %	$ 25 %	25 %
Impact of different income tax rates in other jurisdictions	(9.1)%	(2.2)%	(4.7)%
Effect of preferential tax rate(a)	(0.2)%	(16.4)%	(20.2)%
Effect of non-deductible expenses	(0.3)%	(0.2)%	(1.9)%
Effect of change in valuation allowance	(15.4)%	(6.2)%	1.8 %
Effective tax rate	**0.0 %**	**$ 0.0 %**	**0.0 %**

(a) The Company's subsidiaries, Horgos Baosheng, Kashi Baosheng and Baosheng Technology are subject to a favorable tax rate of 0%. For the years ended December 31, 2025, 2024 and 2023, no tax saving resulted from the favorable tax rate.

Deferred tax assets as of December 31, 2025 and 2024 consist of the following:

	December 31, 2025	December 31, 2024
Net operating losses carryforwards	$ 4,812,643	$ 4,448,794
Allowance for doubtful accounts of accounts receivable	16,745	63,357
Allowance for doubtful accounts of prepayments	—	15,605
Allowance for doubtful accounts of other current assets	288,960	11,381
Impairment of deposit for long-term investment	714,990	—
Impairment of long-term investment	633,655	—
Deferred tax assets, gross	**6,466,993**	**4,539,137**
Deferred tax liabilities from operating right-of-use assets	(48,552)	—
Deferred tax assets net off against deferred tax liability	6,418,441	4,539,137
Less: Allowance on deferred tax assets	(6,418,441)	(4,539,137)
	$ —	**$** —

The Company evaluates its valuation allowance requirements at end of each reporting period by reviewing all available evidence, both positive and negative, and considering whether, based on the weight of that evidence, a valuation allowance is needed. When circumstances cause a change in management's judgement about the realizability of deferred tax assets, the impact of the change on the valuation allowance is generally reflected in income from operations. The future realization of the tax benefit of an existing deductible temporary difference ultimately depends on the existence of sufficient taxable income of the appropriate character within the carryforward period available under applicable tax law.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

14. INCOME TAXES (CONTINUED)

PRC (cont.)

As of December 31, 2025 and 2024, due to uncertainties surrounding future utilization on Beijing Baosheng, Baosheng Network, the Beijing branch of Horgos Baosheng and Baosheng Hong Kong, the Company accrued full valuation allowance of $5,069,796 and $4,539,137, respectively, against the deferred tax assets based upon management's assessment as to their realization.

15. EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted loss per common share for the years ended December 31, 2025, 2024 and 2023, respectively:

	For the Years Ended December 31,		
	2025	2024	2023
Net Loss	**$ (12,021,649)**	**$ (26,871,234)**	**$ (1,845,170)**
Weighted average number of ordinary shares outstanding			
Basic and Diluted	1,534,487	1,534,487	1,534,487
Loss per share			
Basic and Diluted	$ (7.83)	$ (17.51)	$ (1.20)

For the years ended December 31, 2025, 2024 and 2023, the Company had no dilutive shares.

16. EQUITY

Ordinary shares

On March 6, 2023, the Company effected an increase in authorized share capital from US$50,000 divided into 31,250,000 ordinary shares of a par value US$0.0016 each to US$60,000 divided into 37,500,000 ordinary shares of a par value US$0.0016 each (the "Increase in Share Capital"), and on March 21, 2023, the Company effected a share consolidation at a ratio of one-for-six, such that each (6) ordinary shares with a par value of US$0.0016 each in the Company's issued and unissued share capital were consolidated into one ordinary share with a par value of US$0.0096 ("2023 Share Consolidation"). Immediately following the Increase in Share Capital and 2023 Share Consolidation, the authorized share capital of the Company will be increased from US$50,000 to US$60,000, divided into 6,250,000 ordinary shares of a par value US$0.0096 each.

Effective on September 29, 2023, the Company increased the authorized share capital of the Company from US$60,000 divided into 6,250,000 Ordinary Shares of par value US$0.0096 each, to US$9,600,000 divided into 1,000,000,000 Ordinary Shares of a par value of US$0.0096 each.

The Company believes it is appropriate to reflect the Increase in Share Capital and 2023 Share Consolidation on a retroactive basis pursuant to ASC 260. The Company has retroactively restated all shares and per share data for all periods presented.

As a result, the Company had 1,000,000,000 authorized shares, par value of US$0.0096, of which 1,534,487 shares of ordinary shares were issued and outstanding as of December 31, 2025 and 2024, respectively.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

16. EQUITY (CONTINUED)

Restricted net assets

The Company's ability to pay dividends is primarily dependent on the Company receiving distributions of funds from its subsidiaries. Relevant PRC statutory laws and regulations permit payments of dividends by the Company's PRC subsidiaries only out of their respective retained earnings, if any, as determined in accordance with PRC accounting standards and regulations and after they have met the PRC requirements for appropriation to statutory reserves. Paid in capital of the PRC subsidiaries included in the Company's consolidated net assets are also non-distributable for dividend purposes. The results of operations reflected in the accompanying consolidated financial statements prepared in accordance with U.S. GAAP differ from those reflected in the statutory financial statements of the Company's PRC subsidiaries. The Company is required to set aside at least 10% of their after-tax profits each year, if any, to fund certain statutory reserve funds until such reserve funds reach 50% of its registered capital. In addition, the Company may allocate a portion of its after-tax profits based on PRC accounting standards to enterprise expansion fund and staff bonus and welfare fund at its discretion. The statutory reserve funds and the discretionary funds are not distributable as cash dividends.

As of December 31, 2025 and 2024, the Company's PRC profit generating subsidiaries accrued statutory reserve funds of $898,133 and $898,133, respectively. As of December 31, 2025 and 2024, the Company had net assets restricted in the aggregate, which include paid-in capital and statutory reserve of the Company's PRC subsidiaries of $33,718,654.

17. RELATED PARTY TRANSACTIONS AND BALANCES

1) Nature of relationships with related parties

Name	Relationship with the Company
Horgos Zhijiantiancheng Technology Co., Ltd. ("Horgos Zhijiantiancheng")	Controlled by EJAM Media Technology Group Holding Co., Ltd. ("EJAM Group"), which indirectly held a 6.8% equity interest in the Company, and ceased to be a related party of the Company since January 2024 when EJAM sold equity interest in the Company.
Anruitai Investment Limited ("Anruitai")	22.4% shareholder of the Company
Sheng Gong	A director of the Company and 10% shareholder of Anruitai
Wenxiu Zhong	90% shareholder of Anruitai

2) Transactions with related parties

	For the Years Ended December 31,		
	2025	2024	2023
Services purchased from related parties			
Horgos Zhijiantiancheng	$ —	$ —	$ 161,264
	$ —	$ —	$ 161,264
Loans made to related parties			
Anruitai	$ 2,053	$ —	$ —
Sheng Gong	—	—	1,412
	$ 2,053	$ —	$ 1,412
Repayment of loans from a related party			
Sheng Gong	$ —	1,390	$ —
	$ —	1,390	$ —

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

17. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

3) Balances with related parties

As of December 31, 2025 and 2024, the balances due from related parties were as follows:

	December 31, 2025	December 31, 2024
Due from related parties		
Anruitai Investment Limited	$ 30,666	$ 28,667
	$ 30,666	$ 28,667

As of December 31, 2025 and 2024, the balances due to related parties were as follows:

	December 31, 2025	December 31, 2024
Due to related parties		
Wenxiu Zhong	$ —	$ 3,566
	$ —	$ 3,566

18. CONTINGENCIES

In the normal course of business, the Company is subject to loss contingencies, such as certain legal proceedings, claims and disputes. The Company records a liability for such loss contingencies when the likelihood of an unfavorable outcome is probable and the amount of loss can be reasonably estimated.

On June 3, 2025, a director of the Company was served with a complaint filed by three institutional investors in the Beijing Fourth Intermediate People’s Court, alleging five defendants, including the director, engaged in corporate mismanagement that caused a significant decline in the value of the Company’s stock held by the investor, and seeking damages of RMB 47,249,848 (approximately $6.6 million). The Beijing Fourth Intermediate People’s Court has split the case into three separate cases, with each of the three institutional investors serving as plaintiff, and transferred these three cases to the Beijing Shijingshan District People’s Court for trial. The claims and defendants in the three cases remain unchanged, with the case amounts adjusted to RMB 12,245,087, RMB 14,001,912, and RMB 21,002,849, respectively. Currently, the three cases have not yet been formally accepted and filed by the Beijing Shijingshan District People’s Court.

On April 10, 2024, the Company was served with a copy of the winding up petition (the “Petition”), filed by Orient Plus International Limited (the “Petitioner”) with the Grand Court of the Cayman Islands (the “Grand Court”), seeking an order that the Company be wound up pursuant to Section 92(e) of the Cayman Islands Companies Act (2023 Revision), claiming that the management of the Company have acted unfairly and/or oppressively towards the Petitioner, the other investors and other minority shareholders, and/or the affairs of the Company have been conducted with a lack of probity, and the Petitioner and the other investors have justifiably lost confidence in the management of the Company. The Company filed a strike out application on July 10, 2024, which was dismissed by the Grand Court. The matter has therefore proceeded to trial. As of the date of this report, the parties are in the midst of discovery. The Company believes that the Petition is without any merit and intends to defend the matter vigorously.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

18. CONTINGENCIES (CONTINUED)

On March 1, 2024, the Company was served a complaint regarding a lawsuit brought by three institutional investors (the “Plaintiffs”) against the Company and certain other parties, filed with the United States District Court of the Southern District of New York (the “SDNY”), alleging that the Company violated Section 11 and Section 12 of the Securities Act of 1933, as amended, by including untrue statements of material facts and omitting to state material facts required to make the statements therein not misleading, in its registration statement on Form F-1, as amended (File No. 333-239800), which was declared effective by the SEC on February 5, 2021. On March 17, 2021, two institutional investors, which are also two of the Plaintiffs, purchased 1,960,784 units from the Company pursuant to a securities purchase agreement, with each unit consisting of one ordinary share of the Company and one warrant to purchase one half of one ordinary share of the Company, for an aggregate purchase price of US$10 million. On March 5, 2024, the Plaintiffs filed an amended complaint and served the Company on March 6, 2024. The Company extended the deadline to respond to May 22, 2024 in order to coordinate with other defendants in the matter. The Company filed a motion to dismiss the Plaintiffs’ second amended complaint on May 22, 2024. As of the date of this report, the SDNY has denied the Company’s motion to dismiss the complaint, and the litigation is proceeding to the next phase of answering the complaint and discovery. The Company believes that the complaint is without any merit and intends to defend the matter vigorously.

As of this annual report, there are no other legal proceedings, claims, or disputes that might cause the Company to be subject to loss contingencies.

19. SUBSEQUENT EVENTS

Other than the transfer of equity interest in Shanxingzhe in April 2026 (Note 11), these consolidated financial statements were approved by management and available for issuance on April 30, 2026, and the Company has evaluated subsequent events through this date.

20. CONDENSED FINANCIAL INFORMATION OF THE PARENT COMPANY ONLY

The subsidiaries did not pay any dividend to the parent company for the periods presented. For the purpose of presenting parent only financial information, the parent company records its investment in its subsidiary under the equity method of accounting. Such investment is presented on the separate condensed balance sheets of the parent company as “Investment in subsidiaries” and the income or loss of the subsidiaries is presented as “Equity in (loss) gain of subsidiaries”. Certain information and footnote disclosures generally included in financial statements prepared in accordance with U.S. GAAP have been condensed and omitted.

The parent company did not have significant capital and other commitments, long-term obligations, or guarantees as of December 31, 2025 and 2024.

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

20. CONDENSED FINANCIAL INFORMATION OF THE PARENT COMPANY ONLY (CONTINUED)

The following is the condensed financial information of the Company on a parent company only basis.

Condensed balance sheets

	December 31, 2025	December 31, 2024
ASSETS		
Current Assets		
Cash and cash equivalents	$ 170,657	$ 73,436
Due from related parties	30,666	57,661
Other current assets	22,370	193,422
Total Current Assets	**223,693**	**324,519**
Amounts due from subsidiaries	34,022,356	34,909,475
Total Assets	**$ 34,246,049**	**$ 35,233,994**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accrued expenses and other liabilities	986,734	361,961
Deficits in investments in subsidiaries	29,972,003	20,048,275
Total Liabilities	**30,958,737**	**20,410,236**
Commitments and Contingencies		
Shareholders' Equity		
Ordinary Share (par value $0.0096 per share, 1,000,000,000 shares authorized; 1,534,487 shares issued and outstanding at December 31, 2025 and 2024, respectively)	14,731	14,731
Additional paid-in capital	41,564,418	41,564,418
Accumulated deficits	(34,582,293)	(22,560,644)
Accumulated other comprehensive loss	(3,709,544)	(4,194,747)
Total Shareholders' Equity	**3,287,312**	**14,823,758**
Total Liabilities and Shareholders' Equity	**$ 34,246,049**	**$ 35,233,994**

BAOSHENG MEDIA GROUP HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

20. CONDENSED FINANCIAL INFORMATION OF THE PARENT COMPANY ONLY (CONTINUED)

Condensed statements of comprehensive loss

	For the Years Ended December 31,		
	2025	2024	2023
Loss from Operations	$ (2,141,082)	$ (2,414,929)	$ (736,646)
Equity in loss of subsidiaries	(9,920,979)	(24,457,809)	(1,110,118)
Other income, net	40,412	1,504	771
Changes in fair value of warrant liabilities	—	—	823
Net Loss Before Income Taxes	**$ (12,021,649)**	**$ (26,871,234)**	**$ (1,845,170)**
Income tax expense	—	—	—
Net Loss	**$ (12,021,649)**	**$ (26,871,234)**	**$ (1,845,170)**
Other Comprehensive Income (Loss)			
Foreign currency translation adjustment	485,203	(665,119)	(1,231,344)
Comprehensive Loss	**$ (11,536,446)**	**$ (27,536,353)**	**$ (3,076,514)**

Condensed statements of cash flows

	For the Years Ended December 31,		
	2025	2024	2023
Cash Flows from Operating Activities:			
Net Cash Used in Operating Activities	**$ (1,252,086)**	**$ (2,257,594)**	**$ (755,736)**
Cash Flows from Investing Activities:			
Collection of loans from subsidiaries	—	—	503,854
Net Cash Provided by (Used in) Investing Activities	**—**	**—**	**503,854**
Cash Flows from Financing Activities:			
Borrowings from subsidiaries	1,437,216	2,895,600	—
Net Cash Provided by Financing Activities	**1,437,216**	**2,895,600**	**—**
Effect of exchange rate changes on cash and cash equivalents	(87,909)	(660,752)	(30,923)
Net increase (decrease) in cash and cash equivalents	97,221	(22,746)	(282,805)
Cash and cash equivalents at beginning of year	73,436	96,182	378,987
Cash and cash equivalents at end of year	**$ 170,657**	**$ 73,436**	**$ 96,182**

Exhibit 2.3

Description of rights of each class of securities registered under Section 12 of the Securities Exchange Act of 1934 (the "Exchange Act")

Ordinary shares of Baosheng Media Group Holdings Limited, ("we," "our," "our company," or "us") are listed and traded on the Nasdaq Capital Market and, in connection with this listing (but not for trading), the ordinary shares are registered under Section 12(b) of the Exchange Act. This exhibit contains a description of the rights of the holders of ordinary shares.

Description of Ordinary Shares

The following is a summary of material provisions of our currently effective amended and restated memorandum and articles of association (the "Memorandum and Articles of Association"), as well as the Companies Act (As Amended) of the Cayman Islands (the "Companies Act") insofar as they relate to the material terms of our ordinary shares. Notwithstanding this, because it is a summary, it may not contain all the information that you may otherwise deem important. For more complete information, you should read the entire Memorandum and Articles of Association, which has been filed with the SEC as an exhibit to our annual report on Form 20-F for the fiscal year ended December 31, 2025.

Type and Class of Securities (Item 9.A.5 of Form 20-F)

Each ordinary share has a par value of US$0.0096 each. The number of ordinary shares that have been issued as of the last day of the financial year ended December 31, 2025 is provided on the cover of the annual report on Form 20-F filed in April 2026. Our ordinary shares may be held in either certificated or uncertificated form.

Preemptive Rights (Item 9.A.3 of Form 20-F)

The ordinary shares are not subject to any pre-emptive or similar rights under the Companies Act or pursuant to the Memorandum and Articles of Association.

Limitations or Qualifications (Item 9.A.6 of Form 20-F)

Each ordinary share entitles the holder thereof to one vote on all matters subject to the vote at general meetings of our company, voting together as one class.

Rights of Other Types of Securities (Item 9.A.7 of Form 20-F)

Not applicable.

Rights of ordinary shares (Item 10.B.3 of Form 20-F)

Ordinary Shares

Our authorized share capital is US$9,600,000 divided into 1,000,000,000 ordinary shares of par value of US$0.0096 each. All of our issued and outstanding ordinary shares are fully paid and non-assessable. Certificates representing the ordinary shares are issued in registered form.

Dividends

The holders of our ordinary shares are entitled to such dividends as may be declared by our board of directors or declared by our shareholders by ordinary resolution (provided that no dividend may be declared by our shareholders which exceeds the amount recommended by our directors). Our Memorandum and Articles of Association provide that dividends may be declared and paid out of funds of our Company lawfully available therefor. Under the laws of the Cayman Islands, our company may pay a dividend out of either profit or share premium account, provided that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business.

Voting Rights

Subject to any rights or restrictions as to voting attached to any shares, unless any share carries special voting rights, on a show of hands every shareholder who is present in person and every person representing a shareholder by proxy shall have one vote per ordinary share. On a poll, every shareholder who is present in person and every person representing a shareholder by proxy shall have one vote for each share of which he or the person represented by proxy is the holder. In addition, all shareholders holding shares of a particular class are entitled to vote at a meeting of the holders of that class of shares. Votes may be given either personally or by proxy.

Transfer of Ordinary Shares

Provided that a transfer of ordinary shares complies with applicable rules of Nasdaq, a shareholder may transfer ordinary shares to another person by completing an instrument of transfer in a common form or in a form prescribed by Nasdaq or in any other form approved by the directors, executed:

(a) where the ordinary shares are fully paid, by or on behalf of that shareholder; and

(b) where the ordinary shares are partly paid, by or on behalf of that shareholder and the transferee.

The transferor shall be deemed to remain the holder of an ordinary share until the name of the transferee is entered into the register of members of the Company.

Where the ordinary shares in question are not listed on or subject to the rules of Nasdaq, our board of directors may, in its absolute discretion, decline to register any transfer of any ordinary share that has not been fully paid up or is subject to a company lien. Our board of directors may also decline to register any transfer of such ordinary share unless:

(a) the instrument of transfer is lodged with us, accompanied by the certificate for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;

(b) the instrument of transfer is in respect of only one class of ordinary shares;

(c) the instrument of transfer is properly stamped, if required;

(d) in the case of a transfer to joint holders, the number of joint holders to whom the ordinary shares are to be transferred does not exceed four; and

(e) a fee of such maximum sum as Nasdaq may determine to be payable, or such lesser sum as the Directors may from time to time require, is paid to the Company in respect thereof.

If our directors refuse to register a transfer, they are required, within two months after the date on which the instrument of transfer was lodged, to send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, on prior notice being given in compliance with the applicable rules of Nasdaq, be suspended and our register of members closed at such times and for such periods as our board of directors may from time to time determine. The registration of transfers, however, may not be suspended, and the register of members may not be closed, for more than 30 calendar days in any year.

Liquidation

On the winding up of our company, if the assets available for distribution among our shareholders shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed among our shareholders in proportion to the par value of the shares held by them at the commencement of the winding up, subject to a deduction from those shares in respect of which there are monies due, of all monies payable to our company for unpaid calls or otherwise. If our assets available for distribution are insufficient to repay all of the paid-up capital, the assets will be distributed so that the losses are borne by our shareholders in proportion to the par value of the shares held by them.

Calls on Ordinary Shares and Forfeiture of Ordinary Shares

Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their ordinary shares in a notice served to such shareholders at any time thereafter during such time as any part of such call or instalment remains unpaid. The notice shall name a further day (not earlier than the expiration of fourteen calendar days from the date of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed, the ordinary shares in respect of which the call was made will be liable to be forfeited.

Requirements to Change the Rights of Holders of Ordinary Shares (Item 10.B.4 of Form 20-F)

Variations of Rights of Shares

Whenever our capital is divided into different classes of shares, the rights attaching to any class of share (unless otherwise provided by the terms of issue of the shares of that class) may be varied with the consent in writing of all of the holders of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. The necessary quorum shall be one or more persons holding or representing by proxy at least one-third in nominal or par value amount of the issued shares of the relevant class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those shareholders who are present shall form a quorum).

Unless the terms on which a class of shares was issued state otherwise, the rights conferred on the shareholder holding shares of any class shall not be deemed to be varied by the creation or issue of further shares ranking pari passu with the existing shares of that class or subsequent to them or the redemption or purchase of any shares of any class by our company. The rights conferred upon the holders of the shares of any class issued shall not be deemed to be varied by the creation or issue of shares with preferred or other rights including, without limitation, the creation of shares with enhanced or weighted voting rights.

Limitations on the Rights to Own Ordinary Shares (Item 10.B.6 of Form 20-F)

There are no limitations under the laws of the Cayman Islands or under the Memorandum and Articles of Association that limit the right of non-resident or foreign owners to hold or vote ordinary shares.

Provisions Affecting Any Change of Control (Item 10.B.7 of Form 20-F)

Anti-Takeover Provisions. Some provisions of our Memorandum and Articles of Association may discourage, delay or prevent a change of control of our company or management that shareholders may consider favorable, including provisions that authorize our board of directors to issue preference shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preference shares without any further vote or action by our shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our Memorandum and Articles of Association for a proper purpose and for what they believe in good faith to be in the best interests of our company.

Ownership Threshold (Item 10.B.8 of Form 20-F)

There are no provisions under the Companies Act or under the Memorandum and Articles of Association that govern the ownership threshold above which shareholder ownership must be disclosed.

Differences Between the Law of Different Jurisdictions (Item 10.B.9 of Form 20-F)

The Companies Act is modelled after that of England and Wales but does not follow recent statutory enactments in England. In addition, the Companies Act differs from laws applicable to United States corporations and their shareholders. Set forth below is a summary of the significant differences between the provisions of the Companies Act applicable to us and the laws applicable to companies incorporated in the State of Delaware.

Mergers and Similar Arrangements

A merger of two or more constituent companies under Cayman Islands law requires a plan of merger or consolidation to be approved by the directors of each constituent company and authorization by a special resolution of the members of each constituent company.

A merger between a Cayman parent company and its Cayman subsidiary or subsidiaries does not require authorization by a resolution of shareholders. For this purpose a subsidiary is a company of which at least ninety percent (90%) of the issued shares entitled to vote are owned by the parent company.

The consent of each holder of a fixed or floating security interest over a constituent company is required unless this requirement is waived by a court in the Cayman Islands.

Save in certain circumstances, a dissentient shareholder of a Cayman constituent company is entitled to payment of the fair value of his shares upon dissenting to a merger or consolidation. The exercise of appraisal rights will preclude the exercise of any other rights save for the right to seek relief on the grounds that the merger or consolidation is void or unlawful.

In addition, there are statutory provisions that facilitate the reconstruction and amalgamation of companies, provided that the arrangement is approved by (a) 75% in value of the shareholders or class of shareholders, as the case may be, or (b) a majority in number representing 75% in value of the creditors or each class of creditors, as the case may be, with whom the arrangement is to be made, that are, in each case, present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

- the statutory provisions as to the required majority vote have been met;
- the shareholders have been fairly represented at the meeting in question and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;
- the arrangement is such that may be reasonably approved by an intelligent and honest man of that class acting in respect of his interest; and the arrangement is not one that would more properly be sanctioned under some other provision of the Companies Act.

When a takeover offer is made and accepted by holders of 90% of the shares within four months, the offeror may, within a two-month period commencing on the expiration of such four month period, require the holders of the remaining shares to transfer such shares on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands but this is unlikely to succeed in the case of an offer which has been so approved unless there is evidence of fraud, bad faith or collusion.

If an arrangement and reconstruction is thus approved, the dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of Delaware corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

Shareholders' Suits

In principle, we will normally be the proper plaintiff and as a general rule a derivative action may not be brought by a minority shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority in the Cayman Islands, there are exceptions to the foregoing principle, including when:

- a company acts or proposes to act illegally or ultra vires;

- the act complained of, although not ultra vires, could only be effected duly if authorized by more than a simple majority vote that has not been obtained; and

- those who control the company are perpetrating a “fraud on the minority.”

Indemnification of Directors and Executive Officers and Limitation of Liability

Cayman Islands law does not limit the extent to which a company’s articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime. Our Memorandum and Articles of Association permit indemnification of officers and directors for actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred in their capacities as such unless such losses or damages arise from dishonesty, wilful default or fraud which may attach to such directors or officers. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation. In addition, we intend to enter into indemnification agreements with our directors and senior executive officers that will provide such persons with additional indemnification beyond that provided in our Memorandum and Articles of Association.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers or persons controlling us under the foregoing provisions, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Anti-Takeover Provisions in the Memorandum and Articles of Association

Some provisions of our Memorandum and Articles of Association may discourage, delay or prevent a change in control of our company or management that shareholders may consider favourable, including provisions that authorize our board of directors to issue preferred shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preferred shares without any further vote or action by our shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our Memorandum and Articles of Association, as amended and restated from time to time, for what they believe in good faith to be in the best interests of our company.

Directors’ Fiduciary Duties

Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components: the duty of care and the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director act in a manner he or she reasonably believes to be in the best interests of the corporation. He or she must not use his or her corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interest of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, a director must prove the procedural fairness of the transaction, and that the transaction was of fair value to the corporation.

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company and therefore it is considered that he owes the following duties to the company-a duty to act *bona fide* in the best interests of the company, a duty not to make a profit based on his or her position as director (unless the company permits him to do so) and a duty not to put himself in a position where the interests of the company conflict with his or her personal interest or his or her duty to a third party. A director of a Cayman Islands company owes to the company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his or her duties a greater degree of skill than may reasonably be expected from a person of his or her knowledge and experience. However, English and Commonwealth courts have moved towards an

objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands.

Shareholder Action by Written Consent

Under the Delaware General Corporation Law, a corporation may eliminate the right of shareholders to act by written consent by amendment to its certificate of incorporation. Our Memorandum and Articles of Association provide that shareholders may not approve corporate matters by way of a unanimous written resolution signed by or on behalf of each shareholder who would have been entitled to vote on such matter at a general meeting without a meeting being held.

Shareholder Proposals

Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

As an exempted Cayman Islands company, we are not obliged by law to call shareholders' annual general meetings or allow our shareholders to requisition a shareholders' meeting. Our Memorandum and Articles of Association allow our shareholders to requisition shareholders' meetings.

Cumulative Voting

Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled on a single director, which increases the shareholder's voting power with respect to electing such director. As permitted under Cayman Islands law, our Memorandum and Articles of Association do not provide for cumulative voting. As a result, our shareholders are not afforded any less protections or rights on this issue than shareholders of a Delaware corporation.

Removal of Directors

Under the Delaware General Corporation Law, a director of a corporation with a classified board may be removed only for cause with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise.

Under our Memorandum and Articles of Association, directors may be removed by an ordinary resolution of shareholders.

Transactions with Interested Shareholders

The Delaware General Corporation Law contains a business combination statute applicable to Delaware corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date that such person becomes an interested shareholder. An interested shareholder generally is a person or a group who or which owns or owned 15% or more of the target's outstanding voting stock within the past three years. This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction which resulted in the person becoming an

interested shareholder. This encourages any potential acquirer of a Delaware corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that such transactions must be entered into *bona fide* in the best interests of the company and for a proper corporate purpose and not with the effect of constituting a fraud on the minority shareholders.

Restructuring

A company may present a petition to the Grand Court of the Cayman Islands for the appointment of a restructuring officer on the grounds that the company:

(a) is or is likely to become unable to pay its debts; and

(b) intends to present a compromise or arrangement to its creditors (or classes thereof) either pursuant to the Companies Act, the law of a foreign country or by way of a consensual restructuring.

The Grand Court may, among other things, make an order appointing a restructuring officer upon hearing of such petition, with such powers and to carry out such functions as the court may order. At any time (i) after the presentation of a petition for the appointment of a restructuring officer but before an order for the appointment of a restructuring officer has been made, and (ii) when an order for the appointment of a restructuring officer is made, until such order has been discharged, no suit, action or other proceedings (other than criminal proceedings) shall be proceeded with or commenced against the company, no resolution to wind up the company shall be passed, and no winding up petition may be presented against the company, except with the leave of the court. However, notwithstanding the presentation of a petition for the appointment of a restructuring officer or the appointment of a restructuring officer, a creditor who has security over the whole or part of the assets of the company is entitled to enforce the security without the leave of the court and without reference to the restructuring officer appointed.

Dissolution; Winding Up

Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board. Under Cayman Islands law, a company may be wound up by either an order of the courts of the Cayman Islands or by a special resolution of its members or, if the company is unable to pay its debts as they fall due, by an ordinary resolution of its members. The court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so.

Under the Companies Act and our Memorandum and Articles of Association, our company may be dissolved, liquidated or wound up by a special resolution of shareholders.

Variation of Rights of Shares

Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise. Under Cayman Islands law and our Memorandum and Articles of Association, if our share capital is divided into more than one class of shares, we may vary the rights attached to any class only with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class.

Amendment of Governing Documents

Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. As permitted by Cayman Islands law, our Memorandum and Articles of Association may only be amended by a special resolution of shareholders.

Rights of Non-Resident or Foreign Shareholders

There are no limitations imposed by our Memorandum and Articles of Association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares. In addition, there are no provisions in our Memorandum and Articles of Association governing the ownership threshold above which shareholder ownership must be disclosed.

Directors' Power to Issue Shares

Subject to applicable law, our board of directors is empowered to issue or allot shares or grant options and warrants with or without preferred, deferred, qualified or other special rights or restrictions.

Changes in Capital (Item 10.B.10 of Form 20-F)

We may from time to time by ordinary resolution:

- increase the share capital by such sum, to be divided into shares of such classes and amount, as the resolution shall prescribe;
- consolidate and divide all or any of our share capital into shares of a larger amount than our existing shares;
- sub-divide our existing shares, or any of them into shares of a smaller amount than that fixed by the our Memorandum of Association, provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced ordinary share shall be the same as it was in case of the ordinary share from which the reduced ordinary share is derived; and
- cancel any shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the ordinary shares so cancelled.

We may by special resolution, subject to any confirmation or consent required by the Companies Act, reduce our share capital or any capital redemption reserve in any manner permitted by law.

Debt Securities (Item 12.A of Form 20-F)

Not applicable.

Warrants and Rights (Item 12.B of Form 20-F)

Not applicable.

Other Securities (Item 12.C of Form 20-F)

Not applicable.

Description of American Depositary Shares (Items 12.D.1 and 12.D.2 of Form 20-F)

Not applicable.

Tencent Online Advertising Agency Service Contract

Contract No.: ___________________

This Contract is entered into in Changning District, Shanghai on Jan. 1, 2026 by and between the following parties:

Party A: Beijing Xunhuo E-commerce Co., Ltd.
Address: Room 503, 4th Floor, Building 8, Yard 30, Shixing Street, Shijingshan District, Beijing
Legal Representative: [**]
Tel: [**]
Contact Person: [**]
Email: [**]
Company Email Suffix: [**]

Party B: Beijing Zhiding Technology Co., Ltd.
Address: 21/F, Tower A, Gubei SOHO Tower, No. 188 Hongbaoshi Road, Changning District, Shanghai
Legal Representative: [**]
Tel: [**]
Contact Person: [**]
Email: [**]
Company Email Suffix: [**]

Adhering to the principles of equality, mutual benefit, honesty, and trustworthiness, and in accordance with the Civil Code of the People's Republic of China, the Advertising Law of the People's Republic of China, and relevant laws and regulations, Party A and Party B, through friendly negotiations, have entered into this Contract regarding Party B's provision of advertising agency services to Party A, the advertisers for which Party A acts as an agent, or other third parties that Party A entrusts Party B to provide services to (hereinafter collectively referred to as "Party A") on the Tencent Guangdiantong Media Platform (hereinafter referred to as the "Media Platform" or "Tencent Platform") for which Party B holds legally authorized agency rights, and agree to jointly abide by it.

1 Services

1.1 Unless otherwise agreed by Party A and Party B, Party B shall, using the Tencent Media Platform for which it acts as an agent, provide services to Party A or clients designated by Party A, including advertising account opening, top-up, and procurement of display-type resources.

1.2 For each specific business transaction under this cooperation, the parties shall separately sign written documents or confirm via email a Statement of Execution. The content of the Statement of Execution includes, but is not limited to, the account opening name, top-up amount, advertising position, price, display format, resource allocation ratio, preferential policies, and payable fees. The fee standards corresponding to the specific services provided by Party B to Party A shall be as stipulated in the Statement of Execution. (A template for the Statement of Execution can be referenced in the Appendix example).

2 Service Details

2.1 Contract Term: From [January] [1], 2026 to [December] [31], [2026].

2.2 After Party B activates the Tencent Media Platform account for Party A, [Party A] shall be independently responsible for the advertising content, advertising delivery, optimization, and related data analysis. That is, Party A shall independently handle the delivery of advertising content, optimization of the promotion platform account structure, adjustment of ad copy, optimization of ad creatives, suggestions for landing page optimization, and the setting and optimization of delivery regions and time periods. Related data analysis includes: advertising spend, impressions, clicks, etc. Should Party A entrust Party B with providing the above services, the specific service content shall be confirmed by Party A and Party B through a supplementary agreement or via other written forms such as email.

2.3 During the term of this Contract, the Media Platform has the right to adjust promotion positions, display formats, prices, resource allocation ratios, and preferential policies at any time, subject to the adjustments and published product preferential policies of the Media Platform. Party A acknowledges and agrees to cooperate with Party B in separately signing a supplementary agreement regarding the adjusted content and preferential policies of the Media Platform. If Party A refuses to make the adjustments, it shall, after settling all fees incurred under this Contract, notify Party B in writing. Upon Party B's confirmation and consent, this Contract or the corresponding media contract shall be terminated.

2.4 Party A agrees to comply with the various platform rules established by the Media Platform. Any direct losses incurred by both Party A and Party B, as well as any liquidated damages or compensation paid to third parties arising from Party A's violation of the Media Platform rules, shall be borne by Party A.

2.5 The content required for each advertising promotion under this Contract shall be provided by Party A. Party A warrants that the dimensions, image pixels, file size, or other specifications of the promotion content it provides shall strictly comply with the requirements of the Media Platform specifications. Regardless of whether the aforementioned content is owned by Party A itself, Party A shall possess the legal rights necessary for performing this Contract, including but not limited to copyright, trademark rights, and portrait rights, and hereby authorizes Party B to use such content for the purpose of fulfilling this Contract.

2.6 Under this Contract, the designated contact information of the parties is detailed at the beginning of this Contract. The parties agree that any content confirmed by their respective designated contacts via signature, email, WeChat, or other communication software, including but not limited to changes to the contract content, project execution plans, copy materials, etc., shall constitute valid legal documents related to this Contract. If the contact person of either party changes, the changing party shall immediately notify the other party in writing (including via email). If the changing party fails to fulfill its notification obligation, the receiving party shall still deem the actions of the contact person as stipulated in this clause to be valid, and any adverse consequences arising therefrom shall be borne solely by the changing party.

3 Discount Policy

3.1 Party A undertakes that during the term of this Contract, each top-up amount for advertising placed on the Tencent Platform through Party B shall be no less than RMB 5,000 (in words: RMB Five Thousand).

3.2 During the validity period of this Contract, provided that Party A undertakes to fulfill the above commitments and does not breach the terms of this Contract, the preferential policies of the Media Platform that Party A is entitled to are currently none, and the specifics shall be subject to a supplementary agreement thereafter.

3.3 Preferential Validity Period: From [January] [1], 2026, until the end date of this Contract, the preferential terms shall be effective for new consumption incurred under this Contract. Consumption incurred before the preferential terms take effect shall not enjoy the fee discounts stipulated in this Contract. The fee discounts under this Contract apply only to products and services eligible for the discount. They cannot be used in advance or separately and must be implemented proportionally alongside the actual consumption during the same period.

3.4 If, due to Party A's violation of the Media Platform's rules, policies, or other normative documents, the Media party refuses to pay or deducts the rebates or other incentives that Party B should have earned based on the consumption amount, Party B has the right to correspondingly cancel or deduct the rebates or other incentives that Party A is entitled to; if the relevant incentives have already been issued in advance, Party B has the right to demand that Party A return the full amount in cash.

3.5 If the payment made by Party A includes other accounts payable not covered under this Contract, such portion shall not be included in the calculation of the discount amount. If Party A has any other unpaid accounts payable outside of this Contract, the discount amount calculated by Party B as due to Party A shall not be paid directly to Party A, but shall instead be used to offset the amount owed by Party A to Party B.

4 Fee Settlement

4.1 Under this Contract, Party A agrees to settle with Party B in the manner set forth in option (1) below:

(1) Post-payment Method: Party B shall advance payment to the Media on behalf of Party A based on the media account and amount confirmed by Party A via designated email or signature. The parties agree to settle accounts by calculating the total amount advanced by Party B for Party A on the Tencent Media Platform for the previous month in the current month, i.e.: By the 5th of each month, both parties shall tally and verify the total amount advanced by Party B for Party A on the Tencent Media Platform for the previous month. After verification and confirmation by both parties, Party B shall issue a special VAT invoice to Party A by the 15th of that month, and Party A shall pay Party B the full amount payable for the previous month by the 25th of that month (if it falls on a holiday, payment shall be made in advance). If Party A delays payment, Party B has the right to cancel Party A's credit period and switch to a prepayment method of cooperation, or suspend

top-ups for Party A until Party A settles the outstanding amount. If the payment method for an individual Statement of Execution is agreed by both parties to be prepayment, the Statement of Execution shall prevail.

4.2 If Party A's data is inconsistent with Party B's data, the Media's data shall prevail. If Party A does not provide statistics for verification, the settlement data and settlement amount provided by Party B shall prevail.

4.3 Party B's Receiving Account Information:

Company Name: Beijing Zhiding Technology Co., Ltd.

Bank: China Merchants Bank, Beijing Branch, East Fourth Ring Sub-branch

Account Number: [**]

Party A's Invoicing Information:

Company Name: Beijing Xunhuo E-commerce Co., Ltd.

Address: East 5th Floor, Building 8, Xishanhui, Shijingshan District, Beijing

Tel: [**]

Tax ID: 91110101MA7MRWG9XG

Bank: [**]

Account Number: [**]

Invoice Content: Advertising Publication Fee

Tax Rate:6%

4.4 Party A agrees that regardless of the reason for the rescission or termination of this Contract, or when Party B ceases to provide services to Party A under the agreed conditions, the balance in Party A's Media account shall be handled as follows:

4.4.1 If Party A and Party B settle fees based on the account consumption amount, then: the remaining unconsumed amount in the account shall belong to Party B, and Party A shall not assert any rights over it.

4.4.2 If Party A and Party B settle fees based on the account top-up amount, then: Party B shall pay a refund to Party A only when all of the following conditions are met simultaneously:

(1) Party A and Party B confirm the account balance and the refundable amount via email or by signing an agreement;

(2) Party B has received the refund of the cash balance in the Media account;

(3) Party A does not owe any fees to Party B (if Party A owes fees to Party B, Party B may directly deduct the corresponding amount owed from the refund of Party A's account balance and then refund the remaining amount to Party A);

(4) If Party B has already issued an invoice for the corresponding amount to Party A, Party A must return the invoice or issue a qualified 'Red-letter Special VAT Invoice Information Sheet' of the equivalent amount to Party B.

5 Advertising Creatives and Content

5.1 Party A shall ensure the legality of the advertising materials and websites it provides, and the truthfulness of the content of the advertising links, that it does not violate the Advertising Law and relevant laws, regulations, policies, public moral standards, as well as the specifications and systems of various media platforms, that it does not harm the legal rights and interests of any third party, and guarantees that it does not engage in misleading or false publicity regarding its products or business content. If Party A violates the provisions of this clause, any losses suffered by Party B as a result, including but not limited to fines, forfeitures, compensation amounts, litigation costs, attorney's fees, etc., shall be borne by Party A. If such losses are initially borne by Party B, Party B may seek reimbursement from Party A.

5.2 If Party A entrusts Party B with providing advertising content, delivery, and optimization services, Party B has the right to review the link from an advertising professional's perspective in accordance with the Advertising

Law and other laws and regulations, and may promptly notify Party A to modify content that does not comply with legal requirements. If the advertising promotion is delayed due to the content of Party A's advertising link, Party B shall not be liable.

5.3 Party A shall not arbitrarily change the promoted industry, the brand and promotion format on the landing page, or the information at the bottom of the landing page. If various media reviews find that the client has unilaterally changed the promoted industry, landing page, or promotional materials, resulting in the client's category being re-determined, Party B shall not be liable for any losses incurred.

5.4 If Party A entrusts Party B with providing advertising content, delivery, and optimization services, Party A shall provide Party B with all required advertising materials (including but not limited to advertising creatives and the pages linked from them) via email at least 5 business days before the advertising is scheduled to start. Party B shall not be liable for any delay or inability to execute the advertising release caused by Party A's failure to provide the advertising materials on time as stipulated in this Contract.

5.5 If Party A entrusts Party B with providing advertising content, delivery, and optimization services, and Party A intends to replace materials during the term of the Contract, Party A shall notify Party B 5 business days in advance.

6 Rights and Obligations of Both Parties

6.1 Party A must provide Party B with its valid enterprise establishment and existence information (including but not limited to business license, food production license, tax certificates, and bank account information) and other relevant documents and materials necessary for publishing online advertisements as requested by Party B. Party A warrants the authenticity of the submitted documents or other forms of text. Concurrently, Party A possesses legal and valid rights (including but not limited to copyright, trademark rights, and other intellectual property rights) and the capacity to publish advertisements. If Party A holds the relevant advertisements on behalf of a third party (the 'Principal'), Party A warrants that it has full and necessary rights, authorizations, and licenses to sign this Contract on behalf of the Principal and to publish the relevant advertisements.

6.2 For special category advertisements (including but not limited to: medical, pharmaceutical, food for special medical purposes, medical devices, pesticides, veterinary drugs, health food advertisements, and advertisements for goods or services that require review by advertising review authorities or special qualifications as stipulated by laws and administrative regulations), before placing such advertisements or using Party B's information technology services to support such advertisement placement, Party A must undergo review, file for record, or provide relevant qualification certificates from the relevant authorities, and proactively disclose the relevant supporting documents to Party B before placing such advertisements or using Party B's information technology services to support such advertisement placement. If Party A fails to disclose or provide the above documents, resulting in Party B suffering administrative penalties or other losses, Party A shall be responsible for fully compensating Party B for all losses incurred.

6.3 Party A shall properly safeguard, correctly and securely use Party A's account information (including but not limited to account and password), and shall ensure the security of its equipment and network. Under any circumstances, Party A shall independently bear all legal liability for all activities conducted under Party A's account. If Party A suffers administrative penalties or penalties from the Tencent Platform due to violation of laws, regulations, or the Tencent account usage rules, Party A shall bear all responsibility; if this causes losses to Party B, Party A shall compensate Party B.

6.4 If Party A entrusts Party B with providing advertising content, delivery, and optimization services, Party B is responsible for executing the advertising promotion work in accordance with the project execution plan confirmed by Party A, and ensuring the stability and reliability of the advertising promotion. If difficulties in executing the plan arise due to reasons related to the Media, Party B may propose corresponding adjustment plans to Party A in writing for Party A's reconfirmation, and act as Party A's agent to claim corresponding compensation from the Media; Party B shall not be liable.

6.5 If Party A entrusts Party B with providing advertising content, delivery, and optimization services, Party A may request Party B to adjust the project execution plan based on feedback. However, such request shall be made to Party B in writing in accordance with the requirements for adjusting advertising promotion times published by the respective media, and Party B shall coordinate with the Media. After receiving the written notice of the adjustment plan from Party A, the parts of the original project execution plan that need adjustment shall be suspended. Any losses that may arise from this shall be borne by Party A. The adjusted

project execution plan may only be executed after it is mutually agreed upon by Party A and Party B through negotiation and confirmed by Party A's seal or other written form (email).

6.6 If the execution of the advertising plan is affected by adjustments made by the Media website to its service content, layout, page design, etc., Party B shall not be liable. However, Party B shall negotiate with the Media to adjust the project execution plan and report it to Party A for confirmation before implementation.

6.7 If Party A has any objection to Party B's advertising services (including believing there is a shortfall, objection to settlement data/amount, or any other circumstance violating the provisions of this Contract), Party A shall raise the objection in writing to Party B within 3 business days from the date each service under each 'Statement of Execution' concludes. If Party A fails to raise a written objection within the specified period, it shall be deemed as Party A's full acceptance of Party B's services, and Party A shall pay the full amount on time as agreed.

6.8 Party A is obliged to comply with Tencent Platform promotion rules, policies, etc. If Party A's account is suspended for promotion due to Party A's violation of the foregoing, Party B shall not be liable. If Party B incurs penalties from the Media or other losses due to Party A or Party A's end clients violating the Tencent Media delivery policies, Party A shall compensate Party B. Party A shall pay the corresponding amount to Party B within seven business days of receiving Party B's notice of media penalty. For each day of delay in payment, Party A shall pay liquidated damages to Party B at a rate of 0.005% of the amount payable.

6.9 If a third party complains that the product or service corresponding to the content placed by Party A involves illegal activities, Party B has the right to immediately take down or delete the relevant product or page, and simultaneously cease providing services to Party A. Any losses arising therefrom shall be borne solely by Party A. If Party B suffers claims from third parties or penalties from any administrative or judicial authorities as a result, Party A shall compensate Party B for all losses. Party B has the right to directly deduct the aforementioned compensation from the prepaid fees paid by Party A, and Party B also reserves the right to terminate this Contract at any time.

6.10 Party B does not guarantee the effectiveness of media placement. Party A shall not refuse to make payment to Party B on the grounds that the placement effect did not meet expectations.

6.10 Restrictive Measures: Refers to the following measures that Party B has the right to impose on part or all of the functions of the accounts of Party A, the advertisers for which Party A acts as an agent, or other third parties that Party A entrusts Party B to provide services to, when Party A violates this Contract, platform rules, or relevant laws and regulations: freezing or transferring funds and rights and interests within the account (including balance, grants, consumption rebate red packets, coupons, etc.); restricting account delivery and transaction functions; disabling or canceling the account; restrictions on other promotion functions and service usage of the account, etc.

7 Force Majeure

7.1 Once the parties to this Contract confirm that a force majeure event has occurred, rendering the performance of this Contract impossible or delayed, either party may suspend the performance of this Contract, provided that it notifies the other party within 2 business days and submits details and valid evidence of the force majeure event within 15 days. If the impact of the aforementioned force majeure event is not eliminated within 30 days from its occurrence, and the parties fail to reach a consensus on amendments to this Contract through negotiation, either party has the right to rescind this Contract. This Contract shall be rescinded from the date one party sends a termination notice to the other party.

7.2 'Force Majeure' refers to events that cannot be reasonably controlled by the parties to this Contract, are unforeseeable, or are unavoidable even if foreseen, and that make it impossible for either party to perform all or part of its obligations under this Contract. Such events include, but are not limited to, government actions, policy changes, earthquakes, typhoons, floods, fires or other natural disasters, war, or any other similar events.

7.3 Given the special nature of the Internet, force majeure also includes the following circumstances that affect the normal operation of the Internet: hacker attacks; significant impacts caused by technical adjustments by telecommunications authorities; temporary shutdowns due to government regulations; virus attacks.

7.4 If the force majeure events described above cause the partial or total non-performance or delay in performance of the Contract, neither Party A nor Party B shall bear any liability for breach of contract towards the other.

8 Intellectual Property and Confidentiality

8.1 Each party warrants that the materials provided by it to the other party will not infringe upon the intellectual property rights or legitimate rights and interests of any other person. Otherwise, all responsibility shall be borne by the providing party, and the other party shall not be involved.

8.2 Both parties warrant that the hardware, software, programs, passwords, trade names, technology, licenses, patents, trademarks, technical knowledge, and business processes of the other party that one party learns of or is permitted to use under this Contract are the lawful property of the other party, and the using party has no rights or interests therein.

8.3 Matters such as the other party's business secrets and technical secrets that either party learns of during the term of this Agreement and that require confidentiality shall not be disclosed or made public to any third party during the term of this Agreement or after its termination.

8.4 Neither party shall be deemed to have violated this Contract if it discloses confidential information under any of the following circumstances:

8.4.1 The information was already in the public domain at the time of disclosure;

8.4.2 The information is disclosed based on the other party's prior written consent;

8.4.3 One party discloses information as required by government, judicial, or other authorities having jurisdiction over it in the course of performing official duties in accordance with the laws and regulations of China, provided that such party first notifies the other party in writing of the exact nature of the business secrets to be disclosed before such disclosure.

8.5 The provisions of clauses 8.3 and 8.4 above shall not become invalid upon the rescission or termination of this Contract.

9 Liability for Breach

9.1 Party A shall pay fees to Party B according to the time and amount stipulated in this Contract. If Party A fails to pay the full amount on time as agreed, for each day of delay, Party A shall pay a late fee at a rate of 0.05% per day of the total overdue amount until the overdue amount is settled. Concurrently, Party B has the right to demand that Party A return all rebate or discount amounts already enjoyed. Party B has the right to directly deduct the unpaid fees and late fees from Party A's prepayment or account balance (including the cash balance, rebate amounts, etc. within the accounts of Party A, the advertisers for which Party A acts as an agent, or other third parties that Party A entrusts Party B to provide services to). Concurrently, starting from the date of overdue payment, Party B has the right, without written notice, to directly suspend the provision of services to Party A and take corresponding restrictive measures until Party A settles the overdue amount, without bearing any liability for breach of contract. If Party A fails to pay the full amount within 7 days of the due date, Party B has the right to terminate the provision of services to Party A and unilaterally rescind this Contract without bearing any liability for breach of contract. **Any disputes or disagreements arising from the aforementioned operations and related matters of Party B shall be handled and resolved by Party A itself with its agent clients or other relevant third parties, and shall have no bearing on Party B, Party B's affiliated companies, or the Media Platform. Any losses suffered by Party B as a result may be recovered from Party A.**

9.2 If Party A's advertisements fail to be promoted according to the timeframe, position, and quantity stipulated in the project execution plan due to reasons attributable to Party B (erroneous or omitted deliveries shall be determined according to the media's relevant regulations), Party A has the right not to pay the placement fee for that delivery. For failure to promote Party A's advertisements according to the timeframe, position, and quantity stipulated in the project execution plan due to reasons attributable to the various media (erroneous or omitted deliveries shall be determined according to the media's relevant regulations), Party B shall not be liable, but Party B shall cooperate with the various media to negotiate the specific promotion time, page, and position for compensation, and shall proceed with the promotion after confirmation by Party A in writing.

9.3 Unless otherwise provided in this Contract, if either party violates its obligations stipulated in this Contract, the breaching party shall, upon receipt of a written notice from the non-breaching party requesting rectification of its breach, immediately cease the breaching act and compensate the non-breaching party for all losses incurred (including but not limited to fines, forfeitures, compensation amounts, etc.). If the breaching party continues the breaching act or fails to perform its obligations, the non-breaching party, in addition to obtaining compensation for all its losses from the breaching party, also has the right to terminate this Contract. The costs incurred by the non-breaching party for rights protection, including but not limited to

fines, forfeitures, compensation amounts, litigation costs, attorney's fees, travel and accommodation expenses, appraisal fees, etc., shall be borne by the breaching party.

9.4 Unless otherwise provided by relevant law, in the event of contract breach/tort or under any other circumstances, Party B's liability to Party A arising from or in connection with this Contract shall not exceed 20% of the amount of the single current payment made by Party A to Party B.

10 Supplement, Amendment, and Rescission of the Contract"

10.1 Matters not covered in this Contract may be addressed by separately signing a written supplementary agreement after negotiation and mutual agreement between Party A and Party B. Such written supplementary agreement, sealed by both parties, shall have the same legal force as this Contract.

10.2 During the term of the Contract, unless otherwise stipulated in this Contract, if either party deems it necessary to rescind the Contract early, it shall notify the other party in writing one month in advance, subject to the other party's written consent. Without mutual agreement, a party's unilateral claim to amend or rescind this Contract shall have no legal effect. Any losses incurred by the other party as a result shall be compensated by the acting party.

10.3 Upon expiration of this Contract, if both parties reach an agreement through negotiation and sign a written contract, this Contract may be renewed. Otherwise, this Contract shall naturally terminate upon expiration.

10.4 Unless otherwise stipulated in this Contract, under the following circumstances, either party may terminate this Contract immediately by providing written notice to the other party:

10.4.1 Either party ceases operations, goes into liquidation (except for voluntary liquidation for a legitimate solvent reorganization or merger with the prior written consent of the other party), is dissolved, or closes down;

10.4.2 Either party is unable to pay its debts as they become due, or all or a substantial part of its property is placed under the management of a bankruptcy receiver, administrative receiver, or administrator (or any similar official or process under the laws of its place of incorporation or establishment), or it is facing any bankruptcy proceedings.

10.5 The termination of this Contract shall not affect the rights already acquired and/or obligations already incurred by the parties under this Contract prior to termination. Such rights and obligations include, but are not limited to:

10.5.1 If Party B has provided services as stipulated in the Contract, Party A shall pay Party B for the services already provided at the prices set forth in this Contract;

10.5.2 The breaching party's liability for breach of contract arising from its breaching act.

10.6 The clauses of this Contract that stipulate ongoing obligations of the parties shall remain effective after the termination of this Contract.

11 Anti-Commercial Bribery

11.1 To protect the legitimate rights and interests of both cooperating parties, ensure that the business dealings between the parties adhere to principles such as integrity and fair dealing, with a view to establishing a long-term and friendly commercial partnership and promoting the sound development of the relationship between the parties, the parties, through friendly negotiation, have agreed to the following terms:

11.1.1 Commercial bribery as referred to in this clause means any direct or indirect improper material or spiritual benefits provided by Party A or its personnel to Party B's employees, for the purpose of obtaining cooperation or benefits from the cooperation with Party B, or to influence and/or attempt to influence any person's actions or decisions in their official capacity, or to improperly obtain or retain business.

11.1.2 Improper Benefits: Party A or Party A's personnel shall not, in the name of Party A or individuals, provide or give (by gift or transfer at non-fair market value) any direct or indirect benefits outside the scope of the cooperation business to any employee of Party B or related persons, including but not limited to: overt rebates, covert rebates, cash, shopping cards, physical goods, marketable securities, travel, shares, dividends, cash gifts, gifts, entertainment tickets, special discounts or samples, travel, meals, entertainment, derivative benefits of the cooperation business, or other material or non-material benefits paid for by Party A.

11.1.3 Conflicts of Interest: Including but not limited to (1) Party A shall not provide any form of loan to Party B's employees and their related persons; (2) If Party A's shareholders, supervisors, managers, senior executives, project leaders, or project team members are employees of Party B or their related persons, Party A shall truthfully and comprehensively inform Party B in writing before the cooperation. (3) During the cooperation, Party A shall not allow Party B's employees or their spouses to hold, or have a third party hold on their behalf, equity in Party A (except for equity held through public securities markets representing less than 5% of outstanding shares, equity held through direct or indirect holdings in funds without actual control, or shares held through trusts where the beneficiary is neither the person themselves nor a related person). Party A is obliged to promptly disclose any existing or potential conflicts of interest to Party B and cooperate with Party B in taking measures to eliminate any potential impact on the cooperation between the parties.

11.1.4 If Party A commits any of the aforementioned acts, or Party B has reasonable grounds to believe that Party A is at risk of committing such acts, including but not limited to Party A refusing to cooperate with audits, inaccurate financial records, making false statements, or being suspected of offering or accepting bribes, Party B has the right to unilaterally terminate, in whole or in part, the contract with Party A. The contract shall terminate immediately upon Party B sending notice to Party A. Party A shall indemnify, defend, and hold Party B harmless from all losses, damages, claims, and penalties suffered by Party B as a result. If Party A violates the terms of this Contract, Party B reserves all rights to pursue civil and/or criminal legal liability against Party A and its directly responsible persons.

11.1.5 Party B's dedicated reporting and complaint email: [**].

12 Dispute Resolution and Governing Law

12.1 Any disputes arising between Party A and Party B within the scope of the terms of this Contract shall be resolved through negotiation as far as possible.

12.2 The formation, validity, interpretation, performance, amendment, and termination of this Contract, as well as the resolution of disputes, shall be governed by the relevant laws and regulations of the People's Republic of China.

12.3 All disputes, disagreements, and conflicts arising from the performance of this Contract shall be resolved by the parties through friendly negotiation. If no agreement can be reached through negotiation, the matter shall be submitted for litigation to the People's Court having jurisdiction over the place of registration or the contractually stipulated contact place of Party A, the place of registration or the contractually stipulated contact place of Party B, the place of contract signing, or the place of contract performance (Changning District, Shanghai).

13 Notices and Service

13.1 Any notice or written correspondence between the parties must be written in Chinese and sent via fax, personal delivery (including express courier), or registered mail to the contact information at the beginning of this Contract or as otherwise notified in writing by the parties. The parties agree that the originals and electronic file contents of any project execution plan or copy materials confirmed by their respective contacts listed at the beginning of this Contract or as otherwise notified in writing by the parties via signature, email, WeChat, or other communication software shall constitute valid legal documents related to this Contract.

13.2 For disputes arising from this Contract, the parties confirm that judicial authorities may serve litigation legal documents through any one or more of the contact methods stipulated in this Contract (including but not limited to mailing to the contact address listed in the agreement, sending by email, or sending by SMS text message). The time of service shall be based on the earliest time of service among the above service methods. Both Party A and Party B jointly confirm that the above service methods apply to all judicial stages, including but not limited to the first instance, second instance, retrial, enforcement, and supervision procedures. Concurrently, both parties guarantee that the service addresses are accurate and valid. If the provided addresses are inaccurate, or if a change of address is not promptly communicated, resulting in legal documents being unable to be served or not served in a timely manner, the party concerned shall bear the potential legal consequences arising therefrom.

13.3 Determination of Receipt Date: If the notice or correspondence is delivered by fax, the date of receipt shall be the exact time shown on the fax transmission record. However, if the fax is sent after 5:00 p.m. on that day, or if the time in the recipient's location is not a business day, the date of receipt shall be the next business day in the recipient's location. If delivered by email, the time the email enters the recipient's

designated email system shall be deemed as delivered. If delivered by personal delivery (including express courier), the date of receipt shall be the date of signature by the recipient. If sent by registered mail, the receipt issued by the post office shall serve as proof, and the date of receipt shall be deemed to be five business days from the date of dispatch.

13.4 If a party undergoes any change that affects the performance of this Contract, including but not limited to changes in registered address, contact phone number, fax, or contact person, the changing party shall promptly notify the other party in writing. Such notice shall be delivered and handled in accordance with Clause 14 of this Contract. If the changing party fails to fulfill its notification obligation, the other party shall still deem the contact information stipulated in this clause to be valid, and any adverse consequences arising therefrom shall be borne solely by the changing party.

14 Miscellaneous

14.1 Under any of the following circumstances of Party A, all debts owed by Party A to Party B (whether due or not) shall, without notice or demand from Party B, automatically lose the benefit of term. Party A shall pay off all debts to Party B within the period required by Party B or provide qualified security within the specified time as required by Party B. Concurrently, Party B has the right to cancel the credit period stipulated in the contract with Party A and require Party A to prepay the contract amount:

(1) Party A receives administrative sanctions from relevant state authorities, such as being banned, having its business suspended, or having its business license revoked;

(2) Party A's assets or shares are seized, impounded, frozen (including temporary measures such as preservation), or subject to compulsory enforcement by relevant state authorities;

(3) Party A voluntarily dissolves or enters into judicial dissolution proceedings, or an application for liquidation or bankruptcy is filed against it by a relevant entity;

(4) Party A becomes insolvent or its solvency significantly weakens, such as being sued for debts by multiple creditors within a short period, or experiencing a large proportion of equity pledges;

(5) Party A is investigated or penalized for tax violations, which materially affects the performance of the contract;

(6) Party A violates any clause of this Contract and fails to rectify its breach within the period required by Party B;

(7) Party A undergoes a change in its controlling shareholder or legal representative during the term of the contract;

(8) Other circumstances occur that may make it difficult to perform the contract (such as a serious deterioration in operating conditions, capital reduction or other acts to transfer property to evade debts, involvement in major litigation, or other circumstances causing loss of commercial credibility).

Should any of the above circumstances occur, Party A may promptly contact Party B within 5 days from the time it discovers or after the occurrence of the relevant circumstance to negotiate a change to the contract payment terms or to provide security. If Party A fails to fulfill its notification obligation, upon discovering any of the above circumstances, Party B has the right to unilaterally suspend any service at any time, and Party B has the right to notify Party A by email or other means, requiring Party A to change the contract terms or provide security within a specified period (no less than 5 days). If Party A fails to comply within the notice period, Party B has the right to unilaterally terminate all services, including but not limited to those under this Contract, and Party B has the right to unilaterally rescind this Contract.

14.2 Without Party B's prior written consent, Party A shall not assign, subcontract, or delegate, in whole or in part, any rights or obligations under this Contract to any third party. Otherwise, Party B has the right to terminate this Contract early at any time and pursue Party A's liability for breach of contract. Party B has the right to assign, in whole or in part, any rights or obligations under this Contract to an affiliated company of Party B (for the purpose of this Contract, 'affiliated company' means, with respect to a particular company, any other company that controls, is controlled by, or is under common control with that particular company through equity, contract, or other means), without the need to separately obtain Party A's consent.

14.3 This Contract shall be binding on the successors of each party. If a party undergoes a change in ownership or control (including reorganization, deregistration, merger with any third party, or acquisition or division by a third party), it shall immediately notify the other party. In the event of such a change in ownership or control

of one party, the other party has the right to choose to require the original legal entity or its successor to continue performing the Contract in accordance with the terms of this Contract.

14.4 Except as necessary for the work stipulated in this Contract, without the other party's prior written consent, neither party may unilaterally use or reproduce the other party's trademarks, logos, business information, technology, or other materials.

14.5 The failure of either party to timely exercise any right under this Contract shall not be deemed a waiver of such right, nor shall it affect the party's ability to exercise such right in the future.

14.6 Any right, power, or remedy obtained or retained by a party under this Contract shall not exclude the application of any other rights, powers, or remedies it may have, and the above-mentioned rights, powers, or remedies may be applied concurrently.

14.7 If any provision of this Contract is wholly or partially invalid or unenforceable for any reason, or violates any applicable law, that provision shall be deemed deleted, but the remaining provisions of this Contract shall remain valid and binding.

14.8 Matters not covered in this Contract shall be supplemented in writing after friendly negotiation between Party A and Party B. This Contract, its annotations, appendices signed pursuant to this Contract, supplementary agreements, and notices, documents, emails, communication records, etc., issued by the parties regarding the signing and performance of this Contract, together constitute the complete contract for the cooperation between the parties and have the same legal force.

14.9 Any headings in this Contract are for reference only and shall not affect the meaning or interpretation of this Contract.

14.10 This Contract shall take effect upon being sealed by both parties as of the signing date indicated on the first page of this Contract. Amendments and changes to this Contract must be agreed upon by both parties through negotiation, made in writing, and shall take effect upon being sealed by both parties.

14.11 This Contract is executed in duplicate, with each party holding one copy, both having the same legal force.

14.12 This Contract contains all the agreements and understandings reached by the parties concerning the subject matter hereof. All prior oral or written agreements, representations, statements, understandings, negotiations, and discussions between the parties are superseded, except where otherwise expressly stated in this Contract.

Appendix: Statement of Execution Example, Settlement Statement Example

[No text below this line]

Party A: Beijing Xunhuo E-commerce Co., Ltd.	Party B: Beijing Zhiding Technology Co., Ltd.
Seal: Beijing Xunhuo E-commerce Co., Ltd. - Contract Seal (Seal)	Seal: Beijing Zhiding Technology Co., Ltd. - Contract Seal (Seal)
Authorized Representative:	Authorized Representative:
Signature:	Signature:

Statement of Execution Example

<table>
<tr><td colspan="8">Party A agrees that Party B shall provide advertising agency services to Party A in accordance with the provisions of the “Contract” (hereinafter referred to as the “Principal Contract”) signed by both parties on [Date]. The “Statement of Execution” confirmed by the seal or email of both parties is an integral part of the Principal Contract and has the same legal force as the Principal Contract. In the event of any conflict with the Principal Contract, the terms of this “Statement of Execution” shall prevail.</td></tr>
<tr><td colspan="4">Media Platform</td><td colspan="4">Product Line</td></tr>
<tr><td rowspan="4">Service Content</td><td rowspan="2">□ Top-up Type</td><td>Top-up Account</td><td colspan="2">Top-up Time</td><td colspan="2">Top-up Amount</td><td>Amount Displayed in Media Account</td></tr>
<tr><td></td><td colspan="2"></td><td colspan="2"></td><td></td></tr>
<tr><td rowspan="2">□ Display Type (details as per the schedule)</td><td colspan="2">Placement Time</td><td colspan="2">Placement Amount</td><td colspan="2">Promoted Product</td></tr>
<tr><td colspan="2"></td><td colspan="2"></td><td colspan="2"></td></tr>
<tr><td colspan="2">Actual Settled Fee Amount</td><td colspan="6">RMB (in words:)</td></tr>
<tr><td colspan="2">Fee Payment Time</td><td colspan="6">By [Month] [Day] [Year]</td></tr>
<tr><td colspan="2">Fee Billing Method</td><td colspan="6">The pricing method for this service is
CPM: Cost Per Mille, charged per thousand impressions. (Unit: thousand impressions)
CPC: Cost Per Click, charged per click. (Unit: click)
CPT: Cost Per Time, charged based on the fixed time of publication. (Unit: hour/day/month)
CPA: Cost Per Action, charged based on the number of product activations. (Unit: activation)
CPD: Cost Per Download, charged based on the number of product downloads. (Unit: download)
CPPA: charged based on the number of product mobile arrivals. (Unit: arrival)</td></tr>
<tr><td colspan="2">Allocation and Rebate Status</td><td colspan="6">Preferential Policy: 100 rebate 10 (example)
Rebate Method: Immediate rebate upon top-up or discount (example)</td></tr>
<tr><td colspan="2">Remarks</td><td colspan="6"></td></tr>
<tr><td colspan="4">Party A (Seal):
Contact Person:
Contact Email:
Date:</td><td colspan="4">Party B (Seal):
Contact Person:
Contact Email:
Date:</td></tr>
</table>

Settlement Statement Example

<table>
<tr><td colspan="3">No.:</td></tr>
<tr><td colspan="3">1. Party A agrees to pay fees to Party B based on the fee standards corresponding to the specific services provided by Party B, in accordance with the provisions of the “Contract” (hereinafter referred to as the “Principal Contract”) signed by both parties on [Date].
2. The “Settlement Statement” confirmed by the seals of both parties to this Contract is an integral part of the Principal Contract and has the same legal force as the Principal Contract.
3. The amounts involved under this Settlement Statement are calculated in Renminbi (RMB), with the unit being: Yuan.</td></tr>
<tr><td colspan="2">Media Platform:</td><td>Product Line:</td></tr>
<tr><td>Settlement Period</td><td colspan="2">[Month] [Day] [Year] to [Month] [Day] [Year]</td></tr>
<tr><td>Total Settlement Amount</td><td colspan="2">RMB (in words:)</td></tr>
<tr><td>Payment Method</td><td colspan="2">☐ Cash ☐ Check ☐ Telegraphic Transfer ☐ Other:</td></tr>
<tr><td>Party A’s Invoicing Information</td><td colspan="2">Company Full Name:
Taxpayer Identification Number:
Address:
Tel:
Bank:
Account Number:
Tax Rate:
Invoicing Content:</td></tr>
<tr><td>Party B’s Account Information</td><td colspan="2">Account Name:
Bank:
Account Number:</td></tr>
<tr><td colspan="2">Party A:
Contact Person:
Contact Email:</td><td>Party B:
Contact Person:
Contact Email:</td></tr>
<tr><td colspan="2">Date:</td><td>Date:</td></tr>
</table>

Super Huichuan Platform
Business Agency & Service Agency Cooperation Agreement

UCU74WGZ4260158

Contract No.: JY-PFDL-20260302G0039-2026

Basic Information of Party A and Party B:

Party A: Beijing Baosheng Network Technology Co., Ltd.

Contact Person: [**]

Contact Number: [**]

Contact Email: [**]

Contract Mailing Address: East 5th Floor, Building 8, Xishanhui, Shijingshan District, Beijing

Contract Mailing Recipient: [**]

Contact Number: [**]

Party B: Guangzhou Juyao Information Technology Co., Ltd.

Contact Person: [**]

Contact Number: [**]

Contact Email: [**]

Contract Mailing Address: Small Post Office, 1st Floor, South Tower, Guangzhou Alibaba Center, 88 Dingxin Road, Haizhu District, Guangzhou

Contract Mailing Recipient: Guangzhou Legal Affairs Seal Service Center

Contact Number: [**]

General Terms

Through equal and amicable negotiations, Party A and Party B have reached the following terms regarding the cooperative matters related to Party B providing the agreed services to Party A, for mutual adherence. Both parties shall strictly abide by the content of the "General Terms of the Cooperation Agreement" (hereinafter referred to as the "General Terms"). This Agreement constitutes the foundational terms for the "Specific Terms of the Client Framework Agreement" (hereinafter referred to as the "Specific Terms") to be signed by both parties, and together with the "Specific Terms" and the "Service Order" (or "Order Contract") and other relevant appendices, forms a complete "Cooperation Agreement" (hereinafter referred to as "this Agreement"). This Agreement and each of its individual components are legally binding upon both parties. Should written documents such as the "Specific Terms of the Client Framework Agreement" or the "Order Contract" not yet be signed or delivered, the validity of this Agreement shall not be affected. Both parties may cooperate based on the results of written communications as stipulated in this Agreement.

These "General Terms of the Cooperation Agreement" constitute the foundational terms for the cooperation between Party A and Party B. Both parties agree that Party B shall provide services to Party A through its platform or software system; Party A shall pay service fees and handle other related cooperation matters to Party B in accordance with the mutual agreement or the payment and settlement methods and prices stipulated in the **"Specific Terms for Agency", the "Specific Terms of the Client Framework Agreement", or the "Order Contract"**.

In this Agreement, either Party A or Party B may be referred to as a "Party", and Party A and Party B collectively shall be referred to as the "Parties".

I. Definitions and Explanation of Terms

1.1. Cooperation Partner:

The cooperation partner referred to in this Agreement is Party A, which, depending on the contracting entity and the method of cooperation, includes both the agency party cooperating with Party B (hereinafter referred to as the "Agency") and direct clients.

1.2. Direct Client:

Refers to a cooperation partner that directly signs a contract with Party B and conducts services under this Agreement. Under this Agreement, "Direct Client" has a different meaning from "Client".

1.3. Agency:

The term "Agency" as used in the title and clauses of this Agreement is a customary term in the commercial field. It means that Party A, entrusted by its clients, applies for services from Party B and independently assumes corresponding legal liabilities in its capacity as an agency. The agency party shall not, by any express or implied means, cause clients to misunderstand that the agency party represents Party B.

1.4. Party B's Software System (referred to as "Party B's System"):

Refers to the network technology software system developed and operated by Party B or its affiliates, through which Party A can directly upload designated information, submit promotion requests, and formulate customer acquisition and conversion effect plans; the functions of this system also include, based on Party A's designated information and effect objectives, achieving final effect conversions such as clicks, views, downloads, transactions, etc. by users through technical capabilities such as models and data analysis, as well as performing statistical analysis and management of effect conversion data such as click-through counts.

1.5. Party B's System Account:

Refers to the unique digital identifier ("User ID") that identifies Party A's identity when Party A uses Party B's services. The username and password provided by Party B will be associated with this account. Party A may create sub-accounts within Party B's system account and can transfer funds to these sub-accounts through Party B's system account. Party A is responsible for associating the usernames and passwords for the sub-accounts.

1.6. Super Huichuan Platform (referred to as "Party B's System"):

Refers to a marketing and promotion platform that, authorized by media, legally operates media marketing and promotion businesses, monetizing media traffic through delivery technical systems such as Super Huichuan. Authorized media (also referred to as "Party B's Media") include, but are not limited to, Shenma Search (website: sm.cn), UC Browser, Shuqi, Quark, Wandoujia, PP Assistant, and other media that have a cooperative relationship with Super Huichuan, subject to the specific approval of Party B or the Super Huichuan Platform.

1.7. Party B's Media:

Refers to client software or platforms (including previously released versions and versions to be released in the future) that are legally owned by Party B or its affiliates, for which they hold operational rights, or with which they cooperate with other third parties, and which are configured for application on Android, iOS, and other mobile terminal operating platforms.

1.8. Designated Information:

Refers to the content provided by Party A, including but not limited to: links, text descriptions, images, videos, and other content, as well as the page pointed to after a click.

1.9. Agreed Services:

Refers to the network information technology services and information publishing service provided by Party B to Party A using Party B's System and Platform, in accordance with Party A's requirements. The specific service content will be stipulated in the "Order Contract".

1.10. Service Fee:

Refers to the service fee payable by Party A to Party B for using the services listed in this Agreement provided by Party B, which may be referred to as the "Service Fee" in this Agreement.

1.11. Client:

Refers to a civil or commercial entity that entrusts an agency party to act as its agent in using the agreed services provided by Party B on Party B's System.

II. Cooperation Content and Method

2.1. The term of this Agreement shall commence on Jan. 1, 2026 and terminate on Dec. 31, 2026.

2.2. Party A and Party B confirm that Party B provides the agreed services to Party A through Party B's System/Platform/Media by means of bidding or non-bidding. Party B will provide services based on the operations performed by Party A or its clients within Party B's System. Based on the technical capabilities of Party B's System, such as data models and user profiling, with the goal of delivering customer acquisition and conversion effects, Party A's designated keywords and designated information can be displayed on the front end, and ultimately achieve effect conversions such as clicks, views, downloads, transactions, etc. by users. Party B's System can dynamically collect, process, store, retrieve, and compute information according to certain rules, and obtain data processing results. Party A can operate delivery condition settings and data analysis through Party B's System to potentially achieve better ranking positions for Party A's or its clients' designated information, among other possibilities.

2.3. Assessment: During the cooperation under this Agreement, the Agency voluntarily accepts Party B's assessment of Party A's commercial operation capabilities demonstrated in the cooperation, based on Party B's considerations for long-term cooperation. The assessment policy shall be subject to Party B's notice or announcement.

2.4. All designated information uploaded by Party A on Party B's System/Platform/Media shall comply with the provisions of the current laws and regulations of China and shall not involve any act that infringes upon the legal rights of any other third party.

2.5. The aforementioned designated information is subject to Party B's review and approval before services can be provided for display or optimization. Once the designated information is reviewed and approved, it shall not be arbitrarily modified or changed.

2.6. For Party A or clients requiring the use of Party B's System, Party A or clients shall register themselves through Party B's System to become registered users of the system. Party A or clients shall operate designated keywords and designated information through Party B's System on their own. The operations of Party A or clients shall comply with Party B's specifications and requirements as well as the requirements of laws, regulations, and policies. Party A shall properly safeguard its username and password in Party B's System and shall not disclose them to any third party. Any losses incurred due to Party A's improper management of its account shall be borne by Party A itself.

2.7. Party A and Party B confirm that, except where a designated third-party data monitoring company provides delivery statistical data services or otherwise agreed by the parties, all statistical data under this Agreement (including but not limited to PV for information publishing positions, UV, cooperation revenue, click-through counts, download counts, etc.) shall be governed by Party B's statistical methods and results. Party B's System provides the function for Party A and client accounts to query balances; Party A or clients can query relevant data in real-time through Party B's System platform. Concurrently, Party B guarantees the objectivity and authenticity of the statistical data.

2.8. If Party A has any objection to the statistical data, it shall raise a written objection for the preceding month within the first three business days of the following month, and both parties shall jointly confirm the data. If Party A fails to raise a written objection within the aforementioned period, it shall be deemed that Party A accepts Party B's click data statistics for the previous month and that Party B has duly completed its services for that month.

III. Special Provisions on Rights and Obligations

3.1. Representations and Warranties of Party A and Both Parties

3.1.1. Both parties warrant that they are independent legal entities duly established and validly existing under the relevant laws of the People's Republic of China, possessing full statutory civil rights and civil capacity to exercise their rights and perform their obligations under this Agreement. Concurrently, when exercising rights or performing obligations under this Agreement, their actions do not violate any restrictions imposed by applicable laws binding upon them, nor infringe upon the legal rights and interests of any third party outside this Agreement;

3.1.2. The legal representatives or authorized agents of both parties have obtained sufficient and complete legal qualifications or authorization to represent their respective legal entities in signing this Agreement;

3.1.3. Party A must notify Party B prior to any change in its equity structure, company name, legal representative, directors, supervisors, or core executives. Party B has the right to determine whether such changes have a material impact on this cooperation and decide whether to continue the cooperation. If Party A fails to notify Party B of the aforementioned changes in advance, Party B has the right to terminate the cooperation and revoke Party A's agency rights.

3.2. Party A shall truthfully disclose client information to Party B and has the obligation to require clients to provide relevant supporting documents. Such supporting documents include but are not limited to: qualification documents for production or operation issued by relevant government authorities, proof of information review (if required), trademark registration certificates obtained in China, and other supporting documents stipulated by laws and regulations, to ensure the information content is truthful, legal, and healthy, and shall provide them to Party B when Party B deems it necessary.

3.3. Party A ensures that it and its clients possess legal and genuine qualifications and credentials, and that the information content has been reviewed and approved by relevant government authorities (if required). If Party B suffers any claims, demands, lawsuits, etc. from any third party, or incurs any warnings, penalties, fines, etc. from any administrative law enforcement authorities due to insufficiency or authenticity defects in Party A's or its clients' qualifications, supporting documents, etc., Party A shall compensate Party B for its losses, including but not limited to attorney's fees, litigation costs, travel expenses, notary fees, and all other reasonable expenses.

3.4. Party A guarantees that the textual, graphic, video, or linking information resources it provides do not contain any content that violates relevant national laws, regulations, policies, notices, directives, or international treaties recognized or acceded to by the People's Republic of China, including but not limited to content that endangers national security, is obscene or pornographic, is false, fraudulent, insulting, defamatory, threatening or harassing, infringes or allegedly infringes upon others' intellectual property rights, personal rights or other legal rights and interests, or contravenes public order and good morals.

3.5. Party A's information content shall not involve any content that violates the law or public order and good morals, specifically including but not limited to:

3.5.1. Endangering national security, leaking state secrets, subverting state power, undermining national unity, or harming national honor and interests;

3.5.2. Inciting ethnic hatred or discrimination, or undermining ethnic unity;

3.5.3. Undermining state religious policies, or propagating cults and feudal superstitions;

3.5.4. Spreading rumors, disrupting social order, or undermining social stability;

3.5.5. Spreading obscenity, pornography, gambling, violence, murder, terror, or inciting crime;

3.5.6. Insulting or defaming others, or infringing upon the legal rights and interests of others;

3.5.7. Web pages or software content containing viruses or other malicious charge codes;

Should Party A violate the provisions of this clause, Party B has the right to refuse display or delete the content at any time after display, and to set the system to prevent the display of all information content submitted by Party A, and has the right to unilaterally terminate this Agreement. Termination of this Agreement does not exempt Party A from paying the fees for services already provided to Party B, and the remaining fees shall not be refunded.

3.6. Party A understands and undertakes that clients do not have a contractual relationship with Party B, and all rights and obligations of clients under this Agreement shall be fulfilled by Party A. Concurrently, any disputes, disagreements, conflicts, claims, demands, or lawsuits arising between Party A and clients based on transactions under this Agreement shall be resolved by Party A and the clients themselves, and Party A hereby releases Party B from all liabilities related thereto, including but not limited to compensation for infringement, payment of outstanding amounts, etc.

3.7. Party A understands and agrees that Party B may adjust the platform system. Based on the cooperation under this Contract, Party B may configure business agency and service agency roles for Party A on Party B's platform, enabling Party A to better serve Party A's clients. Party A shall comply with Party B's management rules and standards (including requirements for business agencies and service agencies); Party B may also provide system services to Party A's clients and service agencies based on their authorization requests.

3.8. Should Party A wish to independently become a service agency for a specific client, it may, with the consent of Party B and/or its affiliates, separately sign a service agency cooperation agreement, and Party A shall provide services based on its client's entrustment.

3.9. Party B has the right to review the information content, format, and related document qualifications provided by Party A. For content that does not comply with laws and regulations, or which Party B has reason to believe would adversely affect Party B if displayed, Party B has the right to require Party A to complete the modification of the content within 3 days of receiving written (including email) notice of modification from Party B. Prior to Party A making the modifications as required by Party B, Party B has the right to refuse to display the content and shall not be liable for any service delays resulting therefrom. If Party A refuses to modify the content or delays in modifying the content, thereby affecting the normal conduct of Party B's business, Party B has the right to unilaterally terminate this Agreement and require Party A to compensate Party B for all economic losses incurred by Party B during the period of delay.

3.10. Should Party A or its clients need to make any modifications to, or replacement of, the designated information, they must apply to Party B in writing or via system application at least 3 business days in advance. The new designated information can only replace the original information after being reviewed and approved by Party B. Any unauthorized modification or replacement without Party B's review shall be deemed a breach of contract by Party A and shall be handled in accordance with the liability for breach of contract clause of this Agreement.

3.11. If a third party complains to Party B that the designated information content or the product/service corresponding to the linked page provided by Party A involves illegal or fraudulent activities, and provides legal evidence thereof, Party B has the right to immediately take down or delete the relevant product or page. Concurrently, Party B shall cease the services provided to Party A. Any consequences arising therefrom shall be borne solely by Party A. The cessation of services under this clause does not exempt Party A from paying Party B the service fees for services already rendered. If a judicial or administrative authority determines the third-party complaint to be valid, the remaining service fee amounts shall not be refunded, and Party A shall compensate Party B for all losses.

3.12. Party B's review and approval of Party A's and its clients' qualifications and information content does not exempt Party A and its clients from the responsibilities they shall bear for any violation of relevant legal provisions by such qualifications or content.

3.13. In the case of non-bidding resources within the services, should errors in broadcasting or omissions occur due to reasons attributable to Party B, Party B shall provide supplementary services to Party A according to the principle of compensating one omission with one broadcast.

3.14. Restrictions on Assignment of Rights and Obligations and Prohibitive Provisions on Fraudulent Performance"

3.14.1 Unless required by statutory conditions or mutually agreed in writing by both contracting parties, neither party may unilaterally assign the rights and obligations under this Agreement in any manner;

3.14.2 Both contracting parties shall not harm user interests or each other's reputation through improper means such as fraud. It is strictly prohibited to intentionally inflate or deflate click counts or access volume through

various malicious means to obtain illegal benefits. Once discovered, this will be deemed fraudulent performance of the contract, and the non-breaching party has the right to immediately and unconditionally terminate this Agreement and submit the matter to the national prosecutorial authorities for judicial handling.

3.15. Both parties undertake to comply with applicable laws and regulations regarding the protection of personal information and privacy, freedom of communication, and ensuring network security operation. In the transmission of personal information in the performance of this Agreement, Party A undertakes:

(1) Personal information has been de-identified prior to transmission in accordance with the requirements of applicable information protection laws;

(2) The personal information transmitted is complete, accurate, and up-to-date;

(3) Security measures such as encryption have been applied to the personal information transmitted;

(4) At the time of collecting personal information, the obligation to inform the personal information subject has been fulfilled in accordance with the requirements of applicable information protection laws, and authorization has been obtained from the personal information subject for the processing of personal information under this Agreement and the provision of personal information to Party B; if it involves obtaining personal information from a third party, it undertakes to ensure that such third party has fulfilled the aforementioned requirements for notification and authorization. Upon Party B's request, written proof of such authorization will be provided;

(5) When transmitting personal information to Party B, the requirements stipulated by applicable laws and the security measures required by Party B have been implemented;

(6) It will not transmit to Party B personal information collected in violation of applicable information protection laws or without obtaining authorization from the relevant personal information subject.

3.16. Both parties undertake not to decrypt the data or data analysis results returned by the other party through methods such as reverse engineering, decompiling, or disassembling, or to use other means to attempt to trace, locate, or reverse-engineer specific users or user personal information. The information identifiers, display slot information, display demand information, consumption information, and data information obtained through this cooperation shall be used solely for the purposes, methods, and scope described in this Agreement or other written requests from both parties, and shall not be used for any other purpose without the other party's written authorization.

3.17. Both parties undertake that data obtained in this cooperation will not be transferred across borders to countries or regions outside the People's Republic of China.

3.18. Party A and Party B agree that the remaining portion of the security deposit (if any) paid by Party A to Party B or Party B's affiliated companies based on previous cooperation with Party B or Party B's affiliated companies (referring to the original security deposit minus any deductions, penalties, or other amounts subject to reduction) shall be handled according to Party B's requirements. Party A shall replenish the security deposit as stipulated in the security deposit clause (if any).

IV. Limitation of Liability

4.1. In the event that Party A's original service plan cannot be carried out normally due to Party B's system upgrades or changes, Party A undertakes not to pursue Party B's legal liability, provided that Party B is obliged to make its best efforts to avoid service interruption or limit the interruption to the shortest possible time.

4.2 Party A confirms and agrees that Party B makes no express or implied warranties or commitments regarding the click-through volume, visit volume, business performance, etc. of the information content obtainable by Party A and clients through the use of this Service. Furthermore, Party B does not guarantee that the service content will be clicked or viewed by users after Party B provides the service.

4.3 Should Party A's breach of this Agreement cause losses to Party B and/or other relevant third parties (including but not limited to compensation amounts, litigation costs, attorney's fees, notary fees, etc. that are legally required to be paid), Party A shall bear full liability for compensation. Party A agrees that, upon the occurrence of the foregoing, Party B has the right to cancel Party A's account within Party B's System at any time, and has the right to deduct the aforementioned fees and/or compensation for losses from amounts already paid by Party A.

4.4 To protect Party A's rights and interests, Party B may suspend the provision of services upon detecting abnormal activity in Party A's or its clients' own information content and accounts.

4.5 If the third party mentioned above that files a complaint due to illegal or fraudulent activities in Party A's designated information content or the product/service corresponding to the linked page, and provides legal

evidence thereof, requires Party B to disclose basic information of Party A and its clients to the third party, including and limited to: name, address, contact information, based on laws, regulations, competent authority policies, etc., Party A acknowledges that Party B's disclosure does not violate the relevant confidentiality provisions of this Agreement. If competent administrative authorities and judicial authorities require Party B to disclose information beyond the scope mentioned above, such disclosure shall likewise not be deemed a violation of the relevant confidentiality provisions of this Agreement.

4.6 Party B will provide corresponding security measures based on existing technology to ensure service security and normal provision. However, due to possible factors such as computer viruses, network communication failures, system maintenance, and potential force majeure events, Party B cannot guarantee absolute service security or normal service provision under all circumstances. Party A shall understand this and shall not hold Party B liable under the following circumstances:

(1) System downtime for maintenance;

(2) Failure of service equipment, communication, or any equipment resulting in inability to transmit data, or delays, inaccuracies, errors, omissions, etc.;

(3) System obstacles preventing business execution due to force majeure events such as typhoons, earthquakes, tsunamis, floods, power outages, wars, terrorist attacks;

(4) Service interruption or delay caused by hacker attacks, technical adjustments or failures by telecommunications departments, website upgrades, third-party issues, or other reasons;

(5) Inability to provide services or service delays caused by governmental actions, or judgments of domestic or international courts.

4.7 Party A confirms that its request for services for its designated information is based on Party A's independent judgment and requires it to bear the risks itself. Party A shall bear alone any losses (if any) that may be caused to its computer systems or data loss as a result.

4.8 Party A agrees that Party B shall not be liable for any of the following circumstances:

(1) Failure to provide services not caused by Party B's intent or negligence;

(2) Losses suffered by Party A and/or any third party caused by Party A's intent or negligence;

(3) Party A's violation of this Agreement or of Party B's system rules. System rules include but are not limited to the rules listed in the 'Rules for Determining Violations and Handling Procedures on the Super Huichuan Platform' (subject to Party B's actual naming) and the operating specifications clearly indicated within Party B's System.

4.9 Party A assumes full responsibility for the truthfulness, legality, accuracy, and integrity of rights including intellectual property rights of the network information, designated information content, and the goods/services corresponding to the information (if any). Accordingly, Party A shall independently bear the responsibility for reviewing the aforementioned matters. Party A shall be responsible for bearing all liabilities arising from any disputes, complaints, or government penalties triggered by the aforementioned matters. If Party B pays compensation or fines first, Party A shall fully compensate Party B for its losses (including but not limited to fines from administrative law enforcement departments, compensation amounts, litigation costs, attorney's fees, notary fees, etc., that are legally required to be paid) within 15 business days.

4.10 As the service provider under this Agreement, Party B warrants to Party A and its clients that its intellectual property rights, operational rights, and other rights in Party B's Platform, Party B's System, and Party B's Media comply with relevant national laws and do not infringe upon the legal rights and interests of any third party outside this Agreement. If, during actual operation, Party B has any defects in its rights or any third party outside this Agreement asserts a claim of rights, Party B is obliged to ensure that Party A and its clients are exempted from liability and to take necessary measures to remove obstacles to the exercise of rights and performance of obligations under this Agreement.

V. Liability under the Agreement

5.1. Culpa in Contrahendo Liability

5.1. Under this Agreement, both parties warrant that they possess the requisite legal qualifications to engage in the cooperation under this Agreement and that they do not violate the representations and warranties in clause 3.1 of this Agreement. If the conclusion of the contract is flawed or the contract becomes invalid due to a party's lack of qualification, the qualified party, in addition to having the right to unilaterally terminate this Agreement by

written notice, has the right to pursue civil compensation from the unqualified party for the actual losses incurred as a result of the unqualified party's culpa in contrahendo.

5.2. If the content submitted by Party A or its clients contains false advertising or otherwise violates relevant laws and regulations, Party B has the right to unilaterally terminate this Agreement, and Party A shall compensate Party B for all economic losses arising therefrom.

5.3. If Party A or its clients commit any violations during the receipt of services, they shall accept the penalties imposed by Party B in accordance with its latest published notices or rules. The definition of violations is detailed in the relevant documents.

5.4. Liability for Breach of Confidentiality Obligations

Provided that the disclosing party ensures the completeness and legality of the rights to the confidential information disclosed to the receiving party, if the receiving party refuses to perform the confidentiality obligations stipulated under this Agreement or implements the prohibitions in clause 6.5, thereby causing losses to the disclosing party, the receiving party shall be liable for compensation to the disclosing party, with the compensation amount capped at the disclosing party's actual losses. If the receiving party's actions involve gross negligence or intent, leading to serious consequences of disclosure, the disclosing party has the right to directly pursue the legal liability of the receiving party through judicial channels before the prosecuting authorities.

5.5. Party A shall sign and accept the constraints of the 'Letter of Commitment on Integrity and Honesty' (Appendix) and shall not provide any form of undue benefits to the employees, consultants, or the immediate family members of employees or consultants of Party B and its affiliated enterprises, nor engage in other behaviors that violate the content of the Letter of Commitment on Integrity and Honesty. Otherwise, Party A agrees that Party B has the right to immediately terminate this Agreement, and Party A shall bear liability for breach of contract to Party B by paying liquidated damages equal to the higher of (a) 30% of the total fees paid by Party A to Party B under this Agreement; or (b) the total amount of undue benefits provided in any form.

5.6. Liability for Breach of Payment Obligations

Where both parties have agreed upon a payment date and credit period, after Party B has performed its service obligations under this Agreement, if Party A refuses to perform its payment obligations to Party B on time or delays such performance, Party B has the right to require Party A to rectify such defective performance and to pursue liquidated damages from Party A at a rate of 5‰ per day of the total amount payable for that month. If Party A's defective performance of its payment obligations persists for ten (10) days, Party B has the right to unilaterally terminate performance under this Agreement. The payment of liquidated damages does not imply the discharge of Party A's debt under this Agreement; Party A shall still perform its payment obligations to Party B in accordance with the terms of this Agreement.

5.7. Other clauses of this Agreement stipulating liability.

VI. Confidentiality and Website System Security

6.1. The confidential information involved in this Agreement mainly refers to the following:

(1) Operational management information, including but not limited to: business strategies and plans, production and operational performance and financial data, existing and anticipated client and supplier information, financial information, human resources materials, business operation documents, and other similar information;

(2) Technical data information, including but not limited to: technical know-how and ideas, designs, processing flows, technical and integration solutions, implementation plans, consulting reports, computer programs (including source code and object code), and other similar information;

(3) Materials provided by both parties to each other during the pre-cooperation period or during the cooperation for the purpose of achieving the contract's objectives, including but not limited to: contracts, agreements, meeting minutes for the cooperation between the parties, overall project implementation and process details (including but not limited to: all information that clients learn through Party B's inquiry channels), and other similar information.

(4) Other information that must be kept confidential as indicated in a certain form.

6.2. The following information will not be deemed confidential:

6.2.1 If, at the time the information was obtained, it was already in the public domain.

6.2.2 If, after the information was obtained, it enters the public domain through no fault of the receiving party.

6.2.3 It is expressly obtained from a third party possessing legal rights without assuming an obligation to maintain confidentiality.

6.3. Termination of Confidentiality Obligations

6.3.1 The information has come or subsequently comes into the public domain due to circumstances not attributable to the receiving party.

6.3.2 The disclosing party provides such information to a third party without requiring it to adhere to confidentiality obligations.

6.3.3 There is objective evidence that the receiving party was already aware of or had obtained such information prior to receiving the information conveyed by the disclosing party. Or the receiving party, relying on personnel who have not had direct or indirect access to the confidential information provided by the disclosing party, has achieved independent development in relevant aspects.

6.3.4 Continued confidentiality is impossible due to mandatory orders or enforcement by administrative authorities or judicial bodies. If the receiving party is unable to notify the disclosing party before or at the time the information is compulsorily disclosed, it shall provide timely and reasonable written notice to the disclosing party after such compulsory disclosure.

6.3.5 The conditions for legally terminating the confidentiality obligation have been met.

6.4. Disclosing Party’s Statement of Rights

The disclosing party shall guarantee the accuracy and completeness of the confidential information it discloses to the receiving party. The disclosing party possesses full and legal rights to disclose the confidential information, in whole or in part, to the receiving party.

6.5. Receiving Party’s Exercise of Rights and Confidentiality Obligations

The receiving party has the right to authorize employees (including but not limited to employees of its branches) who have a business need to know the confidential information to use and access such information, provided that such employees are aware of and agree to comply with the relevant terms of this Agreement, and through performing appropriate written agreements with the receiving party, are sufficiently bound to adhere to all terms of this Agreement. Without the disclosing party’s prior written authorization or consent, the receiving party shall not:

6.5.1 Disclose any confidential information to any third party;

6.5.2 Use the confidential information for the benefit of a third party;

6.5.3 Use the confidential information for purposes other than those contemplated under this Agreement.

6.6. Statement on Ancillary Obligations

This confidentiality obligation constitutes a statutory ancillary obligation to the performance of this Agreement. After the termination or expiration of this Agreement, unless the conditions in clause 6.3 are met, the obligations set forth in the confidentiality clause above shall not be discharged by the termination of this Agreement.

6.7. System Security:

Party A shall ensure the security of its own websites, its clients’ websites, and system operation. The transmitted information content shall not contain any malicious code or programs, shall not affect the normal operation of website systems, and shall not infringe upon the legal rights and interests of users and clients.

VII. Termination Clause

7.1. Both parties agree that either party may terminate the cooperation in writing in advance upon completing the following matters:

- Both parties confirm that cooperation on the various platforms has been fully executed;
- Mutual financial settlements have been completed.

7.2. Both parties agree that if one party to the contract is subject to any of the following circumstances, the other party has the right to notify the terminating party in writing to terminate the contract:

- A party becomes bankrupt or enters into bankruptcy liquidation proceedings, and such proceedings are not annulled within 14 calendar days;
- A party’s entity is revoked, its business license is revoked, or it is dissolved;
- A party is unable to continue performing this Agreement due to a force majeure event;

- Party A fails to pay the service fees timely and in full within the payment period agreed by both parties, and fails to pay the full amount and liquidated damages even after Party B's demand for payment.
- Party B may, based on its own business needs, terminate this Agreement by email notice with seven business days' prior notice to the other party, and such termination shall not be deemed a breach. If the Agreement is terminated for this reason, to protect client interests, if a client still has prepaid amounts that have not been consumed, the unspent amount shall be allowed to be consumed over an extended period until it is fully consumed. Alternatively, upon Party A's request, Party B may refund such amount to Party A according to Party B's refund process.
- The agency party signs cooperation access documents (stipulating relevant pre-conditions for cooperation) with Party B before formal cooperation, and the agency party fails to meet the condition standards set forth in the access documents.
- The agency party, having chosen to accept Party B's assessment, fails to pay the security deposit (if any) timely and in full according to the assessment rules, or Party A fails to meet the assessment standards, commits serious violations, etc.
- The agency party assigns any rights or obligations under this Agreement to a third party in any form without Party B's written consent.
- The agency party misappropriates or uses beyond the scope the brands, trademarks, corporate names, etc. of Party B and its affiliated companies in violation of this Agreement. Or causes goodwill damage to Party B and Party B's affiliated companies due to illegal or non-compliant promotion.
- Other termination events stipulated in this Agreement.

VIII. Miscellaneous Provisions

8.1. Regarding the relevant rules that Party B may from time to time issue and update concerning the services through its system, email, or other means, including but not limited to information upload, click statistics management, policies, management systems, and rules, Party A agrees to comply with such rules. If the name or link of a rule changes, the changed version shall prevail. Should Party A violate any applicable rule, Party B has the right to take corresponding actions against Party A in accordance with the provisions of this Agreement and the relevant rules.

8.2. During the term of this Agreement, unless expressly provided for in this Agreement, neither party may use the other party's brand or logo without authorization. After the termination of this Agreement, neither party may use the other party's brand or logo for any commercial purpose without authorization.

8.3. The validity, interpretation, performance, jurisdiction, and dispute resolution of this Agreement shall be governed by the laws of the mainland region of the People's Republic of China. Any dispute arising from or in connection with this Agreement shall be subject to the jurisdiction of the People's Court located in Party B's locality.

8.4. Any notice or written correspondence between the parties must be written in Chinese and sent via email, fax, personal delivery (including express courier), or registered mail to the contact address set forth in the preamble of this Agreement.

8.5. If the notice or correspondence is delivered by fax, the date of receipt shall be the exact time shown on the fax transmission record. However, if the fax is sent after 5:00 p.m. on that day, or if the time in the recipient's location is not a business day, the date of receipt shall be the next business day in the recipient's location. If the notice or correspondence is delivered by email, it shall be deemed delivered on the next business day after the email is sent. If the notice or correspondence is delivered by personal delivery (including express courier), the date of receipt shall be the date of signature by the recipient.

8.6. Party A and Party B agree that the following email addresses shall serve as the designated means of contact. The parties may engage in communications regarding the specific implementation matters of the agreement. During the period before the Specific Terms are signed, the parties may cooperate based on the cooperation standards agreed upon by the aforementioned contacts through the agreed email addresses. The content expressed (without altering the substantive content of the Agreement) may serve as the basis for the parties' execution of the Agreement. Specifically:

Party A acknowledges that the email address of its contact person shall serve as the means of contact for mutual notifications and content confirmation between the parties. If a change is required, Party A shall notify Party B in writing of the changed email address 3 days prior to the effective change; otherwise, Party A shall bear all losses incurred.

Party B designates email addresses with the suffix @alibaba-inc.com as the means of contact for mutual notifications and content confirmation between the parties.

During the term of the cooperation, if a contact method changes, the changing party shall promptly notify the other party. Otherwise, any losses resulting from the failure to timely notify shall be borne by the party delaying such notification.

8.7. Party A and its affiliates acknowledge and agree that Party B has the right to adjust the platform name (including ‘Super Huichuan Platform, a subsidiary of Alibaba Group’ or ‘Super Huichuan Platform’). If Party B adjusts the platform name, it is not required to separately notify Party A and its affiliates. The platform name shall be as announced or notified by Party B. A change in Party B’s platform name shall not affect the rights and obligations of the parties under the original platform name, and Party A shall continue to comply with the original platform management systems and rules.

8.8. This Agreement shall take effect upon being sealed by both parties. This Agreement is executed in duplicate, with each party holding one copy.

8.9. If the cooperation continues after the expiration of this Agreement, both parties agree that this Agreement and other related policies and agreements shall remain valid. The validity of the aforementioned agreements shall continue until the parties sign a new cooperation agreement or otherwise mutually agree.

Specific Terms for Agency

Both parties jointly confirm that they will strictly abide by the content of the “Specific Terms for Agency”. These Specific Terms for Agency, together with the General Terms, the “Specific Terms of the Client Framework Agreement”, the “Order Contract”, and other relevant appendices, constitute a complete “Super Huichuan Platform Cooperation Agreement” (hereinafter referred to as “this Agreement”). This Agreement and each of its individual components are legally binding upon both parties. Both parties also explicitly acknowledge that the signing of these Specific Terms for Agency shall supersede any prior agreements reached between them, whether orally or in writing. The parties shall act in accordance with prior agreements before signing, and shall act in accordance with the content of these Specific Terms for Agency after signing.

I. The parties agree that Party B shall provide the agreed services to Party A through its platform or software system; Party A shall pay service fees and handle other related cooperation matters to Party B in accordance with the payment and settlement methods and prices stipulated in the Specific Terms for Agency of this Contract.

II. Definitions

1. Performance-Based Products: Products that are realized through the software system provided by Party B, according to Party B’s specific product policies, and are charged based on CPC or other methods. After Party A’s service requirements and content are acknowledged by both parties, Party A must complete the registration process on Party B’s relevant software system and confirm acceptance of the relevant content and service terms, thereby becoming an official user of Party B’s performance-based products and enjoying the following performance-based product services:

(1) Information Technology Services and Information Publishing Service: Party A uses Party B’s software system to submit, modify, and review distribution content or materials, and to submit and adjust system bids at any time. To enhance the efficiency and quality of Party A’s information display and distribution, and improve conversion rates, Party B provides a series of information technology services to Party A, leveraging Party B’s network technology, software systems, or applications. These services include dynamic analysis, monitoring, integration, calculation, processing of user demand data, and the creation of corresponding data models. They involve technically analyzing the match between Party A’s distributed content and user needs, resource allocation and targeted information distribution based on machine learning and other technical means, management and sorting strategy design for creatives and materials, and real-time updates on traffic conversion value estimation and evaluation, finally displaying Party A’s designated content or information on the front end.

(2) Other Technical Services: Including but not limited to other technical services such as utilizing various online tools provided by Party B to improve data analysis and management efficiency.

2. Billing Method:

1) CPD (Cost-Per-Download): Payment is made based on effective downloads. An effective download means when a user uses a mobile terminal device to download Party A’s product once through the services provided by Party B, it counts as one effective download. Regardless of how many times Party A’s same product is repeatedly downloaded on the same mobile terminal device, only one effective download is counted.

2) CPT (Cost-per-time): A cooperation method where a fixed fee within a settlement cycle serves as the billing basis.

3) CPC (Cost-Per-Click): A cooperation method where each valid click by a user serves as the billing basis.

4) CPM (Cost-per-impression): A cooperation method where every thousand impressions serves as the billing basis.

5) CPA (Cost-Per-Action): A cooperation method where the cost per action is billed based on the actual effect of information delivery.

III. Cooperation Metho

1. Party A shall ensure the legal rights to its designated information, bear the guarantee of exemption from liability, and possess legal authorization under the premise of ensuring that the designated information it provides does not contain information that infringes upon the legal rights and interests of Party B and third parties. Party B shall utilize its system and platform to provide Party A with the services described in this Order Contract.

2. The parties agree that the cooperation method for performance-based products shall be as specified in the following table and manner:

Product Name: Search Bidding / Information Feed Bidding / App Distribution Bidding

Billing Method: System Bidding, Payment by CPC

Position: Subject to the display in the bidding system

Service Period: From Jan. 1, 2026 to Dec. 31, 2026.

IV. Cooperation Policy

1. As a cooperation partner for Party B's agreed services, Party A provides Party B with high-quality clients, manages client accounts, etc. Party B shall provide incentives to Party A in accordance with the cooperation policy.

2. For details of the specific cooperation policy under this Agreement, please refer to the management policies and standards of the Super Huichuan Platform, a subsidiary of Alibaba Group.

3. During the term of this Agreement, Party B has the right to change the specific content of the aforementioned policy based on its own operational needs or other considerations. For any modifications or supplements to the policy content, Party B shall notify Party A in writing or via email. After a policy change, the parties shall implement the new policy starting from the next quarter following the date of the policy change. The implementation of the new policy shall not have retroactive effect.

V. Client Scope and Assessment Rules

1. Party A's client scope shall strictly comply with the platform rules such as client development rules issued by Party B, its affiliates, and the Super Huichuan Platform, a subsidiary of Alibaba Group.

2. Agency Assessment Rules: As Party B's cooperation partner, Party A shall accept Party B's assessment of Party A and meet Party B's assessment requirements. Party B's assessment requirements for Party A shall be implemented in accordance with the 'Access Standards for KA Agencies on the Super Huichuan Platform, a subsidiary of Alibaba Group' (subject to Party B's actual naming).

3. If an agency commits any violations, Party B, its affiliates, and the Super Huichuan Platform, a subsidiary of Alibaba Group, have the right to terminate the cooperation with the agency. For the determination of violations and assessment standards, please refer to the 'Management Measures for KA Agencies on the Super Huichuan Platform' (subject to Party B's actual naming; any modifications to the relevant rules shall not affect previously determined incentives or penalties). The 'Management Measures for KA Agencies on the Super Huichuan Platform' shall be an integral part of the 'Specific Terms for Agency' and an inseparable component thereof, and Party A shall comply with them.

VI. Payment

1. Payment Method

Party A and Party B agree that settlement shall be based on the settlement data, payment details displayed in Party B's system, and the financial credit period assessed by Party B's platform. If Party A fails to make payment on time, it shall additionally pay liquidated damages to Party B at a rate of 0.005% per day of the amount due for that period. Concurrently, Party B may take other measures such as termination, suspension, or interruption of services to mitigate losses, urge Party A to make payment, and reserves the right to take further actions.

2. Party B's Receiving Account Information

Party B's receiving account information shall be subject to the information displayed by Party B in the "Finance Center of the Super Huichuan Delivery Platform".

3. Invoice: Party A shall provide Party B with its accurate and complete invoicing information. Party B shall issue a formal VAT invoice that meets the requirements of the tax authorities to Party A within 10 business days after providing the services, receiving Party A's payment, and upon Party A's submission of an invoice application.

VII. Specific Implementation of Cooperation Policy

1. The parties shall review the business performance of the previous quarter in the first month of the next quarter, provided that Party A has made payment in accordance with this Contract. Party B shall propose the incentive amount for that quarter in writing, and the parties shall jointly determine it.

2. Party A and Party B agree that for quarterly incentives, the parties shall jointly confirm the incentive amount for the previous quarter within the next quarter through designated contacts and email addresses in accordance with the cooperation policy. Settlement shall occur after the parties reach mutual confirmation.

3. For annual incentives, Party A and Party B shall jointly confirm the annual incentive amount for the previous year within the first quarter of the following year through designated contacts and email addresses in accordance with the cooperation policy. Settlement shall occur after the parties reach mutual confirmation.

4. Party A's Receiving Account Information:

Party A's receiving account information shall be subject to the information displayed by Party A in the "Finance Center of the Super Huichuan Delivery Platform".

5. If Party A has overdue and unpaid service fees and fails to pay them even after Party B's demand for payment, Party B has the right to deduct the corresponding overdue amount from the quarterly and annual incentives to be paid and pay the remaining incentive amount to Party A.

6. The parties acknowledge that the incentives agreed to be paid by Party B to Party A under this Agreement constitute a sales discount provided by Party B based on Party A's actual cumulative consumption amount. After the parties jointly confirm the aforementioned sales discount amount, Party A shall promptly cooperate with Party B to issue a VAT red invoice. Party B may only pay the incentive amount to Party A after the VAT red invoice is successfully issued.

---------------------------- (No text below, signature area) ----------------------------

Party A Signature Area:

Beijing Baosheng Network Technology Co., Ltd. - Contract Seal (Seal)

Party B Signature Area:

Guangzhou Juyao Information Technology Co., Ltd. - Contract Seal (Seal)

March 9, 2026

Service Agency Terms

Through equal and amicable negotiations, Party A and Party B have reached the following terms regarding the cooperative matters related to Party A providing information technology services to Party B, for mutual adherence.

These “Super Huichuan Platform Service Agency Cooperation Agreement - Service Agency Terms” constitute the basic terms for the technical cooperation, such as account maintenance and optimization, entrusted by clients to Party A, in order to better serve clients and enhance the effectiveness of their campaigns on Party B’s platform. The parties agree that Party A shall provide services to clients through Party B’s platform or software system; Party A, entrusted and authorized by clients and while complying with client requirements, shall provide maintenance services for accounts. Party B shall pay Party A account maintenance information technology service fees and handle other related cooperation matters as agreed by both parties.

In this Agreement, either Party A or Party B may be referred to as a “Party”, and Party A and Party B collectively shall be referred to as the “Parties”.

I. Definitions and Explanation of Terms

1. Service Agency: Or ‘Service Provider’, refers to a corporate entity that, with client consent and in accordance with client requirements and authorization, provides services such as advertising account optimization and material creation and upload for clients in its own name. In this Agreement, it refers to Party A.

2. Super Huichuan Platform (referred to as “Party B’s System”):

Refers to a marketing and promotion platform that, authorized by media, legally operates media marketing and promotion businesses, monetizing media traffic through delivery systems such as Super Huichuan. Authorized media (also referred to as “Party B’s Media”) include, but are not limited to, Shenma Search (website: sm.cn), UC Browser, Shuqi, Quark, Wandoujia, PP Assistant, and other media that have a cooperative relationship with Super Huichuan, subject to the specific approval of Party B or the Super Huichuan Platform.

3. Party B’s Software System (referred to as “Party B’s System”):

Refers to the network technology software system developed and operated by Party B or its affiliates, through which Party A can directly upload designated information, submit promotion requests, and formulate customer acquisition and conversion effect plans; concurrently, the functions of this system also include, based on Party A’s designated information and effect objectives, achieving final effect conversions such as clicks, views, downloads, transactions, etc. by users through technical capabilities such as models and data analysis, as well as performing data statistical analysis and management of effect conversion data such as click-through counts.

4. Party B’s Media:

Refers to client software or platforms (including previously released versions and versions to be released in the future) that are legally owned by Party B or its affiliates, for which they hold operational rights, or with which they cooperate with other third parties, and which are configured for application on Android, iOS, and other mobile terminal operating platforms.

5. Designated Information:

Refers to the information content that, after confirmation by the client, the client authorizes Party A to maintain, upload, or provide, including but not limited to: links, text descriptions, images, videos, and other content, as well as the page pointed to after a click.

6. Technical Service Fee:

Refers to the technical service fee paid by Party B to Party A for the services stipulated in this Agreement provided by Party A, which may be referred to as the “Technical Service Fee” in this Agreement.

7. Party B’s Client/Client:

Refers to civil or commercial entities that place or submit promotion requests through Party B’s system.

II. Cooperation Content and Method

1. Party A and Party B confirm that, after obtaining the client's written or email confirmation, Party A shall maintain the client's delivery account in accordance with the client's entrusted and authorized matters and comply with the requirements of Party B or Party B's client. Party A shall perform operational services through Party B's system according to Party B's client's requirements, enabling the display of their designated keywords and designated information on the front end, or dynamically collect, process, store, retrieve, and compute information according to certain rules, and obtain data processing results, while also meeting the usage requirements of Party B's System.

2. All designated information uploaded by Party A on Party B's System/Platform/Media shall comply with the provisions of the current laws and regulations of China and shall not involve any act that infringes upon the legal rights of any other third party.

3. The aforementioned designated information is subject to Party B's review and approval before services can be accepted for display or optimization. Once the designated information is reviewed and approved, it shall not be arbitrarily modified or changed.

4. For Party A or Party B's clients requiring the use of Party B's System, they must register themselves through Party B's System to become registered users of the system. Party A shall operate designated keywords and designated information through Party B's System on its own. Party A's operations shall comply with Party B's specifications and requirements as well as the requirements of laws, regulations, and policies. Party A shall properly safeguard its username and password in Party B's System and shall not disclose them to any third party. Any losses incurred due to Party A's improper management of its account shall be borne by Party A itself.

5. Party A and Party B confirm that, except where a designated third-party data monitoring company provides delivery statistical data services or otherwise agreed by the parties, all statistical data under this Agreement (including but not limited to PV for information publishing positions, UV, cooperation revenue, click-through counts, download counts, etc.) shall be governed by Party B's statistical methods and results. Party B's System provides the function for Party B's client accounts to query balances; Party A, after obtaining authorization from Party B's client, can query relevant data in real-time through Party B's System platform. Concurrently, Party B guarantees the objectivity and authenticity of the statistical data.

6. If Party A has any objection to the statistical data, it shall raise a written objection for the preceding month within the first three business days of the following month, and both parties shall jointly confirm the data. If Party A fails to raise a written objection within the aforementioned period, it shall be deemed that Party A accepts Party B's click data statistics for the previous month and that Party B has duly completed its services for that month.

7. If Party A wishes to engage in business agency cooperation beyond service agency with Party B and/or its affiliates, it may, with the consent of Party B and/or its affiliates, separately sign an agency cooperation agreement, and Party A shall provide services based on its client's entrustment.

8. As Party B's service agency, Party A shall accept Party B's assessment of Party A and meet Party B's assessment requirements. Party B's assessment requirements for Party A shall be implemented in accordance with the 'Access Standards for KA Agencies on the Super Huichuan Platform, a subsidiary of Alibaba Group' (subject to Party B's actual naming). If Party A commits any violations, Party B, its affiliates, and the Super Huichuan Platform, a subsidiary of Alibaba Group, have the right to terminate the cooperation. For the determination of violations and assessment standards, please refer to the 'Management Measures for KA Agencies on the Super Huichuan Platform' (subject to Party B's actual naming; any modifications to the relevant rules shall not affect previously determined incentives or penalties). The 'Management Measures for KA Agencies on the Super Huichuan Platform' shall be an integral part of the 'Service Agency Terms' and an inseparable component thereof, and Party A shall comply with them.

9. The term of this Agreement shall commence on Jan. 1, 2026 and terminate on Dec. 31, 2026.

III. Special Provisions on Rights and Obligations

1. Representations and Warranties of Party A and Party B

(1) Both parties warrant that they are independent legal entities duly established and validly existing under the relevant laws of the People's Republic of China, possessing full statutory civil rights and civil capacity to exercise their rights and perform their obligations under this Agreement. Concurrently, when exercising rights or performing obligations under this Agreement, their actions do not violate any restrictions imposed by applicable laws binding upon them, nor infringe upon the legal rights and interests of any other party to this Agreement;

(2) The legal representatives or authorized agents of both parties have obtained sufficient and complete legal qualifications or authorization to represent their respective legal entities in signing this Agreement;

(3) Party A must notify Party B prior to any change in its equity structure, company name, legal representative, directors, supervisors, or core executives. Party B has the right to determine whether such changes have a material impact on this cooperation and decide whether to continue the cooperation. If Party A fails to notify Party B of the aforementioned changes in advance, Party B has the right to terminate the cooperation and revoke Party A's service permissions.

2. Party A confirms that it shall obtain authorization and entrustment from Party B's client in advance, and shall promptly provide them to Party B. After obtaining authorization, it shall operate the account established by Party B's client on its behalf. Party B shall notify Party A of designated sub-account information, service requirements, and related materials via email. Party A acknowledges this notification method and shall act in accordance with Party B's notice. Party A ensures that it and its clients possess legal and genuine qualifications and credentials, and that the information content has been reviewed and approved by relevant government authorities (if required). If Party B suffers any claims, demands, lawsuits, etc. from any third party, or incurs any warnings, penalties, fines, etc. from any administrative law enforcement authorities due to insufficiency or authenticity defects in Party A's or its clients' qualifications, supporting documents, etc., Party A shall compensate Party B for its losses, including but not limited to attorney's fees, litigation costs, travel expenses, notary fees, and all other reasonable expenses.

3. Party A undertakes to strictly complete the optimization and maintenance work for the designated client's delivery account in accordance with Party B's client and Party B's system requirements:

(1) Perform operations on delivery materials through Party B's service platform according to Party B's client's requirements, completing tasks such as modifying, uploading, and deleting delivery materials;

(2) Accurately and reasonably set up delivery plans and keywords for all delivery materials operated by Party A through Party B's service platform, completing data statistics tasks including but not limited to keyword bidding, targeting audience selection, etc.

(3) Other account maintenance, management, and optimization services entrusted by Party B's client.

4. Party A guarantees that the textual, graphic, video, or linking information resources it provides do not contain any content that violates relevant national laws, regulations, policies, notices, directives, or international treaties recognized or acceded to by the People's Republic of China, including but not limited to content that endangers national security, is obscene or pornographic, is false, fraudulent, insulting, defamatory, threatening or harassing, infringes or allegedly infringes upon others' intellectual property rights, personal rights or other legal rights and interests, or contravenes public order and good morals.

5. Party A's information content shall not involve any content that violates the law or public order and good morals, specifically including but not limited to:

(1) Endangering national security, leaking state secrets, subverting state power, undermining national unity, or harming national honor and interests;

(2) Inciting ethnic hatred or discrimination, or undermining ethnic unity;

(3) Undermining state religious policies, or propagating cults and feudal superstitions;

(4) Spreading rumors, disrupting social order, or undermining social stability;

(5) Spreading obscenity, pornography, gambling, violence, murder, terror, or inciting crime;

(6) Insulting or defaming others, or infringing upon the legal rights and interests of others;

(7) Web pages or software content containing viruses or other malicious charge codes;

Should Party A violate the provisions of this clause, Party B has the right to refuse display or delete the content at any time after display, and to set the system to prevent the display of all information content submitted by Party A, and has the right to unilaterally terminate this Agreement. Termination of this Agreement does not exempt Party A from paying liquidated damages or bearing liability for compensation to Party B. Party B has the right to deduct the aforementioned amounts from the payments due to Party A.

6. Party A understands and undertakes that if, due to reasons attributable to Party A, any disputes, disagreements, conflicts, claims, demands, or lawsuits arise between Party B and its clients based on transactions under this Agreement, such matters shall be resolved by Party A and the clients themselves. Party A hereby releases Party B from all liabilities related thereto, including but not limited to compensation for infringement, payment of outstanding amounts, etc.

7. Party B has the right to review the information content, format, and related document qualifications provided by Party A. For content that does not comply with laws and regulations, or which Party B has reason to believe would adversely affect Party B if displayed, Party B has the right to require Party A to complete the modification of the content within 3 days of receiving written (including email) notice of modification from Party B. Prior to Party A making the modifications as required by Party B, Party B has the right to refuse to display the content and shall not be liable for any service delays resulting therefrom. If Party A refuses to modify the content or delays in modifying the content, thereby affecting the normal conduct of Party B's business, Party B has the right to unilaterally terminate this Agreement and require the responsible party to compensate Party B for all economic losses incurred by Party B during the period of delay.

8. If Party B or its client needs to make any modifications to, or replacement of, the designated information, Party A shall complete the modification or replacement in the manner and within the timeframe specified in Party B's written or system notice. Should Party A or its client need to make any modifications to, or replacement of, the designated information, they must apply to Party B in writing or via system application at least 3 business days in advance. The new designated information can only replace the original information after being reviewed and approved by Party B. Any unauthorized modification or replacement without Party B's review shall be deemed a breach of contract by Party A and shall be handled in accordance with the liability for breach of contract clause of this Agreement.

9. If a third party complains to Party B that the designated information content or the product/service corresponding to the linked page involves illegal or fraudulent activities, and provides legal evidence thereof, Party B has the right to immediately take down or delete the relevant product or page. Concurrently, Party B shall cease providing the services stipulated in this Contract. Party A and Party B also confirm that if the third-party complaint is valid, Party B is not required to pay the remaining technical service fee amounts to Party A. If the relevant content was provided by Party A without authorization, Party A shall bear all liabilities arising therefrom and be responsible for compensating Party B for all losses incurred by Party B as a result.

10. Party B's review and approval of Party A's information content does not exempt Party A from the responsibilities it shall bear for any violation of relevant legal provisions by such qualifications or content.

11. In the case of technical services where the technical service fee is calculated based on a fixed duration, should errors in broadcasting or omissions occur due to reasons attributable to Party A, Party A shall provide supplementary services in accordance with Party B's client's requirements.

12. Restrictions on Assignment of Rights and Obligations and Prohibitive Provisions on Fraudulent Performance"

(1) Unless required by statutory conditions or mutually agreed in writing by both contracting parties, neither party may unilaterally assign the rights and obligations under this Agreement in any manner;

(2) Both contracting parties shall not harm user interests or each other's reputation through improper means such as fraud. It is strictly prohibited to intentionally inflate or deflate click counts or access volume through various malicious means to obtain illegal benefits. Once discovered, this will be deemed fraudulent performance of the contract, and the non-breaching party has the right to immediately and unconditionally terminate this Agreement and submit the matter to the national prosecutorial authorities for judicial handling.

13. Both parties undertake to comply with applicable laws and regulations regarding the protection of personal information and privacy, freedom of communication, and ensuring network security operation. In the transmission of personal information in the performance of this Agreement, Party A undertakes:

(1) Personal information has been de-identified prior to transmission in accordance with the requirements of applicable information protection laws;

(2) The personal information transmitted is complete, accurate, and up-to-date;

(3) Security measures such as encryption have been applied to the personal information transmitted;

(4) At the time of collecting personal information, the obligation to inform the personal information subject has been fulfilled in accordance with the requirements of applicable information protection laws, and authorization has been obtained from the personal information subject for the processing of personal information under this Agreement and the provision of personal information to Party B; if it involves obtaining personal information from a third party, it undertakes to ensure that such third party has fulfilled the aforementioned requirements for notification and authorization. Upon Party B's request, written proof of such authorization will be provided;

(5) When transmitting personal information to Party B, the requirements stipulated by applicable laws and the security measures required by Party B have been implemented;

(6) It will not transmit to Party B personal information collected in violation of applicable information protection laws or without obtaining authorization from the relevant personal information subject.

14. Party A undertakes not to decrypt Party B's data or data analysis results through methods such as reverse engineering, decompiling, or disassembling, or to use other means to attempt to trace, locate, or reverse-engineer specific users or user personal information. The data and information obtained through this cooperation shall be used solely for the purposes, methods, and scope described in this Agreement or other written requests from both parties, and shall not be used for any other purpose without the other party's written authorization.

15. Both parties undertake that data obtained in this cooperation will not be transferred across borders to countries or regions outside the People's Republic of China.

16. Party A and Party B agree that the remaining portion of the security deposit (if any) paid by Party A to Party B or Party B's affiliated companies based on previous cooperation with Party B or Party B's affiliated companies (referring to the original security deposit minus any deductions, penalties, or other amounts subject to reduction) shall be handled according to Party B's requirements. Party A shall replenish the security deposit as stipulated in the security deposit clause (if any).

IV. Settlement Terms

1. Party A and Party B agree that the settlement data within this Order Contract shall be based on the data from Party B's statistical platform. Party B shall ensure the authenticity and legality of the statistical data. Should Party B or Party A have any objection to the statistical data, a written objection for the preceding month shall be raised within the first three business days of the following month. If Party B and Party A fail to raise a written objection within the aforementioned period, it shall be deemed that Party B and Party A accept Party B's click data statistics and that Party B has duly completed its services. Data objections shall not affect the settlement and payment for the non-disputed portion.

2. If the discrepancy in the disputed data between the parties does not exceed 5%, Party B's statistical data shall prevail. If the disputed data discrepancy exceeds 5%, the parties shall jointly investigate the cause of the data discrepancy and, based on the actual circumstances, negotiate a solution through mutual understanding and concession. If the cause cannot be determined, the parties may negotiate a compromise solution. Party B shall pay the technical service fee to Party A based on the quarterly consumption amount and product lines of the sub-accounts maintained by Party A, in accordance with the service provider policy, the specific content of which shall be governed by Party B's service provider policy confirmed in writing or via email. Party A shall issue a valid special VAT invoice for the corresponding amount to Party B, with a tax rate of 6%, within 10 business days prior to Party B's payment. For any delay in invoice issuance, issuance of an invoice not conforming to Party B's requirements, or failure of invoice verification due to reasons attributable to Party A, Party B's payment date shall be postponed accordingly, and Party B shall not bear any liability for breach of contract.

3. The invoicing information and receiving account information for both Party A and Party B shall be subject to the information displayed by each party in the 'Finance Center of the Super Huichuan Delivery Platform'.

V. Limitation of Liability

1. In the event that Party A's original service plan cannot be carried out normally due to Party B's system upgrades or changes, Party A undertakes not to pursue Party B's legal liability, provided that Party B is obliged to make its best efforts to avoid service interruption or limit the interruption to the shortest possible time.

2. Should Party A's breach of this Agreement cause losses to Party B and/or other relevant third parties (including but not limited to compensation amounts, litigation costs, attorney's fees, notary fees, etc. that are legally required to be paid), Party A shall bear full liability for compensation. Party A and Party B agree that, upon the occurrence of the foregoing, Party B has the right to cancel Party A's account within Party B's System at any time, and has the right to deduct the aforementioned fees and/or compensation for losses from amounts already paid or to be paid by Party B, or from amounts to be paid by Party A.

3. To protect the rights and interests of Party A and Party B, Party B may suspend the provision of services upon detecting abnormal activity in Party A's or its clients' own information content and accounts.

4. If the third party mentioned above that files a complaint due to illegal or fraudulent activities in the designated information content or the product/service corresponding to the linked page, and provides legal evidence thereof, requires Party B to disclose basic information of Party B, Party A, and its clients to the third party, including and limited to: name, address, contact information, based on laws, regulations, competent authority policies, etc., Party A acknowledges that Party B's disclosure does not violate the relevant confidentiality provisions of this Agreement. If competent administrative authorities and judicial authorities require Party B to disclose information beyond the scope mentioned above, such disclosure shall likewise not be deemed a violation of the relevant confidentiality provisions of this Agreement.

5. Party B will provide corresponding security measures based on existing technology to ensure the security and normal provision of technical services. However, due to possible factors such as computer viruses, network communication failures, system maintenance, and potential force majeure events, Party B cannot guarantee absolute service security or normal service provision under all circumstances. Party A shall understand this and shall not hold Party B liable under the following circumstances:

(1) System downtime for maintenance;

(2) Failure of service equipment, communication, or any equipment resulting in inability to transmit data, or delays, inaccuracies, errors, omissions, etc.;

(3) System obstacles preventing business execution due to force majeure events such as typhoons, earthquakes, tsunamis, floods, power outages, wars, terrorist attacks;

(4) Service interruption or delay caused by hacker attacks, technical adjustments or failures by telecommunications departments, website upgrades, third-party issues, or other reasons;

(5) Inability to provide services or service delays caused by governmental actions, or judgments of domestic or international courts.

6. Party A confirms that its actions in providing services are based on Party A's independent judgment and require it to bear the risks itself. Party A shall bear alone any losses (if any) that may be caused to its computer systems or data loss as a result.

7. Party A agrees that Party B shall not be liable for any of the following circumstances:

(1) Failure to provide services not caused by Party B's intent or negligence;

(2) Losses suffered by Party B, Party A, and/or any third party caused by Party A's intent or negligence;

(3) Party A's violation of this Agreement or of Party B's system rules. System rules include the operating specifications clearly indicated within Party B's System and other normative documents issued by Party B.

8. Party A assumes full responsibility for the truthfulness, legality, accuracy, and integrity of rights including intellectual property rights of the network information, designated information content, and the goods/services corresponding to the information (if any). Accordingly, Party A shall independently bear the responsibility for reviewing the aforementioned matters. Party A shall be responsible for bearing all liabilities arising from any disputes, complaints, or government penalties triggered by the aforementioned matters. If Party B pays compensation or fines first, Party A shall fully compensate Party B for its losses (including but not limited to fines from administrative law enforcement departments, compensation amounts, litigation costs, attorney's fees, notary fees, etc., that are legally required to be paid) within 15 business days.

9. Party B warrants that its intellectual property rights, operational rights, and other rights in Party B's Platform, Party B's System, and Party B's Media comply with relevant national laws and do not infringe upon the legal rights and interests of any entity.

VI. Liability under the Agreement

1. Culpa in Contrahendo Liability

Under this Agreement, both parties warrant that they possess the requisite legal qualifications to engage in the cooperation under this Agreement and that they do not violate the representations and warranties in this Agreement. If the conclusion of the contract is flawed or the contract becomes invalid due to a party's lack of qualification, the qualified party, in addition to having the right to unilaterally terminate this Agreement by written notice, has the right to pursue civil compensation from the unqualified party for the actual losses incurred as a result of the unqualified party's culpa in contrahendo.

2. If the content, information, or supporting documents submitted by Party A or its clients contain false advertising or otherwise violate relevant laws and regulations, Party B has the right to unilaterally terminate this Agreement and has the right to demand that the provider of the aforementioned materials compensate Party B for all economic losses arising therefrom.

3. If Party A commits any violations during the service process, it shall accept the penalties imposed by Party B in accordance with Party B's clearly indicated operating specifications. The definition of violations is detailed in the system rules, including the operating specifications clearly indicated within Party B's System and other normative documents and notices issued by Party B in writing, such as via email.

4. Liability for Breach of Confidentiality Obligations

Provided that the disclosing party ensures the completeness and legality of the rights to the confidential information disclosed to the receiving party, if the receiving party refuses to perform the confidentiality obligations stipulated under this Agreement or implements the prohibitions in clause 6.5, thereby causing losses to the disclosing party, the receiving party shall be liable for compensation to the disclosing party, with the compensation amount capped at the disclosing party's actual losses. If the receiving party's actions involve gross negligence or intent, leading to serious consequences of disclosure, the disclosing party has the right to directly pursue the legal liability of the receiving party through judicial channels before the prosecuting authorities.

5. Party A shall sign and accept the constraints of the 'Letter of Commitment on Integrity and Honesty' and shall not provide any form of undue benefits to the employees, consultants, or the immediate family members of employees or consultants of Party B and its affiliated enterprises, nor engage in other behaviors that violate the content of the Letter of Commitment on Integrity and Honesty. Otherwise, Party A agrees that Party B has the right to immediately terminate this Agreement, and the breaching party shall bear liability for breach of contract to Party B by paying liquidated damages equal to the higher of (a) 30% of the total fees paid by Party B to Party A under this Agreement; or (b) the total amount of undue benefits provided in any form.

6. Liability for Breach of Payment Obligations

Where both parties have agreed upon a payment date and credit period, and after the disclosing party has performed its service obligations under this Agreement, if Party B refuses to perform its payment obligations to Party A on time or delays such performance, Party A has the right to require Party B to rectify such defective performance and to pursue liquidated damages from Party B at a rate of 0.005% per day of the total amount payable for that month. If Party B's defective performance persists for thirty (30) days, Party A has the right to unilaterally terminate performance under this Agreement.

7. Other clauses of this Agreement stipulating liability.

VII. Confidentiality and Website System Securit

1. The confidential information involved in this Agreement mainly refers to the following:

(1) Operational management information, including but not limited to: business strategies and plans, production and operational performance and financial data, existing and anticipated client and supplier information, financial information, human resources materials, business operation documents, and other similar information;

(2) Technical data information, including but not limited to: technical know-how and ideas, designs, processing flows, technical and integration solutions, implementation plans, consulting reports, computer programs (including source code and object code), and other similar information;

(3) Materials provided by both parties to each other during the pre-cooperation period or during the cooperation for the purpose of achieving the contract’s objectives, including but not limited to: contracts, agreements, meeting minutes for the cooperation between the parties, overall project implementation and process details (including but not limited to: all information that clients learn through Party B’s inquiry channels), and other similar information.

(4) Other information that must be kept confidential as indicated in a certain form.

2. The following information will not be deemed confidential:

(1) If, at the time the information was obtained, it was already in the public domain.

(2) If, after the information was obtained, it enters the public domain through no fault of the receiving party.

(3) It is expressly obtained from a third party possessing legal rights without assuming an obligation to maintain confidentiality.

3. Termination of Confidentiality Obligations

(1) The information has come or subsequently comes into the public domain due to circumstances not attributable to the receiving party.

(2) The disclosing party provides such information to a third party without requiring it to adhere to confidentiality obligations.

(3) There is objective evidence that the receiving party was already aware of or had obtained such information prior to receiving the information conveyed by the disclosing party. Or the receiving party, relying on personnel who have not had direct or indirect access to the confidential information provided by the disclosing party, has achieved independent development in relevant aspects.

(4) Continued confidentiality is impossible due to mandatory orders or enforcement by administrative authorities or judicial bodies. If the receiving party is unable to notify the disclosing party before or at the time the information is compulsorily disclosed, it shall provide timely and reasonable written notice to the disclosing party after such compulsory disclosure.

(5) The conditions for legally terminating the confidentiality obligation have been met.

4. Disclosing Party’s Statement of Rights

The disclosing party shall guarantee the accuracy and completeness of the confidential information it discloses to the receiving party. The disclosing party possesses full and legal rights to disclose the confidential information, in whole or in part, to the receiving party.

5. Receiving Party’s Exercise of Rights and Confidentiality Obligations

The receiving party has the right to authorize employees (including but not limited to employees of its branches) who have a business need to know the confidential information to use and access such information, provided that such employees are aware of and agree to comply with the relevant terms of this Agreement, and through performing appropriate written agreements with the receiving party, are sufficiently bound to adhere to all terms of this Agreement. Without the disclosing party’s prior written authorization or consent, the receiving party shall not:

(1) Disclose any confidential information to any third party;

(2) Use the confidential information for the benefit of a third party;

(3) Use the confidential information for purposes other than those contemplated under this Agreement.

6. Statement on Ancillary Obligations

This confidentiality obligation constitutes a statutory ancillary obligation to the performance of this Agreement. After the termination or expiration of this Agreement, unless the conditions in clause 6.3 are met, the obligations set forth in the confidentiality clause above shall not be discharged by the termination of this Agreement.

7. System Security

Party A and Party B shall ensure the security of their own websites, their clients' websites, and system operation. The transmitted information content shall not contain any malicious code or programs, shall not affect the normal operation of website systems, and shall not infringe upon the legal rights and interests of users and clients.

VIII. Termination Clause

8.1. Both parties agree that either party may terminate the cooperation in writing in advance upon completing the following matters:

Both parties confirm that cooperation on the various platforms has been fully executed;

Mutual financial settlements have been completed.

8.2. Both parties agree that if one party to the contract is subject to any of the following circumstances, the other party has the right to notify the terminating party in writing to terminate the contract:

A party becomes bankrupt or enters into bankruptcy liquidation proceedings, and such proceedings are not annulled within 14 calendar days;

A party's entity is revoked, its business license is revoked, or it is dissolved;

A party is unable to continue performing this Agreement due to a force majeure event;

Party B may, based on its own business needs, terminate this Agreement by email notice with seven business days' prior notice to the other party, and such termination shall not be deemed a breach.

The agency party signs cooperation access documents (stipulating relevant pre-conditions for cooperation) with Party B before formal cooperation, and the agency party fails to meet the condition standards set forth in the access documents.

The agency party, having chosen to accept Party B's assessment, fails to pay the security deposit (if any) timely and in full according to the assessment rules, or Party A fails to meet the assessment standards, commits serious violations, etc.

The agency party assigns any rights or obligations under this Agreement to a third party in any form without Party B's written consent.

The agency party misappropriates or uses beyond the scope the brands, trademarks, corporate names, etc. of Party B and its affiliated companies in violation of this Agreement. Or causes goodwill damage to Party B and Party B's affiliated companies due to illegal or non-compliant promotion.

Other termination events stipulated in this Agreement.

IX. Miscellaneous Provisions

9.1. Regarding the relevant rules that Party B may from time to time issue and update concerning the services through its system, email, or other means, including but not limited to information upload, click statistics management, policies, management systems, and rules, Party A agrees to comply with such rules. If the name or link of a rule changes, the changed version shall prevail. Should Party A violate any applicable rule, Party B has the right to take corresponding actions against Party A in accordance with the provisions of this Agreement and the relevant rules.

9.2. During the term of this Agreement, unless expressly provided for in this Agreement, neither party may use the other party's brand or logo without authorization. After the termination of this Agreement, neither party may use the other party's brand or logo for any commercial purpose without authorization.

9.3. The validity, interpretation, performance, jurisdiction, and dispute resolution of this Agreement shall be governed by the laws of the mainland region of the People's Republic of China. Any dispute arising from or in connection with this Agreement shall be subject to the jurisdiction of the People's Court located in Party B's locality.

9.4. Any notice or written correspondence between the parties must be written in Chinese and sent via email, fax, personal delivery (including express courier), or registered mail to the contact address set forth in the preamble of this Agreement.

9.5. If the notice or correspondence is delivered by fax, the date of receipt shall be the exact time shown on the fax transmission record. However, if the fax is sent after 5:00 p.m. on that day, or if the time in the recipient's location is not a business day, the date of receipt shall be the next business day in the recipient's location. If the notice or correspondence is delivered by email, it shall be deemed delivered on the next business day after the email is sent. If the notice or correspondence is delivered by personal delivery (including express courier), the date of receipt shall be the date of signature by the recipient.

9.6. Party A and Party B agree that the following email addresses shall serve as the designated means of contact. The parties may engage in communications regarding the specific implementation matters of the agreement. During the period before the Specific Terms are signed, the parties may cooperate based on the cooperation standards agreed upon by the aforementioned contacts through the agreed email addresses. The content expressed (without altering the substantive content of the Agreement) may serve as the basis for the parties' execution of the Agreement. Specifically:

Party A acknowledges that the email address of its contact person shall serve as the means of contact for mutual notifications and content confirmation between the parties. If a change is required, Party A shall notify Party B in writing of the changed email address 3 days prior to the effective change; otherwise, Party A shall bear all losses incurred.

Party B designates email addresses with the suffix @alibaba-inc.com as the means of contact for mutual notifications and content confirmation between the parties.

During the term of the cooperation, if a contact method changes, the changing party shall promptly notify the other party. Otherwise, any losses resulting from the failure to timely notify shall be borne by the party delaying such notification.

9.7. Party A and its affiliates acknowledge and agree that Party B has the right to adjust the platform name (including 'Super Huichuan Platform, a subsidiary of Alibaba Group' or 'Super Huichuan Platform'). If Party B adjusts the platform name, it is not required to separately notify Party A and its affiliates. The platform name shall be as announced or notified by Party B. A change in Party B's platform name shall not affect the rights and obligations of the parties under the original platform name, and Party A shall continue to comply with the original platform management systems and rules.

9.8. This Agreement shall take effect upon being sealed by both parties. This Agreement is executed in duplicate, with each party holding one copy.

9.9. If the cooperation continues after the expiration of this Agreement, both parties agree that this Agreement and other related policies and agreements shall remain valid. The validity of the aforementioned agreements shall continue until the parties sign a new cooperation agreement or otherwise mutually agree.

---------------------------- (No text below, signature area) ----------------------------

Party A Signature Area:	Party B Signature Area:
Beijing Baosheng Network Technology Co., Ltd. - Contract Seal (Seal)	Guangzhou Juyao Information Technology Co., Ltd. - Contract Seal (Seal)
	March 9, 2026

Letter of Commitment on Integrity and Honesty

Party A: Beijing Baosheng Network Technology Co., Ltd. (hereinafter referred to as "Party A" or the "Cooperation Company")

Party B: Guangzhou Juyao Information Technology Co., Ltd. (hereinafter referred to as "Party B" or the "Super Huichuan Platform")

Party B greatly respects Party A's good reputation in the industry. Concurrently, as a company that incorporates integrity into its corporate values, Party B also hopes that during the cooperation between Party A and Party B, both parties can jointly uphold the norms of honest and transparent commercial integrity practices.

Therefore, prior to the commencement of cooperation between the parties, Party A and Party B agree on the commercial integrity practice norms to be observed during the cooperation process as follows:

1. Integrity

Integrity is the foundation of the cooperation between the parties. As a company with a good reputation in the industry, Party A adheres to the principle of integrity in its business dealings and undertakes not to engage in dishonest acts of concealment or even fraud, including but not limited to:

1) Not colluding on pricing with other companies that have cooperative relationships with the Super Huichuan Platform, including but not limited to suppliers and agencies, to inflate or deflate quotations;

2) Ensuring that documents, materials, data, written statements, and oral statements provided to the Super Huichuan Platform are true and accurate, and not providing false information or concealing material information;

3) Strictly complying with the commitments made to the Super Huichuan Platform, and the contracts, agreements, and memoranda signed by both parties, providing products and/or services on time, with guaranteed quality and quantity.

4) Proactively declaring, as required by the Super Huichuan Platform, whether there exists any affiliated relationship with employees of the Super Huichuan Platform (including but not limited to employees, hires, consultants of the Super Huichuan Platform and/or Alibaba Group affiliates) ('Affiliated Relationship' refers to Alibaba Group employees and their immediate family members being direct investors in the Cooperation Company);

5) When participating in project bidding for the Super Huichuan Platform, proactively declaring whether there exists any affiliated relationship between this Company and other entities participating in the bid ('Affiliated Relationship' refers to the relationship between a company's controlling shareholder, actual controller, directors, supervisors, senior officers, and enterprises they directly or indirectly control, as well as other relationships that may lead to the transfer of interests), and not engaging in bid rigging or collusive bidding.

6) It shall not collect information or data unrelated to the cooperative business by any means; nor shall it provide externally the information or data obtained through cooperation with the Super Huichuan Platform, or otherwise use or process the aforementioned information or data without obtaining authorization from the Super Huichuan Platform.

2. Anti-Undue Benefits

To ensure fair commercial competition and a pure commercial cooperative relationship, the Cooperation Company undertakes not to provide any form of undue benefits, directly or indirectly, to employees of the Super Huichuan Platform for the purpose of facilitating the signing or performance of contracts, obtaining higher commercial benefits, more favorable commercial treatment, or stock market appreciation than any third party, nor under the guise of promoting personal feelings or engaging in courtesy exchanges, including but not limited to:

1) Providing any personal benefits or gifts, including but not limited to physical items, cash or cash equivalents, discounts, and other property rights; cash equivalents include but are not limited to consumption cards/coupons, delivery vouchers, shopping cards, exchange coupons, recharge cards, transportation cards, phone cards, various top-up credits or other rechargeable cards/credits for use or consumption, stored-value cards, and other forms of valuable gift vouchers or securities;

2) Providing entertainment and hospitality, including but not limited to karaoke, SPA, foot baths, golf, commercial performances, travel, commercial sports events, extravagant dining hospitality, etc.;

3) Providing job opportunities, including but not limited to establishing employment relationships, labor dispatch, outsourcing services, part-time work, consulting, and other forms, and/or paying them any form of remuneration;

4) Providing investment opportunities, namely holding Party B's equity in one's own name or holding on behalf of a third party, except for equity held through public securities markets representing less than 5% of outstanding shares, equity held through direct or indirect holdings in funds without actual control, or shares held through trusts where the beneficiary is neither oneself nor an associated person;

5) Providing loans or other benefits.

6) Providing special and significant assistance, including but not limited to, opportunities or quotas for employees' children to attend school, household registration or residency rights, payment of social insurance for family members, housing purchase opportunities, etc. The Cooperation Company agrees that, should the above circumstances occur, the Super Huichuan Platform has the right to immediately terminate, in whole or in part, all contracts with the Cooperation Company without assuming any liability, and the Cooperation Company shall pay liquidated damages to the Super Huichuan Platform. The liquidated damages amount shall be the highest of (a) thirty percent (30%) of the total amount stipulated in the contract; or (b) thirty percent (30%) of the total technical service fees already paid by the Super Huichuan Platform to the Cooperation Company; or (c) the total amount of undue benefits provided in any form. Furthermore, all cash incentives obtained by the Cooperation Company from the Super Huichuan Platform will be fully deducted and not be paid. If such incentives have already been paid, the Super Huichuan Platform has the right to recover them in accordance with this Letter of Commitment.

In such a case, the Super Huichuan Platform has the right to disclose the cooperation company's breach to any third party or make it public to society.

3. Anti-Bribery and Anti-Corruption

Corrupt and bribery practices violate the fundamental principles of a market economy, increase the risks of conducting business activities, and simultaneously endanger the bottom line and reputation of the Super Huichuan Platform. To create a fair and just market operation order and protect the legitimate rights and interests of all parties, the Cooperation Company undertakes to resist corrupt and bribery practices and comply with the following provisions, including but not limited to:

1) Understanding and complying with the provisions of anti-bribery and anti-corruption laws, regulations, and international conventions of China and any applicable countries or regions;

2) Never, for the purpose of obtaining or retaining business for itself or assisting the Super Huichuan Platform, or seeking transaction opportunities or competitive advantages, or obtaining any improper benefits, directly or indirectly propose, make, promise to make, or authorize the making of any payment of compensation, gifts, or other valuable articles or benefits that violate laws and regulations, or take any other actions that violate laws and regulations, to any government agency, company, enterprise, other organizations and groups, government official, or non-state employee;

3) Truthfully disclosing to the Super Huichuan Platform the circumstances under which the Cooperation Company and its shareholders or employees have been penalized for corrupt or bribery practices, as well as circumstances where they are under investigation or being prosecuted for the aforementioned reasons;

4) Maintaining true, complete, and reasonably detailed records, account books, or other supporting documents regarding the receipt and payment of expenses and other matters related to the performance of the contract between the Super Huichuan Platform and the Cooperation Company. The Super Huichuan Platform has the right, after providing reasonable notice, to inspect and audit such records, account books, or other documents and materials.

The Cooperation Company agrees that, upon the occurrence of any circumstance violating the above anti-bribery and anti-corruption provisions, the Super Huichuan Platform has the right to decide whether to terminate all contracts with the Cooperation Partner without assuming any liability, and reserves the right to further pursue legal liability.

4. Export Control Compliance (If Applicable)

The Cooperation Company agrees to take all appropriate measures to comply with all applicable laws and regulations, including but not limited to the import and export control, trade restriction, and sanction laws and regulations of the United Nations, China, the United States, the European Union, and other countries and regions. Upon the Super Huichuan Platform's request, regarding the goods, software, and technology provided by the

Cooperation Company, the Cooperation Company shall provide information and supporting documents to the Super Huichuan Platform and cooperate with the Super Huichuan Platform's compliance efforts.

5. Miscellaneous

To adapt to the changing compliance requirements of various jurisdictions, the Super Huichuan Platform may update this document from time to time. The updated document will be notified to the Cooperation Company via email, official letter, or other means. If the Cooperation Company does not agree with the updated matters, it has the right to contact the Super Huichuan Platform to provide feedback before the effective date determined for the updated matters. If the feedback is adopted, the Super Huichuan Platform will adjust the updated matters accordingly. If the Cooperation Company still does not agree with the published updated matters, it shall notify the Super Huichuan Platform in writing before the effective date determined for the updated matters, and initiate early termination communication for the ongoing cooperation together with the Super Huichuan Platform. After both parties terminate the contract, the updated matters shall not take effect for the Cooperation Company. If the Cooperation Company continues to cooperate with the Super Huichuan Platform after the updated matters take effect, it shall be deemed that the Cooperation Company agrees to the published updated matters.

Integrity is the foundation for long-term cooperation between the Super Huichuan Platform and the Cooperation Company. If the Cooperation Company violates the provisions of this "Letter of Commitment on Integrity and Honesty", the Super Huichuan Platform will pursue corresponding liability for breach of contract based on the severity of the Cooperation Company's conduct. The Cooperation Company, its affiliated companies, directly responsible persons, and their related persons/companies may permanently lose the opportunity for any commercial cooperation with the Super Huichuan Platform. If the Cooperation Company actively cooperates with the investigation conducted by the Super Huichuan Platform and proactively reports the violations of the Super Huichuan Platform's employees, the Super Huichuan Platform may mitigate or waive the liability for breach of contract based on the circumstances.

6. Channels for Reporting Integrity and Honesty Issues

1) To support the integrity and honesty construction of the Super Huichuan Platform, if an employee of the Super Huichuan Platform engages in solicitation of bribes during daily business operations, the Cooperation Company must refuse and report the matter to the head of the Super Huichuan Platform Integrity and Compliance Department through the following channels. If the Cooperation Company fails to refuse or report the solicitation of bribes by an employee of the Super Huichuan Platform, and complies with the employee's demands, such act shall be deemed a bribery act by the Cooperation Company.

2) If the Cooperation Company becomes aware or suspects that the Super Huichuan Platform or employees of the Super Huichuan Platform have violated the above agreements, it is encouraged to contact the Super Huichuan Platform Integrity and Compliance Officer. The Super Huichuan Platform undertakes to keep the contact information confidential.

Reporting Hotline: 4008-5-45198 (4008—Shi—Wo Yao Ju Bao / 4008-Yes-I-Want-to-Report)

Reporting Email: [**]

Reporting Website: https://zhixinjubao.alibaba-inc.com/

7. Governing Law and Jurisdiction

The formation, validity, interpretation, amendment, supplementation, termination, execution, and dispute resolution of this Agreement shall be governed by the laws of the People's Republic of China. If a dispute arises between the Super Huichuan Platform and the Cooperation Company regarding this Agreement, it shall be resolved through negotiation between the Super Huichuan Platform and the Cooperation Company. If negotiation fails, either party may submit the dispute to the People's Court of Tianhe District, Guangzhou for litigation.

Appendix: Affiliated Relationship Declaration Letter

Description of Affiliated Relationship Types:

Description of Affiliated Relationship Types:

1. A current employee of the Super Huichuan Platform owns, invests in, or holds an important position in Party A's company;
2. A former employee of the Super Huichuan Platform owns, invests in, or holds an important position in Party A's company;
3. A cooperation company owned by a former employee of the Super Huichuan Platform who left due to integrity issues, or by the spouse of such former employee;
4. A former employee of the Super Huichuan Platform who left due to integrity issues holds a position in Party A's company as the direct contact person or business decision-maker for the cooperative business between both parties.

"Affiliated Relationship": Refers to immediate family, collateral blood relatives, and relatives by marriage within the second degree, for example: (a) spouse, parents, children, siblings; (b) spouse's parents, children's spouses, parents' siblings and their spouses, cousins (paternal and maternal), siblings' spouses, spouse's siblings, and siblings' children; as well as persons closely related to the employee, such as those with a romantic or other intimate relationship, or those with an economic interest relationship.

"Own": Means directly or indirectly (including but not limited to holding on behalf of another), as a shareholder, partner, or member, holding not less than five percent (5%) of the voting rights interests or other economic interests of an entity.

"Important Position": Refers to the company's directors, supervisors, senior officers, as well as key positions in sales, procurement, business, communications, etc.

I. Party A confirms: Our company does not have the above-mentioned affiliated relationships. If any exist, the affiliated relationship type is / , please fill in the following content to specify the relevant related party information.

(1) Basic Information:

Name: /   Gender: /   Date of Birth: /

(2) Identification Information:

ID Type: /   ID Number: /

(3) Shareholding Information:

Legal Representative or not: /   Number of Shares Held: /   Shareholding Ratio: /   Position: /

II. Other matters that Party A deems necessary to state: /

III. Party A guarantees that the content of the above declaration is true, accurate, and without omission.

Party A agrees to abide by all the content of the above-mentioned "Letter of Commitment on Integrity and Honesty", and to jointly uphold the norms of honest, trustworthy, and transparent commercial conduct during the cooperation process with the Super Huichuan Platform.

Party A Signature Area:

Beijing Baosheng Network Technology Co., Ltd. - Contract Seal (Seal)

Party B Signature Area:

Guangzhou Juyao Information Technology Co., Ltd. - Contract Seal (Seal)

March 9, 2026

Super Huichuan Platform
KA Agency Management Measures

1. General Provisions

To establish a reasonable and orderly market order to safeguard the legitimate rights and interests of the Super Huichuan Platform, agencies, and clients, the following specifications are formulated for the operation of the Super Huichuan agency system and related policies. KA agencies of the Super Huichuan Platform must understand and comply with these specifications.

2. Scope of Application

From January 1, 2026, until the release of the next version of the policy, this Management Measures shall apply to KA agencies on the Super Huichuan Platform.

3. Agency Business Specifications and Penalty Provisions”

3.1 Agencies must strictly comply with laws and regulations during the process of placing promotional information and market development, including but not limited to:

3.1.1 Agencies must be enterprise legal persons registered in accordance with the law, possess corresponding operating qualifications, and must ensure that the relevant licenses submitted are true and valid.

3.1.2 Agencies must strictly review client qualifications and promotion content to ensure compliance with the ‘Advertising Law’ and other relevant legal provisions. The promotional information content placed by agencies must be legal and true, and must not contain illegal, false, exaggerated, or misleading information.

3.1.3 During the process of placing promotional information, agencies must not illegally collect, use, or disclose users’ personal information, ensure data security, and take measures to prevent data leakage or malicious exploitation.

3.1.4 Agencies must issue invoices in accordance with the law and must not engage in any form of commercial bribery or off-book transactions.

3.1.5 Agencies shall cooperate with the Super Huichuan Platform in compliance reviews and must not conceal or obstruct them.

3.1.6 If an agency violates the above provisions, constituting a criminal offense, the Super Huichuan Platform has the right to unilaterally terminate the cooperation and report the case to judicial authorities to pursue criminal liability. If an agency’s violation causes losses to the Super Huichuan Platform, it must bear corresponding compensation liability.

3.2 Agencies shall develop the market through various means such as marketing activities, promotions, and advertising, and uphold the corporate image and service quality of the Super Huichuan Platform brand;

3.3 Agencies must not unilaterally alter the authorized business of the Super Huichuan Platform; if an agency unilaterally alters the authorized business, the Super Huichuan Platform will impose penalties at its discretion, and any losses caused to the Super Huichuan Platform, clients, or third parties as a result shall be fully borne by the agency;

3.4 Agencies shall take effective measures to ensure that the agency and its employees safeguard the intellectual property rights, trademarks, trade names, brands, etc. of the Super Huichuan Platform in accordance with the provisions of this Agreement, and shall not cause harm to them;

3.5 Requirements regarding Brand Visual Usage Specifications”

3.5.1 Purpose of Brand Use”

To establish the brand image of the Super Huichuan Platform as a marketing expert in the minds of a wide range of clients and potential clients, and to convey the correct brand value and positive brand philosophy in accordance with brand specifications.

3.5.2 Scope of Brand Use”

Based on the annual agency cooperation agreement, each agency has the right to use the logos and related visual identities of the Super Huichuan Platform, UC, Quark, Shuqi, etc. Within the term of the contract, they may be licensed for use within each agency’s sales channels, including media, conference marketing, corporate logos, websites, promotional materials (business cards, paper cups, work uniforms, etc.), gifts, etc.

3.5.3 Brand Usage Specifications”

Brand use should be conducted in a manner conducive to the enterprise’s marketing specifications. The use of logos and related visual identities must not distort or change their colors, and only the authorized logos may be used. Specific usage specifications shall strictly refer to the Super Huichuan Platform’s brand usage specification documents.

3.5.4 Brand Exposure Reporting and Approval”

For all external activities, media (including online, PR, and offline) conducted by each agency that involve brand exposure materials, the materials must be reported to the Super Huichuan Platform Marketing Promotion Department for approval within 15 business days prior to execution, after which the materials can be produced and used. For materials uniformly distributed by headquarters, for projects implemented locally by each agency, agencies must not make adjustments without authorization; if adjustments are needed, approval must be obtained from the Super Huichuan Platform Marketing Promotion Department. Agencies are strictly prohibited from unilaterally conducting any unapproved activities or promotions externally in the name of Alibaba Group, the Super Huichuan Platform, or platform-related products (UC, Quark, Shuqi, Shenma Search, etc.).

3.6 Content Output”

3.6.1 External Image”

The external image of agency speakers must comply with business etiquette standards.

3.6.2 Criteria for evaluating public speaking proficiency must meet the platform’s requirements.

3.6.3 Media Exclusivity”

All content output materials for agency marketing activities/conferences must be reported to the Super Huichuan Platform Marketing Promotion Department for approval within 3-5 business days prior to output, and may only be used after approval. During use, the content must not be altered without authorization, and the exclusivity of Alibaba media platforms must be ensured. The appearance of competitor content in any form is strictly prohibited.

3.7 Agency Corporate Code of Conduct”

In their daily corporate operations, agencies must consistently uphold the image of the Super Huichuan Platform and must not engage in any acts detrimental to the platform’s image. Regarding data disclosure compliance specifications, for all content output materials in agency marketing activities/conferences that involve data, the data must be submitted to the relevant business department for data disclosure compliance reporting at least 3 business days in advance. The materials may only be used externally after the reporting results are simultaneously confirmed with the Super Huichuan Platform Marketing Promotion Department.

3.8 Agencies may only maintain and develop clients that comply with business rules and review requirements. They are not permitted to develop high-risk clients (i.e., clients that conflict with or deviate from business rules and review requirements, and whose own entity or the business they engage in poses or may pose risks of violating laws, regulations, or normative policies of competent authorities). If an agency is found to develop high-risk clients, such clients shall not be entitled to any incentives issued by the Super Huichuan Platform. In serious cases, the agency’s qualification will be revoked;

3.9 Agencies must assist the Super Huichuan Platform in verifying the legality of the delivery information published by clients. If the Super Huichuan Platform discovers that the delivery information of a client submitted by an agency violates the provisions on information display content, laws and regulations, social public morality, or infringes upon the legitimate rights and interests of a third party, the Super Huichuan Platform has the right to refuse to publish such information. Any disputes, litigation, or claims arising therefrom, and any losses incurred by the Super Huichuan Platform as a result, shall be borne and fully compensated by the agency;

3.10 Agencies must apply for one independent business platform client account for each client, and each account may only serve one client. Agencies must ensure that client information is true and accurate. Otherwise, the Super Huichuan Platform has the right to refuse to publish the client's delivery information. Any disputes, litigation, or claims arising therefrom, and any losses incurred by the Super Huichuan Platform as a result, shall be borne and fully compensated by the agency;

3.11 After activating a business platform client account for a client, the agency shall immediately inform the client of the account number and initial password in an effective manner and remind the client to bear the responsibility for safeguarding the account and password. Any operation performed using that account and password shall be deemed an operation by the client or an operation authorized by the client for the agency. The Super Huichuan Platform shall not bear any legal liability or compensation arising from password leakage or other reasons;

3.12 Agencies shall assist clients in obtaining technical support provided by the Super Huichuan Platform and provide other after-sales services to clients, including but not limited to promptly notifying clients of changes to Super Huichuan Platform products, price adjustments, budget top-ups, account optimization operations, etc., and promptly handling client requests, complaints, etc. The Super Huichuan Platform will evaluate this through client follow-ups and daily cooperation examples with consultants;

3.13 Agencies guarantee to provide relevant services to clients in accordance with the principles of integrity and due diligence. If a client suffers losses due to the agency's failure to perform its duties or other faults, the agency shall bear compensation liability;

3.14 Agencies shall properly safeguard the agency account and password for the business platform. Agencies must not provide the account to others for use. The Super Huichuan Platform shall deem any operation performed on the business platform using the agency account as an operation by the agency.

3.15 Agencies shall ensure that there is sufficient prepaid balance in the business platform agency account and client accounts. Any disputes with clients arising from the inability to display clients' delivery information promptly due to insufficient prepaid balance shall be fully borne by the agency, along with any related compensation;

3.16 Agencies shall provide true and effective contact information for clients. Signed agencies have the obligation to actively cooperate with the media to serve clients. If the channel team verifies and finds client information to be false and the agency refuses to provide true and effective contact information, the agency will be penalized.

3.17 Agencies must not disseminate statements detrimental to the Super Huichuan Platform;

3.18 In case of violation of the above provisions, the Super Huichuan Platform has the right to impose a penalty ranging from 100,000 to 1,000,000 RMB based on the severity of the violation. Any adverse consequences arising therefrom shall be borne by the agency. Depending on the severity of the circumstances, the Super Huichuan Platform has the right to suspend the agency's information release for a specific industry or business, or even revoke the agency's platform agency qualification.

4. Violations and Penalties for Promotional Content

4.1 Violations of Promotional Content

The determination and penalty methods for violations are detailed in the 'Rules for Determining Violations and Handling Procedures on the Super Huichuan Platform'.

5. Amendment of Management Measures

5.1 The Super Huichuan Platform has the right to modify and supplement these Management Measures at any time as needed. Modifications and supplements to these Management Measures must be notified to agencies via email, and no separate agreement is required. Modifications and supplements do not have retroactive effect. The modifications and supplements are an integral part of these Management Measures and have the same legal force as these Management Measures;

5.2 Without affecting the performance of these Management Measures, the Super Huichuan Platform has the right to assign all rights and obligations under these Management Measures to an affiliated company based on actual operating conditions.

6. Miscellaneous

6.1 Matters not covered shall be subject to the information published by the Super Huichuan Platform;

6.2 These Management Measures are an inseparable part of the ‘2026 Super Huichuan Platform Cooperation Agreement General Terms for KA Agencies’ and have the same legal force as the ‘2026 Super Huichuan Platform Cooperation Agreement General Terms for KA Agencies’, and agencies shall comply with them accordingly.

6.3 The Super Huichuan Platform has the right to adjust the platform name without separately notifying agencies, clients, and their affiliates. The platform name shall be as announced or notified by the Super Huichuan Platform. A change in the platform name shall not affect the rights and obligations of the parties under the original platform name, and the parties shall continue to comply with the original platform management systems and rules.

6.4 These Measures take effect and shall be implemented starting from January 1, 2026. Violations occurring before the effective date of these Measures shall be subject to the determination rules and handling procedures in effect at the time of the violation.

Super Huichuan Platform

Rules for Determining Violations and Handling Procedures

I. Purpose, Principle, and Scope of Application

1. Purpose: These Measures are formulated to ensure the healthy development of the Super Huichuan Platform, regulate promotional content and practices, enhance user experience, and prevent the risk of violations and illegal activities.

2. Principle: The Super Huichuan Platform strictly adheres to the relevant provisions of laws, regulations, rules, and normative documents. It strictly prohibits the promotion of activities and items that violate national laws and regulations, such as those involving terrorism, explosions, guns, drugs, online fraud, obscenity, and gambling, as well as information and promotional content that infringes upon the rights and interests of minors, such as violating public order and good morals or inducing and abetting minors to commit illegal acts. It strives to create a legal, healthy, and safe marketing and promotion platform.

3. Scope of Application: These determination rules and handling procedures apply to agencies on the Super Huichuan Platform.

4. If the platform name referred to in these Measures, 'Super Huichuan Platform', involves a brand name adjustment, the latest name shall prevail.

II. Definitions

1. Super Huichuan Platform: Refers to a marketing and promotion platform that, authorized by media, legally operates media marketing and promotion businesses, monetizing media traffic through delivery systems such as Super Huichuan (hereinafter referred to as the 'Super Huichuan Platform'). Authorized media include, but are not limited to, Shenma Search (website: sm.cn), UC Browser, Shuqi, Quark, Wandoujia, PP Assistant, etc., collectively referred to as the 'Super Huichuan Platform' and other media that have a cooperative relationship with the Super Huichuan Platform.

2. Agency: Refers to a corporate entity (including business agencies and service agencies) that, with the consent of the Super Huichuan Platform, acts as an agent for third-party companies in its own name for information promotion and account operation on the Super Huichuan Platform.

3. Principal Company (referred to as Client): Refers to a corporate entity for which an agency establishes a promotional account on the Super Huichuan Platform and conducts information promotion and account operation.

4. Promotional Account: Refers to the account applied for and activated by an agency on the Super Huichuan Platform to assist a client in information promotion. One client may correspond to multiple promotional accounts.

5. Account Materials: Refers to the basic materials involved in the content displayed directly to users by a promotional account during the delivery process on interfaces such as search results pages, information feed list pages, splash pages, etc., including but not limited to text, images, audio/video, etc.

6. Promotional Page (referred to as Landing Page): Refers to the page within a promotional account that contains a link, which is the linked page a user enters after clicking on an account material. It includes product/service extended content existing on the page (extended content hereinafter referred to as 'Post-Click Chain'), such as content after APP download, content after adding contact information, etc., including but not limited to these.

7. Rules for Determining Promotion Violations: This is the collective term for all promotion violation behaviors and the corresponding rules for determining violating accounts on the Super Huichuan Platform. It serves as the reference standard for inspecting, identifying, and penalizing promotion violations by agencies and their principal companies.

8. Access Blacklist (referred to as Blacklist): Refers to client entities/domain name products, etc., that have been placed on the blacklist by the Super Huichuan Platform. Once blacklisted, the existing promotion entity/domain name product, etc., will cease all promotion activities and will no longer be able to conduct information promotion on the Super Huichuan Platform through an agency.

III. Types of Violations

(I) Involving Major Complaints:

“Major Complaint” refers to a situation where the promotional content or promotional behavior of a client or agency violates laws and regulations, this Agreement, and all policies and specifications formulated by the Super Huichuan Platform, resulting in the relevant entities of the Super Huichuan Platform receiving complaints from third parties (including but not limited to third parties accusing the Super Huichuan Platform of infringement via formal correspondence, media reports, etc., filing lawsuits against the relevant entities of the Super Huichuan Platform, reporting to relevant regulatory authorities causing the Super Huichuan Platform to undergo review or inquiry, etc.), or causing the relevant entities of the Super Huichuan Platform to face supervision, investigation, or inquiry from relevant regulatory authorities.

(II) Violations:

“Violation” refers to a situation where, after a client’s account is normally activated, during the delivery process (including information, materials, pages, products/services after the page, account operation records, etc.), there exist instances suspected of illegality or violation of platform rules, such as fraud or page tampering, posing risks to the interests or reputation of the platform or other third parties.

1. Category I Violation: Refers to content that violates relevant national laws and regulations, posing or causing serious risks to the interests or reputation of the state, platform, or third parties, including but not limited to the following situations:

1.1 Political: Refers to promotional content containing political elements, including but not limited to: challenging state power, endangering national security, ethnic/regional division, etc.

1.2 Drug-related: Refers to content involving the smuggling, trafficking, transportation, manufacturing, etc., of products classified as narcotics by the state, including but not limited to: methamphetamine, Mangu, heroin, etc.

1.3 Fraud-related: Refers to acts aimed at illegal possession by fabricating facts or concealing the truth to defraud public or private property or cause losses, including but not limited to: impersonating public security, procuratorate, or court authorities, part-time job scams, etc.

1.4 Terrorism/Violence-related: Refers to content involving terrorism/organizations or involving bloody violence, including but not limited to: terrorist activities, dismembered remains, violent debt collection, etc.

1.5 Illegal Religion: Refers to content involving cults, promoting religious extremist ideas, or using feudal superstitious ideas to engage in illegal and criminal activities, or using superstitious fallacies to deceive and mislead others, develop and control members, and harm society. Or carrying out activities, conducting promotions, seeking benefits, etc., under the guise of religion.

1.6 Gambling: Refers to activities where property is used as a stake with the aim of winning or losing, including but not limited to: online gambling (including websites, platforms, game rules, etc.), sports betting, stone betting, horse racing, online lotteries, etc.

1.7 Pornography: Refers to content involving obscenity and pornography, often appearing in the form of videos, images, text descriptions, etc., including but not limited to: obscene audio-visual products or other products, prostitution, casual sex encounters, pornographic websites, etc.

2. Category II Violation: Refers to content suspected of violating relevant national laws and regulations or prohibited by regulators, posing or causing significant risks to the interests or reputation of the platform or third parties, including but not limited to the following situations:

2.1 Inconsistent Product: Refers to situations where the product filed by clients in industries such as pharmaceuticals, health supplements, food, and medical devices does not match the product ultimately sold.

2.2 Vulgarity: Refers to clients displaying content through explicit or implicit means in materials or pages that violates public order and good morals or induces users to have sexual associations.

2.3 Counterfeit Official/Brand: Refers to the act of deceiving consumers by using content such as materials/pages to impersonate or lead users to identify as the official entity/website of a specific industry/brand, including impersonating official customer service personnel.

2.4 False Advertising for Pharmaceuticals, Health Supplements, Food, and Medical Devices: Refers to acts in the pharmaceutical, health supplement, food, and medical device industries that deceive consumers by fabricating product ingredients, efficacy, origin, etc., or creating fictitious patient cases.

2.5 Feudal Superstition: Refers to promoting the change of one's fate or obtaining help from mystical forces through beliefs or divination methods, such as improving fate through feng shui, fortune-telling for romance, etc., which do not align with social values.

2.6 Illegal Finance: Conducting financial business or activities in violation of state policies, including but not limited to: stock financing, stock leverage, nude loans, bank card/credit card recycling, etc.

2.7 Illegal Medical Practices: Refers to promotional content involving medical activities explicitly prohibited by national laws, including but not limited to: surrogacy, fetal gender selection or determination, medical waste recycling, drug recycling, production/sale of illegal or prohibited drugs, etc.

2.8 Other Illegal Services/Products: Refers to pages and materials involving illegal information content, such as suspected VPN for bypassing censorship, ghostwriting papers, purchasing driver's license points, etc.

3. Category III Violation: Refers to content that poses regulatory risks or violates platform rules, presenting potential risks to the interests or reputation of the platform or third parties, or affecting user experience, including but not limited to the following situations:

3.1 Suspected Lack of Qualifications for High-Risk Industries: Refers to promotional content that requires necessary or supplementary special license access documents, but where qualifications are lacking, provided qualifications are invalid, beyond validity period, or do not meet requirements.

3.2 Suspected Significant Inconsistency Between Promotional Content and Registration Information: Refers to situations where the content of the page pointed to by the promotional account's materials does not match the account registration information and the business being promoted.

3.3 Suspected Exaggerated Advertising: Refers to the existence of exaggerated statements in the materials or landing pages of clients in industries such as pharmaceuticals, health supplements, food, and medical devices.

3.4 Suspected Inconsistent Promotional Entity: Refers to situations where the actual entity conducting the promotion is not the entity that registered and filed for the account opening.

3.5 Suspected Tampering with Sponsored Content: Refers to situations where clients in industries such as pharmaceuticals, health supplements, food, and medical devices, after normal account activation, tamper with the actual delivery page and use sponsored content/educational articles for promotion.

4. Group Non-E-commerce Violation: Refers to, within the Group's non-e-commerce industries, suspected inconsistency between the promoted business and the account opening filing, or inconsistency between the "material creatives/landing page" during the promotion process and the "promoted product" and "industry" at the time of account opening filing.

5. Misappropriation of Qualifications: Refers to using a client's qualifications for account opening and promotion without the client's consent, or using the client's qualifications for other purposes contrary to the client's actual intentions.

6. Cases Involving User Advance Compensation: The category of violation shall be determined based on the actual circumstances. This refers to accounts where a user files an advance compensation request under the 'User Advance Compensation Plan', and the request involves illegal activities, fraud, phishing, or other actions that cause losses to the user and require the application of the 'Advance Compensation Plan'.

IV. Handling Procedures for Violations

(I) Handling Procedures for Major Complaints"

To protect the legitimate rights and interests of consumers, operators, and the Super Huichuan Platform, and to prevent acts suspected of violating national laws, regulations, departmental and local rules, and regulatory requirements, for accounts involved in major complaints, the Super Huichuan Platform will reject all accounts under the client corresponding to that account. Concurrently, the Super Huichuan Platform will also add the corresponding client to the 'Client Blacklist' and will not allow any agency to act as an agent for that client for promotion on the Super Huichuan Platform. Depending on the severity of the circumstances, the Super Huichuan Platform will also impose corresponding penalties on the original business agency or service agency, including but not limited to terminating their service qualification.

(II) Handling Procedures for Advance Compensation"

When a user or a third party submits a compensation request to the Super Huichuan Platform, the Super Huichuan Platform will review it according to the compensation standards. If it falls within the scope of compensation, it has the right to compensate the user or third party after deducting the amount from the current quarter's incentive amount. Compensation resulting from violations shall be borne by the corresponding agency. The agency shall negotiate and complete the compensation within 5 business days from the date the Super Huichuan Platform confirms the violation, illegality, unreasonableness, or compensation liability. If the agency fails to compensate in a timely manner, the Super Huichuan Platform will make an advance compensation. In such a case, the Super Huichuan Platform will deduct twice the compensation amount (if the compensation amount is less than 100 RMB, it will be calculated as 100 RMB) from the agency's corresponding quarterly incentive as liquidated damages.

(III) Handling Procedures for Violations"

1. Penalties for Suspected Category I Violations:

1.1. Violations at the Landing Page and Post-Click Chain Level:

1.1.1. The violating account will be rejected and will not be reopened. The entity to which the violating account belongs and all accounts under that entity will also be rejected. Concurrently, this entity, the entity's promotional domain name, the entity's MIIT-filed domain name, and the promoted product (if the violation occurs within a product, this will be included) will be added to the access blacklist, prohibiting them from being accessed or making placements on the platform. If there are other entities on the platform using this violating entity's promotional domain name, the violating entity's MIIT-filed domain name, or the violating product (if the violation occurs within a product, this will be included), those other entities will also be rejected;

1.1.2. On an account basis: For the first 2 accounts per agency per quarter, a penalty equal to 1 times the amount consumed by the violating account in the current quarter will be applied; for the 3rd to 5th accounts (including 3 and 5), a penalty equal to 3 times the amount consumed by the violating account in the current quarter; for the 6th and subsequent accounts, a penalty equal to 10 times the amount consumed by the violating account in the current quarter. These penalties will be deducted from the agency's consumption performance for the current quarter. A penalty equal to 1, 3, or 10 times the cash consumed by the violating account in the current quarter will be deducted from the agency's various incentive bases for the current quarter;

1.2. Violations at the Material Level:

1.2.1. The violating account will be rejected and will not be reopened. Concurrently, on an account basis: For the first 2 accounts per agency per quarter, a penalty equal to 1 times the amount consumed by the violating account in the current quarter will be applied; for the 3rd and subsequent accounts, a penalty equal to 2 times the amount consumed by the violating account in the current quarter. These penalties will be deducted from the agency's consumption performance for the current quarter. A penalty equal to 1 or 2 times the cash consumed by the violating account in the current quarter will be deducted from the agency's various incentive bases for the current quarter.

2. Penalties for Suspected Category II Violations:

2.1 On an account basis, if an account is involved in a Category II violation once, the account will be rejected and will not be reopened.

2.2 Violations at the Landing Page and Post-Click Chain Level: On an account basis: For the first 2 accounts per agency per quarter, a penalty equal to 1 times the amount consumed by the violating account in the current quarter will be applied; for the 3rd and subsequent accounts, a penalty equal to 3 times the amount consumed by the violating account in the current quarter. These penalties will be deducted from the agency's consumption performance for the current quarter. A penalty equal to 1 or 3 times the cash consumed by the violating account in the current quarter will be deducted from the agency's various incentive bases for the current quarter.

2.3 Violations at the Material Level: On an account basis, a penalty equal to 1 times the amount consumed by the violating account in the current quarter will be applied. This penalty will be deducted from the agency's consumption performance for the current quarter. A penalty equal to 1 times the cash consumed by the violating account in the current quarter will be deducted from the agency's various incentive bases for the current quarter.

3. Penalties for Suspected Category III Violations:

3.1 On an account basis, if an account is involved in a Category III violation for the first time, the account will be rejected. After modifications and re-review are passed, normal promotion can resume. If the same account commits any Category III violation a second time, the account will be rejected and will not be reopened.

3.2 If an account is involved in a Category III violation for the first time, the violation will only be recorded without a penalty. If the same account is involved in any Category III violation a second time, the violation will be recorded and a penalty equal to 1 times the amount consumed by the violating account in the current quarter will be applied.

3.3 For cases of inconsistent promotional entity, account rejection counts as a violation but no penalty applies.

3.4 For cases involving sponsored content format without exaggerated, vulgar, or other violating content, account rejection counts as a violation but no penalty applies.

4. Penalties for Suspected Group Non-E-commerce Violations:

4.1. On an account basis, if an account is involved in a Group Non-E-commerce violation once, the account will be rejected and will not be reopened.

4.2. Violations at the Material and Landing Page Level: On an account basis: a penalty equal to 10 times the amount consumed by the violating account in the current quarter will be applied; this will be deducted from the agency's consumption performance for the current quarter. A penalty equal to 10 times the cash consumed by the violating account in the current quarter will be deducted from the agency's various incentive bases for the current quarter.

4.3. The penalty standard for this type of violation does not adopt a tiered multiplier increase; upon occurrence of this violation, a penalty of 10 times shall be applied directly.

5. If an account fails to use the platform's website building tool for promotion as required by the platform, an additional penalty of 1 times the amount consumed will be applied to the account on top of the above violation penalties, to be deducted from the current quarter's consumption performance.

6. Suspected Misappropriation of Qualifications: On an account basis, a penalty equal to 2 times the amount consumed by the violating account in the current quarter will be applied, to be deducted from the agency's consumption performance for the current quarter. A penalty equal to 2 times the cash consumed by the violating account in the current quarter will be deducted from the agency's various incentive bases for the current quarter.

(IV) Determination & Priority of Violations/Penalties"

1. The Super Huichuan Platform shall determine violations by clients and agencies and apply penalties based on these Measures and the actual circumstances. When the conduct of a client or agency involves multiple violation scenarios under these Handling Procedures, the order of priority for application shall be major complaints, Category I violation, Category II violation, Category III violation.

2. Penalties involving the consumption amount of an account will be deducted from the agency's consumption performance for the current quarter. If the agency's consumption performance for the current quarter is insufficient to cover the performance penalty for the current quarter, the remaining amount will be deducted from the next quarter's consumption performance until fully deducted. If the agency's incentive base for the current quarter is insufficient to cover the penalty for cash consumed in the current quarter, the remaining amount will be deducted from the various incentive bases of the next quarter until fully deducted.

3. If the consumption amount of an account in the current quarter is less than 10 RMB (excluding 10 RMB), the violation will be recorded but no penalty applies. If the consumption amount in the current quarter is greater than or equal to 10 RMB but less than 100 RMB, it will be calculated as 100 RMB, and the violation will be recorded normally, and a penalty will be applied according to the above provisions.

(V) Penalty Deduction Methods and Handling of Multiple Violations"

1. If the violating account is operated by a service agency, the penalty amount corresponding to the violating account will be deducted from the overall service incentive base of that corresponding service agency for the current quarter. For the client entity corresponding to the violating account, only Category I violations are not included in the calculation of various service incentive indicators for the penalized service agency, subject to specific provisions in subsequent policies. Examples of rebate calculation:

1) If an agency has clients with accounts 1, 2, and 3, and account 3 violates, and account 3 meets the service incentive calculation criteria (subject to specific policy assessment), the calculation formula is: (1+2+3-3 * Penalty Multiplier) * Agency's Service Ratio for the Current Quarter.

2) If an agency has clients with accounts 1, 2, and 3, and account 3 violates, and account 3 does NOT meet the service incentive calculation criteria (subject to specific policy assessment), the calculation formula is: (1+2-3 * Penalty Multiplier) * Agency's Service Ratio for the Current Quarter.

2. If the violating account is not operated by a service agency, the penalty amount corresponding to the violating account will be deducted from the overall business performance achievement and incentive base of the corresponding business agency for the current quarter. For the client entity corresponding to the violating account, only Category I violations are not included in the calculation of various business incentive indicators for the penalized business agency, subject to specific provisions in subsequent policies.

Examples of rebate calculation:

1) If an agency has clients with accounts 1, 2, and 3, and account 3 violates, the calculation formula is: (1+2+3-3 * Penalty Multiplier) * Agency's Business Ratio for the Current Quarter.

3. For the penalties involving Category I, Category II, and Category III violations mentioned above, if the agency's quarterly incentive amount is less than the penalty amount, the agency must pay the difference or have it deducted from subsequent media pending incentive amounts (if any) or make a cash payment.

4. The Super Huichuan Platform shall determine violations by clients and agencies and apply penalties based on these Measures and the actual circumstances. When the conduct of a client or agency involves multiple violation scenarios under these Handling Procedures, the order of priority for application shall be major complaints, Category I violation, Category II violation, Category III violation.

5. If the consumption amount of an account in the current quarter is less than 10 RMB (excluding 10 RMB), the violation will be recorded but no penalty applies. If the consumption amount in the current quarter is greater than or equal to 10 RMB but less than 100 RMB, it will be calculated as 100 RMB, and the violation will be recorded normally, and a penalty will be applied according to the above provisions.

(VI) Penalty Cycle"

1. The tiered count starts accumulating from the first calendar day of the current quarter and continues until the last calendar day of the current quarter (inclusive); it resets to zero at the start of the next quarter and begins counting anew;

2. Determination of Tiered Count: Accounts that are penalized for consumption and have quarterly consumption of 10 RMB or more are included in the count. Accounts with no consumption, quarterly consumption below 10 RMB (excluding 10 RMB), or not subject to consumption penalty are not included in the count.

3. Violations occurring on or before the 20th day of the last month of the current quarter will be deducted from the current quarter according to the above rules.

4. Violations occurring on or after the 21st day of the last month of the current quarter will only result in deductions from the next quarter's service incentives or business incentives and various incentive bases according to the above rules. Other assessment indicators will be calculated normally.

V. Penalties for Agency Violations Involving Point Transfer

Agency Violation involving Point Transfer Behavior and Penalty Rules: If the Super Huichuan Platform receives a report or complaint, and after verification by the Super Huichuan Platform's channel and operations team confirms it to be true, it will be recorded as one Category I violation. Requirements for point transfer are subject to policy announcements. If a violation is found, the Super Huichuan Platform has the right to impose deductions from the quarterly incentive amount. In serious cases, it has the right to revoke eligibility for annual incentives or the agency qualification. The email address for the Super Huichuan Platform to receive complaints and reports is: zxjc@service.alibaba.com. The processing result of complaint and report information shall be subject to the judgment of the Super Huichuan Platform.

VI. Amendment of Management Measures

1. The Super Huichuan Platform has the right to modify these Management Measures at any time as needed. For any modifications or supplements to the content of the Management Measures, the Super Huichuan Platform shall notify the agency in writing or via email. After the update, implementation will be according to the new Management Measures, and modifications do not have retroactive effect.

2. Without affecting the performance of these Management Measures, the Super Huichuan Platform has the right to assign all rights and obligations under these Management Measures to an affiliated company based on actual operating conditions.

3. The Super Huichuan Platform has the right to adjust the current platform name (referring to the ‘Super Huichuan Platform’) without separately notifying the agency. The platform name shall be as announced or notified by the Super Huichuan Platform. A change in the platform name shall not affect the rights and obligations of both parties under the original platform name, and the agency shall continue to comply with the original platform management systems and rules.

VII. Supplementary Provisions

1. The Super Huichuan Platform has the right to cease all promotional activities of a violating client and take measures including, but not limited to, adding the violating client and the information/qualifications/products used for promotion (including accounts, client entities, domain names used for promotion by the client entity or filed by that entity, promotional products filed by the client, etc.) to the access blacklist.

2. The Super Huichuan Platform has the right to take measures against the agency to which a violating client belongs, including but not limited to lowering its star rating, narrowing its industry client development scope, restricting related business placements, placing it under observation period assessment, penalizing its security deposit, and expelling it.

3. Agencies shall promptly communicate platform policy requirements to clients, supervise client delivery content, organize independent reviews, and regulate client promotion practices.

4. The act of logging in, using, or promoting on the Super Huichuan Platform by an agency or client shall be deemed as having read and agreed to be bound by these Measures. If they do not agree or have objections to the relevant provisions of these Measures, they should immediately cease using the relevant services of the Super Huichuan Platform and provide feedback to the Super Huichuan Platform promptly.

5. The Super Huichuan Platform has the right to modify and update these Measures based on adjustments in relevant laws, regulations, and platform strategies. For the aforementioned modifications and updates, the Super Huichuan Platform will notify the agency. If the agency continues to use the Super Huichuan Platform services, it shall be deemed as agreeing to these Measures and subsequent modifications or updates.

6. These Measures take effect and shall be implemented starting from Jan. 1, 2026. Violations occurring before the effective date of these Measures shall be subject to the determination rules and handling procedures in effect at the time of the violation.

VIII. Miscellaneous

Matters not covered shall be subject to the information published by the Super Huichuan Platform.

Business Agency Authorization Certificate

Party B, Guangzhou Juyao Information Technology Co., Ltd. (referred to as "Juyao Company"), hereby authorizes Party A, Beijing Baosheng Network Technology Co., Ltd., as a KA business agency for the Super Huichuan Platform under Alibaba Group. The authorized party has the right to independently conduct commercial negotiations and cooperative matters regarding the resources of the Super Huichuan Platform, a subsidiary of Alibaba Group, in its own name.

[Authorization Period]: From Jan. 1, 2026 to Dec. 31, 2026.

[Authorization Scope]: Non-exclusive license. Non-transferable to any third party without the prior written consent of the authorizing party.

[Authorization Territory]: Within the territory of the People's Republic of China

This Authorization Certificate shall take effect immediately upon being sealed by our company.

---------------------------- (No text below, signature area) ----------------------------

Party A Signature Area:

Beijing Baosheng Network Technology Co., Ltd. - Contract Seal (Seal)

Party B Signature Area:

Guangzhou Juyao Information Technology Co., Ltd. - Contract Seal (Seal)

March 9, 2026

Service Agency Authorization Certificate

Party B, Guangzhou Juyao Information Technology Co., Ltd. (referred to as "Juyao Company"), hereby authorizes Party A, Beijing Baosheng Network Technology Co., Ltd., as a service agency for KA business cooperation for the Super Huichuan Platform under Alibaba Group. The service agency shall provide services based on client authorization and entrustment. The authorized party has the right to independently conduct commercial negotiations and cooperative matters regarding the resources of the Super Huichuan Platform, a subsidiary of Alibaba Group, in its own name.

[Authorization Period]: From Jan. 1, 2026 to Dec. 31, 2026.

[Authorization Scope]: Non-exclusive license. Non-transferable to any third party without the prior written consent of the authorizing party.

[Authorization Territory]: Within the territory of the People's Republic of China

This Authorization Certificate shall take effect immediately upon being sealed by our company.

---------------------------- (No text below, signature area) ----------------------------

Party A Signature Area:	Party B Signature Area:
Beijing Baosheng Network Technology Co., Ltd. - Contract Seal (Seal)	Guangzhou Juyao Information Technology Co., Ltd. - Contract Seal (Seal)

March 9, 2026

Agency Operation Service Contract

Party A: Beijing Baosheng Network Technology Co., Ltd.

Taxpayer Identification Number:91110107MA0213UU9F

Legal Representative: Sheng Gong

Contact Number:

Party B: Beijing Maiyou Hudong Technology Co., Ltd.

Taxpayer Identification Number:91110114MA01CAMY9R

Legal Representative: Xing Qiao

Contact Number:

Pursuant to the Civil Code of the People's Republic of China and relevant laws and regulations, adhering to the principles of equality, mutual benefit, honesty, and trustworthiness, Party A and Party B enter into this Contract regarding Party B's provision of operational services for channel account optimization to Party A, and agree as follows:

Article 1 Service Content and Term

1.1 Party A (including Party A's clients, the same below) has established information service channel accounts on media platforms. Party A designates Party B as the optimization service provider for its channel accounts. Party B shall perform optimization management on accounts of channels designated by Party A, including but not limited to Alibaba, Baidu, and Tencent (hereinafter referred to as 'Channel Accounts'), to enhance the effectiveness of Party A's promotions and publicity.

1.2 The service term shall commence on March 1, 2025, and terminate on February 28, 2027.

Article 2: Costs and Payment

2.1 Billing Method for Information Service Fees:

Service Fee Amount: For the services provided by Party B, Party A shall pay Party B service fees as follows:

Media Client Service Fee Ratio: 2%

Settlement Base: Consumption within the account

Service Fee Amount = Settlement Base * Service Fee Ratio

2.2 Settlement Time:

The parties agree that each calendar month shall be a data verification cycle. After the end of each cycle, the parties shall verify the consumption data for the previous month within 5 business days. Within 5 business days after both parties confirm the verification is correct, Party B shall issue a special VAT invoice (with the invoice content as: Information Service Fee) to Party A. Party A shall pay the information service fee to Party B's bank account within 5 business days after receiving Party B's invoice. If Party B delays in providing the invoice, Party A has the right to suspend payment without constituting a breach of contract.

2.3 Party A shall pay the information service fee to the following bank account designated by Party B:

- Account Name: Beijing Maiyou Hudong Technology Co., Ltd.

  Bank: China Construction Bank Corporation, Beijing Anju Road Sub-branch

  Account:[**]

Article 3 Invoice

3.1 Based on the settlement amount, Party B shall issue a special VAT invoice (with the invoice content as: Information Service Fee).

3.2 Party A's invoicing information is as follows:

Full Company Name: Beijing Baosheng Network Technology Co., Ltd.

Taxpayer Identification Number:91110107MA0213UU9F

Address: Room 4126010-82088021, 4th Floor, Building 4, Yard 49, Badachu Road, Shijingshan District, Beijing

Bank and Account Number: [**]

Article 4 Party A’s Rights and Obligations

4.1 Party A ensures that the promotional materials, statements, images, videos, and other materials (if any) of the products provided to Party B under this Contract are true and lawful.

4.2 Party A has the right to supervise and assess Party B’s performance of optimization services. If Party B’s performance of its obligations does not conform to the terms of this Contract, Party A has the right to demand that Party B rectify the situation.

4.3 Party A shall arrange and complete account top-ups on its own; Party B is not responsible for account top-up tasks.

4.4 Party A may decide to terminate this Contract early based on client needs and the effectiveness of Party B’s account optimization management. Fees shall be settled based on actual amounts incurred, and neither party shall bear liability for breach of contract.

Article 5 Party B’s Rights and Obligations

5.1 If Party A is required to provide promotional delivery materials, Party B has the right to review the relevant materials from a technical specification perspective. Party B shall notify Party A to modify content that is clearly not in compliance with legal requirements.

5.2 During the course of cooperation and service, Party B shall not disclose Party A’s promotion data to any third party without Party A’s written consent.

5.3 If Party B discovers in the channels any instance where others are suspected of infringing upon the reputation rights, trademark rights, copyrights, or any other legal rights and interests of Party A or Party A’s affiliated companies, Party B shall promptly stop such activity, inform Party A, and cooperate with Party A in taking remedial action.

5.4 When providing optimization services, if there is a need to shoot short videos or other promotional materials, Party B shall be responsible for providing them, and the related costs are included in the information service fee; Party A shall not pay separately. Concurrently, Party B shall ensure that any materials and items such as videos and photos provided by Party B do not infringe upon the legal rights and interests of any third party.

5.5 Party B shall not, on its own or by authorizing any other third party, engage in any infringing acts such as modifying, updating, conducting secondary development on, cracking, compiling, or reverse engineering Party A’s products.

5.7 Party B ensures that during the term of the agreement, it will not unilaterally use any products, account funds, materials, or accounts of Party A or Party A’s clients for matters unrelated to the agency operation services.

Article 6 Intellectual Property and Confidentiality Agreement

6.1 Both parties warrant that any materials provided by either party to the other party will not infringe upon the intellectual property rights or legal rights and interests of any other person; otherwise, all liability shall be borne solely by the providing party.

6.2 Both parties warrant that any business information of the other party that either party obtains or becomes aware of during the process of signing and performing this Contract, including but not limited to: business strategies, client information, pricing information, promotion plans, software, programs, passwords, trade names, technology, licenses, patents, trademarks, technical knowledge, etc., constitutes trade secrets. During the term of the Contract and for a period of 2 years after its rescission or termination, neither party shall use or disclose the other party's trade secrets to any third party.

6.3 Under this Contract, the intellectual property rights in the advertising content and creatives completed by Party B for the purpose of performing its obligations under this Contract shall belong to Party B. Without Party B's written consent, Party A shall not disclose or use them without authorization.

Article 7: Liability for Breach

7.1 If either party violates the obligations stipulated in this Contract, causing losses to the other party, the breaching party shall bear liability for compensation. If the breach renders the continued performance of this Contract impossible, the non-breaching party has the right to terminate this Contract early and pursue the breaching party's liability for breach of contract.

7.2 If Party A is penalized by the media or by Party A's clients (including but not limited to cash deductions, rebate deductions, etc.) due to reasons attributable to Party B, Party B shall, within 3 business days from the date of receiving Party A's notice, make a one-time payment in cash to the bank account designated by Party A.

7.3 In the event of a breach by Party B, Party A has the right to unilaterally terminate this Contract. Party B shall refund all fees already collected and shall bear all costs incurred by Party A for rights protection (including but not limited to: travel expenses, notary fees, appraisal fees, audit fees, attorney's fees, litigation costs, and all other reasonable expenses).

Article 8: Force Majeure

8.1 Force majeure refers to unforeseeable, unavoidable, and insurmountable circumstances encountered by a party that hinder, affect, or delay the other party's performance of all or part of its obligations under the contract.

8.3 After a force majeure event occurs, the party affected by the force majeure shall take necessary and reasonable measures to reduce the obstacles and adverse effects that the force majeure event may cause to the performance of this Contract.

8.4 If the performance of this Contract is partially or completely prevented or delayed due to force majeure, Party A and Party B shall be partially or fully exempted from liability for breach of contract based on the impact of the force majeure.

Article 9 Dispute Resolution

The formation, performance, interpretation, and dispute resolution of this Contract shall be governed by the laws of the People's Republic of China. Any dispute arising between Party A and Party B concerning the signing and performance of this Contract shall be resolved through friendly

negotiation. If negotiation fails, either party may submit the dispute to the People's Court located in Party A's domicile (the contact place stipulated in this Agreement) for litigation.

Article 10: Notices and Service

Any notices, correspondence, or materials between Party A and Party B shall be communicated via designated email using the contacts specified in this Contract. If either party changes its address, contact person, phone number, or email address, it shall notify the other party in writing prior to such change.

Article 11 Miscellaneous

This Contract is executed in duplicate, with each party holding one copy. The Contract shall take effect on the date it is sealed by both parties.

Party A: Beijing Baosheng Network Technology Co., Ltd.

Date: March 1, 2025

Beijing Baosheng Network Technology Co., Ltd. - Contract Seal (Seal)

Party B: Beijing Maiyou Hudong Technology Co., Ltd.

Date: March 1, 2025

Beijing Maiyou Hudong Technology Co., Ltd. - Contract Seal (Seal)

Information Service Entrustment Agreement

Party A: Beijing Dajia Internet Information Technology Co., Ltd.

Address: 101, 8th Floor, Building 12, Yard 16, Xierqi West Road, Haidian District, Beijing

Party B: Beijing Baosheng Network Technology Co., Ltd.

Address: East Fifth Floor, Building 8, Xishanhui, Shijingshan District, Beijing

Whereas:

1. Party A and its affiliates intend, with respect to their products, services, images, or brands that they own or for which they have obtained legal authorization (hereinafter collectively referred to as "Party A's Products"), to entrust Party B to provide information services in accordance with the terms of this Agreement and the relevant requirements of Party A and its affiliated companies; in this Agreement, Party A and its affiliated companies are collectively referred to as Party A, and Party A and Party A's affiliated companies are individually referred to as Party A and Party A's affiliated companies.

2. Party B owns or has the right to act as an agent for various media resources such as wireless or print media, possesses all the qualifications, licenses, or has obtained true, legal, and sufficient authorization from relevant parties necessary to provide the aforementioned information services, and agrees to provide information services for Party A in accordance with the terms of this Agreement.

Therefore, adhering to the principles of equality, mutual benefit, honesty, and trustworthiness, and in accordance with the provisions of relevant laws and regulations, the parties have, through negotiation, reached the following terms regarding the matter of Party A entrusting Party B to provide information services:

Article 1 Definitions and Concepts

In this Agreement, unless expressly provided otherwise, the following terms shall have the meanings set forth below:

1. Information Services: refers to the services provided by Party B through Party B's and/or Party B's agency platforms and other channels and resources for the online dissemination, publicity, and promotion of Party A's Products. The specific service details are set forth in Article 2 and the entrusted service matters separately confirmed in writing by both parties.

2. CPC (Cost Per Click): refers to charging based on each valid click of the promotional content.

3. CPM (Cost Per Mille): refers to the fee payable for every one thousand valid impressions of the promotional content.

4. CPA (Cost Per Action): refers to payment based on each valid activation. A device's first installation and online activation or launching of a product is deemed one valid activation.

5. CPT (Cost Per Time): refers to the fee payable for displaying the promotional content in a specific position for a certain period.

6. Service Effect: refers to the actions taken by users through Party B's information services, including but not limited to the following:

(1) New User Acquisition: refers to a device that has never activated Kuaishou/Kuaishou Lite/other Kuaishou-series Apps, and through the guidance of feed ads, the device successfully activates the App;

(2) User Re-engagement: refers to a device that has previously activated Kuaishou/Kuaishou Lite/other Kuaishou-series Apps, but the device has been lost for more than N calendar days, and through the guidance of feed ads, the user re-opens the App (Note: "N" shall be subject to the written notification via the contact person's email or Enterprise WeChat/KIM group as agreed in Article 2.2 of this Agreement);

(3) User Activation: refers to a device that has previously activated Kuaishou/Kuaishou Lite/other Kuaishou-series Apps, but the device has been inactive for N calendar days, and through the guidance of feed ads, the user re-opens the App (Note: “N” shall be subject to the written notification via the contact person’s email or Enterprise WeChat/KIM group as agreed in Article 2.2 of this Agreement);

(4) Other various service effect requirements separately negotiated and confirmed in writing by both parties after the signing of this Agreement.

7. Service Channel Resources: refers to the media resources of the placement channels (websites and mobile platform applications, PC clients, and the media resources for which they have agency rights that can be used for the services agreed in this Agreement, as detailed in Appendix I) that Party B legally owns or has obtained legal authorization from relevant parties to operate or provide promotional services.

8. Creative Materials/Materials: Advertising creative elements (including but not limited to images, audio, video, copy, landing pages, etc.) used for external display on media resources.

9. Whitelist Period: refers to the service period from January 1, 2026, until the date in 2026 when Party A completes the Alibaba channel supplier bidding process and notifies Party B via email of the termination of services.

Article 2 Service Content

1. Party B understands and agrees to strictly follow Party A’s arrangements and instructions to execute and provide the various services under this Agreement during the service term:

(1) Execute placement services in the service channels according to Party A’s written instructions and notices, and regularly report on placement status on a daily, weekly, monthly, and quarterly basis as required by Party A;

(2) Provide 7*24H team service. Three business days before national statutory holidays or Party A’s major placement campaigns, provide Party A with holiday work arrangements and support plans to ensure timely response to Party A’s needs and provision of corresponding services, and resolve various issues arising during the promotion service process;

(3) Monitor industry information and service channel media policies and promptly share them with Party A;

(4) Recharge and pay placement fees to the service channels, and provide relevant recharge/payment vouchers as required by Party A;

(5) Execute phased placement strategies and ensure through various measures that the placement effects meet Party A’s requirements;

(6) Be responsible for designing and producing placement creative materials/materials and for the compliance review of the creative materials/materials, ensuring they meet the requirements of the service channels and relevant laws and regulations;

(7) Party B guarantees that it will assign experienced employees of Party B who possess the capability to provide the services specified in this Agreement and meet Party A’s requirements (the specific requirements shall be subject to the letter of commitment issued by Party B to Party A and/or its affiliates when participating in the bidding, or the requirements separately confirmed in writing by both parties <if there is no letter of commitment>) to provide high-quality and professional services to Party A, and shall be independently responsible for such employees;

(8) Other service contents as otherwise agreed in this Agreement or notified in writing by Party A.

2. The parties shall communicate and confirm the service content and other matters under this Agreement through the designated contact persons and contact methods specified in this clause, or through the corporate email and Enterprise WeChat (including groups) of the parties’ staff:

Party A’s Designated Contact Person: Zhang Minqi	Tel: [**]	Email: [**]

Party B's Designated Contact Person: Sheng Gong	Tel: [**]	Email: [**]

If either party changes its designated contact person and/or contact method, it shall promptly notify the other party in writing.

3. The parties shall confirm each individual entrusted service matter (e.g., the specific product to be placed, placement type, schedule, position, cost, service effect, standards, creative materials, etc.) in advance through written means (including but not limited to email, KIM communication groups, Enterprise WeChat groups, etc.). Only after written confirmation by Party A may Party B execute the specific placement; otherwise, Party A has the right not to settle the fees corresponding to the entrusted service matter that were not confirmed in writing by Party A.

4. Party B understands and agrees that Party A has the right to issue, modify, or adjust management policies for Party B (including but not limited to information service requirements, assessment standards, reward and punishment policies, promotion service requirements, promotion cost calculation, deduction and other settlement policies, agent management regulations, etc.) from time to time as needed for its own operational management, and to notify Party B via email, in-site private messages, system announcements, pop-ups, Enterprise WeChat, KIM groups, etc. Such policies, once delivered or published, shall become an integral part of this Agreement and the Appendix "Service Details". Party B undertakes that it and its service personnel will promptly review and voluntarily comply with them. If Party B does not agree to the content of the aforementioned management policies, it shall notify Party A in advance and terminate the provision of services under this Agreement. If Party B continues to provide promotion services, it shall be deemed to agree to the management policies.

5. Party B has the obligation to supervise and manage its service personnel and shall be jointly and severally liable to Party A for the performance of the aforementioned personnel. If the service personnel assigned by Party B fail to meet Party A's requirements, including but not limited to service response efficiency, service quality not meeting Party A's assessment standards, reporting not provided as required by Party A, or provided content not meeting Party A's requirements, for each occurrence, Party A has the right not to settle the service fees corresponding to the relevant part, and Party B shall pay Party A liquidated damages of RMB Twenty Thousand Yuan. If the above liquidated damages are insufficient to compensate for Party A's losses, Party B shall continue to make up the difference. At the same time, Party A has the right to unilaterally notify Party B to suspend or terminate the cooperation under this Agreement based on Party B's breach.

6. Party B shall provide the services under this Agreement in accordance with the principles of loyalty, diligence, and good faith. Based on the online and information service environment, in order to prevent malicious traffic inflation and other traffic fraud, cheating, and other acts that violate this Agreement and applicable laws and regulations, Party B must establish a comprehensive prevention mechanism for prior control and to reduce Party A's losses. The parties agree that fees for the aforementioned acts will not be settled. If the aforementioned phenomena occur, Party B shall take emergency measures within 24 hours of the incident.

7. The specific forms of information services provided by Party B for Party A through Party B's service channel resources include but are not limited to banners, buttons, text links, mobile icons, full columns, full screens, pop-up windows, streaming media, and other various manifestations. The specific service forms shall be subject to the separately confirmed entrusted service matters agreed by both parties.

8. During the term of this Agreement, if Party A, due to adjustments in its own business strategy or operational management needs, has the right to unilaterally suspend/terminate this Agreement or a single entrusted service matter under this Agreement at any time by issuing a written notice to Party B in advance. This Agreement or the entrusted service matter shall automatically terminate from the date the notice is sent, without constituting a breach of contract.

9. The actual completion status of the information services provided by Party B shall be subject to the "Statement of Account" (template see Appendix II) confirmed by Party A. Party B understands and agrees that after Party A confirms the "Statement of Account", Party A may still make retroactive adjustments to the settlement data or service fees in accordance with Article 3.4 of this Agreement.

10. If during the service period, due to adjustments or changes in Party B's service channels (including but not limited to any circumstances that affect or may affect Party A's rights and interests under this Agreement, such as adjustments/maintenance/upgrades/required rectifications to service content, layout, page design, service channel systems), Party B shall notify Party A in writing at least 3 business days before such adjustments occur, and

ensure that such adjustments do not cause any negative impact on Party A's rights and interests or service effects under this Agreement; if due to the aforementioned adjustments, the original "Service Details" or the entrusted information service matters separately confirmed in writing by both parties cannot be fully or partially performed, the parties shall promptly negotiate and sign a supplementary agreement to make changes; if the parties cannot reach an agreement on the changes, then Party A has the right to unilaterally terminate the execution of that entrusted service matter without paying the corresponding service fees, and if such termination causes losses to Party A, Party B shall bear compensation liability.

11. Party B has the obligation to assist Party A in optimizing the placement effect of channel accounts (account names may vary according to the regulations of different service channel resources; the parties confirm that the account name does not affect the actual meaning of this clause), help Party A secure more preferential discounts, and shall ensure that the service effects meet Party A's expectations. If Party B is negligent in performing its contractual obligations or the service results do not meet Party A's service requirements/assessment standards, or if, despite Party B's rectification, Party A assesses that the purpose of this Agreement still cannot be achieved, Party A has the right to unilaterally suspend/terminate the cooperation.

12. If, due to Party B and/or Party B's personnel engaging in acts that violate laws and regulations, relevant provisions or policies of channel media platforms, the terms of this Agreement, or fail to comprehensively, timely, and fully comply with/satisfy Party A's requirements including but not limited to bidding, targeting, placement, cost, etc., which infringe upon or may infringe upon Party A's legitimate rights and interests under this Agreement (for the convenience of drafting, the aforementioned acts are collectively referred to as "Violations" below), Party A has the right not to settle the service fees corresponding to the relevant part (if already settled, Party A has the right to demand a refund), and has the right to demand Party B pay liquidated damages of RMB Twenty Thousand Yuan per occurrence, compensate for all losses caused by the increase in Party A's placement costs resulting therefrom, and if other losses are caused, Party B shall continue to compensate. At the same time, Party A has the right, based on Party B's violation circumstances, to unilaterally notify Party B to additionally pursue one or more of the liabilities for breach of contract as set forth in Article 9.1, as deemed appropriate. The aforementioned Violations specifically include but are not limited to the following circumstances:

(1) Party B fails to place according to the placement channels required by Party A;

(2) Party B fails to place according to the targeted tier/audience required by Party A;

(3) Party B fails to place according to Party A's placement effect requirements;

(4) Party B fails to place according to the placement time required by Party A, e.g., overtime placement resulting in increased consumption;

(5) Party B's placement effects do not meet Party A's requirements, e.g., Party B fails to complete the new user acquisition, re-engagement, or activation task targets within the specified placement time; Party B's placement costs exceed Party A's specified placement budget range; the price for Party B's placed new user acquisition, re-engagement, or activation, etc., does not meet Party A's bidding requirements, etc.;

(6) Party B fails to record the consumed amount in a timely manner (including channel ID, media bidding consumption, etc.), and centralized recording leads to insufficient budget for Party A;

(7) Other circumstances that Party A notifies Party B of during the performance of the contract.

13. If the creative materials/materials are provided by Party A, Party B is responsible for reviewing the creative materials/materials provided by Party A to ensure compliance with laws, regulations, and the placement requirements of the service channels. If the creative materials/materials are designed and produced by Party B or a third party commissioned by Party B, Party B shall ensure that the creative materials/materials are legal and compliant and have obtained sufficient and complete authorization from relevant parties, and do not infringe upon the legitimate rights and interests of any third party, or violate public order and good customs. In any case, if any issues arise with the creative materials/materials, such as violation of any laws or regulations or infringement upon the legitimate rights and interests of any third party, Party B shall be responsible for resolving them and bear the related costs, liabilities, and losses, including but not limited to compensation paid to third parties, legal fees, litigation costs, and any costs, liabilities, or losses that Party A is confirmed to bear by government legal documents. The violations and penalties related to creative materials/materials include but are not limited to the following circumstances:

(1) Competitor Product Violations

a) The creative material is competitor product material; Party B serves multiple clients, and using one material for multiple purposes leads to material confusion, or Party B intentionally/negligently uses competitor product material. For uploading such material, if discovered by Party A during review and no actual consumption occurs, a verbal warning will be issued. If actual consumption occurs, liquidated damages of RMB 2,000 will be deducted for each non-compliant material, the relevant advertising costs will not be settled, and 30% of the actual consumption amount shall be compensated. For the second occurrence, regardless of whether actual consumption occurs, liquidated damages of RMB 4,000 will be deducted for each non-compliant material; if actual consumption occurs, the related costs will not be settled, and 60% of the actual consumption amount shall be compensated. For the third occurrence and above, regardless of whether actual consumption occurs, liquidated damages of RMB 10,000 will be deducted for each non-compliant material; if actual consumption occurs, the related costs will not be settled, and 100% of the actual consumption amount shall be compensated, and Kuaishou has the right to suspend or terminate the cooperation;

b) The creative material contains competitor product logos, interfaces, or other elements

For uploading such material, if discovered by Party A during review and no actual consumption occurs, a verbal warning will be issued. If actual consumption occurs, liquidated damages of RMB 1,000 will be deducted for each non-compliant material, the relevant advertising costs will not be settled, and 30% of the actual consumption amount shall be compensated. For the second occurrence, regardless of whether actual consumption occurs, liquidated damages of RMB 2,000 will be deducted for each non-compliant material; if actual consumption occurs, the related costs will not be settled, and 60% of the actual consumption amount shall be compensated. For the third occurrence and above, regardless of whether actual consumption occurs, liquidated damages of RMB 5,000 will be deducted for each non-compliant material; if actual consumption occurs, the related costs will not be settled, and 100% of the actual consumption amount shall be compensated, and Kuaishou has the right to suspend or terminate the cooperation;

c) Using advertising materials from other products such as Kuaishou's commercialization business line as Kuaishou materials

For uploading such material, if discovered by Party A during review and no actual consumption occurs, a verbal warning will be issued. If actual consumption occurs, liquidated damages of RMB 1,000 will be deducted for each non-compliant material, the relevant advertising costs will not be settled, and 30% of the actual consumption amount shall be compensated. For the second occurrence, regardless of whether actual consumption occurs, liquidated damages of RMB 2,000 will be deducted for each non-compliant material; if actual consumption occurs, the related costs will not be settled, and 60% of the actual consumption amount shall be compensated. For the third occurrence and above, regardless of whether actual consumption occurs, liquidated damages of RMB 5,000 will be deducted for each non-compliant material; if actual consumption occurs, the related costs will not be settled, and 100% of the actual consumption amount shall be compensated, and Kuaishou has the right to suspend or terminate the cooperation;

(2) Operational Violations

a) Uploading advertisements/launching rejected materials privately without Party A's review, misappropriating live-action materials from other agents, or script infringement: For the first occurrence, a verbal warning will be issued and liquidated damages of RMB 5,000 will be deducted for each non-compliant material; the advertising costs generated from the violation will not be settled, and 50% of the actual consumption amount shall be compensated; any adverse effects (such as facing administrative penalties, becoming involved in negative public opinion, etc.) shall be additionally borne by Party B, which shall also actively cooperate with Party A to mitigate the effects. For the second occurrence, a verbal warning will be issued and liquidated damages of RMB 10,000 will be deducted for each non-compliant material; the advertising costs generated from the violation will not be settled, and 80% of the actual consumption amount shall be compensated; any adverse effects shall be additionally borne by Party B, which shall also actively cooperate with Party A to mitigate the effects. For the third occurrence and above, a verbal warning will be issued and liquidated damages of RMB 20,000 will be deducted for each non-compliant material; the advertising costs generated from the violation will not be settled, and 100% of the actual consumption amount shall be compensated; if adverse effects arise, they shall be additionally borne by Party B, which shall actively cooperate with Party A to mitigate the effects, and Kuaishou has the right to suspend or terminate the cooperation.

It is hereby explained that if Party B's placement of non-compliant materials results in Party A being warned or fined by the relevant media channels, for each such occurrence, Party A has the right to deduct an amount of not

less than RMB 500 from the service fees to be settled, with the specific deduction amount subject to Party A's notice to Party B.

14. Party A has informed Party B, whether in writing or orally, of the types of creative materials/materials, individual creative materials/materials, placement channels, and/or ad slots that are explicitly prohibited. If it is discovered that Party B has launched placements privately, the service fees generated by the corresponding creative materials/materials, placement channels, and/or ad slots shall not be settled, and Party B shall pay 10% of the total service fees incurred during the validity period of this Agreement or RMB Two Million (whichever is higher) as liquidated damages to compensate Party A for its losses. If, due to Party A's placement needs, the aforementioned materials, ad slots, or other restrictions are temporarily lifted, the timing and strategy for such lifting shall be subject to Party A's email notification, and placement may only commence after Party A confirms it is correct prior to launch; otherwise, the fees generated by the corresponding materials, placement channels, and/or ad slots shall not be settled, and Party B shall pay 10% of the total service fees incurred during the validity period of this Agreement or RMB Two Million (whichever is higher) as liquidated damages to compensate Party A for its losses. If the aforementioned liquidated damages in this clause are insufficient to compensate Party A for its losses, Party B shall continue to make up the difference.

15. Party B guarantees that the operators of its service channels and the websites, official accounts, and other promotional service channels operated by such operators are established and operated in accordance with laws and regulations, and that the service channels do not involve content or activities that violate laws and regulations, such as splitting the country, damaging national reputation, vulgarity, obscenity, pornography, violence, gore, gambling, etc. If the service channels selected by Party B affect Party A's overall placement quality, brand image, regulatory impression, etc., Party A has the right to refuse payment for all promotion costs for the relevant channel, and if already paid, Party B shall refund them. If this causes other losses to Party A, including but not limited to litigation costs, costs confirmed by government legal documents to be borne by Party A, legal fees, etc., all such losses shall be compensated by Party B.

16. If Party B initiates new forms of cooperation or channel resources, it must first obtain Party A's written permission before placing. If Party B initiates them without Party A's written consent, Party A has the right to refuse payment to Party B, and if this causes losses to Party A, Party A has the right to demand compensation.

17. Party B will use its best commercial efforts to maintain the daily maintenance of the promotional materials/creative materials for Party A's client products, as well as the accessibility, security, and stability of the service channels; if any issues or faults are discovered, Party B shall promptly notify Party A in writing and repair them as soon as possible, ideally within 24 hours. If repairs cannot be completed within that period, Party A may require Party B to provide placement compensation worth twice the corresponding value for the incorrectly broadcast, missed broadcast, or delayed broadcast portion. If a make-up broadcast is not necessary, Party B shall refund the corresponding fees to Party A.

18. Party A has the right to change the "Service Details" (Appendix I) and the specific content of a single entrusted service, but shall notify Party B by email 2 business days in advance and deliver the replacement creative materials/materials to Party B. Without written notice from Party A, Party B has no right to unilaterally determine the creative materials/materials information for placement.

19. Without Party A's prior written consent, Party B shall not entrust all or part of the information service matters agreed under this Agreement to a third party for performance. If truly necessary due to actual service needs, with Party A's prior written consent, Party B may entrust other affiliated companies of Party B or cooperative companies that cooperate with the publishing channels/media to perform the corresponding services, and shall bear joint and several liability to Party A. However, Party B shall ensure that its affiliated companies or its cooperation companies provide Party A with the same level of service as stipulated in this Agreement, and Party A shall only settle payments with Party B. If the affiliated company or cooperative company entrusted by Party B demands to bear any liability, risk, loss, or expense due to disputes/disagreements in its cooperation with Party B, Party B shall promptly communicate with the relevant party at its own expense and bear the liability, risk, loss, and expense. At the same time, Party A has the right to unilaterally terminate this Agreement by notice, and Party B shall pay liquidated damages and bear losses such as related taxes and fees in accordance with the default clause of this Agreement.

20. During the cooperation period, if the channel for which Party B provides services requires the payment of a placement deposit, Party B shall be responsible for paying it to the corresponding channel, handling receipt/invoice matters with that channel, and complying with the relevant channel's deposit requirements. Party B undertakes that the exercise/performance of its rights and obligations related to the deposit in its cooperation with

the channel (including but not limited to paying/refunding/top-up the deposit) will not affect its performance of its various obligations, commitments, guarantees, and other agreements under this Agreement; otherwise, Party B shall be liable to Party A for breach of contract in accordance with Article 9 of this Agreement. Upon expiration or early termination of this Agreement, Party B shall independently communicate with the media channel regarding the deposit refund. To avoid disputes, both parties understand and confirm that any disputes, risks, liabilities, losses, or expenses arising from Party B's exercise/performance of its rights and obligations related to the deposit in its cooperation with the channel shall be borne solely by Party B and shall have no relation to Party A.

Article 3 Confirmation of Service Data

1. Party B shall provide Party A with daily, weekly, monthly, and other reports as required by Party A. Party B shall grant Party A full access to the backend account of its service channel agency platform, enabling Party A to view service effects, placement data, and other information in real time. Ownership of Party A's placement account in designated channels and all data generated by Party B's use of that account during the provision of information services belongs to Party A. Party B shall only operate, manage, and use the account within the scope of this Agreement and Party A's written authorization (authorized in writing by email or Enterprise WeChat groups, etc.). Without Party A's written consent, Party B is prohibited from gifting, lending, leasing, transferring, selling, or otherwise permitting others to use the account and data in any form. If Party A discovers unauthorized use of its account and data that causes losses to Party A, Party A has the right to demand that Party B compensate for the resulting losses.

2. Party A has the right to supervise and assess the authenticity and legality of Party B's service channels. Users brought through Party B's channels must be genuine users obtained through true, legal channel publicity and promotional activities that comply with the terms of this Agreement. If Party A discovers that Party B has obtained users using means that violate laws, regulations, or the requirements of this Agreement, Party A has the right to immediately terminate this Agreement without paying Party B the service fees corresponding to the information services provided through the aforementioned means, and has the right to demand that Party B pay Party A an amount equivalent to 10% of the cumulative service fees incurred under this Agreement up to the time of the breach as liquidated damages. If Party A suffers losses due to Party B's breach of the guarantee in this clause, Party B shall bear full compensation liability.

3. Party B understands and agrees that if no written objection (limited to an objection notice letter bearing Party B's company seal) is raised within 1 business day from the date Party A pays each installment of service fees to Party B, it shall be deemed that Party A and/or Party A's affiliated companies have fully, sufficiently, completely, and timely performed all their obligations, agreements, commitments, and guarantees under this Agreement, and that there is no act violating laws or regulations, no breach of contract, and no other infringement upon the legitimate rights and interests of any third party. Party B understands and agrees to waive its right to demand that Party A and/or Party A's affiliated companies bear any risks, liabilities, losses, expenses, or to make any other claims against Party A and its affiliated companies.

4. Party B understands and agrees that with respect to service data, Party A has the right to perform risk control monitoring, filtering, screening, and deduction for deduplication, anti-fraud, black-market and grey-market activities, etc., and the final settlement data shall be subject to the data provided by Party A. Party B shall, as required by Party A, provide corresponding proof and materials regarding the authenticity and legality of the service itself and the service channel data (such as monitoring reports issued by third-party monitoring agencies). If Party B refuses to provide them or if Party A believes the provided proof materials cannot prove/are insufficient to prove authenticity, the service shall be deemed invalid, and Party A has the right not to settle. Party B understands and agrees that, given factors such as the lag in data monitoring, acceptance, verification, filtering, and screening compared to Party B's performance activities, Party A's confirmation of settlement data or payment of service fees does not constitute Party A's waiver of its right to continue screening, filtering, deducting, calibrating, or retroactively adjusting the data, nor does it constitute Party A's recognition or confirmation that all of Party B's performance activities and the settlement data comply with the terms of this Agreement; Party A has the right to continue to perform the above-mentioned necessary operations such as risk control monitoring, filtering, screening, deduction, and retroactive adjustment for deduplication, anti-fraud, black-market and grey-market activities on the data at any time after providing the settlement data, and shall not pay the service fees corresponding to data that does not comply with the terms of this Agreement (if any). If such fees have already been paid, Party B shall refund all of them within 5 days after receiving Party A's notice.

Article 4 Rebate Policy

1. During the performance period of this Agreement, Party A is subject to the rebate policy and shall enjoy the corresponding rebate rewards provided by Party B (for specific rebate ratios, see Appendix I). Party B undertakes that the rebate rewards provided to Party A shall not be lower than the preferential level enjoyed by any third party for placing the same or similar execution amount with Party B.

2. Party B has the right to formulate its own rebate policy, but the rebate ratio applicable to Party B shall be specified in advance in the "Service Details" (Appendix I), and such rebate ratio shall remain valid throughout the performance period of this Agreement.

Article 5 Fee Settlement and Payment Method

1. The parties agree to adopt a method of service first, payment later, with a monthly fee settlement cycle. The specific fee calculation formula is detailed in Appendix I, wherein "Media Consumption Amount" refers to the total execution amount of placements made by Party A in the service channels within the same settlement cycle.

2. Party B shall send the service data for the previous calendar month to Party A by the 10th of each month. Upon receiving Party B's service data confirmation email, Party A shall confirm it in accordance with Article 3 of this Agreement. The final settlement data shall be subject to the service data provided by Party A after verification. If Party B has any objection to the data provided by Party A, it shall promptly raise the objection with Party A within 2 business days of receiving Party A's data and provide evidence supporting its objection regarding the settlement data. Failure to respond within the time limit shall be deemed as Party B's confirmation, and the parties' reconciliation shall be deemed consistent.

3. Only after the parties' reconciliation is consistent may Party B issue a valid special VAT invoice and statement of account for the equivalent amount to Party A or Party A's affiliated companies. Party A or Party A's affiliated companies shall pay the service fees to Party B within 30 business days after receiving the special VAT invoice and statement of account issued by Party B, by means of commercial draft or bank transfer. The parties understand and agree that if payment is made by commercial draft, the time when Party A issues the commercial draft to Party B shall be deemed as the time when Party A has fully and sufficiently performed its payment obligations under this Agreement. If overdue payment occurs due to reasons not solely attributable to Party A or Party A's affiliated companies, Party A or Party A's affiliated companies shall not be liable for default for overdue payment. Party B's bank account information is detailed in Appendix I.

Furthermore, Party B understands and agrees that if the settlement amount of a single monthly statement is less than RMB 1,000, Party A may accumulate it until the month when it reaches or exceeds RMB 1,000 and pay it together with that month's promotion fees without constituting a default. If the parties terminate the cooperation early and the remaining unsettled promotion fees for Party B are still less than RMB 1,000, Party A shall pay the full amount in one lump sum within 30 business days after the termination of the contract and after receiving the valid special VAT invoice for the equivalent amount issued by Party B.

4. Each party shall bear the various taxes payable due to the signing and performance of this Agreement in accordance with the tax laws of their respective countries and regions. Each party shall bear its own expenses paid for the signing and performance of this Agreement, except as otherwise agreed in this Agreement.

5. Whitelist Period Settlement Rules:

During the Whitelist Period, Party B shall provide services to Party A in accordance with the terms of this Agreement. Given that the rebate during the Whitelist Period is undetermined because the 2026 media policy has not yet been released, Party A and Party B agree to implement settlement in the following manner:

The parties shall settle the cooperation fees during the Whitelist Period in accordance with the terms of this Agreement (including but not limited to the rebate policy stipulated in Article 4 of this Agreement). After the 2026 supplier bidding process, following consultation and agreement between Party A and Party B, Party A shall notify Party B via email of the 2026 rebate ratio and the time to cease cooperation. Within the settlement cycle corresponding to the month when the termination of cooperation is notified by email, the parties shall settle any difference for the Whitelist Period by making up for shortfalls or refunding overpayments. If the amount already settled by Party A exceeds the amount actually payable, Party B shall refund the overpayment to Party A. Party B shall, within 3 days after receiving Party A's email confirming the refund amount, issue a red-letter invoice for the

equivalent amount to Party A, and shall refund the amount to Party A's designated bank account within 7 days after issuing the invoice; Party B shall pay the refundable amount to Party A promptly and in full. If Party B fails to pay within 5 days after receiving Party A's demand notice, Party B shall pay Party A a late fee calculated at 0.3% per day on the overdue amount.

Article 6 Commitments and Warranties

1. Party B warrants that it possesses the rights necessary to conduct information services using the service channel resources under this Agreement, including operation rights, agency rights, or other legal authorizations. Party B shall provide relevant supporting documents for the aforementioned rights. If this Agreement cannot be performed or cannot be fully performed due to Party B's lack or loss of the aforementioned rights, and if this causes losses to Party A, Party B shall bear full compensation liability.

Article 7 Confidentiality

1. "Confidential Information" as referred to in this Agreement means any confidential materials or information, trade secrets, technical secrets, etc., of the other party that either party learns of or comes into contact with due to signing or performing this Agreement, as well as the terms of this Agreement and other information related to this Agreement, and all information, data, budgets, operational strategies, placement channels, rebate policies, materials, opinions, suggestions, interim work results, and final work results formed during the performance of this Agreement.

2. General Obligations:

(1) The Receiving Party must keep the Confidential Information obtained from the Disclosing Party strictly confidential and shall not disclose it or promise/permit any third party to disclose it without the prior written consent of the Disclosing Party.

(2) The Receiving Party is only entitled to disclose Confidential Information to its employees who need to know for the purpose of this Agreement and who are involved in the cooperation or negotiation. The Receiving Party warrants that its employees shall be bound by confidentiality terms at least as stringent as those in this Agreement. The Receiving Party shall be liable for any breach of this Agreement by its employees under any circumstances and at any time.

(3) The Receiving Party shall take all reasonable measures, which shall not be less than the measures the Receiving Party takes to protect its own similar Confidential Information, to safeguard the Confidential Information disclosed by the Disclosing Party, preventing theft and/or leakage, unauthorized use, or leakage due to the negligence of any third party.

(4) If the Receiving Party becomes aware of any unauthorized use or disclosure of Confidential Information, it shall immediately notify the Disclosing Party and assist the Disclosing Party in taking remedial measures.

(5) The Receiving Party shall not obtain non-public information of the Disclosing Party that has not been disclosed to the Receiving Party by improper means (including but not limited to browsing, copying, photographing, transcribing non-public documents, materials, etc., of the Disclosing Party without the Disclosing Party's permission).

3. Upon the request of the other party, either party shall return to the other party, destroy, or otherwise dispose of any documents, materials, or software containing the other party's Confidential Information as requested, and shall cease further use of such Confidential Information.

4. Disclosure of information by either party under any of the following circumstances shall not be deemed a violation of this clause:

(1) Such information was already in the public domain at the time of disclosure;

(2) Such information is disclosed based on the other party's prior written consent;

(3) One party discloses information as required by government, judicial, or other authorities having jurisdiction over it in the course of performing official duties in accordance with Chinese laws and regulations, provided that such party notifies the other party of the content of the information to be disclosed in writing in advance or

promptly before disclosure, ensuring that the disclosing party is assisted to make the disclosure to the minimum extent necessary to comply with the disclosure requirement.

5. If Party B and/or its employees violate the obligations stipulated in this clause, Party A has the right to hold Party B and/or its employees liable for breach of contract in accordance with Article 9.

6. Regardless of the reason for the termination of this Agreement, the above confidentiality clause shall remain perpetually valid.

Article 8 Intellectual Property

1. The products and their promotional materials provided by Party A to Party B under this Agreement, along with the creativity, design, graphics, images, text, and other materials contained therein, as well as the promotional materials commissioned by Party B to be produced to achieve the service effect and the design, graphics, images, text, and other materials contained therein, shall be owned by Party A. Party B shall use them as they are and shall not engage in secondary creation, adaptation, compilation, modification, or other alterations, nor use them for purposes other than those stipulated in this Agreement. Their intellectual property rights and other interests are wholly owned by Party A or have been legally authorized for use by Party A by the rights holder. Without Party A's prior written permission, Party B shall not use them itself for any purpose other than this Agreement or permit any third party to use them in any form.

2. Without Party A's prior written consent, except for the purpose of directly performing its obligations under this Agreement, Party B shall not use Party A's company name, trademarks, logos, or any other related words or graphics in any manner.

3. Party A warrants that it legally owns the ownership, intellectual property rights, and other related rights to the application products provided under this Agreement, or has obtained legal authorization from the relevant rights holders for the aforementioned rights.

4. After obtaining Party A's written consent, Party B may use Party A's company name, trademarks, logos, or any other similar words or graphics in its promotional materials (including but not limited to web pages, printed materials, audio recordings, etc.) to illustrate the cooperative relationship between Party B and Party A.

5. Within 5 business days from the date this Agreement is terminated due to completion of performance, rescission, force majeure, or other reasons, Party B shall hand over all materials provided by Party A (including but not limited to products and their promotional materials) to Party A or destroy them according to Party A's requirements and provide relevant written certification, and shall not make backups, continue to use, or permit any third party to use them without authorization.

Article 9 Liability for Breach

1. Except as otherwise provided in this Agreement, if Party B fails to perform its obligations, commitments, or warranties in a timely, comprehensive, and complete manner in accordance with the terms of this Agreement, Party B agrees that Party A has the right, at its sole discretion, to select one or more of the following measures to hold Party B liable for breach: (1) Require Party B to rectify within a specified period at its discretion; if Party B fails to rectify or the rectification still does not comply with the terms of this Agreement, Party A has the right to suspend or terminate this Agreement at any time; (2) Suspend or terminate this Agreement at any time; (3) Party A has the right not to settle any outstanding fees payable to Party B ("Outstanding Fees" includes amounts related to other contracts signed between Party A and its affiliates and Party B and its affiliates) and not to recognize the promotion fees corresponding to the breach; (4) While taking the aforementioned measures, Party A has the right to demand that Party B pay Party A 10% of the cumulative consumption amount incurred by Party A in the service channels up to the time of the breach as liquidated damages. If the liquidated damages are insufficient to compensate for the losses caused to Party A, Party B shall continue to compensate for the losses. Furthermore, if Party B's breach involves or may involve criminal offenses, Party A reserves the right to pursue Party B's criminal liability.

2. Except as otherwise provided in this Agreement, if a party's breach causes the other party to suffer any fines, penalties, losses, damages, personal injury, property damage, or expenses, the breaching party shall be liable for compensation for all reasonable losses incurred by the non-breaching party as a result (including but not limited to compensation paid to third parties, legal fees, litigation costs, travel expenses, etc.).

3. Party B understands and agrees that for any liquidated damages, compensation, or other amounts payable by Party B to Party A as stipulated in this Agreement, or any fees that Party A has the right to deduct, Party A has the right to first deduct them from any payments, deposits, accounts payable, or other fees related to the cooperation between Party A and its affiliates and Party B/Party B's affiliates, without sending any notice, and such action shall not constitute a breach. If the deducted amount is insufficient, Party B shall make up the shortfall within 3 business days.

Article 10 Force Majeure

1. Force Majeure as referred to in this Agreement means objective events that are unforeseeable, insurmountable, unavoidable, and have a material impact on a party, including but not limited to natural disasters such as floods, earthquakes, fires, and storms, as well as social events such as war, civil unrest, and government actions.

2. If the performance of this Agreement becomes impossible due to the occurrence of a Force Majeure event, the party affected by the Force Majeure shall immediately notify the other party in writing of the situation regarding the Force Majeure event and, within 5 days after the conclusion of the Force Majeure event, provide written materials detailing the Force Majeure event and reasons along with valid supporting documentation explaining why this Agreement cannot be performed, cannot be fully performed, or requires delayed performance. After the parties acknowledge such materials, they may negotiate to amend or terminate this Agreement or postpone its performance.

3. If the Force Majeure event continues for more than 30 days and continuing to perform this Agreement would have a material adverse effect or make it impossible to continue performing this Agreement, either party may terminate this Agreement.

Article 11 Governing Law and Dispute Resolution

1. The formation, validity, performance, interpretation, and dispute resolution of this Agreement shall be governed by the laws of the People's Republic of China.

2. For any disputes related to the validity, interpretation, performance, or any other aspects of this Agreement, the parties shall first attempt to resolve them through friendly negotiation. If negotiation fails, either party has the right to submit the dispute to the People's Court having jurisdiction at Party A's location.

Article 12 Miscellaneous

1. The failure of either party to exercise or promptly exercise any right, power, or privilege under this Agreement shall not be deemed a waiver thereof; nor shall the single or partial exercise of any right, power, or privilege preclude the future exercise of any right, power, or privilege.

2. If one or both parties need to modify or supplement the terms of this Agreement, such modification or supplementation shall be made through a supplementary agreement or by re-signing the contract after negotiation. The supplementary agreement shall have the same legal effect as this Agreement.

3. Any notices, demands, claims, and other communications under this Agreement shall be in Chinese and sent by courier or email to the addresses specified on the first page of this Agreement or to the contact persons' email addresses as agreed in Article 2.2 of this Agreement.

4. For notices sent by one party to the other, if sent by email, the notice shall be deemed received by the other party at the time the email is successfully sent from the sender. If sent by fax, the notice shall be deemed received at the time the fax transmission is completed. If sent by courier, the notice shall be deemed received on the date of receipt by the other party or 5 days after the date of dispatch.

5. Either party may change its address for receiving notices at any time by notifying the other party in writing. If a party's contact person, address, email, or any of the above information changes, it shall promptly notify the other party; if a party changes such information without notifying the other party, then any notice sent by the other party to the original address shall be deemed to have properly fulfilled the notice obligation.

6. This Agreement is made for the benefit of both parties and their respective legal successors and shall be equally binding upon both parties and their respective legal successors. Any merger or division of either party shall not affect the continued performance of this Agreement.

7. If any provision of this Agreement is held by a competent authority to be illegal, invalid, or unenforceable, such provision shall, to that extent, be invalid and deemed not to be included in this Agreement, but the remaining provisions of this Agreement shall remain unaffected and continue to be fully and effectively enforced.

8. The term “day” as used in this Agreement refers to calendar days. “Business Day” as used in this Agreement refers to the working days generally observed under normal circumstances by enterprises, institutions, government agencies, organizations, and other entities as stipulated by Chinese law, i.e., days that are normal working days excluding national statutory holidays (including but not limited to New Year’s Day, Labor Day, National Day, Spring Festival, etc., subject to the official holiday announcement published by the state for that year) and weekends.

9. This Agreement is signed in Chinese, in four (4) copies, with each party holding two (2) copies, all having equal legal validity, and shall take effect upon being sealed by both parties.

10. Term of Cooperation: From April 23, 2025 to April 30, 2026, or the date of the conclusion of the Whitelist Period, whichever occurs earlier.

11. The following appendices form an integral part of this Agreement and have the same legal effect as this Agreement.

Appendix I: "Service Details"

Appendix II: "Monthly Statement of Account"

Appendix III: "Letter of Commitment on Integrity"

(This page is the signature page, no text below)

Party A: Beijing Dajia Internet Information Technology Co., Ltd.	**Party B: Beijing Baosheng Network Technology Co., Ltd.**
(Seal)	(Seal)
Beijing Dajia Internet Information Technology Co., Ltd. - Contract Seal (Seal)	Beijing Baosheng Network Technology Co., Ltd. (Seal)
April 23, 2025	**April 23, 2025**
August 6, 2025	August 6, 2025

Appendix I:

Service Details

Party A: Beijing Dajia Internet Information Technology Co., Ltd. Party B: Beijing Baosheng Network Technology Co., Ltd.	
Product Name and Brief Description	Kuaishou-series products, including but not limited to products currently owned or authorized for operation and promotion by Party A and Party A's affiliates, as well as products that may be owned or authorized for operation and promotion in the future, including but not limited to Kuaishou, Kuaishou Lite, Kuaiying (Kuaishou Studio), Yitian Camera (Onetake), Ac Fun, Huisen, and gaming products, etc.
Service Requirements	Service Assessment Requirements: During the service period, Party A has the right to establish assessment standards and corresponding reward and punishment measures for the agency operation services provided by Party B. The specific assessment plan will be notified in writing to Party B by Party A in advance. If Party B has any objections, it shall notify Party A in advance and terminate the provision of services under this Agreement. If Party B continues to provide promotion services, it shall be deemed to agree to the corresponding assessment standards and reward and punishment measures. Assessments will be conducted on a monthly basis, and Party A will update the assessment plan from time to time based on the service situation.
Publishing Channel	Alibaba UC
Agency Rebate Ratio	1. Operation Model /% (Standard Operation Model; if this model does not apply, enter "/") 18.45% (Deep Operation Model; if this model does not apply, enter "/") 2. Agency Rebate Provider The agency rebate method applicable under this Agreement is the following Type 1, and the rebate can be directly used by Party A for placement and consumption in the service channels: (1) Rebate upon Recharge (i.e., after Party A entrusts Party B to pre-recharge funds into the placement channel account, Party B immediately returns the rebate to Party A's account according to the rebate ratio stipulated in this Agreement) (2) Rebate after Recharge (i.e., after Party A entrusts Party B to pre-recharge funds into the placement channel account, Party B returns the rebate to Party A's placement account on a monthly/quarterly basis according to the ratio stipulated in this Agreement)
Service Channel Media Rebate Ratio	1. Media Operation Model (1) / [Standard Operation Model; if there is no media rebate, enter "/"] (2) 42% [Deep Operation Model; if there is no media rebate, enter "/"] 2. Media Rebate Method: The media rebate can be directly used by Party A for placement and consumption in the service channels. The media rebate method under the main contract is the following Type 1 (if there is no media rebate, enter "/") (1) Rebate upon Recharge (i.e., after Party A entrusts Party B to pre-recharge funds into the placement channel account, the channel media immediately returns the rebate to Party A's account according to the rebate ratio stipulated in this Agreement) (2) Rebate after Recharge (i.e., after Party A entrusts Party B to pre-recharge funds into the placement channel account, the channel media returns the rebate to Party A's placement account on a monthly/quarterly basis according to the ratio stipulated in this Agreement)

Party B's Receiving Information	Bank: Bank of Hangzhou Co., Ltd. Beijing Shijingshan Wenchuang Sub-branch Account Name: Beijing Baosheng Network Technology Co., Ltd. Account Number: [**] Branch Interbank Number: [**]
Deposit Amount Payable by Party B to the Publishing Channel	RMB 433,333.35 (In words: Four Hundred Thirty-Three Thousand Three Hundred Thirty-Three Yuan and Thirty-Five Cents) [If there is no deposit, enter "/"] During the cooperation period, if the deposit amount is adjusted, the amount required by the channel shall prevail, and Party B shall pay the full amount on time. The adjusted deposit amount shall be confirmed by Party A and Party B via the contact person's email or Enterprise WeChat/KIM group as agreed in Article 2.2 of this Agreement.
Fee Settlement Formula	Actual Settlement Amount = (Media Consumption Amount - Media Compensation Amount - Media Reward Amount) / (1 + Media Rebate Ratio <if any> + Agency Rebate Ratio) - Deduction Amount <if any>
Party A's Invoicing Information	Please strictly issue the invoice based on the invoicing information, invoicing amount, and other invoicing requirements notified in writing by Party A; otherwise, Party A has the right to demand that Party B re-issue the invoice and suspend payment, and any resulting risks, liabilities, and losses shall be borne solely by Party B.

Remarks:

1. This Service Details is a valid appendix to the "Information Service Entrustment Agreement" (hereinafter referred to as the "Main Contract") signed by both parties, is subject to the Main Contract, and shall have the same legal effect as the Main Contract.

2. Party B shall provide information services in accordance with the terms and conditions of the Main Contract and this appendix. Matters not specified in this appendix shall be governed by the Main Contract.

3. Party B undertakes and acknowledges that the amount consumed by Party A through self-operation in the placement channels also constitutes part of the "Media Consumption Amount" mentioned above and shall be combined with the amount consumed by Party B through agency operation in the placement channel accounts for calculating the rebate.

Party A (Seal): Beijing Dajia Internet Information Technology Co., Ltd.	Party B (Seal): Beijing Baosheng Network Technology Co., Ltd.
Beijing Dajia Internet Information Technology Co., Ltd. - Contract Seal (Seal) Date: April 23, 2025	Beijing Baosheng Network Technology Co., Ltd. (Seal) Date: April 23, 2025

August 6, 2025 August 6, 2025

Appendix II: Monthly Statement of Account

<table>
<tr><th>Product Placed</th><th>Placement Media</th><th>Channel Name</th><th>Service Content</th><th>Channel ID</th><th>Placement Time</th><th>Media Consumption Amount</th><th>Media Compensation Amount</th><th>Media Reward Amount</th><th>Media Rebate + Agency Rebate</th><th>Deduction Amount</th><th>Pre-settlement Amount</th><th>Remarks</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td colspan="2">Total Pre-settlement Amount (RMB, Tax Inclusive)</td><td colspan="4"></td><td colspan="2">Amount in Words (RMB)</td><td colspan="5"></td></tr>
<tr><td colspan="2">Placement Method</td><td colspan="11">□ CPA □ CPT □ CPC □ CPM □ Other</td></tr>
</table>

Appendix III: Letter of Commitment on Integrity

Letter of Commitment on Integrity

To: Beijing Dajia Internet Information Technology Co., Ltd. and/or its affiliates (collectively, "Your Company")

As a partner of Your Company, our company deeply understands that jointly building a transparent, fair, just, honest, and upright integrity ecosystem is the foundation for the continuous win-win cooperation between Your Company and our company.

Issues of non-integrity such as commercial bribery violate business principles like fairness, justice, and transparency, disrupt market order, hinder the rational allocation of resources, increase business operating costs, and even adversely affect corporate decision-making, harming the healthy development of both cooperating parties; they also corrupt social norms, corrode corporate employees, and become breeding grounds for economic crimes. Based on this, our company hereby makes the following commitments to Your Company:

I. Anti-Commercial Bribery

1. During the cooperation process, strictly comply with the laws and regulations of the People's Republic of China related to anti-commercial bribery, recognized business ethics, and Your Company's relevant integrity system provisions (including but not limited to the "Management Measures for Dishonest Suppliers" and other currently effective and future updated regulations, notices, opinions, etc.), maintaining a high level of integrity and professional ethics.

2. Not provide any form of direct or indirect bribery to Your Company's employees, employees' relatives, or their related parties (collectively, "Your Company's Employees"), including but not limited to:

(1) Giving or promising to give cash, monetary gifts, marketable securities, bank cards, gift cards, delivery orders, membership cards for entertainment venues, discount cards, voucher coupons, or other benefits to Your Company's Employees;

(2) Giving or promising to give housing, vehicles, communication devices, home appliances, high-end daily necessities, consumer goods, handicrafts, or other items to Your Company's Employees;

(3) Giving or promising to give off-book discounts, rebates (i.e., a certain percentage of the commodity price returned in cash, in kind, or by other means, but not clearly and truthfully recorded in the financial accounts according to the financial accounting system regulations) to Your Company's Employees;

(4) Paying any expenses that should be borne by Your Company's Employees themselves, reimbursing various bills and expenses on behalf of Your Company's Employees;

(5) Providing or promising to provide banquets and entertainment, sports, leisure, travel, or other activities that may affect the impartial performance of their duties to Your Company's Employees;

(6) Engaging in any borrowing/lending transactions with Your Company's Employees without reporting;

(7) Accepting or implying the provision of convenience for Your Company's Employees' housing renovation, weddings, funerals, going abroad, studying abroad, education of spouses and children, work arrangements, etc.;

(8) Engaging in any activities that may affect the fairness and justice of the cooperation between the parties.

II. Conflict of Interest Declaration

To prevent conflicts of interest from damaging the fair transaction environment between the parties, our company agrees to truthfully report and proactively declare the following conflict of interest situations, including but not limited to:

(1) Our company's shareholders, supervisors, managers, senior executives, project leaders for the cooperation, and project members are Your Company's Employees or their immediate family members.

(2) During the cooperation period, employing (including but not limited to establishing formal labor relations, labor dispatch, outsourcing services, part-time work, consulting, or other forms) employees who have left Your Company or its affiliates for less than two years, or their immediate family members.

Our company undertakes that after proactively declaring such circumstances, or after Your Company discovers and informs our company, we will cooperate with Your Company's request to immediately take remedial measures to eliminate the aforementioned situations. Otherwise, Your Company has the right to reduce or terminate cooperation with our company.

III. Integrity and Confidentiality

1. Our company undertakes not to engage in bid collusion or concerted bidding during the tendering process; not to provide false information to Your Company, including but not limited to qualification certificates, operating data, financial materials, etc.; and not to use improper means to obstruct or exclude other bidders.

2. Our company undertakes to strictly comply with the information confidentiality obligation and not to disclose Your Company's information to third parties or competitors. Confidential information includes but is not limited to confidential materials or information, trade secrets, technical secrets, as well as other financial, commercial, user data, personal privacy information, or all information, data, materials, opinions, suggestions, interim execution results, and final execution results formed during the performance, that we have learned or come into contact with due to the cooperation. If our company and Your Company have separately signed a confidentiality agreement, the terms of that confidentiality agreement shall prevail.

IV. Complaint and Reporting Channels

If our company discovers any non-integrity behavior by Your Company's relevant personnel during the cooperation, such as soliciting property, our company will resolutely resist it and promptly report it to Your Company's Integrity and Compliance Department. The complaint and reporting email address is: lianzheng@kuaishou.com.

V. Liability for Breach

1. If our company or our company's relevant business personnel violate this Letter of Commitment, our company agrees to bear the following responsibilities simultaneously:

(1) Your Company has the right to immediately terminate the relevant business contracts with our company without assuming any liability for breach of contract;

(2) In addition to returning any improper benefits obtained due to the breach to Your Company, our company shall also pay the following liquidated damages: If our company violates the relevant commitments on conflict of interest, then for such breach, it shall pay Your Company ten percent (10%) of the total service fees incurred during the contract validity period as liquidated damages; if our company violates the relevant provisions on commercial bribery, then for such

breach, it shall pay Your Company thirty percent (30%) of the total amount of the involved business contract cooperation as liquidated damages; if the parties cannot reach an agreement on the involved business contract, our company agrees to pay Your Company thirty percent (30%) of the total transaction amount between our company and Your Company in the past twelve months as liquidated damages. If the relevant business contracts signed by the parties stipulate liquidated damages for violating the integrity clause that are higher than those stipulated in this Letter of Commitment, the provisions of the relevant business contract shall prevail.

Note: The "Contract Amount" and "Total Cooperation Amount" mentioned above refer to the contract amount actually paid + yet to be paid during that period.

(3) If the violation of this Letter of Commitment causes any losses to Your Company, our company shall simultaneously compensate Your Company for all losses incurred as a result, including but not limited to reasonable investigation costs, legal fees, and increased costs due to changing partners, fines from government authorities, etc.

2. For the above liquidated damages or losses, Your Company has the right to directly deduct them from any accounts payable to our company and may adopt other remedial measures such as criminal prosecution or civil litigation.

VI. Miscellaneous

1. This Letter of Commitment takes effect from the date our company affixes its official seal and is also binding on our company's relevant actions that occurred before the signing of this Letter. If the parties sign a relevant cooperation agreement, this Letter of Commitment will automatically become an appendix thereto with equal legal effect. If the parties fail to sign a relevant cooperation agreement or the cooperation agreement is invalid, this Letter of Commitment shall remain valid. This Letter of Commitment is effective throughout the cooperation process between Your Company and our company (including during the supplier evaluation stage, the tendering or negotiation period, before and after the signing of purchase orders or contracts, during the continuation of contract validity, and throughout all future cooperation periods between the parties).

2. If our company subsequently undergoes division, merger with another company, equity change, or other matters, this Letter of Commitment shall continue to be valid for the successors of the rights and obligations.

Undertaking Party (Seal): [ ]

Beijing Baosheng Network Technology Co., Ltd. (Seal)

August 6, 2025

Exhibit 8.1

Subsidiaries of the Registrant

Subsidiaries	Jurisdiction of Incorporation
Baosheng Media Group Limited	British Virgin Islands
Baosheng Media Group (Hong Kong) Holdings Limited	Hong Kong
Beijing Baosheng Technology Company Limited	PRC
Horgos Baosheng Advertising Company Limited	PRC
Baosheng Technology (Horgos) Company Limited	PRC
Beijing Baosheng Network Technology Co., Ltd.	PRC
Beijing Xunhuo E-commerce Co., Ltd.	PRC
Beijing Zhiding Baosheng Network Technology Co. Ltd.	PRC
Yuansheng Meiyan Healthcare Service (Hainan) Co., Ltd.	PRC

Exhibit 12.1

Certification by the Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Lina Jiang, certify that:

1. I have reviewed this annual report on Form 20-F of Baosheng Media Group Holdings Limited (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: April 30, 2026

By: /s/ Lina Jiang
Name: Lina Jiang
Title: Chief Executive Officer

EXHIBIT 12.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Chenfang Zhai, certify that:

1. I have reviewed this annual report on Form 20-F of Baosheng Media Group Holdings Limited (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent function):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: April 30, 2026

By: /s/ Chenfang Zhai
Name: Chenfang Zhai
Title: Chief Financial Officer

EXHIBIT 13.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Baosheng Media Group Holdings Limited (the "Company") on Form 20-F for the year ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lina Jiang, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2026

By: /s/ Lina Jiang
Name: Lina Jiang
Title: Chief Executive Officer

EXHIBIT 13.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Baosheng Media Group Holdings Limited (the "Company") on Form 20-F for the year ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Chenfang Zhai, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2026

By: /s/ Chenfang Zhai
Name: Chenfang Zhai
Title: Chief Financial Officer

Exhibit 15.1

Apr 29, 2026

To: Baosheng Media Group Holdings Limited
East Floor 5 Building No.8, Xishanhui Shijingshan District, Beijing, 100041
+86-010-82088021

Dear Sir or Madam,

We hereby consent to the reference of our name under the following headings in the Annual Report on Form 20-F for the fiscal year ended December 31, 2025 (the “Annual Report”) of Baosheng Media Group Holdings Limited, which will be filed with the Securities and Exchange Commission (the “SEC”) in May 2026:

A. Item 3. Key Information—D. Risk Factors—Risks Related to Our Business and Industry”;

B. “Item 3. Key Information—D. Risk Factors—Risks Related to Doing Business in China”:

C. “Item 4. Information on the Company—B. Business Overview—Regulation”;

D. “Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Legal Proceedings”; and

E. “Item 10. Additional Information—E. Taxation—People’s Republic of China Taxation”.

We also consent to the filing of this consent letter with the SEC as an exhibit to the Annual Report. In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933 or under the Securities Exchange Act of 1934, in each case, as amended, or the regulations promulgated thereunder.

Yours faithfully,

/s/ Huang Xinmian
Beijing Dacheng Law Offices, LLP

Exhibit 15.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statement of Baosheng Media Group Holdings Limited on Form F-3 (File No. 333-273720) of our report dated April 29, 2025, with respect to the consolidated balance sheet of Baosheng Media Group Holdings Limited and its subsidiaries as of December 31, 2024 and the related consolidated statements of operations and comprehensive income, changes in shareholders' equity, and cash flows for the years ended December 31, 2024 and 2023, which report is included in the Company's Annual Report on Form 20-F for the year ended December 31, 2025. We were dismissed as auditors on July 25, 2025 and, accordingly, we have not performed any audit or review procedures with respect to any financial statements included in such Annual Report for the periods after the date of our dismissal.

/s/ YCM CPA INC.

PCAOB ID 6781
Irvine, California
April 30, 2026

Exhibit 15.3

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form F-3, as amended (File No. 333-273720) of Baosheng Media Group Holdings Limited (the "Company") of our report dated April 30, 2026, relating to the consolidated balance sheet of the Company as of December 31, 2025, and the related consolidated statements of operations and comprehensive loss, changes in shareholders' equity, and cash flows for the year then ended, and the related notes, included in Baosheng Media Group Holdings Limited's Annual Report on Form 20-F for the year ended December 31, 2025.

We also consent to the reference of GGF CPA LTD, as an independent registered public accounting firm, as expert in matters of accounting and auditing.

/s/ GGF CPA LTD

GGF CPA LTD
Guangzhou, the People's Republic of China

April 30, 2026