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ACCOUNTANTS REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF NOVA INSIGHT TECHNOLOGY LIMITED, J.P. MORGAN SECURITIES (FAR EAST) LIMITED AND HSBC CORPORATE FINANCE (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Nova Insight Technology Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages I-[●] to I-[●], which comprises the consolidated statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 December 2023, 2024 and 2025 (the "Relevant Periods"), and the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2023, 2024 and 2025 and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-[●] to I-[●] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [**REDACTED**] (the "Document") in connection with the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group and the Company as at 31 December 2023, 2024 and 2025 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of preparation set out in note 2.1 to the Historical Financial Information.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-[●] have been made.

Dividends

We refer to note [13] to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

No historical financial statements for the Company

As at the date of this report, no statutory financial statements have been prepared for the Company since its date of incorporation.

[●]
Certified Public Accountants
Hong Kong
[Date]

I. HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing as issued by the HKICPA (the "Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Notes	Year ended 31 December		
		2023	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Revenue	*5*	654,732	943,836	1,023,886
Cost of services		(273,078)	(473,414)	(540,890)
GROSS PROFIT		381,654	470,422	482,996
Other income and gains	*6*	4,200	4,572	5,050
Selling and distribution expenses		(163,393)	(146,555)	(165,599)
Administrative expenses		(134,423)	(182,708)	(199,413)
Research and development expenses		(69,298)	(93,988)	(86,583)
Loss on changes in fair value of financial liabilities at fair value through profit or loss (FVTPL)	*29*	(256,735)	(205,535)	(303,550)
Other expenses	*9*	(101)	(54)	(49)
Impairment for financial assets and contract assets		(1,060)	(57)	(1,862)
Finance costs	*8*	(767)	(1,374)	(1,038)
LOSS BEFORE TAX	*7*	(239,923)	(155,277)	(270,048)
Income tax credits	*12*	20	39	276
LOSS FOR THE YEAR		(239,903)	(155,238)	(269,772)
Attributable to:				
Owners of the parent		(244,095)	(185,754)	(276,872)
Non-controlling interests		4,192	30,516	7,100
		(239,903)	(155,238)	(269,772)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT				
Basic and diluted (RMB)	*14*	(2.22)	(1.69)	(2.51)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	Year ended 31 December 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
LOSS FOR THE YEAR		(239,903)	(155,238)	(269,772)
OTHER COMPREHENSIVE (LOSS)/INCOME				
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods				
– Exchange differences on translation of foreign operations		22	(16)	(265)
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods				
– Exchange differences on translation of the Company		(10,891)	(13,826)	29,510
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		(10,869)	(13,842)	29,245
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(250,772)	(169,080)	(240,527)
Attributable to:				
Owners of the parent		(254,964)	(199,596)	(247,627)
Non-controlling interests		4,192	30,516	7,100
		(250,772)	(169,080)	(240,527)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	As at 31 December		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS				
Property, plant and equipment	15	5,634	5,945	5,602
Right-of-use assets	17	3,876	15,232	12,254
Goodwill	16	3,957	3,957	6,615
Intangible assets	18	31,100	30,414	37,869
Prepayments, other receivables and other assets	23	284	1,957	1,716
Deferred tax assets	20	17	57	124
Pledged deposits	25	5,202	5,202	5,202
Contract assets	21	27,321	22,981	7,321
Total non-current assets		77,391	85,745	76,703
CURRENT ASSETS				
Trade receivables	22	119,212	177,966	223,037
Prepayments, other receivables and other assets	23	64,798	121,295	67,757
Financial assets at FVTPL	24	–	–	25,727
Contract assets	21	39,032	23,725	20,604
Amounts due from related parties	37	111,524	157,349	195,997
Cash held on behalf of other parties	25	16,226	11,181	7,137
Cash and cash equivalents	25	137,170	166,964	247,109
Total current assets		487,962	658,480	787,368
CURRENT LIABILITIES				
Trade payables	26	143,635	214,152	253,114
Other payables and accruals	27	115,644	76,917	102,213
Financial liabilities at FVTPL	29	881,660	1,228,655	1,502,059
Interest-bearing bank and other borrowings	28	8,000	38,171	29,900
Lease liabilities	17	3,620	6,607	6,639
Contract liabilities	5	44,393	26,529	38,780
Amounts due to related parties	37	70,498	24,603	29,877
Total current liabilities		1,267,450	1,615,634	1,962,582
NET CURRENT LIABILITIES		(779,488)	(957,154)	(1,175,214)
TOTAL ASSETS LESS CURRENT LIABILITIES		(702,097)	(871,409)	(1,098,511)
NON-CURRENT LIABILITIES				
Lease liabilities	17	163	8,974	6,058
Deferred tax liabilities	20	1,698	1,699	3,989
Total non-current liabilities		1,861	10,673	10,047
Net liabilities		(703,958)	(882,082)	(1,108,558)
EQUITY				
Equity attributable to owners of the parent				
Share capital	30	79	79	79
Other reserves	31	(735,791)	(932,951)	(1,166,533)
		(735,712)	(932,872)	(1,166,454)
Non-controlling interests		31,754	50,790	57,896
Deficiency in assets		(703,958)	(882,082)	(1,108,558)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Notes	Attributable to owners of the parent								
		Share capital	Capital reserve*	Share-based payment reserve*	Statutory reserve*	Foreign currency translation reserve*	Accumulated losses*	Total	Non-controlling interests	Total equity
		RMB'000 (Note 30)	RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000	RMB'000	RMB'000
As at 1 January 2023		79	54,017	21,967	3,122	(18,342)	(563,047)	(502,204)	40	(502,164)
Loss for the year		–	–	–	–	–	(244,095)	(244,095)	4,192	(239,903)
Other comprehensive loss for the year:										
Exchange differences on translation		–	–	–	–	(10,869)	–	(10,869)	–	(10,869)
Total comprehensive loss for the year		–	–	–	–	(10,869)	(244,095)	(254,964)	4,192	(250,772)
Equity-settled share option arrangements	32	–	–	1,683	–	–	–	1,683	–	1,683
Exercise of share options		–	39,732	(19,959)	–	–	–	19,773	–	19,773
Acquisition of subsidiaries	33	–	–	–	–	–	–	–	27,522	27,522
Transfer to statutory reserve		–	–	–	1,670	–	(1,670)	–	–	–
As at 31 December 2023		79	93,749	3,691	4,792	(29,211)	(808,812)	(735,712)	31,754	(703,958)

		Attributable to owners of the parent								
	Notes	**Share capital**	**Capital reserve***	**Share-based payment reserve***	**Statutory reserve***	**Foreign currency translation reserve***	**Accumulated losses***	**Total**	**Non-controlling interests**	**Total equity**
		RMB'000 (Note 30)	*RMB'000 (Note 31)*	*RMB'000 (Note 31)*	*RMB'000 (Note 31)*	*RMB'000 (Note 31)*	*RMB'000 (Note 31)*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2024		79	93,749	3,691	4,792	(29,211)	(808,812)	(735,712)	31,754	(703,958)
Loss for the year		–	–	–	–	–	(185,754)	(185,754)	30,516	(155,238)
Other comprehensive loss for the year:										
Exchange differences on translation		–	–	–	–	(13,842)	–	(13,842)	–	(13,842)
Total comprehensive loss for the year		–	–	–	–	(13,842)	(185,754)	(199,596)	30,516	(169,080)
Equity-settled share option arrangements	32	–	–	2,436	–	–	–	2,436	–	2,436
Dividends payable to non-controlling interest holders		–	–	–	–	–	–	–	(11,480)	(11,480)
Transfer to statutory reserve		–	–	–	10,666	–	(10,666)	–	–	–
As at 31 December 2024		79	93,749	6,127	15,458	(43,053)	(1,005,232)	(932,872)	50,790	(882,082)

		Attributable to owners of the parent								
	Notes	Share capital	Capital reserve*	Share-based payment reserve*	Statutory reserve*	Foreign currency translation reserve*	Accumulated losses*	Total	Non-controlling interests	Total equity
		RMB'000 (Note 30)	RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000 (Note 31)	RMB'000	RMB'000	RMB'000
As at 1 January 2025		79	93,749	6,127	15,458	(43,053)	(1,005,232)	(932,872)	50,790	(882,082)
Loss for the year		–	–	–	–	–	(276,872)	(276,872)	7,100	(269,772)
Other comprehensive income for the year:										
Exchange differences on translation		–	–	–	–	29,245	–	29,245	–	29,245
Total comprehensive loss for the year		–	–	–	–	29,245	(276,872)	(247,627)	7,100	(240,527)
Equity-settled share option arrangements	32	–	–	14,045	–	–	–	14,045	–	14,045
Acquisition of subsidiaries	33(b)	–	–	–	–	–	–	–	6	6
Transfer to statutory reserve		–	–	–	224	–	(224)	–	–	–
As at 31 December 2025		79	93,749	20,172	15,682	(13,808)	(1,282,328)	(1,166,454)	57,896	(1,108,558)

* These reserve accounts comprise the other reserves of RMB(735,791,000), RMB(932,951,000), and RMB(1,166,533,000) in the consolidated statements of financial position as at 31 December 2023, 2024, 2025, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended 31 December		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax		(239,923)	(155,277)	(270,048)
Adjustments for:				
Finance costs	*8*	767	1,374	1,038
Net foreign exchange losses/(gains)	*6 and 9*	44	53	(181)
Depreciation of items of property, plant and equipment	*15*	953	3,205	3,609
Losses on disposal of items of property, plant and equipment	*9*	–	–	16
Gains on lease termination	*6*	–	–	(1)
Bank interest income	*6*	(1,676)	(575)	(659)
Investment income	*6*	–	–	(641)
Amortization of intangible assets	*18*	450	2,244	2,684
Depreciation of right-of-use assets	*17*	4,302	5,498	5,503
Recognition of equity-settled share-based payments		1,683	2,436	14,045
Impairment of financial assets and contract assets	*7*	1,060	57	1,862
Fair value changes of financial assets at FVTPL	*6*	–	–	(726)
Fair value changes of financial liabilities at FVTPL	*7*	256,735	205,535	303,550
		24,395	64,550	60,051
Decrease/(increase) in due from related parties		54,670	(33,982)	(49,930)
Decrease in cash held on behalf of other parties		35,962	5,045	4,044
Decrease in restricted cash		260	–	–
Increase in trade receivables		(24,177)	(58,599)	(1,426)
(Increase)/decrease in prepayments, other receivables and other assets		(4,184)	16,285	(18,346)
(Increase)/decrease in contract assets		(53,937)	19,982	18,730
(Decrease)/increase in trade payables		(3,346)	70,517	22,924
(Decrease)/increase in other payables and accruals		(15,327)	(13,729)	7,289
Increase/(decrease) in contract liabilities		24,036	(17,864)	2,629
(Decrease)/increase in due to related parties		(35,386)	(45,741)	5,120
Cash generated from operations		2,966	6,464	51,085
Interest received		1,676	575	659
Income tax paid		–	–	(24)
Net cash flows from operating activities		4,642	7,039	51,720
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of subsidiaries	*33*	25,846	(12,311)	(13,459)
Purchase of intangible assets		(546)	(764)	–
Proceeds from settlement of financial assets at FVTPL		–	–	55,640

		Year ended 31 December		
	Notes	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Purchases of items of property, plant and equipment		(1,618)	(3,516)	(2,571)
Acquisition of financial assets at FVTPL		–	–	(80,000)
Disposal of a subsidiary		3,574	–	–
Net cash flows from/(used) in investing		27,256	(16,591)	(40,390)
CASH FLOWS FROM FINANCING ACTIVITIES				
Lease payments	*17*	(4,505)	(5,305)	(5,926)
Interest paid		(394)	(800)	(321)
Payments for dividends and dividend equivalents		–	(36,480)	–
Proceeds from interest-bearing bank and other borrowings		21,000	70,528	29,900
Repayment of interest-bearing bank borrowings		(13,000)	(40,682)	(38,871)
Payments of listing expense		[REDACTED]	[REDACTED]	[REDACTED]
Proceeds from issue of convertible redeemable preferred shares		–	50,863	140,000
Payments of convertible instrument		–	(50,863)	(140,000)
Proceeds from convertible instruments		–	53,000	87,000
Net cash flows from financing activities		3,101	39,471	69,535
NET INCREASE IN CASH AND CASH EQUIVALENTS		34,999	29,919	80,865
Cash and cash equivalents at beginning of year		102,294	137,170	166,964
Effect of foreign exchange rate changes, net		(123)	(125)	(720)
CASH AND CASH EQUIVAPLENTS AT END OF YEAR		137,170	166,964	247,109
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS				
Cash and bank balances		158,598	183,347	259,448
Less: Cash held on behalf of other parties and restricted cash		16,226	11,181	7,137
Less: Pledged deposits		5,202	5,202	5,202
CASH AND CASH EQUIVALENTS AS STATED IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND CONSOLIDATED STATEMENTS OF CASH FLOWS	*25*	137,170	166,964	247,109

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at 31 December		
	Notes	2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS				
Investments in subsidiaries	*19*	380,360	433,205	587,252
Total non-current assets		380,360	433,205	587,252
CURRENT ASSETS				
Amounts due from related parties	*37*	25,815	26,200	25,618
Cash and cash equivalents	*25*	270	279	268
Total current assets		26,085	26,479	25,886
CURRENT LIABILITIES				
Financial liabilities at FVTPL	*29*	820,448	1,106,205	1,502,059
Total current liabilities		820,448	1,106,205	1,502,059
NET CURRENT LIABILITIES		(794,363)	(1,079,726)	(1,476,173)
TOTAL ASSETS LESS CURRENT LIABILITIES		(414,003)	(646,521)	(888,921)
Net liabilities		(414,003)	(646,521)	(888,921)
EQUITY				
Share capital	*30*	79	79	79
Other reserves	*31*	(414,082)	(646,600)	(889,000)
DEFICIENCY IN ASSETS		(414,003)	(646,521)	(888,921)

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 4 March 2019. The registered office address of the Company is at O Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company, through its consolidated subsidiary, the former variable interest entity (Nuanwa Technology (Wuxi) Co., LTD, "Nova Wuxi", or the "former VIE") and the subsidiaries of the former VIE (collectively, the "Group"), provides solutions to insurance carriers and insurance agencies to facilitate their business requirement such as customer acquisition, claim management and software development etc. in the People's Republic of China (the "PRC" or "China"). In November 2024, the Group unwound the VIE structure as further described herein.

As at the date of this report, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies (or, if incorporated outside Hong Kong, have substantially similar characteristics to a private company incorporated in Hong Kong), the particulars of which are set out below:

Name	*Notes*	Place and date of incorporation/ establishment and place of operations	Nominal value of registered share capital/issued ordinary shares	Percentage of equity interest attributable to the Company		Principal activities
				Direct	Indirect	
暖哇科技國際有限公司 Nova Technology International Limited ("Nova International")	*f*	Hong Kong April 15, 2019	HKD1	100%	–	Investment holding
暖哇(上海)商務信息諮詢有限公司 Nova (Shanghai) Business Information Consulting Co., Ltd. ("Nova Shanghai") *	*a*	PRC/Chinese mainland June 24, 2019	USD50,000,000	–	100%	Underwriting solutions and Claim solutions
暖哇科技(無錫)有限公司 Nova Technology (Wuxi) Co., LTD*, (曾用名:上海暖哇科技有限公司) (Former name: Shanghai Nova Technology Co.. Ltd.*) ("Nova wuxi") . . .	*b*	PRC/Chinese mainland October 18, 2018	RMB45,000,000	–	100%	Underwriting solutions and Claim solutions
北京暖哇商務信息諮詢有限公司 Beijing Nova Business Information Consulting Co., Ltd. ("Nova Beijing") *	*f*	PRC/Chinese mainland June 29, 2023	RMB1,000,000	–	100%	Underwriting solutions and Claim solutions
江蘇道泰信息技術有限公司 Jiangsu Daotai Information Technology Co., Ltd. ("Daotai") *	*d*	PRC/Chinese mainland July 30, 2021	RMB25,000,000	–	39.2%**	Underwriting solutions
蘇州保泰信息科技有限公司 Suzhou Baotai Information Technology Co., Ltd. ("Baotai")*	*d*	PRC/Chinese mainland April 10, 2020	RMB10,000,000	–	39.2%**	Underwriting solutions
江蘇道泰數字科技有限公司 Jiangsu Daotai Digital Technology Co., Ltd. ("Daotai Digital Technology")*	*e*	PRC/Chinese mainland April 12, 2024	RMB10,000,000	–	39.2%**	Underwriting solutions
暖哇科技(成都)有限責任公司 Nova Technology (Chengdu) Co., Ltd. ("Nova Chengdu")*	*f*	PRC/Chinese mainland March 23, 2020	RMB12,000,000	–	100%	Underwriting solutions
愛邦保險經紀有限公司 Aibang Insurance Brokers Co., Ltd. ("Aibang Brokers")*	*c*	PRC/Chinese mainland May 27, 2004	RMB50,000,000	–	100%	Underwriting solutions
上海雅盾保險公估有限公司 Shanghai Yadun Insurance Adjusting Co., Ltd. ("Yadun Insurance Adjustment")*	*c*	PRC/Chinese mainland February 4, 2005	RMB2,000,000	–	98%	Claim solutions

Name	Notes	Place and date of incorporation/ establishment and place of operations	Nominal value of registered share capital/issued ordinary shares	Percentage of equity interest attributable to the Company		Principal activities
				Direct	Indirect	
暖哇(無錫)商務信息諮詢有限公司 Nova Wuxi Business Information Consulting Co., Ltd. ("Nova Wuxi Business")*	*f*	PRC/Chinese mainland June 6, 2025	RMB140,000,000	–	100%	Underwriting solutions and Claim solutions
暖哇(上海)信息技術有限公司 Nova Shanghai Information Technology Co., Ltd. ("Nova Shanghai Information")*	*f*	PRC/Chinese mainland June 13, 2025	RMB10,000,000	–	100%	Underwriting solutions and Claim solutions
廣州天信保險公估有限公司 Guangzhou Tianxin Insurance Assessor Co., Ltd. ("Guangzhou Tianxin")*	*f*	PRC/Chinese mainland August 30, 2003	RMB11,000,000	–	99.98%	Claim solutions
廣州寶蓮燈網路科技有限公司 Guangzhou Baoliandeng Network Technology Co., Ltd., ("Baoliandeng")*	*f*	PRC/Chinese mainland October 12, 2015	RMB32,256,708	–	100%	Claim solutions

Notes:

(a) The statutory financial statements of Nova (Shanghai) Business Information Consulting Co., Ltd. for the year ended 31 December 2024 prepared in accordance with PRC Generally Accepted Accounting Principles (the "PRC GAAP") were audited by Reanda Certified Public Accountants LLP (利安達會計師事務所). No audited statutory financial statements have been prepared for the year ended 31 December 2023 and 2025.

(b) The statutory financial statements of Nova Technology (Wuxi) Co., Ltd for the year ended 31 December 2023 prepared in accordance with PRC GAAP were audited by Shanghai Ambition Certified Public Accountants Co., Ltd. (上海安倍信會計師事務所), and the statutory financial statements of Shanghai Nova Technology Co., Ltd. for the year ended 31 December 2024 prepared in accordance with PRC GAAP were audited by Beijing Ruiying Certified Public Accountants Co., Ltd. (北京睿瑛會計師事務所). No audited statutory financial statements have been prepared for the year ended 31 December 2025.

(c) The statutory financial statements of these entities for the year ended 31 December 2023 prepared in accordance with PRC GAAP were audited by Shanghai Ambition Certified Public Accountants Co., Ltd. (上海安倍信會計師事務所), and the statutory financial statements of these entities for the year ended 31 December 2024 prepared in accordance with PRC GAAP were audited by Reanda Certified Public Accountants LLP (利安達會計師事務所).

(d) The statutory financial statements of these entities for the years ended 31 December 2023 and 2024 prepared in accordance with PRC GAAP were audited by Suzhou Deheng Certified Public Accountants Co., Ltd. (蘇州德衡會計師事務所). No audited statutory financial statements have been prepared for the year ended 31 December 2025.

(e) The statutory financial statements of Daotai Digital Technology Information and Technology Co., Ltd. for the year ended 31 December 2024 prepared in accordance with PRC GAAP were audited by Suzhou Deheng Certified Public Accountants Co., Ltd. (蘇州德衡會計師事務所). No audited statutory financial statements have been prepared for the year ended 31 December 2025.

(f) There were no audited financial statements prepared for these entities.

* The English names of these companies represent the best effort made by management of the Company to directly translate the Chinese names as they do not register any official English names.

** The Group considers that it controls Jiangsu Daotai and it's subsidiaries even though it owns less than 50% of the voting rights. This is because the remaining shareholders of Jiangsu Daotai jointly, severally and irrevocably commit to act in accordance with Nova Wuxi for the matters related to Jiangsu Daotai, without any time limitations.

Former contractual arrangements

Nova Shanghai" (the "WFOE"), a wholly-owned operating subsidiary of the Company, had historically entered into a series of contraction arrangements with the former VIE and nominee shareholders of the former VIE. These contractual arrangements included the equity pledge agreements, exclusive business cooperation agreement, exclusive option agreements, shareholding entrustment agreements and power of attorneys ("Former contractual Agreements").

As a result of the Former Contractual Arrangements, the former VIE has since been effectively controlled by the Company notwithstanding that the Company does not have any direct or indirect equity interest in the former VIE before November 2024.

In November 2024, the Group unwound the VIE structure by terminating the above-mentioned Contractual Arrangements among the former VlE, the nominee shareholders of the former VIE and WFOE. The Group then acquired the equity interests of the former VlE at nominal value. Consequently, there is no VlE structure within the Group's corporate structure since November 2024, and Nova Wuxi became a wholly-owned subsidiary of WFOE after WFOE obtaining direct ownership of Nova Wuxi.

Further details of the Contractual Arrangements are set out in the section headed "History, Development and Corporate Structure — Former Contractual Arrangements" in the Document.

2.1 BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which comprise all standards and interpretations approved by the International Accounting Standards Board ("IASB"). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025, together with the relevant transitional provisions, have been consistently adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods.

The Historical Financial Information has been prepared under the historical cost convention, except for financial assets and liabilities at FVTPL which have been measured at fair value.

The Historical Financial Information has been prepared under the going concern basis notwithstanding the fact that, as at 31 December 2025, the Group recorded of net current liabilities amounting to RMB1,175,214,000 and deficiency in assets amounting to RMB1,108,558,000. The net current liabilities and deficiency in assets primarily arose from the convertible redeemable preferred shares (the "Preferred Shares") included in financial liabilities at FVTPL amounting to RMB1,502,059,000 as at 31 December 2025. As disclosed in note 29 to the Historical Financial Information, since the redemption date of the Preferred Shares is on 1 April 2027, the directors of the Company do not expect the Preferred Shares to be redeemed within twelve months since 31 December 2025. In addition, the directors of the Company have reviewed the Group's cash flow projection prepared by management, which covered a period of not less than twelve months from 31 December 2025. In the opinion of the directors of the Company, taking into account (i) the conversion of the Preferred Shares into ordinary shares of the Company in connection with the planned initial listing of the shares of the Company expected to complete within one year from 31 December 2025, and (ii) the anticipated cash flows to be generated from the Group's operations, the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the coming twelve months from 31 December 2025. Accordingly, the directors of the Company consider it is appropriate to prepare the Historical Financial Information on a going concern basis.

Basis of consolidation

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

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

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

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

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

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

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

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

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

IFRS 18	*Presentation and Disclosure in Financial Statements*[2]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
Annual improvements to IFRS *Accounting Standards – Volume 11*	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*[1]

1 Effective for annual periods beginning on or after 1 January 2026.

2 Effective for annual/reporting periods beginning on or after 1 January 2027.

3 No mandatory effective date yet determined but available for adoption.

The Group is in the process of making an assessment of the impact of these new and revised IFRS Accounting Standards upon initial application. IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows,* IAS 33 *Earnings per Share and* IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRSs. The application of IFRS 18 will have impact on the presentation of the consolidated statement of profit or loss, it will have no impact on the Group's financial position.

Other than IFRS 18, so far, the Group considers that IFRS 19 and the amended IFRS Accounting Standards are unlikely to have a significant impact on the Group's results of operations and financial position.

2.3 MATERIAL ACCOUNTING POLICIES INFORMATION

Business combinations and goodwill

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

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

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

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

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

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

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

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

Fair value measurement

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

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

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

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

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

Impairment of non-financial assets

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

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

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

Related parties

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

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

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

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

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

Computer and electronic equipment	19%-34%
Furniture and fixtures	20%
Motor vehicles	24%
Leasehold improvements	Over the shorter of the lease terms and 20%

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

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

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

Customer relationship	3.20-6.25 years
Software and technology	3-10 years

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Licences with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis. The insurance brokers licence and claims adjusting licence purchased by the Group were assessed to have indefinite lives during the Relevant Periods.

Research and development costs

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

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

Leases

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

Group as a lessee

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

At inception or on reassessment of a contract that contains a lease component and non-lease components, the Group adopts the practical expedient not to separate non-lease components and to account for the lease component and the associated non-lease components (e.g., property management services for leases of properties) as a single lease component.

(a) Right-of-use assets

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

Buildings	1 to 5 years

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

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

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

(c) Leases of low-value assets

The Group applies the recognition exemption for leases of low-value assets to leases of office equipment and electronic equipment that are considered to be of low value.

Lease payments on leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

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

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

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

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

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

Subsequent measurement

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

Financial assets at amortized cost (debt instruments)

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

Financial assets at at fair value through profit or loss

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

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

Derecognition of financial assets

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

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

Impairment of financial assets

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

General approach

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

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 60 days past due.

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

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

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

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

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

The Group's financial liabilities include trade payables, other payables and accruals, financial liabilities at FVTPL, interest-bearing bank and other borrowings and lease liabilities.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include contingent consideration of an acquirer in a business combination to which IFRS 3 *Business Combinations* applies, financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Preferred Shares (as defined in Note 2.1) and convertible instruments, which contain redemption features and other embedded derivatives are designated as financial liabilities at FVTPL. The amount of changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of Preferred Shares, convertible instruments and contingent consideration payable is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to accumulated losses upon derecognition of the financial liability.

Financial liabilities at amortized cost (trade and other payables, and borrowings)

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

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

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the year, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and unused tax losses, Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilized, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Revenue recognition

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

(a) Underwriting Solutions

Customer Engagement

The Group provides customer engagement services by means of public domain or private domain for insurance carriers to help them with, for instance, consumer identification and customer engagement services. The Group earns service fees from insurance carriers upon completing customer engagement services. The services fees are determined as a predetermined percentage of premiums paid by the insured over the term of the insurance policy. The Group identified its promise to sell insurance policies on behalf of an insurance company as the performance obligation to the insurance carrier, which is satisfied, and revenue is recognised at the point in time when an insurance policy becomes effective.

The terms of the Group's contracts can result in variable considerations, such as the estimated premium paid over the policy term for specific periods. The Group estimates the service fees mainly based on historical experience and consumer behavior assumptions using the expected value method. The estimated amounts are included in the transaction price only if it is probable that there will be no significant reversal of revenue recognised for such transactions.

Underwriting Risk Management

The Group provides online underwriting risk management services by obtaining access to the potential insured's information and providing risk assessment results to help insurance carriers optimize their risk analytics. Consideration is primarily based on standard unit prices and service volumes rendered during the period, or a predetermined percentage of premiums paid by the insured over the term of the insurance policy. Revenue is recognised at a point in time upon the service delivery and acceptance by the customers. Related services fees are generally billed to insurance carriers monthly.

The contracts may also involve variable considerations, such as performance bonuses if the loss ratio is below a predetermined threshold for a given period. Fees are estimated using the expected value method based on historical experience and assumptions about future consumer behavior. These estimates are only included in the transaction price if it is probable that there will be no significant reversal of revenue.

Underwriting-Related Software development Services

The Group generates revenue from software development services mainly provided to insurance companies, including the design and development of interfaces and digital infrastructure, and other value-added services related to underwriting processes.

The Group recognise revenue from customer engagement solutions and other support services over time if one of the following criteria is met: (i) the customer simultaneously receives and consumes the benefits as the Group performs; (ii) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (iii) the asset delivered has no alternative use and the Group has an enforceable right to payment for performance completed to date. For performance obligations satisfied over time, the Group recognises revenue over time by measuring the progress toward complete satisfaction of a performance obligation usually using an input measure. Otherwise, revenues are recognised at a point in time when customers obtain control of promised software solutions and the Group satisfies its performance obligation.

Specialty Health Insurance Products Services

The Group generates revenue through agreements with customers by facilitating insurance coverage for targeted patients with pre-existing conditions, thereby driving medication sales for customers. Service fees consist of either fixed service fees for distribution infrastructure set-up or variable fees determined by applying fixed unit prices to the service volumes rendered during the period. Revenue is recognized at a point in time when the relevant services are delivered.

(b) Claim Solutions

Claims Assistance and Investigation Services

The Group generates claims revenue from service fees of providing claim review and investigation services to the customers. Consideration is primarily based on predetermined unit prices and service volumes rendered during the period. Revenue is recognised at a point in time upon the service delivery and acceptance by the customers. Related services fees are generally billed to insurance carriers monthly.

Claim-Related Software Development Services

The Group generates revenue from software development services mainly provided to insurance companies, including the design and development of interfaces and digital infrastructure, and other value-added services including consulting and other support service to insurance companies to help them better manage their claim processes. The Group recognise revenue from customer engagement solutions and other support services over time if the criteria is met. Otherwise, revenues are recognised at a point in time when customers obtain control of promised software solutions and the Group satisfies its performance obligation.

Value-added Healthcare Management Services

The Group provides value-added healthcare management services to help the Group's insurance company clients offer various value-added health management services to their customers to improve the overall health conditions of their policyholders and ultimately reduce loss ratios for the Group's clients. The value-added healthcare management services mainly including health screening services, health management activity services, patient assistance programs ("PAP") and integrated health management services. These services are designed to enhance policyholders' health outcomes through, among others, the provision of health screenings, the organisation and execution of health management activities, the replacement of conventional claim payouts with drug subsidies and the provision of bundled standardised healthcare services over a specified service period. Depending on the nature of the service arrangement, each contract generally contains one or more separately identifiable performance obligations, and service fees are determined on the predetermined unit prices and service volumes rendered.

Revenue is recognised in an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring the promised services to the customer. For health screening services, health management activity services and PAP services, revenue is generally recognised at a point in time when the relevant services are rendered and accepted by the customer, as applicable. Integrated health management services provided through electronic membership cards comprise a bundle of distinct healthcare services, some of which provide customers with stand-ready access to healthcare services over a contractual service period, while others entitle customers to one-off or limited-use services. The transaction price is allocated to the distinct services based on their relative standalone selling prices. Revenue attributable to stand-ready services is recognised over time, generally on a straight-line basis over the relevant service period, as customers simultaneously receive and consume the benefits of having access to such services. Revenue attributable to one-off or limited-use services is recognised at a point in time when the relevant service is rendered, or when the related entitlement expires unused, as applicable.

In assessing whether the Group acts as principal or agent, management considers whether the Group controls the specified services before they are transferred to the customer, including whether the Group is primarily responsible for fulfilling the promise to provide the services, bears inventory risk before or after the specified service has been transferred to the customer, and has discretion in establishing the prices for the specified services. Based on this assessment, the Group acts as principal in these healthcare management service arrangements and therefore recognises revenue on a gross basis.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received, or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

Share-based payments

The Company operates a share incentive plan. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using discounted cash flow method and back-solve method, further details of which are given in note 32 to the Historical Financial Information.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each of the reporting periods until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments or is otherwise beneficial to the employee as measured at the date of modification. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

Other Employee benefits

Pension scheme

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

Dividends

Dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Foreign currencies

The Historical Financial Information is presented in RMB, which is different from the Company's functional currency, the United States dollar ("USD"). As the major revenues and assets of the Group are derived from operations in the Chinese mainland, RMB is chosen as the presentation currency to present the Historical Financial Information.

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of the Company and certain overseas subsidiaries are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries and the Company are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Historical Financial Information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the Historical Financial Information:

Accounting for companies governed under contractual arrangements as subsidiaries

The Company and some of its subsidiaries do not hold any equity interests in certain of their subsidiaries.

Nevertheless, under the contractual agreements entered into between the Group and the shareholders/shareholding companies who are the registered owners of those subsidiaries, as disclosed in note 1 to the Historical Financial Information, the directors of the Company determine that the Group has the power to govern the financial and operating policies of those subsidiaries so as to obtain benefits from their activities. As such, those subsidiaries are accounted for as subsidiaries of the Group for accounting purpose.

Consolidation of entities in which the Group holds less than a majority of voting rights

The Group considers that it controls Jiangsu Daotai even though it owns less than 50% of the voting rights. This is because the remaining shareholders of Jiangsu Daotai jointly, severally and irrevocably commit to act in accordance with Nova Wuxi for the matters related to Jiangsu Daotai, without any time limitations. Nova Wuxi then obtained the actual control of Jiangsu Daotai. Since the date of acquisition, there has been no history of the other shareholders collaborating to exercise their votes collectively or to outvote the Group.

Deferred tax assets

Deferred tax assets are recognised for all accumulated tax losses and deductible temporary differences. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in note 20 to the Historical Financial Information.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Revenue recognition — variable consideration

The Group estimates variable consideration to be included in the transaction price for the customer engagement services and Underwriting Risk Management Services based on the premiums paid by the insured over the term of the insurance policy or involve the performance bonuses contingent upon achieving predetermined claim ratios for a given period.

The Group has developed a statistical model for forecasting the premiums paid by the insured over the term of the insurance policy and the loss ratio for a given period, based on the historical data and experiences, which are subject to uncertainty and might materially differ from the actual results.

Leases — Estimating the incremental borrowing rate

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

Financial liabilities measured at FVTPL

The instruments issued to investors are not traded in an active market and the respective fair value is determined by using valuation techniques, including the discounted cash flow method and the back-solve method. Such valuation is based on key parameters about risk-free interest rate and volatility, which are subject to uncertainty and might materially differ from the actual results. Further details are included in note 39 to the Historical Financial Information.

Impairment of intangible assets with indefinite lives

The Group determines whether intangible assets with indefinite lives are impaired at least on an annual basis. This requires an estimation of the value in use of the intangible assets with indefinite lives. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of intangible assets with indefinite lives at 31 December 2023, 2024 and 2025 was RMB16,614,000, RMB16,614,000 and RMB21,714,000, respectively.

Provision for expected credit losses on receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various debtors that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the customer industry, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's receivables and contract assets is disclosed in note 21 and note 22 to the Historical Financial Information.

4. SEGMENT INFORMATION

Operating segment information

The Group is principally engaged in the provision of underwriting and claim solutions, including customer engagement services, underwriting risk management services, software development services, specialty health insurance products services, value-added healthcare management services, claims assistance and investigation services.

IFRS 8 *Operating Segments* requires operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to segments and to assess their performance. The information reported to the directors of the Company, who are the chief operating decision-makers, for the purpose of resource allocation and assessment of performance, does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

All external customers and significant non-current assets of the Group are located in the Chinese mainland. Accordingly, no geographical information of revenue from external customers and non-current assets is presented.

Information about major customers

The revenue generated from sales to customers which individually contributed more than 10% of the Group's total revenue during each of the Relevant Periods are set out below:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
ZhongAn Group	404,736	427,046	443,225

5. REVENUE

An analysis of revenue is as follows:

(a) Disaggregated revenue information

Types of services

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Underwriting Solutions	462,448	732,402	706,630
Claim Solutions	192,284	211,434	317,256
Total	654,732	943,836	1,023,886

Timing of revenue recognition

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Underwriting Solutions			
At a point in time	447,881	718,754	683,815
Over time	14,567	13,648	22,815
Claim Solutions			
At a point in time	161,433	190,250	310,918
Over time	30,851	21,184	6,338
Total	654,732	943,836	1,023,886

(b) Performance obligations

Information about the Group's performance obligations are summarized below:

Underwriting Solutions

For customer engagement services, the performance obligation is recognised at the point in time when an insurance policy becomes effective.

For underwriting risk management services, the performance obligation is recognised at a point in time upon the service delivery and acceptance by the customers.

For underwriting-related software development services, the performance obligation is mainly recognised over time if the criteria are met, otherwise, at a point in time when customers obtain control of promised software solutions and the Group satisfies its performance obligation.

For specialty health insurance products services, the performance obligation is recognised at a point in time upon service delivery and customer acceptance.

Claim Solutions

For claims assistance and investigation services, the performance obligation is recognised at a point in time upon the service delivery and acceptance by the customers.

For claim-related software development services, the performance obligation is recognised over time if the criteria are met, otherwise, at a point in time when customers obtain control of promised software solutions and the Group satisfies its performance obligation.

For value-added healthcare management services, the performance obligation is mainly recognised at the point in time when the service is delivered and accepted by the insurer the performance obligation is recognised at the point in time when the service is delivered and accepted by the insurer. For services that are recognised at the point in time, they are recognised when the services are completed except for the stand-ready healthcare services where revenue is recognised on a straight-line basis over the relevant service period.

(c) Revenue recognised in relation to contract liabilities

The Group recognised the following revenue-related contract liabilities:

	As at 31 December			
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Contract liabilities	20,068	44,393	26,529	38,780

The acquisition of Guangzhou Tianxin contributes to the increase of contract liabilities in 2025. Whereas there is a decrease in 2024 mainly for the growth of revenue recognition. The Group tightens the advance payments policy requiring the customers to pay upfront as a result of the business growth, which contributes to the corresponding increase of contract liabilities in 2023.

The following table shows the amounts of revenue recognised during the Relevant Periods that were included in the contract liabilities at the beginning of the reporting periods.

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Revenue recognised that was included in the contract liability balance at the beginning of the reporting period:			
Underwriting Solutions	14,960	30,559	20,295
Claim Solutions	5,108	13,834	6,234
Total	20,068	44,393	26,529

No disclosure for the aggregate amount of the transaction price allocated to the performance obligation that are unsatisfied or partially unsatisfied as of the end of each of the Relevant Periods is made as the Group's performance obligation is part of a contract that has an original expected duration of one year or less.

(d) Assets recognised from incremental costs to fulfil a contract

The Group has also recognised the following assets in relation to costs to fulfil its contract. This is presented within "Prepayments, other receivables and other assets" in the consolidated statements of financial position.

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Contract fulfilment costs	3,502	2,620	772

6. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Additional deductible input value-added tax ("VAT")*	1,273	86	11
Government grants**	923	3,321	2,607
Bank interest income	1,676	575	659
Investment income	–	–	641
Fair value changes of financial assets at FVTPL	–	–	726
Foreign currency exchange gain	–	–	181
Gains on lease termination	–	–	1
Others	328	590	224
Total	4,200	4,572	5,050

* Amount represents additional VAT deduction allowed under the PRC tax law, generated from Underwriting solutions, Claim solutions and other revenues. There are no unfulfilled conditions or contingencies relating to these grants.

** Government grants received during the Relevant Periods primarily comprised the financial subsidies received from various local government authorities in the Chinese mainland. There are no unfulfilled conditions or contingencies relating to these incomes.

7. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Notes	Year ended 31 December		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Cost of services rendered (excluding those included in employee benefit expense and depreciation)		258,770	468,153	500,915
Depreciation of items of property, plant and equipment	*15*	953	3,205	3,609
Depreciation of right-of-use assets	*17*	4,302	5,498	5,503
Amortization of intangible assets	*18*	450	2,244	2,684
Research and development expenses (excluding amortization, depreciation and employee benefit expense)		18,924	48,130	35,190
Lease expenses not included in the measurement of lease liabilities	*17*	1,140	776	1,451
Auditor's remuneration		–	3,552	4,237
Fair value changes of financial liabilities at FVTPL	*29*	256,735	205,535	303,550
Fair value changes of financial assets at FVTPL		–	–	(726)
Investment income		–	–	(641)
Loss on disposal of property, plant and equipment		–	–	16
Listing expenses		[REDACTED]	[REDACTED]	[REDACTED]
Foreign exchange differences, net	*6 and 9*	44	53	(181)
Impairment of financial assets and contract assets		1,060	57	1,862
Additional deductible input VAT	*6*	(1,273)	(86)	(11)
Government grants	*6*	(923)	(3,321)	(2,607)
Bank interest income	*6*	(1,676)	(575)	(659)
Employee benefit expense (including directors' remuneration *(note 10)*):				
– Salaries, allowances and benefits in kind		134,268	199,971	144,492
– Pension scheme contributions (defined contribution scheme)*		13,881	13,289	12,771
– Share-based payment compensation		1,683	2,436	14,045
Subtotal		149,832	215,696	171,308

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

8. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest on interest-bearing bank and other borrowings	394	1,125	321
Interest on lease liabilities	373	249	717
Total	767	1,374	1,038

9. OTHER EXPENSES

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Foreign exchange losses	44	53	–
Loss on disposal of property, plant and equipment	–	–	16
Others	57	1	33
Total	101	54	49

10. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

The remuneration paid or payable to the directors and chief executive of the Company during the Relevant Periods are as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Fees	–	–	–
Other emoluments:			
Salaries, allowances and benefits in kind	1,995	5,150	5,198
Pension scheme contributions	68	142	142
Share-based payment compensation	376	1,341	7,331
Total directors' remuneration	2,439	6,633	12,671

During the Relevant Periods, share option incentives were granted to directors of the Company in respect of their services to the Group, further details of which are set out in note 32 to the Historical Financial Information. The fair value of such share incentive awards, which has been recognised in profit or loss immediately upon the date of grant or over the vesting period, was determined as at the date of grant and the amounts included in the Historical Financial Information for the Relevant Periods is set out in the above directors' remuneration disclosures.

	Fee	Salaries, allowances and benefits in kind	Pension scheme contributions	Share-based payment compensation	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2023					
Executive directors					
Mr. Lu Min *(a)*	–	1,995	68	376	2,439
	–	1,995	68	376	2,439
Non-executive directors					
Ms. Wang hui *(b)*	–	–	–	–	–
Ms. Yi Duoduo *(c)*	–	–	–	–	–
Mr. Zhai Jia *(d)*	–	–	–	–	–
Mr. Song Xuanbi *(e)*	–	–	–	–	–
Ms. Yang Nan *(f)*	–	–	–	–	–
Ms. Aieming Amy YEH *(g)*	–	–	–	–	–
	–	–	–	–	–
Total	–	1,995	68	376	2,439

	Fee	Salaries, allowances and benefits in kind	Pension scheme contributions	Share-based payment compensation	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2024					
Executive directors					
Mr. Lu Min *(a)*	–	2,435	71	1,127	3,633
Mr. CAI Jianwei *(h)*	–	2,715	71	214	3,000
	–	5,150	142	1,341	6,633
Non-executive directors					
Ms. Wang Hui *(b)*	–	–	–	–	–
Ms. Yi Duoduo *(c)*	–	–	–	–	–
Mr. Zhai Jia *(d)*	–	–	–	–	–
Mr. Song Xuanbi *(e)*	–	–	–	–	–
Ms. Yang Nan *(f)*	–	–	–	–	–
Ms. Aieming Amy YEH *(g)*	–	–	–	–	–
Mr. OU, Jin Yi Hugo *(i)*	–	–	–	–	–
	–	–	–	–	–
Total	–	5,150	142	1,341	6,633

	Fee	Salaries, allowances and benefits in kind	Pension scheme contributions	Share-based payment compensation	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended 31 December 2025					
Executive directors					
Mr. Lu Min *(a)*	–	2,675	71	1,218	3,964
Mr. Cai Jianwei *(h)*	–	2,523	71	6,113	8,707
	–	5,198	142	7,331	12,671
Non-executive directors					
Mr. Ou, Jin Yi Hugo *(i)*	–	–	–	–	–
Ms. Yi Duoduo *(c)*	–	–	–	–	–
Mr. Zhai Jia *(d)*	–	–	–	–	–
Ms. Yang Nan *(f)*	–	–	–	–	–
Ms. Aieming Amy YEH *(g)*	–	–	–	–	–
Mr. Wang Jiadong *(j)*	–	–	–	–	–
	–	–	–	–	–
Total	–	5,198	142	7,331	12,671

(a) Mr. Lu Min was appointed as the chief executive officer, executive director and general manager of the Company in December 2019.

(b) Ms. Wang Hui was a non-executive director of the Company between May 2019 and February 2024.

(c) Ms. Yi Duoduo was a non-executive director of the Company between February 2020 and May 2025.

(d) Mr. Zhai Jia was appointed as the non-executive director of the Company in July 2019.

(e) Mr. Song Xuanbi was a non-executive director of the Company between March 2019 and March 2024.

(f) Ms. Yang Nan was appointed as the non-executive of the Company in March 2019.

(g) Ms. Aieming Amy YEH was appointed as the non-executive director of the Company in August 2021.

(h) Mr. Cai Jianwei was appointed as an executive director of the Company in February 2024.

(i) Mr. Ou, Jin Yi Hugo was appointed as a non-executive director of the Company in March 2024.

(j) Mr. Wang Jiadong was appointed as a non-executive director of the Company in March 2025.

11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the years ended 31 December 2023, 2024 and 2025 included 1, 2 and 2 directors, respectively, details of whose remuneration are set out in note 10 above. Details of the remaining 4, 3 and 3 highest paid employees who are not directors nor the chief executive of the Company are as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries, allowances and benefits in kind	6,196	4,985	5,211
Pension scheme contributions	267	207	211
Share-based payment compensation	772	417	1,458
Total	7,235	5,609	6,880

The number of the non-director highest paid employees whose remuneration fell within the following band is as follows:

	Year ended 31 December		
	2023	2024	2025
Nil to HK$1,000,000	–	–	–
HK$1,000,001 to HK$1,500,000	–	–	–
HK$1,500,001 to HK$2,000,000	3	1	–
HK$2,000,001 to HK$2,500,000	–	2	1
HK$2,500,001 to HK$3,000,000	1	–	2
	4	3	3

Certain non-director and non-chief executive highest paid employees were granted share options under a share incentive scheme, in respect of their services to the Group, further details of which are included in the disclosures in note 32 to the Historical Financial Information. The fair value of such options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the Historical Financial Information for each of the Relevant Periods is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

12. INCOME TAX (CREDIT)/EXPENSE

Cayman Islands

The Company is a limited liability company incorporated in the Cayman Islands. Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax is imposed.

Hong Kong

The subsidiary incorporated in Hong Kong is subject to income tax at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the Relevant Periods.

Mainland China

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the EIT rate of the Group's PRC subsidiaries is 25% unless subject to preferential tax as set out below.

Certain of the Group's PRC subsidiaries are accredited as a "High and New Technology Enterprise" and were therefore entitled to a preferential income tax rate of 15% during the Relevant Periods and the six months ended 30 June 2024 and 2025. Such qualifications are subject to review by the relevant tax authority in the PRC for every three years.

Certain of the Group's PRC subsidiaries are qualified as a "Double Soft Enterprise" ("DSE") under the EIT Law during the Relevant Periods and the six months ended 30 June 2024 and 2025. According to the relevant tax regulations, the qualified subsidiary was exempted from CIT for two years, followed by a 50% reduction in the applicable tax rates for the next three years if the criteria of DSE are met each year.

The major components of income tax expense/(credit) of the Group are as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current income tax	–	–	–
Deferred income tax *(note 20)*	(20)	(39)	(276)
Total tax credit for the year	(20)	(39)	(276)

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss before tax	(239,923)	(155,277)	(270,048)
Tax at the statutory tax rate of 25%	(59,981)	(38,819)	(67,512)
Effects of preferential tax rates applicable to eligible subsidiaries	60,646	43,597	71,781
Lower tax rate for specific provinces or enacted by local authority	42	407	968
Expenses not deductible for tax	2,001	1,565	3,747
Temporary differences and tax losses for which no deferred income tax asset was recognised	10,972	11,147	7,221
Accelerated research and development deductible expenses	(13,700)	(17,936)	(16,481)
Tax at the effective tax rates	(20)	(39)	(276)

13. DIVIDENDS

During the Relevant Periods, no dividends have been declared or paid by the Company.

14. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts is based on the loss attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares outstanding during the Relevant Periods.

Diluted loss per share for the Relevant Periods, did not consider potential ordinary shares, as their inclusion would be anti-dilutive. Accordingly, diluted loss per share for the Relevant Periods are the same as basic loss per share of the respective year.

The calculations of basic and diluted loss per share are based on:

	Year ended 31 December		
	2023	2024	2025
Loss			
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation (RMB'000)	(244,095)	(185,754)	(276,872)
Shares			
Weighted average number of ordinary shares outstanding during the year used in the basic and diluted loss per share calculation	110,000,000	110,000,000	110,235,145
Loss per share (basic and diluted) (RMB)	(2.22)	(1.69)	(2.51)

15. PROPERTY, PLANT AND EQUIPMENT

31 December 2023

	Computer and electronic equipment	Motor vehicles	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023:				
Cost	1,797	–	1,623	3,420
Accumulated depreciation	(443)	–	(1,552)	(1,995)
Net carrying amount	1,354	–	71	1,425
At 1 January 2023, net of accumulated depreciation	1,354	–	71	1,425
Additions	411	–	156	567
Additions from business combinations	3,947	321	327	4,595
Depreciation provided during the year	(710)	(13)	(230)	(953)
At 31 December 2023, net of accumulated depreciation	5,002	308	324	5,634
At 31 December 2023:				
Cost	6,155	321	2,106	8,582
Accumulated depreciation	(1,153)	(13)	(1,782)	(2,948)
Net carrying amount	5,002	308	324	5,634

31 December 2024

	Computer and electronic equipment	Motor vehicles	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024:				
Cost	6,155	321	2,106	8,582
Accumulated depreciation	(1,153)	(13)	(1,782)	(2,948)
Net carrying amount	5,002	308	324	5,634
At 1 January 2024, net of accumulated depreciation	5,002	308	324	5,634
Additions	3,087	–	429	3,516
Depreciation provided during the year	(2,805)	(76)	(324)	(3,205)
At 31 December 2024, net of accumulated depreciation	5,284	232	429	5,945
At 31 December 2024:				
Cost	9,242	321	2,535	12,098
Accumulated depreciation	(3,958)	(89)	(2,106)	(6,153)
Net carrying amount	5,284	232	429	5,945

31 December 2025

	Computer and electronic equipment	Furniture and fixtures	Motor vehicles	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025:					
Cost	9,242	–	321	2,535	12,098
Accumulated depreciation	(3,958)	–	(89)	(2,106)	(6,153)
Net carrying amount	5,284	–	232	429	5,945
At 1 January 2025, net of accumulated depreciation	5,284	–	232	429	5,945
Additions	876	305	–	1,442	2,623

	Computer and electronic equipment	Furniture and fixtures	Motor vehicles	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Additions from business combinations	432	106	13	108	659
Disposals	(8)	(8)	–	–	(16)
Depreciation provided during the year	(3,164)	(60)	(80)	(305)	(3,609)
At 31 December 2025, net of accumulated depreciation	3,420	343	165	1,674	5,602
At 31 December 2025:					
Cost	10,542	403	334	4,085	15,364
Accumulated depreciation	(7,122)	(60)	(169)	(2,411)	(9,762)
Net carrying amount	3,420	343	165	1,674	5,602

In the opinion of the directors, no impairment indicator is identified for property, plant and equipment as at the end of each of the Relevant Periods.

16. GOODWILL

	RMB'000
At 1 January 2023:	
Cost at 1 January 2023, net of accumulated impairment	–
Acquisition of a subsidiary *(note 33)*	3,957
Impairment during the year	–
At 31 December 2023	3,957
At 31 December 2023:	
Cost	3,957
Accumulated impairment	–
Net carrying amount	3,957
Cost at 1 January 2024, net of accumulated impairment	3,957
Impairment during the year	–
At 31 December 2024	3,957
At 31 December 2024:	
Cost	3,957
Accumulated impairment	–
Net carrying amount	3,957
Cost at 1 January 2025, net of accumulated impairment	3,957
Acquisition of a subsidiary *(note 33)*	2,658
Impairment during the year	–
Cost and net carrying amount at 31 December 2025	6,615
At 31 December 2025:	
Cost	6,615
Accumulated impairment	–
Net carrying amount	6,615

The goodwill comprises the fair value of expected business synergies arising from the acquisition, which is not separately recognised.

Goodwill of RMB3,957,000 was resulted from the acquisition of Jiangsu Daotai in October 2023.

Goodwill of RMB2,658,000 was resulted from the acquisition of Guangzhou Tianxin in September 2025.

Impairment testing of goodwill

The amounts of goodwill allocated to the cash-generating units ("CGU") are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Jiangsu Daotai	3,957	3,957	3,957
Guangzhou Tianxin	–	–	2,658
Total	3,957	3,957	6,615

Goodwill is tested by management for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Jiangsu Daotai CGU

The recoverable amount of the Jiangsu Daotai CGU has been determined based on a value in use ("VIU") calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period. The key parameters used for VIU calculations are as follows: The pre-tax discount rate applied to the cash flow projections is 17% (2023: 13%, 2024: 13%) for the year ended 31 December 2025. The revenue growth rate used to determine the cash flows during the five-year period ranged from 2% to 9% (2023: -27% to 5%, 2024: -28% to 5%) for the year ended 31 December 2025. The terminal growth rate used to extrapolate the cash flows beyond the period is 2% (2023: 2%, 2024: 2%) for the year ended 31 December 2025. Such estimation is based on management's expectations for the market development.

Guangzhou Tianxin CGU

The recoverable amount of the Guangzhou Tianxin CGU has been determined based on a VIU calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period. The key parameters used for VIU calculations are as follows: The pre-tax discount rate applied to the cash flow projections is 19% for the year ended 31 December 2025. The revenue growth rate used to determine the cash flows during the five-year period ranged from 2% to 14.8% for the year ended 31 December 2025. The terminal growth rate used to extrapolate the cash flows beyond the period is 2% for the year ended 31 December 2025. Such estimation is based on management's expectations for the market development.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill for the Relevant Periods:

Revenue — The basis used to determine the budgeted revenue is based on the management's expectation of market development.

Terminal growth rate — The forecasted terminal growth rate is based on management's expectations and does not exceed the long-term average growth rate for the industry relevant to each CGU.

The pre-tax discount rate used is before tax and reflects specific risks relating to each CGU.

Sensitivity to changes in key assumptions:

The management of the Company has performed sensitivity test by decreasing 5% of expected revenue, decreasing 5% of terminal growth rate or increasing 5% of pre-tax discount rate, with all other assumptions held constant. The impacts on the amount by which the CGU's recoverable amount above its carrying amount (headroom) are as below:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Jiangsu Daotai			
Headroom	12,073	16,719	28,563
Impact by decreasing expected revenue	(1,534)	(1,779)	(2,245)
Impact by decreasing terminal growth rate	(80)	(334)	(307)
Impact by increasing pre-tax discount rate	(2,349)	(3,867)	(4,533)

	As at 31 December
	2025
	RMB'000
Guangzhou Tianxin	
Headroom	4,314
Impact by decreasing expected revenue	(876)
Impact by decreasing terminal growth rate	(111)
Impact by increasing pre-tax discount rate	(2,500)

Except for these, any reasonably possible changes in the other assumptions used in the value in use calculation would not affect management's view on impairment as at the end of each of the Relevant Periods.

The values assigned to the key assumptions on discount rate are consistent with external information sources.

17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

During the Relevant Periods, the Group entered into certain long-term lease contracts for buildings which generally have lease terms between one and three years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the Relevant Periods are as follow:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount at the beginning of the year	5,940	3,876	15,232
Additions	1,946	16,854	2,432
Additions from business combinations	292	–	2,435
Lease termination	–	–	(2,342)
Depreciation provided during the year	(4,302)	(5,498)	(5,503)
Carrying amount at the end of the year	3,876	15,232	12,254

(b) Lease Liabilities

The carrying amounts of lease liabilities and the movements during the Relevant Periods are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount at the beginning of the year	5,897	3,783	15,581
Additions	1,946	16,854	2,432
Interest during the year	373	249	717
Additions from business combinations	72	–	2,236
Lease termination	–	–	(2,343)
Payments during the year	(4,505)	(5,305)	(5,926)
Carrying amount at the end of the year	3,783	15,581	12,697
Analyzed into:			
Current portion	3,620	6,607	6,639
Non-current portion	163	8,974	6,058

At the end of each of the Relevant Periods, the lease liabilities were repayable as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	3,620	6,607	6,639
After 1 year but within 2 years	163	4,461	5,276
After 2 years but within 5 years	–	4,513	782
Total	3,783	15,581	12,697

The maturity analysis of lease liabilities is disclosed in note 40 to the Historical Financial Information.

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest on lease liabilities	373	249	717

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Gains on disposal of right-of-use assets and lease liabilities	–	–	1
Depreciation charge of right-of-use assets	4,302	5,498	5,503
Expense relating to low value leases	1,140	776	1,451
Total amount recognised in profit or loss	5,815	6,523	7,672

(d) The total cash outflow for leases is disclosed in note 35 to the Historical Financial Information.

18. INTANGIBLE ASSETS

31 December 2023

	Customer relationship	Licences	Software and technology	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023				
Cost	–	32,996	–	32,996
Accumulated amortization and impairment	–	(16,382)	–	(16,382)
Net carrying amount	–	16,614	–	16,614
Cost at 1 January 2023, net of accumulated amortization and impairment	–	16,614	–	16,614
Additions	–	–	546	546
Additions from business combinations	2,330	–	12,060	14,390
Amortization provided during the year	(121)	–	(329)	(450)
At 31 December 2023	2,209	16,614	12,277	31,100
At 31 December 2023				
Cost	2,330	32,996	12,606	47,932
Accumulated amortization and impairment	(121)	(16,382)	(329)	(16,832)
Net carrying amount	2,209	16,614	12,277	31,100

31 December 2024

	Customer relationship	Licences	Software and technology	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024				
Cost	2,330	32,996	12,606	47,932
Accumulated amortization and impairment	(121)	(16,382)	(329)	(16,832)
Net carrying amount	2,209	16,614	12,277	31,100
Cost at 1 January 2024, net of accumulated amortization and impairment	2,209	16,614	12,277	31,100
Additions	–	–	1,558	1,558
Amortization provided during the year	(728)	–	(1,516)	(2,244)
At 31 December 2024	1,481	16,614	12,319	30,414
At 31 December 2024				
Cost	2,330	32,996	14,164	49,490
Accumulated amortization and impairment	(849)	(16,382)	(1,845)	(19,076)

	Customer relationship	Licences	Software and technology	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Net carrying amount	1,481	16,614	12,319	30,414

31 December 2025

	Customer relationship	Licences	Software and technology	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025				
Cost	2,330	32,996	14,164	49,490
Accumulated amortization and impairment	(849)	(16,382)	(1,845)	(19,076)
Net carrying amount	1,481	16,614	12,319	30,414
Cost at 1 January 2025, net of accumulated amortization and impairment	1,481	16,614	12,319	30,414
Additions from business combinations	4,900	5,100	139	10,139
Amortization provided during the year	(924)	–	(1,760)	(2,684)
At 31 December 2025	5,457	21,714	10,698	37,869
At 31 December 2025				
Cost	7,230	21,714	14,303	43,247
Accumulated amortization and impairment	(1,773)	–	(3,605)	(5,378)
Net carrying amount	5,457	21,714	10,698	37,869

On 10 January 2020 and 3 January 2020, the Group acquired 100% the equity interest of Aibang Brokers and 98% of Yadun Insurance Assessment respectively under shares purchase agreements. The principal activity of Aibang Brokers is customer engagement service, and the principal activity of Yadun Insurance Assessment is Claims Investigation Services. The transactions were accounted for as asset acquisitions rather than business combinations, given that substantially all of the fair value of the gross assets was concentrated in their regulatory licences, specifically the insurance brokers licence and insurance claims adjusting licence.

On 29 September 2025, the Group acquired 99.98% of the equity interest of Guangzhou Tianxin under share purchase agreement, further details of which are included in the disclosures in note 33 to the Historical Financial Information. The principal activity of Guangzhou Tianxin is Claims Investigation Services.

Pursuant to Regulatory Provisions on Regulatory Provisions on Insurance Public Adjusters (保險公估人監管規定) which became effective on 1 May 2018, there are no definite expiration dates for the claims adjusting licences.

Pursuant to the Regulatory Provisions on Insurance Brokerages (保險經紀人監管規定) which became effective on 1 May 2018, the legal term of the insurance brokers licence is 3 years. During the Relevant Periods, management concluded that the insurance Brokers licence has indefinite useful lives because the licence can be easily renewed upon expiry at an insignificant cost.

The Group evaluates the operating licences each financial year end to determine whether events and circumstances continue to support the indefinite useful lives.

In the opinion of the directors, no provision for impairment is required for the Group's intangible assets as at the end of each of the Relevant Periods.

Impairment test on the operating licences of the Group has been conducted by the management as at the end of each of the Relevant Periods. For the purposes of the impairment test, each of the operating licences were allocated to Aibang Brokers, Yadun Insurance and Guangzhou Tianxin respectively, which were considered as separate CGU. The carrying amounts of operating licences allocated to each CGU at the end of each of the Relevant Periods were as follow:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Aibang Brokers			
Carrying amount	14,963	14,963	14,963

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Yadun Insurance			
Carrying amount	1,651	1,651	1,651
Guangzhou Tianxin			
Carrying amount	–	–	5,100
Total	16,614	16,614	21,714

The recoverable amounts of the CGU are determined based on the VIU calculations using the discounted cash flow method. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. The key assumptions used in the estimation of VIU calculations were as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Aibang Brokers			
Pre-tax discount rate	15.0%	15.0%	20.8%
Revenue growth rate	2.2%-5.0%	2.0%-3.0%	2.0%-7.0%
Terminal value growth rate	2.2%	2.0%	2.0%
Yadun Insurance			
Pre-tax discount rate	14.0%	14.0%	20.9%
Revenue growth rate	2.2%-5.0%	2.0%-3.0%	2.0%-5.0%
Terminal value growth rate	2.2%	2.0%	2.0%
Guangzhou Tianxin			
Pre-tax discount rate	–	–	18.7%
Revenue growth rate	–	–	2.0%-14.8%
Terminal value growth rate	–	–	2.0%

Details of the headroom calculated based on the recoverable amounts deducting the carrying amount allocated for the significant CGUs as at the end of each of the Relevant Periods are set out as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Aibang Brokers	6,092	2,771	1,406
Yadun Insurance	1,039	1,029	144
Guangzhou Tianxin	–	–	4,314

The Group performed the sensitivity analysis based on the assumption that pre-tax discount rate, revenue growth rate and terminal value growth rate have been changed. Had the estimated key assumption during the forecast period been changed as below, the headroom would have decreased to the following:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Aibang Brokers			
Pre-tax discount rate increase by 5%	5,693	2,254	461
Revenue growth rate decrease by 5%	4,948	1,725	573
Terminal value growth rate decrease by 5%	6,089	2,726	1,324
Yadun Insurance			
Pre-tax discount rate increase by 5%	904	939	55
Revenue growth rate decrease by 5%	901	892	13
Terminal value growth rate decrease by 5%	1,033	1,025	140
Guangzhou Tianxin			
Pre-tax discount rate increase by 5%	–	–	1,814
Revenue growth rate decrease by 5%	–	–	3,438
Terminal value growth rate decrease by 5%	–	–	4,203

19. INVESTMENTS IN SUBSIDIARIES

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Investments, at cost	354,564	404,973	546,125
Deemed investments arising from share-based payments	25,796	28,232	41,127
Total	380,360	433,205	587,252

20. DEFERRED TAX

The movements in deferred tax during the Relevant Periods are as follows:

Deferred tax assets

	Lease liabilities	Total
	RMB'000	*RMB'000*
31 December 2023		
At 1 January 2023	1,037	1,037
Deferred tax charged to profit or loss during the year	(315)	(315)
At 31 December 2023	722	722
31 December 2024		
At 1 January 2024	722	722
Deferred tax credited to profit or loss during the year	1,689	1,689
At 31 December 2024	2,411	2,411
31 December 2025		
At 1 January 2025	2,411	2,411
Deferred tax charged to profit or loss during the year	(127)	(127)
At 31 December 2025	2,284	2,284

Deferred tax liabilities

	Fair value adjustment arising from acquisition of subsidiaries	Right-of-use assets	Total
	RMB'000	*RMB'000*	*RMB'000*
31 December 2023			
At 1 January 2023	–	1,045	1,045
Additions from business combinations	1,693	–	1,693
Deferred tax credited to profit or loss during the year	–	(335)	(335)
At 31 December 2023	1,693	710	2,403
31 December 2024			
At 1 January 2024	1,693	710	2,403
Deferred tax charged to profit or loss during the year	–	1,650	1,650
At 31 December 2024	1,693	2,360	4,053
31 December 2025			
At 1 January 2025	1,693	2,360	4,053
Additions from business combinations	2,499	–	2,499
Deferred tax credited to profit or loss during the year	(290)	(113)	(403)
At 31 December 2025	3,902	2,247	6,149

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net deferred tax assets recognised in the consolidated statements of financial position	17	57	124
Net deferred tax liabilities recognised in the consolidated statements of financial position	1,698	1,699	3,989

The Group has accumulated tax losses arising in the Chinese mainland of RMB444,629,000, RMB494,729,000 and RMB525,112,000 at the end of each of the Relevant Periods, respectively, that will expire in one to ten years for offsetting against future taxable profits of the companies in which the losses arose.

The Group also has accumulated tax losses arising in Hong Kong of RMB764,000, RMB5,558,000 and RMB16,956,000 at the end of each of the Relevant Periods, respectively, that will be carried forward indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

The Group has unrecognised deductible temporary differences of RMB13,567,000, RMB12,508,000 and RMB20,156,000 at the end of each of the Relevant Periods, respectively.

Deferred tax assets have not been recognised in respect of these losses and deductible temporary differences as they have arisen in subsidiaries that have been loss-making for some time, it is not considered probable that taxable profits in foreseeable future will be available against which the tax losses and the deductible temporary differences can be utilized.

As at the end of each of the Relevant Periods, there was no significant unrecognised deferred tax liability for taxes that would be payable on the unremitted earnings of the Group's subsidiaries.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

21. CONTRACT ASSETS

	As at 31 December			
	2022	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Non-current contract assets:	1,082	27,662	23,005	7,374
Impairment	(12)	(341)	(24)	(53)
Total	1,070	27,321	22,981	7,321
Current contract assets:	11,702	39,060	23,733	20,635
Impairment	(4)	(28)	(8)	(31)
Total	11,698	39,032	23,725	20,604

Contract assets are initially recognised for revenue earned from the underwriting solutions services and claim solutions services as the receipt of consideration is conditional on successful completion of the services.

The expected timing of recovery or settlement for contract assets at the end of each of the Relevant Periods is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within one year	39,032	23,725	20,604
After one year	27,321	22,981	7,321
Total contract assets	66,353	46,706	27,925

The movements in the loss allowance for impairment of contract assets are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Balance at beginning of year	16	369	32
Impairment	353	(337)	52
Balance at end of year	369	32	84

An impairment analysis was made based on expected credit loss model on the recoverability of contract assets. The identification of impairment requires management's judgements and estimates by considering the age of the balance, existence of disputes, recent historical payment patterns, any other available information concerning the creditworthiness of counterparties and influence from macro economy.

Set out below is the information about the credit risk exposure on the Group's contract assets using a provision matrix:

	As at 31 December		
	2023	2024	2025
Expected credit loss rate	0.55%	0.07%	0.30%
Gross carrying amount (RMB'000)	66,722	46,738	28,009
Expected credit losses (RMB'000)	369	32	84

22. TRADE RECEIVABLES

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	119,737	178,337	225,600
Impairment	(525)	(371)	(2,563)
Total	119,212	177,966	223,037

The Group's trading terms with its customers are mainly on credit. The credit period is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimize credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of trade receivables as at the end of each of the Relevant Periods, based on the date of recognition and net of allowance, is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 3 months	72,508	112,722	154,036
3 months to 6 months	9,682	24,358	19,557
6 months to 12 months	32,558	38,298	29,756
Over 12 months	4,464	2,588	19,688
Total	119,212	177,966	223,037

The movements in loss allowance for impairment of trade receivables are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Balance at beginning of year	26	525	371
Impairment/(reversal of impairment)	499	(154)	2,192
Balance at end of year	525	371	2,563

Impairment under IFRS 9 for the Relevant Periods

An impairment analysis was made based on expected credit loss model on the recoverability of trade receivables. The identification of impairment requires management's judgements and estimates by considering the age of the balance, existence of disputes, recent historical payment patterns, any other available information concerning the creditworthiness of counterparties and influence from macro economy.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2023

		Collective basis					
	Individual basis	Within 90 days	91-180 days	181 days-1 year	Over 1 year	Subtotal	Total
Expected credit loss rate	0.00%	0.11%	0.14%	0.14%	8.00%	0.44%	0.44%
Gross carrying amount (RMB'000)	–	72,586	9,696	32,603	4,852	119,737	119,737
Expected credit losses (RMB'000)	–	78	14	45	388	525	525

As at 31 December 2024

		Collective basis					
	Individual basis	Within 90 days	91-180 days	181 days-1 year	Over 1 year	Subtotal	Total
Expected credit loss rate	0.00%	0.03%	0.03%	0.03%	10.79%	0.21%	0.21%
Gross carrying amount (RMB'000)	–	112,759	24,366	38,311	2,901	178,337	178,337
Expected credit losses (RMB'000)	–	37	8	13	313	371	371

As at 31 December 2025

		Collective basis					
	Individual basis	Within 90 days	91-180 days	181 days-1 year	Over 1 year	Subtotal	Total
Expected credit loss rate	0.00%	0.25%	0.25%	0.25%	9.47%	1.14%	1.14%
Gross carrying amount (RMB'000)	–	154,415	19,606	29,832	21,747	225,600	225,600
Expected credit losses (RMB'000)	–	379	49	76	2,059	2,563	2,563

23. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Non-current:			
Deposits	285	1,174	1,725
Prepayments for listing expenses	[REDACTED]	[REDACTED]	[REDACTED]
Impairment allowance	(1)	(7)	(9)
Total	284	1,957	1,716
Current:			
Receivables from convertible instrument investment *(i)*	–	75,000	–
Prepayments to suppliers	50,096	36,867	37,335
Deductible input value-added tax	4,200	2,587	5,876
Insurance premium received on behalf of other third parties *(ii)*	6,345	2,964	19,010
Contract fulfillment cost	3,502	2,620	772
Deposits and other receivables	764	1,905	2,090

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Non-current:			
Prepayments for listing expenses	[REDACTED]	[REDACTED]	[REDACTED]
Impairment allowance	(109)	(648)	(90)
Total	64,798	121,295	67,757

(i) The balance as of 31 December 2024 represented receivable for Series B Convertible instruments subscription amount. During the year ended 31 December 2024, the subscription amount of RMB53,000,000 had been settled and RMB87,000,000 remained outstanding. This outstanding balance includes RMB12,000,000 due from related party ZhongAn Online P&C Insurance Company Limited and its affiliates, which has been classified as "Amounts due from related parties". Details of the amounts due from related parties are disclosed in Note 37 to the Historical Financial Information.

(ii) Insurance premiums received on behalf of insurance company held in third-party payment platforms.

As at the end of each of the Relevant Periods, other receivables of the Group are considered to be of low credit risk and thus the Group has assessed that the ECL for other receivables under the 12-month expected credit loss method.

The movements in the loss allowance for impairment of other receivables are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Balance at beginning of year	39	110	655
Impairment	71	545	(556)
Balance at end of year	110	655	99

24. FINANCIAL ASSETS AT FVTPL

	As at 31 December
	2025
	RMB'000
Wealth management products, at fair value	25,727

The financial assets at FVTPL as at 31 December 2025 represented wealth management products with underling assets mainly consisted of inter-bank deposits, bonds and equity investments. They were mandatorily classified as financial assets at FVTPL as their contractual cash flows are not solely payments of principal and interest.

25. CASH AND CASH EQUIVALENTS

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash at banks	158,598	183,347	259,448
Less: Pledged deposits*			
non-current	(5,202)	(5,202)	(5,202)
Less: Cash held on behalf of other parties**	(16,226)	(11,181)	(7,137)
Cash and cash equivalents	137,170	166,964	247,109
Cash at banks are denominated in:			
RMB	158,236	183,013	253,296
JPY	362	333	323
USD	–	1	5,024
HKD	–	–	805
Total cash at banks	158,598	183,347	259,448

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Cash at banks	270	279	268
Cash and cash equivalents	270	279	268
Cash at banks are denominated in:			
RMB	270	278	267
USD	–	1	1
Total cash at banks	270	279	268

The RMB is not freely convertible into other currencies, however, under the Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

* Pledged deposits mainly present the guaranteed deposits for the reserves of the registered capital placed as deposits in PRC commercial banks, as the Group is insurance intermediary with licence.

** Cash held on behalf of other parties mainly includes insurance premiums received on behalf of insurance companies but not yet remitted as of the end of each of the reporting periods.

26. TRADE PAYABLES

An ageing analysis of trade payables at the end of each of the Relevant Periods, based on the date of recognition, is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	116,603	159,875	203,417
Over 1 year	27,032	54,277	49,697
Total	143,635	214,152	253,114

The trade payables are non-interest-bearing and are normally settled on 30-day to 1 year terms.

27. OTHER PAYABLES AND ACCRUALS

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Payroll and welfare payables	30,358	27,771	49,062
Medication payment received on behalf of other parties	18,753	3,330	–
Other tax payables	13,741	16,620	26,985
Insurance premium payables *(i)*	11,431	7,440	8,741
Payable for acquisition of subsidiaries	4,900	4,900	–
Accrued listing expense	[REDACTED]	[REDACTED]	[REDACTED]
Deposits	4,815	2,194	2,392
Dividend payable to the then shareholder of Jiangsu Daotai	25,000	–	–
Other payables	6,646	10,191	13,036
Total	115,644	76,917	102,213

(i) Insurance premium payables mainly include insurance premiums received on behalf of insurance companies but not yet remitted as of the end of each of the reporting periods.

28. INTEREST-BEARING BANK AND OTHER BORROWINGS

	As at 31 December								
	2023			2024			2025		
	Effective interest rate (%)	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*
Bank loans – unsecured	3.90%	2024	3,000	2.75%-3.90%	2025	19,271	2.40%	2026	19,900
Bank loans – guaranteed *(a)*	3.15%	2024	5,000	3.00%-3.10%	2025	18,900	2.30%	2026	10,000
Total			8,000			38,171			29,900

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Analyzed into:			
Bank loans repayable:			
Within one year	8,000	38,171	29,900
Total	8,000	38,171	29,900

(a) As at 31 December 2023 and 31 December 2024, bank loans amounting to RMB5,000,000 and RMB8,900,000 were guaranteed by the Company's executive director, Lu Min. As at 31 December 2024, bank loans amounting to RMB10,000,000 were guaranteed by Jiangsu Daotai's senior management, Sheng Sen. As at 31 December 2025, bank loans amounting to RMB10,000,000 were guaranteed by the Company's executive director, Lu Min.

29. FINANCIAL LIABILITIES AT FVTPL

The Group

The Group entered into share subscription agreements with investors and issued four series (the Series Angel Preferred Shares, Series A Preferred Shares, Series A+ Preferred Shares, Series B Preferred Shares, respectively) of preferred shares, and two series ("Series A+ convertible instruments" and "Series B convertible instruments") of convertible instruments from year 2019 to 2025.

The Group entered into a subsidiary purchase agreement in 2023, resulting in a contingent consideration payable.

The fair values of Preferred Shares, convertible bonds and contingent consideration payable at the end of each reporting period are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Series Angel preferred shares	340,188	433,440	555,506
Series A preferred shares	253,649	322,202	403,569
Series A+ preferred shares	209,321	333,813	388,794
Series B preferred shares	–	–	154,190
Convertible Instruments	66,602	139,200	–
Contingent consideration payable *(note 33)*	11,900	–	–
Total	881,660	1,228,655	1,502,059

The Company

The Company entered into share subscription agreements with investors and issued four series (the Series Angel Preferred Shares, Series A Preferred Shares, Series A+ Preferred Shares, Series B Preferred Shares, respectively) of preferred shares, and preferred shares warrants ("Warrants") from year 2019 to 2025.

The fair values of the Company's Preferred Shares and Warrants at the end of each reporting period are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Series Angel preferred shares	340,188	433,440	555,506
Series A preferred shares	253,649	322,201	403,569
Series A+ preferred shares	209,321	333,813	388,794
Series B preferred shares	–	–	154,190
Warrant	17,290	16,751	–
Total	820,448	1,106,205	1,502,059

Preferred Shares, Convertible Instruments and Warrants

Series Angel financing

In July 2019, the Company issued 44,000,000 Series Angel Preferred Shares with a par value of USD0.0001 per share to investors for a cash consideration of RMB100,000,000 or RMB2.27 per share.

Series A financing

In February 2020, the Company issued 30,800,000 Series A Preferred Shares with a par value of USD0.0001 per share to investors for a total cash consideration of USD16,000,000 or USD0.52 per share.

Series A+ financing

In August 2021, the Company entered into Series A+ Preferred Shares purchase agreements with certain investors to issue 26,796,000 series A+ Preferred Shares with a par value of USD0.0001 per share for a total cash consideration of USD29,000,000 or USD1.08 per share.

In August 2021, Nova Wuxi executed interest-free loan agreements ("Series A+ Domestic Loans") with an investor in the aggregate principal amount of equivalent of USD7,000,000. Concurrently, the Company issued Series A+ Warrants to an investor pursuant to warrant purchase agreements, whereby these Series A+ Domestic Loans and Series A+ Warrants collectively constitute Series A+ convertible instruments and grant the right to the holder of the Series A+ Warrants to convert the Series A+ Domestic Loans into 6,468,000 Series A+ Preferred Shares of the Company at USD 1.08 per share upon ODI completion. The conversion of the convertible instruments was completed in February 2024 and 6,468,000 Series A+ preferred shares were issued to this investor accordingly.

Series B financing

In October 2024, Nova Wuxi executed interest-free loan agreements ("Series B Domestic Loans") with certain investors in the aggregate principal amount of RMB140,000,000. Concurrently, the Company issued Series B Warrants to these investors pursuant to warrant purchase agreements, whereby these Series B Domestic Loans and Series B Warrants collectively constitute Series B convertible instruments and grant the right to the holders of the Series B warrants to convert the Series B Domestic Loans into 9,053,093 Series B Preferred Shares of the company at RMB15.46 per share upon ODI completion. The conversion of the convertible instruments was completed in November 2025 and 9,053,093 Series B Preferred Shares were issued to these investors accordingly.

Series Angel Preferred Shares, Series A Preferred Shares, Series A+ Preferred Shares and Series B Preferred Shares are collectively referred as Preferred Shares. The holders of the Preferred Shares are collectively referred to as Preferred Shareholders. Series A+ convertible instruments and Series B convertible instruments are collectively referred to as Convertible Instruments. The conversion right of the Series A+ convertible instruments and Series B Warrants are collectively referred to as Warrants.

The key terms of the Preferred Shares are summarized below:

Conversion Rights

Each holder of the Preferred Shares has the right, at the sole discretion of the holder, to convert at any time and from time to time, all or any portion of the Preferred Shares into ordinary shares based on the then-effective conversion price. The initial conversion ratio shall be on a one for one basis, subject to certain anti-dilution adjustments, as adjusted for certain anti-dilution adjustments. The Preferred Shares are converted automatically into ordinary shares at the then effective applicable conversion price upon the earlier of i) a qualified [**REDACTED**]; ii) the date specified by written consent or agreement of all the preferred shareholders.

Voting Right

Each preferred shareholder is entitled to the number of votes equal to the number of ordinary shares into which such preferred shares could be converted at the voting date. Preferred shareholders will vote together with ordinary shareholders, and not as a separate class or series, on all matters put before the shareholders.

Redemption

Upon occurrence of the following events which cannot be controlled by the Company, the Preferred Shares shall be redeemable by the Company at the option of the Preferred Shareholders:

(i) the Company fails to complete the Qualified [**REDACTED**] or trade sale as approved on 30 July 2024

Upon issuance of Series B Warrants, the redemption date of the Preferred Shares has been extended to 30 June 2026, and will be terminated immediately prior to the successful listing and completion of [**REDACTED**].

In September 2025, the redemption date of the Preferred Shares has been extended to 1 April 2027, and will be terminated immediately prior to the successful listing and completion of [**REDACTED**].

(ii) any material adverse change in the regulatory environment that will cause the arrangement under the share purchase agreements invalid or unenforceable, and the Company fails to devise a feasible alternative legal structure reasonably satisfactory to the Preferred Shareholders;

(iii) any material breach or violation of the transaction documents by the Company and its subsidiaries;

The redemption amount of Series Angel, Series A, Series A+ Preferred Shares is calculated as the higher of (i) the original investment principal from investors with an annual simple interest rate of 10% from the issue date, plus all accrued but unpaid dividends; on each redeeming preferred share in cash, and (ii) the fair market value of Preferred Shares held by investors.

The redemption amount of Series B Preferred Shares is calculated as the higher of (i) the original investment principal from investors with an annual simple interest rate of 8% from the issue date, plus all accrued but unpaid dividends; on each redeeming preferred share in cash, and (ii) the fair market value of Preferred Shares held by investors.

Liquidation preference

In the event of any liquidation, dissolution or winding up of the Company, or deemed liquidation event, whether voluntary or involuntary, holders of the shares shall be entitled to be paid out of the funds and assets available for distribution to the shareholders of the Company, an amount per share equal to the higher of original issue price for each series preferred share with an annual simple interest rate of 8% plus any dividends declared but unpaid or the liquidation assets available to the investors in proportion to its equity interest at that time thereon in the sequence as follows:

(1) Series B Preferred Shares

(2) Series A+ Preferred Shares

(3) Series A Preferred Shares

(4) Series Angel Preferred Shares

Presentation and classification

The Group has designated Preferred Shares and Convertible Instruments as financial liabilities carried at FVTPL. The change in fair value of the Preferred Shares and Convertible Instruments is charged to profit or loss except for the portion attributable to credit risk change that shall be charged to other comprehensive income. Management considered that there is no credit risk of the financial liabilities that drives the change of the fair value of the financial liabilities.

The Warrants of the Company should be accounted as derivatives and were recognised at fair value upon initial recognition. Any changes of their fair value in subsequent reporting dates are recognised in profit or loss.

The movements of the Preferred Shares and Convertible Instruments of the Group are set out as follows:

The Group	Series Angel preferred shares	Series A preferred shares	Series A+ preferred shares	Series B preferred shares	Series A+ convertible instruments	Series B convertible instruments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
1 January 2023	201,931	171,432	174,478	–	54,394	–	602,235
Change in fair value	134,148	78,907	31,722	–	11,958	–	256,735
Translation exchange adjustments	4,109	3,310	3,121	–	250	–	10,790
31 December 2023	340,188	253,649	209,321	–	66,602	–	869,760
Issuance of Series B convertible instruments	–	–	–	–	–	140,000	140,000
Change in fair value	87,357	64,166	54,557	–	–	(956)	205,124
Translation exchange adjustments	5,895	4,387	2,793	–	540	156	13,771

The Group	Series Angel preferred shares	Series A preferred shares	Series A+ preferred shares	Series B preferred shares	Series A+ convertible instruments	Series B convertible instruments	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Conversion of Series A+ convertible instruments	–	–	67,142	–	(67,142)	–	–
31 December 2024	433,440	322,202	333,813	–	–	139,200	1,228,655
Change in fair value	133,827	89,957	63,405	16,361	–	–	303,550
Translation exchange adjustments	(11,761)	(8,590)	(8,424)	(1,371)	–	–	(30,146)
Conversion of Series B convertible instruments	–	–	–	139,200	–	(139,200)	–
31 December 2025	555,506	403,569	388,794	154,190	–	–	1,502,059

The movements of the Preferred Shares and Warrants of the Company are set out as follows:

The Company	Series Angel preferred shares	Series A preferred shares	Series A+ preferred shares	Series B preferred shares	Series A+ Warrant	Series B Warrant	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
1 January 2023	201,931	171,432	174,478	–	13,793	–	561,634
Change in fair value	134,148	78,907	31,722	–	3,246	–	248,023
Translation exchange adjustments	4,109	3,310	3,121	–	251	–	10,791
31 December 2023	340,188	253,649	209,321	–	17,290	–	820,448
Change in fair value	87,357	64,166	54,557	–	–	16,595	222,675
Translation exchange adjustments	5,895	4,387	2,793	–	–	155	13,230
Issuance of Series A+	–	–	49,852	–	–	–	49,852
Conversion of Series A+ Warrant	–	–	17,290	–	(17,290)	–	–
31 December 2024	433,440	322,202	333,813	–	–	16,750	1,106,205
Change in fair value	133,827	89,957	63,405	16,361	–	–	303,550
Translation exchange adjustments	(11,761)	(8,590)	(8,424)	(18,921)	–	–	(47,696)
Issuance of Series B	–	–	–	140,000	–	–	140,000
Conversion of Series B Warrant	–	–	–	16,750	–	(16,750)	–
31 December 2025	555,506	403,569	388,794	154,190	–	–	1,502,059

30. SHARE CAPITAL

The Company was incorporated with an authorized share capital of the Company of US$50,000 divided into 500,000,000 shares with a par value of US$0.0001 each, of which (i) 389,350,907 shares are designated as Ordinary Shares of par value US$0.0001 each, (ii) 44,000,000 shares are designated as Series Angel Preferred Shares of par value US$0.0001 each, (iii) 30,800,000 shares are designated as Series A Preferred Shares of par value US$0.0001 each, (iv) 26,796,000 shares are designated as Series A+ Preferred Shares of par value US$0.0001 each, (v) 9,053,093 shares are designated as Series B Preferred Shares of par value US$0.0001 each. A summary of the Company's issued and fully paid Ordinary Shares during the Relevant Periods is as follows:

Ordinary Shares

	As at 31 December					
	2023		2024		2025	
	Number of shares in issue	Share capital	Number of shares in issue	Share capital	Number of shares in issue	Share capital
		RMB'000		*RMB'000*		*RMB'000*
At beginning and end of year	110,000,000	79	110,000,000	79	110,000,000	79
Issue of shares *(i)*	–	–	–	–	2,586,598	–
At end of year	110,000,000	79	110,000,000	79	112,586,598	79

(i) In November 2025, the Company issued 2,586,598 shares at a par value of US$0.0001 for a new share option plan.

The details of the Preferred Shares are set out in note 29 to the Historical Financial Information.

31. RESERVES

The Group

The amounts of the Group's reserves and the movements therein for the Relevant Periods are presented in the consolidated statements of changes in equity.

(a) Capital reserve

The capital reserve/share premium of the Group mainly represents the difference between the par value of the shares issued and the consideration received.

(b) Share-based payment reserve

The share-based payment reserve represents the equity-settled share awards as set out in note 32 to the Historical Financial Information.

(c) Statutory reserve

In accordance with the Company Law of the PRC, subsidiaries of the Group which are domestic enterprises are required to allocate 10% of their profit after tax, as determined in accordance with the relevant PRC GAAP , to their statutory reserve until the reserve reaches 50% of their registered capital. Subject to certain restrictions set out in the Company Law of the PRC, part of the statutory reserve may be converted to share capital, provided that the remaining balance after the capitalization is not less than 25% of the registered capital.

(d) Foreign currency translation reserve

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of companies in the Group of which the functional currency is not RMB. The reserve is dealt with in accordance with the accounting policy set out in note 2.3 to the Historical Financial Information.

The Company

The amounts of the Company's reserve and the movements therein for the Relevant Periods are presented as follows:

	Capital reserve	Share-based payment reserve	Foreign currency translation reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2022 and 1 January 2023	8,336	21,967	(17,105)	(189,818)	(176,620)
Loss for the year	–	–	–	(248,027)	(248,027)
Exchange differences on translation	–	–	(10,891)	–	(10,891)
Total comprehensive loss for the year	–	–	(10,891)	(248,027)	(258,918)
Equity-settled share option arrangements	–	1,683	–	–	1,683
Exercise of share options	39,732	(19,959)	–	–	19,773
As at 31 December 2023 and 1 January 2024	48,068	3,691	(27,996)	(437,845)	(414,082)
Loss for the year	–	–	–	(221,128)	(221,128)
Exchange differences on translation	–	–	(13,826)	–	(13,826)
Total comprehensive loss for the year	–	–	(13,826)	(221,128)	(234,954)
Equity-settled share option arrangements	–	2,436	–	–	2,436
As at 31 December 2024 and 1 January 2025	48,068	6,127	(41,822)	(658,973)	(646,600)
Loss for the year	–	–	–	(285,955)	(285,955)
Exchange differences on translation	–	–	29,510	–	29,510
Total comprehensive loss for the year	–	–	29,510	(285,955)	(256,445)
Equity-settled share option arrangements	–	14,045	–	–	14,045
As at 31 December 2025	48,068	20,172	(12,312)	(944,928)	(889,000)

32. SHARE-BASED PAYMENTS

Share incentive plan

The Company operates a share incentive plan (the "2019 Share Incentive Plan") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the 2019 Share Incentive Plan include directors and employees of the Group. The 2019 Share Incentive Plan became effective on 1 January 2020 and, unless otherwise cancelled or amended, will remain in force for 6 years from that date.

The maximum aggregate number of shares which may be issued pursuant to the grant of share options, share appreciation rights, dividend equivalent rights, restricted shares, restricted share units or other rights or benefits under the 2019 Share Incentive Plan (collectively, the "Plan Award") is 19,960,000 shares of the Company (proportionally adjusted to reflect any share dividends, share splits, or similar transactions). The 2019 Share Incentive Plan is administered by the Lu Min the shareholder and Chief Executive Officer of the Company (the "2019 Plan Administrator"), who has the authority, in his discretion, to select the employees and directors to whom the Plan Awards may be granted from time to time hereunder, to determine whether and to what extent the Plan Awards are granted hereunder, and to determine the number of shares or the amount of other consideration to be covered by each of the Plan Award granted hereunder. The underlying incentive Shares under the 2019 Share Incentive Plan have been issued and allotted to a share incentive platform in full, which is not controlled by the Group.

Subject to the terms and conditions as set out in the 2019 Share Incentive Plan, the share options are generally vested in the portions of 25%, 25%, 25% and 25% on the first, second, third and fourth anniversaries of the grant date, respectively, unless otherwise approved and determined by the 2019 Plan Administrator, who has the right to determine the vesting period for each grant. The granted share options will expire in 6 years from the grant date.

On 7 March 2023, the Group adopted the 2022 Stock Incentive Plan ("2022 Plan") to replace 2019 Plan while all of the key terms under the 2019 Plan remain unchanged. This replacement does not constitute a modification. The 2022 Plan became effective on 7 March 2023 and, unless otherwise cancelled or amended, will remain in force for 6 years from that date.

On 15 September 2025, the Group had passed a resolution to approve and adopt a new share option plan (the "2025 Share Option Scheme"). for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the 2025 Plan include directors and employees of the Group.

The maximum aggregate number of shares which may be issued pursuant to the grant of share options under the 2025 Share Option Scheme (the "2025 Plan Award") is 2,586,598 shares of the Company (proportionally adjusted to reflect any share dividends, share splits, or similar transactions). The 2025 Share Option Scheme is administered by the Lu Min (the "2025 Plan Authorized Representative"), who has the authority, in his discretion, to select the directors and employees to whom the 2025 Plan Awards may be granted from time to time hereunder, to determine whether and to what extent the 2025 Plan Awards are granted hereunder, and to determine the number of options or the amount of other consideration to be covered by each of the 2025 Plan Award granted hereunder. The underlying incentive shares under the 2025 Share Option Scheme have been issued and allotted to a share incentive platform in full in November 2025, which is not controlled by the Group.

Subject to the terms and conditions as set out in the 2025 Share Option Scheme, the share options are generally vested in the schedule approved and determined by the 2025 Plan Authorized Representative, who has the right to determine the vesting period for each grant. In addition to meeting the time-based vesting condition, the options which shall vest also depends on the completion of [**REDACTED**]. The granted share options will expire in 6 years from the grant date.

During the Relevant Period, the Group granted total of 8,666,750 share options to certain directors and employees under the 2022 Plan and the 2025 Share Option Scheme. Among these, 1,308,000 options granted to certain management personnel are with a vesting schedule of 50% on the first anniversary of the grant date and the remaining 50% are subject to a performance-based vesting schedule over a three-year period from the grant date, with an annual vesting cap of one-third of the remaining 50% option pool. The actual number of options vesting each year is determined by a weighted formula combining the achievement of annual revenue and profit targets, each weighted at 50%. 1,850,000 options granted to certain management personnel with a vesting period of one year, and 180,000 options granted to a management personnel with one-third vesting each year. Except for these grants, all other 5,328,750 options granted historically were subject to a vesting schedule of 25%, 25%, 25% and 25% on the first, second, third and fourth anniversaries of the respective grant dates, respectively. All of the aforementioned grants were approved by the Administrator and the 2025 Plan Authorized Representative.

The fair value of services received in return for share options granted to employees and directors was measured by reference to the fair value of the shares granted and the subscription price paid by employees and directors. Details of the granted share options are as follows:

The following share options were outstanding under the share incentive plan during the Relevant Periods:

	Year ended 31 December					
	2023		2024		2025	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
	US$ per share		*US$ per share*		*US$ per share*	
At the beginning of the year	0.19	44,043,750	0.20	14,185,000	0.23	15,695,000
Granted during the year	0.36	1,020,000	0.54	1,670,000	0.38	5,976,750
Exercised during the year	0.11	(30,800,000)	–	–	–	–
Forfeited during the year	0.17	(78,750)	0.33	(160,000)	0.39	(491,250)
At the end of the year	0.20	14,185,000	0.23	15,695,000	0.27	21,180,500

During the Relevant Periods, the Group recognised share-based compensation expenses of RMB1,683,000, RMB2,436,000 and RMB14,045,000, respectively.

Key valuation assumptions used to determine the fair value of options granted are as follows:

	Year ended 31 December		
	2023	2024	2025
Dividend yield *(%)*	–	–	–
Expected volatility *(%)*	34%-36%	35%-36%	35%-37%
Risk-free interest rate *(%)*	3.50%-4.52%	3.69%-4.21%	3.57%-4.43%
Expected life of options (year)	6	6	6
Exercise multiples	2.2-2.8	2.2-2.8	2.2-2.8
Fair value of underlying ordinary shares	$0.70-$1.35	$1.23-$1.35	$1.23-$1.67

The expected life of share options is based on the contract terms. The expected volatility is determined by using the average of historical volatilities of the share prices of the comparable companies, which may also not necessarily be the actual outcome. The risk-free interest rate is based on the yield of the United States treasury bills. No other feature of the share options granted was incorporated into the measurement of fair value.

33. BUSINESS COMBINATION

(a) Acquisition of Jiangsu Daotai

In October 2023, the Group entered into a purchase agreement with one of the shareholders of Jiangsu Daotai Information and Technology Co., Ltd. ("Jiangsu Daotai"), an entity provides underwriting solution services, to acquire 39.2% of Jiangsu Daotai's equity interest for a total consideration of RMB21,700,000 including a contingent consideration of RMB11,900,000 based on the Jiangsu Daotai's operating result and dividends distribution subsequent to the acquisition date. The purchase consideration for the acquisition was in the form of cash, with RMB4,900,000 paid at the acquisition date, RMB12,312,000 paid on 30 November 2024 and the remaining RMB4,900,000 paid on 7 January 2025. The Group and all other shareholders of Jiangsu Daotai further entered into an irrevocable act-in-concert agreement, under which all other shareholders agreed to vote based on the decision made by the Group in relation to all matters that requires the approval by the shareholders' meeting and the board of directors of Jiangsu Daotai. As such, through the 39.2% equity interests acquired by the Company and the acting-in-concert agreement, the Group effectively obtain control of Jiangsu Daotai and consolidated Jiangsu Daotai since October 2023.

The fair values of the identifiable assets and liabilities of Jiangsu Daotai as at the date of acquisition were as follows:

	31 October 2023
	RMB'000
Property, plant and equipment	4,595
Intangible assets	14,390
Right-of-use assets	292
Prepayments, deposits and other receivables	9,158
Trade receivables	51,942
Cash and cash equivalents	30,746
Trade payables	(29,427)
Other payables and accruals	(33,208)
Amounts due to related parties	(1,166)
Lease liabilities	(72)
Contract liabilities	(290)
Deferred tax liability	(1,695)
Total identifiable net assets at fair value	45,265
Non-controlling interest	27,522
Goodwill on acquisition	3,957
Satisfied by:	
Cash	21,700

The fair values of the trade receivables and other receivables as at the date of acquisition amounted to RMB51,942,000 and RMB238,000, respectively. The gross contractual amounts of trade receivables and other receivables were RMB51,958,000 and RMB238,000, respectively, of which trade receivables of RMB16,000 are expected to be uncollectible.

As part of the purchase agreement, contingent consideration is payable, which is dependent on the amount of profit before tax of Jiangsu Daotai during the 12-month period subsequent to the acquisition. The initial amount recognised was RMB11,900,000 which was determined using the discounted cash flow model and is within Level 3 fair value measurement. The consideration is due for final measurement and payment to the former shareholders on the date of approval of the Jiangsu

Daotai's financial statements for the year ended 31 December 2023. The fair value of the contingent consideration payable remained unchanged at RMB11,900,000 as of 31 December 2023 from initial recognition. The final settlement amount of RMB12,311,000 was paid to former shareholders on 30 November 2024 following completion of the post-acquisition performance assessment.

Significant unobservable valuation inputs for the fair value measurement of the contingent consideration are as follows:

Projected profit before tax of Jiangsu Daotai	RMB30,000,000 to RMB60,000,000
Discount rate	13%

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash consideration	(4,900)	(12,311)	(4,900)
Cash and bank balances acquired	30,746	–	–
Net inflow/(outflow) of cash and cash equivalents included in cash flows from investing activities	25,846	(12,311)	(4,900)

Since the acquisition, Jiangsu Daotai contributed RMB33,510,000 to the Group's revenue and contributed profit of RMB6,894,000 to the consolidated loss for the year ended 31 December 2023.

Had the combination taken place at the beginning of the year, the revenue of the Group and the loss of the Group for the year ended 31 December 2023 would have been RMB895,932,000 and RMB193,439,000 respectively.

(b) Acquisition of Guangzhou Tianxin

In September 2025, the Group entered into an acquisition framework agreement and a supplemental agreement in connection with the acquisition of the business of Guangzhou Tianxin. The acquisition of Guangzhou Tianxin was undertaken to enhance the Group's end-to-end insurance risk control service capabilities by integrating Guangzhou Tianxin's nationwide offline investigation services network, expanding the Group's coverage across insurance lines, broadening its access to strategic insurer customers, and creating operational synergies through technology digitalisation. The transaction was effected through the acquisition of 100% of the equity interests in Baoliandeng for a cash consideration of RMB1,800,000, together with a capital contribution of RMB30,000,000 made by the Group to Baoliandeng. In accordance with the transaction documents, Baoliandeng applied the funds contributed by the Group to acquire 99.98% of the equity interests in Guangzhou Tianxin.

Upon completion of the transaction, the Group held 100% of the equity interests in Baoliandeng, and Baoliandeng in turn held 99.98% of the equity interests in Guangzhou Tianxin. The Group also has the right to appoint all the directors of both Baoliandeng and Guangzhou Tianxin (collectively, the "Guangzhou Tianxin Group"). Accordingly, the Group obtained control over Guangzhou Tianxin through Baoliandeng and consolidated the financial results, assets and liabilities of the Guangzhou Tianxin Group from 29 September 2025. The acquisition was financed entirely by cash. The remaining 0.02% equity interests in Guangzhou Tianxin, which were held by third parties, were recognised as non-controlling interests.

The fair values of the identifiable assets and liabilities of Guangzhou Tianxin Group as at the date of acquisition were as follows:

	29 September 2025
	RMB'000
Property, plant and equipment	659
Intangible assets	10,139
Right-of-use assets	2,435
Prepayments, deposits and other receivables	2,681
Trade receivables	46,419
Cash and cash equivalents	23,241
Trade payables	(16,193)
Other payables and accruals	(25,176)
Interest-bearing bank and other borrowings	(700)
Contract liabilities	(9,622)
Lease liabilities	(2,236)
Deferred tax liabilities	(2,499)
Total identifiable net assets at fair value	29,148
Non-controlling interest	6
Goodwill on acquisition	2,658

	29 September 2025
	RMB'000
Satisfied by:	
Cash	31,800

The fair values of the trade receivables and other receivables as at the date of acquisition amounted to RMB46,419,000 and RMB1,392,000, respectively. The gross contractual amounts of trade receivables and other receivables were RMB49,064,000 and RMB1,974,000, respectively, of which RMB2,645,000 and RMB582,000 are expected to be uncollectible, respectively.

An analysis of the cash flows in respect of the acquisition of a subsidiary is as follows:

	As at 31 December
	2025
	RMB'000
Cash consideration	(31,800)
Cash and bank balances acquired	23,241
Net inflow/(outflow) of cash and cash equivalents included in cash flows from investing activities	(8,559)

Since the acquisition, Guangzhou Tianxin contributed RMB47,215,000 to the Group's revenue and contributed loss of RMB717,000 to the consolidated loss for the year ended 31 December 2025.

Had the combination taken place at the beginning of the year, the revenue of the Group and the loss of the Group for the year ended 31 December 2025 would have been RMB1,212,658,000 and RMB255,642,000 respectively.

34. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

	As at 31 December		
	2023	2024	2025
Percentage of equity interest held by non-controlling interests:			
Jiangsu Daotai and its subsidiaries	60.8%	60.8%	60.8%

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Profit or loss for the year allocated to non-controlling interests:			
Jiangsu Daotai and its subsidiaries	4,192	30,516	7,100
Dividends paid to non-controlling interests of Jiangsu Daotai	–	11,480	–
Accumulated balances of non-controlling interests at the reporting date:			
Jiangsu Daotai and its subsidiaries	31,754	50,790	57,890

The following tables illustrate the summarised financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

	Jiangsu Daotai and it's subsidiaries
	RMB'000
31 December 2023	
Revenue	42,625
Total expenses	(35,731)
Profit for the year	6,894
Total comprehensive income for the year	6,894
Current assets	113,464
Non-current assets	19,053
Current liabilities	(78,597)

	Jiangsu Daotai and it's subsidiaries
	RMB'000
Non-current liabilities	(1,693)
Net cash flows from operating activities	1,653
Net cash flows used in investing activities	(544)
Net cash flows used in financing activities	–
Net increase in cash and cash equivalents	1,109

	Jiangsu Daotai and it's subsidiaries
	RMB'000
As at 31 December 2024	
Revenue	363,470
Total expenses	(313,279)
Profit for the year	50,191
Total comprehensive income for the year	50,191
Current assets	126,246
Non-current assets	6,664
Current liabilities	(46,827)
Non-current liabilities	(2,547)
Net cash flows from operating activities	47,186
Net cash flows used in investing activities	(3,087)
Net cash flows used in financing activities	(42,337)
Net increase in cash and cash equivalents	1,762

	Jiangsu Daotai and it's subsidiaries
	RMB'000
As at 31 December 2025	
Revenue	209,955
Total expenses	(198,277)
Profit for the year	11,678
Total comprehensive income for the year	11,678
Current assets	125,997
Non-current assets	13,814
Current liabilities	(44,421)
Non-current liabilities	(175)
Net cash flows from operating activities	13,209
Net cash flows used in investing activities	(380)
Net cash flows used in financing activities	(18,271)
Net decrease in cash and cash equivalents	(5,442)

35. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the Relevant Periods, the Group had non-cash additions to right-of-use assets of RMB1,946,000, RMB16,854,000 and RMB2,432,000, non-cash termination of right-of-use assets of nil, nil and RMB2,342,000, non-cash additions to lease liabilities of RMB1,946,000, RMB16,854,000 and RMB2,432,000, in respect of lease arrangements for properties.

(b) Changes in liabilities arising from financing activities

	Interest-bearing bank and other borrowings	Dividends Payable	Lease liabilities	Financial liabilities at FVTPL	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023	–	–	5,897	602,235	608,132
Cash flows from/(used in) financing activities	7,606	–	(4,505)	–	3,101
New leases	–	–	1,946	–	1,946
Additions from business combinations	–	25,000	72	11,900	36,972
Accrual of interest	394	–	373	–	767
Change in fair value	–	–	–	256,735	256,735
Translation exchange adjustments	–	–	–	10,790	10,790

	Interest-bearing bank and other borrowings	Dividends Payable	Lease liabilities	Financial liabilities at FVTPL	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 31 December 2023 and 1 January 2024	8,000	25,000	3,783	881,660	918,443
Cash flows from/(used in) financing activities	29,046	(36,480)	(5,305)	53,000	40,261
Cash flows used in investing activities	–	–	–	(12,311)	(12,311)
New leases	–	–	16,854	–	16,854
Dividends declared	–	11,480	–	–	11,480
Accrual of interest	1,125	–	249	–	1,374
Issued but not received	–	–	–	87,000	87,000
Change in fair value	–	–	–	205,535	205,535
Translation exchange adjustments	–	–	–	13,771	13,771
As at 31 December 2024 and 1 January 2025	38,171	–	15,581	1,228,655	1,282,407
Cash flows from/(used in) financing activities	(9,292)	–	(5,926)	87,000	71,782
New leases	–	–	2,432	–	2,432
Additions from business combinations	700	–	2,236	–	2,936
Accrual of interest	321	–	717	–	1,038
Lease termination	–	–	(2,343)	–	(2,343)
Settlement with other receivables and amount due from a related party for convertible instruments issued last year	–	–	–	(87,000)	(87,000)
Change in fair value	–	–	–	303,550	303,550
Translation exchange adjustments	–	–	–	(30,146)	(30,146)
As at 31 December 2025	29,900	–	12,697	1,502,059	1,544,656

(c) Total cash outflow for leases

The total cash outflow for leases included in the consolidated statements of cash flows is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within operating activities	1,140	776	1,451
Within financing activities	4,505	5,305	5,926
Total	5,645	6,081	7,377

36. COMMITMENTS

At the end of each of the Relevant Periods, the Group and the Company did not have any significant commitment.

37. RELATED PARTY TRANSACTIONS AND BALANCES

The directors of the Company are of the view that the following parties/companies are related parties that had transactions or balances with the Group during the Relevant Periods.

(a) Name and relationship

Name of related parties	Relationship with the Group and the Company
ZhongAn Online P & C Insurance Co., Ltd. ("Zhongan Group")	Investors exercising significant influence over the Company

Name of related parties	Relationship with the Group and the Company
Suzhou Raipeng Information Technology Co., Ltd. ("Raipeng Group")	Investors exercising significant influence over the Jiangsu Daotai
Shanghai Nuanxin Health Technology Co., Ltd ("Shanghai Nuanxin")	Entity controlled by the chief product officer of the Company
Lu Min	Chief Executive Officer
Shen Heling	Chief Marketing Officer
Mo Zihao	Prior Chief Product Officer

(b) Transactions with related parties

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Provision of services to related parties			
Raipeng Group *(i)*	1,066	6,557	30,083
ZhongAn Group *(i)*	404,736	427,046	443,225
	405,802	433,603	473,308
Purchases of services from related parties			
Raipeng Group *(i)*	1,286	1,901	385
Shanghai Nuanxin *(i)*	2,549	2,549	6,988
ZhongAn Group *(i)*	5,378	3,917	5,181
	9,213	8,367	12,554

(i) The transactions with the related parties were made in accordance with the terms and conditions mutually agreed by the parties involved.

(c) Other transactions with related parties

Certain of the Group's directors and senior management have guaranteed certain bank loans made to the Group as disclosed in note 28 to the Historical Financial Information.

(d) Outstanding balance with related parties

The Group

Amounts due from related parties

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade related: *(i)*			
Contract assets – non-current			
– ZhongAn Group	13,818	36,710	60,873
– Impairment allowance	(208)	(38)	(441)
Trade receivables			
– ZhongAn Group	27,644	35,710	51,526
– Raipeng Group	1,049	2,744	1,386
– Impairment allowance	(23)	(17)	(42)
Prepayments, other receivables and other assets			
– Shanghai Nuanxin	2,195	2,725	–
– ZhongAn Group	691	–	893
– Impairment allowance	(91)	(284)	–
Contract assets – current			
– ZhongAn Group	40,662	41,612	56,228
– Impairment allowance	(28)	(14)	(44)
	85,709	119,148	170,379
Non-trade related:			
Prepayments, other receivables and other assets			
Lu Min *(ii)*	25,815	26,201	25,618
ZhongAn Group *(iii)*	–	12,000	–
	25,815	38,201	25,618

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Total	111,524	157,349	195,997

An ageing analysis of trade receivables of related parties as at the end of each of the Relevant Periods, based on the date of recognition and net of allowance, is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 3 months	16,079	25,573	41,624
3 months to 6 months	12,305	6,350	5,331
6 months to 12 months	210	6,466	5,745
Over 12 months	76	48	170
Total	28,670	38,437	52,870

Amounts due to related parties

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade related: *(i)*			
Trade payables			
– ZhongAn Group	3,465	4,684	3,763
– Raipeng Group	38	355	85
– Shanghai Nuanxin	2,958	1,446	–
Other payables and accruals			
– ZhongAn Group	16,468	13,291	22,359
– Shanghai Nuanxin	–	–	2,452
	22,929	19,776	28,659
Non-trade related:			
– ZhongAn Group *(iv)*	47,541	4,815	1,156
– Shen Heling	28	12	62
	47,569	4,827	1,218
Total	70,498	24,603	29,877

(i) The outstanding balances are trade in nature, unsecured and interest-free and normally settled on 30-day to 1 year terms.

(ii) The outstanding balance with Lu Min is non-trade in nature, unsecured, interest-free and associated with the exercising of share options. The directors of the Group confirm that all outstanding balance will be settled upon Listing.

(iii) The outstanding balance with ZhongAn is non-trade in nature, unsecured, interest-free and associated with the Series B financing.

(iv) The outstanding balance with ZhongAn is non-trade in nature, unsecured, interest-free and repayable on demand. The directors of the Group confirm that all outstanding balance will be settled upon Listing.

An ageing analysis of trade payables at the end of each of the Relevant Periods and at 30 June 2025, based on the date of recognition, is as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	4,973	5,330	3,391
Over 1 year	1,488	1,155	457

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Total	6,461	6,485	3,848

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Amounts due from subsidiaries	25,815	26,200	25,618
Total	25,815	26,200	25,618

Amounts due from subsidiaries are unsecured and non-interest-bearing and repayable on demand.

The Company has assessed the expected loss rate for amounts due from the related parties by considering the financial position and credit history of the related party and assessed that the expected credit loss is minimal.

(e) Compensation of key management personnel of the Group

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Short-term employee benefits	7,850	9,787	10,487
Contributions to the pension scheme	340	353	361
Share-based payment compensation	1,162	2,042	17,031
Total	9,352	12,182	27,879

Further details of directors' and the chief executives' emoluments are included in note 10 to the Historical Financial Information.

38. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each of the Relevant Periods were as follows:

As at 31 December 2023

Financial assets

	At amortized cost
	RMB'000
Financial assets included in prepayments, other receivables and other assets *(note 23)*	7,284
Financial assets included in amounts due from related parties *(note 37)*	54,999
Trade receivables *(note 22)*	119,212
Pledged deposits, non-current *(note 25)*	5,202
Cash held on behalf of other parties *(note 25)*	16,226
Cash and cash equivalents *(note 25)*	137,170
Total	340,093

Financial liabilities

	At amortized cost	At FVTPL designated as such upon initial recognition	At FVTPL	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables *(note 26)*	143,635	–	–	143,635
Convertible redeemable preferred shares *(note 29)*	–	803,158	–	803,158
Convertible Instruments *(note 29)*	–	66,602	–	66,602
Contingent consideration payable *(note 29)*	–	–	11,900	11,900

	At amortized cost	At FVTPL designated as such upon initial recognition	At FVTPL	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities included in other payables and accruals *(note 27)*	71,545	–	–	71,545
Financial liabilities included in amounts due to related parties *(note 37)*	70,498	–	–	70,498
Interest-bearing bank and other borrowings *(note 28)*	8,000	–	–	8,000
Total	293,678	869,760	11,900	1,175,338

As at 31 December 2024

Financial assets

	At amortized cost
	RMB'000
Financial assets included in prepayments, other receivables and other assets *(note 23)*	80,388
Financial assets included in amounts due from related parties *(note 37)*	76,959
Trade receivables *(note 22)*	177,966
Pledged deposits, non-current *(note 25)*	5,202
Cash held on behalf of other parties *(note 25)*	11,181
Cash and cash equivalents *(note 25)*	166,964
Total	518,660

Financial liabilities

	At amortized cost	At FVTPL designated as such upon initial recognition	Total
	RMB'000	*RMB'000*	*RMB'000*
Trade payables *(note 26)*	214,152	–	214,152
Convertible redeemable preferred shares *(note 29)*	–	1,089,455	1,089,455
Convertible Instruments *(note 29)*	–	139,200	139,200
Financial liabilities included in other payables and accruals *(note 27)*	32,526	–	32,526
Financial liabilities included in amounts due to related parties *(note 37)*	24,333	–	24,333
Interest-bearing bank and other borrowings *(note 28)*	38,171	–	38,171
Total	309,182	1,228,655	1,537,837

As at 31 December 2025

Financial assets

	At amortized cost	At FVTPL	Total
	RMB'000	*RMB'000*	*RMB'000*
Financial assets at FVTPL *(note 24)*	–	25,727	25,727
Financial assets included in prepayments, other receivables and other assets *(note 23)*	22,726	–	22,726
Financial assets included in amounts due from related parties *(note 37)*	195,105	–	195,105
Trade receivables *(note 22)*	223,037	–	223,037
Pledged deposits, non-current *(note 25)*	5,202	–	5,202
Cash held on behalf of other parties *(note 25)*	7,137	–	7,137
Cash and cash equivalents *(note 25)*	247,109	–	247,109
Total	700,316	25,727	726,043

Financial liabilities

	At amortized cost	At FVTPL designated as such upon initial recognition	Total
	RMB'000	*RMB'000*	*RMB'000*
Trade payables *(note 26)*	253,114	–	253,114
Convertible redeemable preferred shares *(note 29)*	–	1,502,059	1,502,059
Financial liabilities included in other payables and accruals *(note 27)*	26,166	–	26,166
Financial liabilities included in amounts due to related parties *(note 37)*	29,877	–	29,877
Interest-bearing bank and other borrowings *(note 28)*	29,900	–	29,900
Total	339,057	1,502,059	1,841,116

39. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, restricted cash, cash held on behalf of other parties, trade receivables, trade payables, financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals, and interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance manager reports directly to the chief financial officer. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of financial assets at fair value through profit or loss was based on the net asset value of the wealth management products provided by the financial institution.

The fair values of the convertible redeemable preferred shares and convertible instruments measured at FVTPL are determined by using the back-solve method and the discounted cash flow method. The fair value of contingent consideration is determined by using the discounted cash flow method.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments.

Assets measured at fair value

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
	(Level 1) *RMB'000*	*(Level 2)* *RMB'000*	*(Level 3)* *RMB'000*	*RMB'000*
Financial assets at FVTPL	–	25,727	–	25,727

Liabilities measured at fair value

As at 31 December 2023

	Fair value measurement using			
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
	(Level 1) *RMB'000*	*(Level 2)* *RMB'000*	*(Level 3)* *RMB'000*	*RMB'000*
Financial liabilities at FVTPL	–	–	881,660	881,660

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
	(Level 1)	*(Level 2)*	*(Level 3)*	
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities at FVTPL	–	–	1,228,655	1,228,655

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs	Total
	(Level 1)	*(Level 2)*	*(Level 3)*	
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities at FVTPL	–	–	1,502,059	1,502,059

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2023, 2024 and 2025.

	Valuation technique	Significant unobservable input	Year	Range	Sensitivity of fair value to the input
Financial liabilities at FVTPL	Discounted Cash Flow	Risk-free interest rate	2023	4.51%-5.18%	5% increase/decrease in risk-free interest rate would result in decrease/increase in fair value by USD22,285/USD22,243
	Discounted Cash Flow	Volatility	2023	34%-40%	5% increase/decrease in volatility would result in decrease/increase in fair value by USD381,127/USD386,469
	Back solve	Risk-free interest rate	2024	4.21%	5% increase/decrease in risk-free interest rate would result in decrease/increase in fair value by USD75,423/USD75,810
	Back solve	Volatility	2024	35.00%	5% increase/decrease in volatility would result in decrease/increase in fair value by USD634,047/USD637,773
	Discounted Cash Flow	Risk-free interest rate	2025	3.59%	5% increase/decrease in risk-free interest rate would result in decrease/increase in fair value by USD16,392/USD16,418
	Discounted Cash Flow	Volatility	2025	33.00%	5% increase/decrease in volatility would result in decrease/increase in fair value by USD510,475/USD512,778

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents, interest-bearing bank and other borrowings, and convertible redeemable preferred shares. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables, financial assets included in prepayments, other receivables and other assets, trade payables and financial liabilities included in other payables and accruals which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Group mainly operates in the Chinese mainland and Hong Kong with most of the Group's monetary assets, liabilities and transactions principally denominated in Renminbi and United States dollars. The Group has not used any derivative to hedge its exposure to foreign currency risk.

The following table indicates the approximate change in the Group's loss before tax and the Group's equity in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the end of each of the Relevant Periods with all other variables held constant:

	Increase/(decrease) in rate of foreign currency	Increase/(decrease) in loss before tax	Increase/(decrease) in equity
	%	*RMB'000*	*RMB'000*
Year ended 31 December 2023			
If RMB weakens against US$	5	18	18
If RMB strengthens against US$	(5)	(18)	(18)
Year ended 31 December 2024			
If RMB weakens against US$	5	17	17
If RMB strengthens against US$	(5)	(17)	(17)
Year ended 31 December 2025			
If RMB weakens against US$	5	291	291
If RMB strengthens against US$	(5)	(291)	(291)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the head of credit control.

The credit risk of the Group's financial assets, which comprise cash and cash equivalents, pledged deposits, cash held on behalf of other parties, trade receivables and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Maximum exposure and staging as at 31 December 2023, 2024 and 2025

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification at the end of each of the Relevant Periods. The amounts presented are gross carrying amounts for financial assets.

31 December 2023

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables*	–	–	–	119,737	119,737
Contract assets	–	–	–	66,722	66,722
Amounts due from related parties	29,298	–	–	80,294	109,592
Financial assets included in prepayments, other receivables and other assets	–	–	–	–	–
–Normal**	7,394	–	–	–	7,394
Cash held on behalf of other parties	16,226	–	–	–	16,226
Pledged deposits	5,202	–	–	–	5,202
Cash and cash equivalents	137,170	–	–	–	137,170
Total	195,290	–	–	266,753	462,043

31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables*	–	–	–	178,337	178,337
Contract assets	–	–	–	46,738	46,738
Amounts due from related parties	39,213	–	–	116,522	155,735
Financial assets included in prepayments, other receivables and other assets	–	–	–	–	–
–Normal**	81,043	–	–	–	81,043
Cash held on behalf of other parties	11,181	–	–	–	11,181
Pledged deposits	5,202	–	–	–	5,202
Cash and cash equivalents	166,964	–	–	–	166,964
Total	303,603	–	–	341,597	645,200

31 December 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables*	–	–	–	225,600	225,600
Contract assets	–	–	–	28,009	28,009
Amounts due from related parties	52,912	–	–	142,721	195,633
Financial assets included in prepayments, other receivables and other assets					
–Normal**	22,825	–	–	–	22,825
Cash held on behalf of other parties	7,137	–	–	–	7,137
Pledged deposits	5,202	–	–	–	5,202
Cash and cash equivalents	247,109	–	–	–	247,109
Total	335,185	–	–	396,330	731,515

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 22.

** The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assists and liabilities. The Group monitors its risk to a shortage of funds by considering the maturities of both its financial liabilities and financial assets.

The Group's objective is to maintain a balance between continuity of funding and flexibility. The Group aims to maintain sufficient cash and cash equivalents to meet its liquidity requirements.

The maturity profile of the Group's financial liabilities and lease liabilities as at the end of each of the Relevant Periods, based on the contractual undiscounted payments, is as follows:

31 December 2023

	Within 1 year or on demand	1 year to 2 years	2 years to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	143,635	–	–	–	143,635
Other payables and accruals	71,545	–	–	–	71,545

	Within 1 year or on demand	1 year to 2 years	2 years to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Interest-bearing bank and other borrowings	8,085	–	–	–	8,085
Financial liabilities at FVTPL	881,660	–	–	–	881,660
Lease liabilities	3,753	168	–	–	3,921
Amounts due to related parties	70,498	–	–	–	70,498
Total	1,179,176	168	–	–	1,179,344

31 December 2024

	Within 1 year or on demand	1 year to 2 years	2 years to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	214,152	–	–	–	214,152
Other payables and accruals	32,526	–	–	–	32,526
Interest-bearing bank and other borrowings	38,617	–	–	–	38,617
Financial liabilities at FVTPL	–	1,228,655	–	–	1,228,655
Lease liabilities	7,258	4,812	4,646	–	16,716
Amounts due to related parties	24,603	–	–	–	24,603
Total	317,156	1,233,467	4,646	–	1,555,269

31 December 2025

	Within 1 year or on demand	1 year to 2 years	2 years to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	253,114	–	–	–	253,114
Other payables and accruals	102,213	–	–	–	102,213
Interest-bearing bank and other borrowings	29,900	–	–	–	29,900
Financial liabilities at FVTPL	–	1,502,059	–	–	1,502,059
Lease liabilities	7,335	5,290	806	–	13,431
Amounts due to related parties	29,877	–	–	–	29,877
Total	422,439	1,507,349	806	–	1,930,594

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit profile and healthy capital ratios in order to support its business and maximize shareholders' value.

The Group regards net assets as capital and manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the Relevant Periods.

41. EVENTS AFTER 31 DECEMBER 2025

There has been no material subsequent event undertaken by the Group.

42. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to 31 December 2025.

III. SUPPLEMENTARY PRE-ACQUISITION FINANCIAL INFORMATION OF JIANGSU DAOTAI

Financial information of Jiangsu Daotai for the period from 1 January 2023 to 31 October 2023 (the date prior to the date of acquisition of Jiangsu Daotai Group) (the "Pre-acquisition Period") has been prepared by the directors of Jiangsu Daotai in accordance with the accounting policies as set out in Section II Note 2.3 above. This information is hereafter referred to as the "Financial Information of Jiangsu Daotai".

1. FINANCIAL INFORMATION OF JIANGSU DAOTAI

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	**Ten months ended 31 October 2023**
		RMB'000
REVENUE		241,200
Cost of services		(163,285)
GROSS PROFIT		77,915
Other income and gains		1,720
Selling and distribution expenses		(3,375)
Administrative expenses		(9,844)
Research and development expenses		(19,955)
Impairment for financial assets		3
Finance costs		–
PROFIT BEFORE TAX	*4*	46,464
Income tax expense	*5*	–
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD AND ATTRIBUTABLE TO OWNERS OF THE PARENT		46,464

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**As at 31 October 2023**
		RMB'000
NON-CURRENT ASSETS		
Property, plant and equipment		4,595
Right-of-use assets		292
Total non-current assets		4,887
CURRENT ASSETS		
Trade receivables	*6*	51,942
Prepayments, other receivables and other assets	*7*	9,158
Cash and cash equivalents	*8*	30,746
Total current assets		91,846
CURRENT LIABILITIES		
Trade payables	*9*	29,427
Other payables and accruals	*10*	33,208
Lease liabilities		72
Contract liabilities		290
Amounts due to related parties	*11*	1,166
Total current liabilities		64,163
NET CURRENT ASSETS		27,683
TOTAL ASSETS LESS CURRENT LIABILITIES		32,570
Net assets		32,570
EQUITY		
Equity attributable to owners of the Company		
Paid-in capital		25,000
Other reserves		7,570
Total equity		32,570

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attribute to owners of the parent				
	Paid-in capital	Share-based payment reserve	Statutory reserve	Retained earnings/ (accumulated losses)	Total equity
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at 1 January 2023	20,000	–	3,753	22,851	46,604
Profit for the period	–	–	–	46,464	46,464
Total profit and comprehensive income for the period	–	–	–	46,464	46,464
Dividends payable	–	–	–	(70,690)	(70,690)
Equity-settled share awards arrangements	–	5,192	–	–	5,192
Capital contributions by shareholders	5,000	–	–	–	5,000
Transfer to statutory reserve	–	–	15,440	(15,440)	–
As at 31 October 2023	25,000	5,192	19,193	(16,815)	32,570

CONSOLIDATED STATEMENT OF CASH FLOWS

	Ten months ended 31 October
	2023
	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES	
Profit before tax	46,464
Adjustments for:	
Depreciation of items of property, plant and equipment	1,585
Depreciation of right-of-use assets	333
Recognition of equity-settled share-based payments	5,192
Impairment for financial assets	(3)
Finance costs	–
Bank interest income	(196)
	53,375
Decrease in trade receivables	10,847
Increase in prepayments, other receivables and other assets	(3,965)
Increase in trade payables	15,009
Decrease in other payables and accruals	(19,035)
Increase in contract liabilities	290
Increase in due to related parties	1,122
Cash generated from operations	57,643
Interest received	196
Income tax paid	(86)
Net cash flows from operating activities	57,753
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of items of property, plant and equipment	(2,025)
Acquisition of subsidiaries	–
Net cash flows used in investing activities	(2,025)
CASH FLOWS FROM FINANCING ACTIVITIES	
Lease payments	(510)
Payments for dividends	(45,690)
Capital contributions by shareholders	5,000
Net cash flows used in financing activities	(41,200)
NET INCREASE IN CASH AND CASH EQUIVALENTS	14,528
Cash and cash equivalents at beginning of period	16,218
CASH AND CASH EQUIVALENTS AT END OF PERIOD	30,746
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	
Cash and bank balances	30,746
Cash and cash equivalents as stated in the statement of cash flows	30,746

STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	As at 31 October 2023
	RMB'000
NON-CURRENT ASSETS	
Property, plant and equipment	3,428
Right-of-use assets	292
Total non-current assets	3,720
CURRENT ASSETS	
Trade receivables	54,415
Prepayments, other receivables and other assets	14,643
Cash and cash equivalents	23,068
Total current assets	92,126
CURRENT LIABILITIES	
Trade payables	9,826
Other payables and accruals	52,908
Lease liabilities	72
Amounts due to related parties	1,166
Total current liabilities	63,972
NET CURRENT ASSETS	28,154
TOTAL ASSETS LESS CURRENT LIABILITIES	31,874
Net assets	31,874
EQUITY	
Paid-in capital	25,000
Other reserves	6,874
Total equity	31,874

2. MATERIAL ACCOUNTING POLICY INFORMATION

The Financial Information of Daotai has been prepared in accordance with the accounting policies as set out in Section II Note 2.3 above.

3. REVENUE

An analysis of revenue is as follows:

(a) Disaggregated revenue information

Types of services

	Ten months ended 31 October
	2023
	RMB'000
Underwriting solutions	241,200

Timing of revenue recognition

	Ten months ended 31 October
	2023
	RMB'000
Underwriting solutions	
At a point in time	241,200

(b) Performance obligations

Information about the Jiangsu Daotai Group's performance obligations is summarized below:

Underwriting Solutions

For customer engagement services, the performance obligation is mainly recognised at the point in time when an insurance policy becomes effective.

4. PROFIT BEFORE TAX

Jiangsu Daotai Group's profit before tax is arrived at after charging/(crediting):

	Ten months ended 31 October
	2023
	RMB'000
Cost of services rendered (excluding those included in employee benefit expense and depreciation)	145,064
Depreciation of items of property, plant and equipment	1,585
Depreciation of right-of-use assets	333
Research and development expenses	19,955

	Ten months ended 31 October
	2023
	RMB'000
Auditor's remuneration	26
Employee benefit expense	
– Salaries, allowances and benefits in kind	15,307
– Pension scheme contributions	996
– Share-based payment compensation	5,192
Subtotal	21,495
Impairment of financial assets	(3)

5. INCOME TAX EXPENSE

Jiangsu Daotai is accredited as a "High and New Technology Enterprise" and were therefore entitled to a preferential income tax rate of 15% during the 10 months ended 31 October 2023. Jiangsu Daotai's subsidiary Baotai is accredited as a "High and New Technology Enterprise" and were therefore entitled to a preferential income tax rate of 15% during the 10 months ended 31 October 2023. Such qualifications are subject to review by the relevant tax authority in the PRC for every three years.

Jiangsu Daotai is qualified as a DSE under the EIT Law during the 10 months ended 31 October 2023. Jiangsu Daotai's subsidiary Baotai is qualified as a DSE under the EIT Law during the 10 months ended 31 October 2023. According to the relevant tax regulations, the qualified subsidiary was exempted from CIT for two years, followed by a 50% reduction in the applicable tax rates for the next three years if the criteria of DSE are met each year.

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the country in which the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

	Ten months ended 31 October
	2023
	RMB'000
Profit before tax	46,464
Tax at the statutory tax rate of 25%	11,616
Effects of preferential tax rates applicable to eligible subsidiaries	(1,312)
Expenses not deductible for tax	63
Tax losses utilized from previous periods	(5,369)
Temporary differences and tax losses for which no deferred income tax asset was recognised	–
Accelerated research and development deductible expenses	(4,998)
Tax at the effective tax rates	–

6. TRADE RECEIVABLES

	As at 31 October 2023
	RMB'000
Trade receivables	51,958
Impairment	(16)
Total	51,942

An ageing analysis of the trade receivables as at 31 October 2023, based on the date of recognition and net of allowance, is as follows:

	As at 31 October 2023
	RMB'000
Within 3 months	51,942

7. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	As at 31 October 2023
	RMB'000
Prepayments	8,835
Tax recoverable	252
Others	71
Total	9,158

8. CASH AND CASH EQUIVALENTS

	As at 31 October 2023
	RMB'000
Cash at banks	30,746
Denominated in:	
RMB	30,746
Total	30,746

9. TRADE PAYABLES

An ageing analysis of trade payables as at 31 October 2023, based on the date of recognition, is as follows:

	As at 31 October 2023
	RMB'000
Within 1 year	29,427

The trade payables are non-interest-bearing and are normally settled on 30-day to 1 year terms.

10. OTHER PAYABLES AND ACCRUALS

	As at 31 October 2023
	RMB'000
Payroll and welfare payables	7,279
Other tax payables	495
Dividend payables	25,000
Other payables	434
Total	33,208

11. RELATED PARTY TRANSACTIONS AND BALANCES

The directors of the Company are of the view that the following parties/companies are related parties that had transactions or balances with the Jiangsu Daotai during the period ended 31 October 2023 or at 31 October 2023.

(a) Name and relationship

Name of related parties	Relationship with the Jiangsu Daotai
Suzhou Raipeng Information Technology Co., Ltd. and its affiliates (collectively, the "Raipeng Group")	Investors exercising significant influence over the Jiangsu Daotai

(b) Transactions with related parties

	Ten months ended 31 October 2023
	RMB'000
Provision of services to related parties	
Raipeng Group *(i)*	5,367
Purchases of services from related parties	
Raipeng Group *(i)*	1,390

(i) The transactions with the related parties were made in accordance with the terms and conditions mutually agreed by the parties involved.

(c) Outstanding balance with related parties

Amounts due to related parties

	As at 31 October
	2023
	RMB'000
Trade payables	
Raipeng Group *(i)*	1,166
Total	1,166

(i) The outstanding balances are trade in nature, unsecured and interest-free. The aging of these outstanding balances is all within one year.