The following is the text of a report received from the independent reporting accountants, Ernst & Young, Certified Public Accountants, Hong Kong, prepared for the purpose of incorporation in this document.

[***To insert the firm's letterhead with official address upon final stage***]

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF SHANGHAI NEWRANK INFO & TECH CO., LTD. AND CHINA MERCHANTS SECURITIES (HK) CO., LIMITED

Introduction

We report on the historical financial information of Shanghai Newrank Info & Tech Co.,Ltd. (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-3 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-3 to I-[●] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [●] (the "**document**") in connection with the initial [REDACTED] 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 (the "**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-3 have been made.

Dividends

We refer to note 11 to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Relevant Periods.

Certified Public Accountants
Hong Kong
[●]

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 ("**HKSAs**") 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

		Year ended 31 December		
		2023	2024	2025
	Notes	RMB'000	RMB'000	RMB'000
REVENUE	*5*	1,425,231	1,563,966	1,949,630
Cost of sales		(1,250,878)	(1,408,803)	(1,690,755)
Gross profit		174,353	155,163	258,875
Other income and gains	*5*	11,779	21,166	4,746
Selling and marketing expenses		(34,462)	(39,723)	(51,647)
Administrative expenses		(45,237)	(49,676)	(53,458)
Research and development expenses		(60,097)	(52,941)	(67,596)
Impairment on financial assets, net		(798)	(11,041)	1,314
Other expenses		(303)	(182)	(11,860)
Finance costs	*7*	(13,864)	(12,952)	(16,137)
Share of losses of associates	*6*	(865)	—	—
PROFIT BEFORE TAX	*6*	30,506	9,814	64,237
Income tax credit/(expense)	*10*	2,421	2,110	(1,431)
PROFIT FOR THE YEAR		32,927	11,924	62,806
Attributable to:				
Owners of the parent		32,926	11,907	62,805
Non-controlling interest		1	17	1
		32,927	11,924	62,806
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT				
Basic and diluted				
— For profit for the year	*12*	3.29	1.19	6.28

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

		Year ended 31 December		
		2023	**2024**	**2025**
	Notes	**RMB'000**	**RMB'000**	**RMB'000**
PROFIT FOR THE YEAR		32,927	11,924	62,806
OTHER COMPREHENSIVE INCOME/ (LOSS)				
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:				
Receivables at fair value through other comprehensive income				
Changes in fair value		737	(331)	195
Income tax effect		(110)	49	(29)
OTHER COMPREHENSIVE INCOME/ (LOSS) FOR THE YEAR, NET OF TAX		627	(282)	166
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		33,554	11,642	62,972
Attributable to:				
Owners of the parent		33,553	11,625	62,971
Non-controlling interest		1	17	1
		33,554	11,642	62,972

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December		
		2023	2024	2025
	Notes	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS				
Property, plant and equipment	*13*	308	5,025	3,819
Right-of-use assets	*14*	19,055	36,094	31,244
Deferred tax assets	*25*	7,309	9,541	8,133
Total non-current assets		26,672	50,660	43,196
CURRENT ASSETS				
Trade receivables	*16*	412,086	476,646	813,317
Prepayments, other receivables and other assets	*18*	195,876	231,065	237,999
Financial assets at fair value through profit or loss	*19*	30,009	—	10,000
Receivables at fair value through other comprehensive income	*17*	37,097	64,384	53,231
Pledged deposits	*20*	3,000	1,500	1,500
Restricted cash		—	—	24
Cash and cash equivalents	*20*	81,736	20,601	38,784
Total current assets		759,804	794,196	1,154,855
CURRENT LIABILITIES				
Trade payables	*21*	75,792	74,075	154,105
Other payables and accruals	*22*	58,584	67,732	140,407
Contract liabilities	*23*	15,960	13,578	23,384
Interest-bearing bank borrowings	*24*	218,362	259,675	423,285
Lease liabilities	*14*	8,142	7,098	7,783
Tax payable		18	91	21
Provisions	*26*	18,250	3,951	11,500
Other current liabilities		155	—	—
Total current liabilities		395,263	426,200	760,485
NET CURRENT ASSETS		364,541	367,996	394,370
TOTAL ASSETS LESS CURRENT LIABILITIES		391,213	418,656	437,566
NON-CURRENT LIABILITIES				
Lease liabilities	*14*	11,439	30,519	26,457
Net assets		379,774	388,137	411,109
EQUITY				
Equity attributable to owners of the parent				
Share capital	*27*	10,000	10,000	10,000
Reserves	*28*	368,266	376,612	399,583
		378,266	386,612	409,583
Non-controlling interest		1,508	1,525	1,526
Total equity		379,774	388,137	411,109

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent								
	Share capital	Capital reserve*	Share-based payment reserve*	Other comprehensive income*	Statutory reserve*	Retained profits*	Total	Non-controlling interest	Total equity
	RMB'000 (note 27)	RMB'000 (note 28)	RMB'000 (note 28)	RMB'000 (note 28)	RMB'000 (note 28)	RMB'000 (note 28)	RMB'000	RMB'000	RMB'000
At 1 January 2023	**10,000**	**226,237**	**91,938**	**(1,084)**	**2,361**	**15,261**	**344,713**	**1,204**	**345,917**
Profit for the year	—	—	—	—	—	32,926	32,926	1	32,927
Other comprehensive income for the year:									
Changes in fair value of receivables at fair value through other comprehensive income, net of tax	—	—	—	627	—	—	627	—	627
Total comprehensive income for the year	—	—	—	627	—	32,926	33,553	1	33,554
Disposal of a subsidiary	—	—	—	—	—	—	—	303	303
Appropriation of statutory reserves	—	—	—	—	2,639	(2,639)	—	—	—
At 31 December 2023	**10,000**	**226,237**	**91,938**	**(457)**	**5,000**	**45,548**	**378,266**	**1,508**	**379,774**
At 1 January 2024	**10,000**	**226,237**	**91,938**	**(457)**	**5,000**	**45,548**	**378,266**	**1,508**	**379,774**
Profit for the year	—	—	—	—	—	11,907	11,907	17	11,924
Other comprehensive loss for the year:									
Changes in fair value of receivables at fair value through other comprehensive income, net of tax	—	—	—	(282)	—	—	(282)	—	(282)
Total comprehensive (loss)/income for the year	—	—	—	(282)	—	11,907	11,625	17	11,642
Disposal of an associate	—	(3,279)	—	—	—	—	(3,279)	—	(3,279)
At 31 December 2024	**10,000**	**222,958**	**91,938**	**(739)**	**5,000**	**57,455**	**386,612**	**1,525**	**388,137**
At 1 January 2025	**10,000**	**222,958**	**91,938**	**(739)**	**5,000**	**57,455**	**386,612**	**1,525**	**388,137**
Profit for the year	—	—	—	—	—	62,805	62,805	1	62,806
Other comprehensive income for the year:									
Changes in fair value of receivables at fair value through other comprehensive income, net of tax	—	—	—	166	—	—	166	—	166
Total comprehensive income for the year	—	—	—	166	—	62,805	62,971	1	62,972
Dividend declared	—	—	—	—	—	(40,000)	(40,000)	—	(40,000)
At 31 December 2025	**10,000**	**222,958**	**91,938**	**(573)**	**5,000**	**80,260**	**409,583**	**1,526**	**411,109**

* These reserve accounts comprise the consolidated reserves of RMB368,266,000, RMB376,612,000 and RMB399,583,000 respectively in the consolidated statements of financial position as at 31 December 2023, 2024 and 2025, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended 31 December		
		2023	2024	2025
	Notes	RMB'000	RMB'000	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax:	*6*	30,506	9,814	64,237
Adjustments for:				
Finance costs	*7*	13,864	12,952	16,137
Share of losses of associates	*6*	865	—	—
Interest income	*5*	(733)	(604)	(225)
Gain on disposal of a subsidiary	*6*	(1,146)	—	—
Loss on disposal of items of property, plant and equipment	*6*	—	5	—
Loss/(gain) on termination of lease contracts	*6*	—	174	(38)
Gains on disposal of financial assets at fair value through profit or loss	*6*	—	(573)	(33)
Gain on disposal of an associate	*6*	—	(3,585)	—
Fair value gain on financial assets at fair value through profit or loss	*6*	(9)	—	—
Fair value loss on financial assets at fair value through profit or loss	*6*	300	—	—
Depreciation of property, plant and equipment	*6*	477	687	1,666
Depreciation of right-of-use assets	*6*	9,014	10,103	8,934
Impairment on financial assets, net		798	11,041	(1,314)
(Reversal)/accrual of provisions	*6*	—	(14,299)	11,500
		53,936	25,715	100,864
Increase in trade receivables		(35,549)	(74,066)	(335,249)
Increase in prepayments, other receivables and other assets		(46,298)	(37,833)	(5,657)
Decrease/(increase) in receivables at fair value through other comprehensive income		41,519	(31,945)	7,096
Increase in restricted cash		—	—	(24)
(Decrease)/increase in trade payables		(31,825)	(1,716)	80,030
Increase in other payables and accruals		8,282	9,148	32,675
Decrease in provisions		—	—	(3,951)
Increase/(decrease) in contract liabilities		6,799	(2,382)	9,806
Increase/(decrease) in other current liabilities		155	(155)	—
Cash used in operations		(2,981)	(113,234)	(114,410)
Interest received		733	604	225
Income tax paid		(907)	—	(122)
Net cash flows used in operating activities		(3,155)	(112,630)	(114,307)

		Year ended 31 December		
		2023	2024	2025
	Notes	RMB'000	RMB'000	RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of items of property, plant and equipment		(88)	(5,409)	(460)
Purchases of financial assets at fair value through profit or loss		(30,000)	(70,000)	(50,000)
Proceeds from disposal of financial assets at fair value through profit or loss		2,000	101,158	40,033
Repayment of investment to an investee		1,000	840	—
Proceeds from disposal of an associate		—	—	306
Net cash flows (used in)/from investing activities		(27,088)	26,589	(10,121)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from interest-bearing bank borrowings		329,150	463,300	534,830
Repayment of interest-bearing bank borrowings		(225,908)	(421,950)	(371,500)
Placement of pledged deposits		(3,000)	(3,000)	—
Withdrawal of pledged deposits		—	4,500	—
Principal portion of lease payments		(9,137)	(9,282)	(7,423)
Payment of [REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]
Interest paid		(7,537)	(8,662)	(11,605)
Net cash flows from financing activities		83,568	24,906	142,611
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		53,325	(61,135)	18,183
Cash and cash equivalents at beginning of year		28,411	81,736	20,601
CASH AND CASH EQUIVALENTS AT END OF YEAR		81,736	20,601	38,784

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at 31 December		
		2023	2024	2025
	Notes	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS				
Property, plant and equipment	*13*	308	4,411	3,819
Right-of-use assets	*14*	12,578	29,204	23,342
Investments in subsidiaries	*15*	22,130	22,130	22,130
Deferred tax assets	*25*	7,296	9,541	8,133
Total non-current assets		42,312	65,286	57,424
CURRENT ASSETS				
Trade receivables	*16*	388,397	465,801	801,756
Financial assets at fair value through profit or loss	*19*	30,009	—	10,000
Receivables at fair value through other comprehensive income	*17*	37,097	64,384	53,231
Prepayments, other receivables and other assets	*18*	190,731	206,481	225,667
Due from subsidiaries		49,003	58,390	13,143
Pledged deposits	*20*	3,000	1,500	1,500
Restricted cash	*20*	—	—	24
Cash and cash equivalents	*20*	72,509	13,677	38,266
Total current assets		770,746	810,233	1,143,587
CURRENT LIABILITIES				
Trade payables	*21*	70,192	72,218	146,377
Other payables and accruals	*22*	47,718	56,664	124,956
Contract liabilities	*23*	14,225	12,913	22,888
Due to subsidiaries		75,386	41,951	32,085
Interest-bearing bank borrowings	*24*	188,339	251,673	406,782
Lease liabilities	*14*	6,857	5,463	5,336
Provisions	*26*	18,250	3,951	11,500
Other current liabilities		155	—	—
Total current liabilities		421,122	444,833	749,924
NET CURRENT LIABILITIES		349,624	365,400	393,663
TOTAL ASSETS LESS CURRENT LIABILITIES		391,936	430,686	451,087
NON-CURRENT LIABILITIES				
Lease liabilities	*14*	6,298	25,894	21,281
Total non-current liabilities		6,298	25,894	21,281
NET ASSETS		385,638	404,792	429,806
EQUITY				
Share capital	*27*	10,000	10,000	10,000
Reserves		375,638	394,792	419,806
Total equity		385,638	404,792	429,806

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE AND GROUP INFORMATION

Shanghai Newrank Info & Tech Co.,Ltd. (the "**Company**") was incorporated in the People's Republic of China ("**PRC**") on 22 February 2012, as a limited liability company under the Companies Law of the PRC. The registered office of the Company is located at P3 Room 131, 1st Floor, No. 11, Lane 16299, Puhui Highway, Shanyang Town, Jinshan District, Shanghai, PRC. The Company was restructured from a limited company to a joint-stock company with limited liability on 3 November 2022.

During the Relevant Periods, the Group is principally engaged in providing AI-powered content marketing solutions and content management services to enterprise customers.

As at the end of Relevant Periods, the Company had direct interests in its subsidiaries, all of which are private limited liability companies, the particulars of which are as follows:

Name	Place and date of incorporation/ registration and place of operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Shanghai Newrank Youxuan Information Technology Co., Ltd.*/** (上海新榜優選信息科技有限公司)	8 July 2015, PRC/Chinese Mainland	RMB 20,000,000	100%	—	Content marketing solutions
Beijing Newrank Information Technology Co., Ltd.*/*** (北京新榜信息科技有限公司) ("Beijing Newrank")	18 March 2014, PRC/Chinese Mainland	RMB10,000,000	100%	—	Content management services
Shanghai Qianren Qianmian Enterprise Management Consulting Co., Ltd.*/** (上海仟人仟面企業管理咨詢有限公司)	26 December 2017, PRC/Chinese Mainland	RMB1,000,000	100%	—	Content marketing solutions
Shanghai Xinbang Shangshi Information Technology Co., Ltd.*/** (上海欣榜尚世信息科技有限公司)	30 May 2018, PRC/Chinese Mainland	RMB10,000,000	100%	—	Content management services
Shanghai Xinbang Jiasu Network Technology Co., Ltd.*/** (上海欣榜加塑網絡科技有限公司) ("Xinbang Jiasu")	20 September 2016, PRC/Chinese Mainland	RMB7,050,000	63.83%	—	Equity investment
Changsha Yiwan Xinghe Cultural Media Co., Ltd.*/** (長沙億萬星河文化傳媒有限公司)	23 February 2024, PRC/Chinese Mainland	RMB1,000,000	100%	—	Content marketing solutions

* The English names of these companies represent the best effort made by the directors of the Company to translate the Chinese names as these companies have not been registered with any official English names.

** No audited financial statements have been prepared for these entities as at the end of each of the Relevant Periods, as these entities are not required by the local government to prepare statutory accounts.

*** The statutory financial statements of this entity for the years ended 31 December 2023 prepared under the China Accounting Standards for Business Enterprises ("**PRC GAAP**") were audited by Beijing Jingsheng Certified Public Accountants Co., Ltd. (北京京盛會計師事務所有限公司), certified public accountants registered in the PRC.

No audited financial statements have been prepared for these entities as at the end of 31 December 2024 and 31 December 2025, as these entities are not required by the local government to prepare statutory accounts.

2. ACCOUNTING POLICIES

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 (the "**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 is presented in RMB and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

The Historical Financial Information has been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value at the end of each of the Relevant Periods.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the Relevant Periods. 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 exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 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 amended 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

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

IFRS 18 introduces new requirements for presentation within the statement of profit or loss and other comprehensive income, 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. The new requirements are expected to impact the Group's presentation of the statement of profit or loss and other comprehensive income and disclosures of the Group's financial performance.

The Group is in the process of making an assessment of the impact of these new and amended IFRS Accounting Standards upon initial application. So far, the Group considers that other new and amended standards listed above are unlikely to have a significant impact on the Group's results of operations and financial position.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION

Investments in associates

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Fair value measurement

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

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

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

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

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

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

Impairment of non-financial assets

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

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each of the Relevant 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.

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; *(If the Group is itself such a plan)* and the sponsoring employers of the post-employment benefit plan;

(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 the profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure or a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

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

Leasehold improvements	20.00% – 33.33%

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

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the 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.

Research and development costs

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

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

Leases

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

Group as a lessee

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

(a) *Right-of-use assets*

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

Buildings	3 to 7.5 years

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

(c) *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of office equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and 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 amortised 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 amortised 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 amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

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

Subsequent measurement

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

Financial assets at amortised cost (debt instruments)

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

Financial assets at fair value through other comprehensive income (debt instruments)

For receivables at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets at fair value through profit or loss

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

This category includes wealth management products 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.

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

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

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 30 days past due.

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

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

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables 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 and bills receivables 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 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 and bills payables, other payables and accruals and interest-bearing bank borrowings.

Subsequent measurement

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

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

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

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

Derecognition of financial liabilities

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

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

Offsetting of financial instruments

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

Cash and cash equivalents

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

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

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Income tax

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

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

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

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

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

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, 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 any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

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

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

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

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

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

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

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.

The following is a description of the accounting policy for the principal revenue streams of the Group:

Content marketing solutions:

Content marketing solutions include influencer marketing and content amplification services, primarily provided to large enterprise customers across key industries. Revenue is recognised upon the promised services provided and accepted by customers, after the deduction of any discounts or rebates.

Content management services:

The revenue is primarily generated from offering of AI-powered enterprise applications as well as other related services to customers. The subscription fee is prepaid in advance and amortised over the agreed period.

Contract liabilities

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

Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

(a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.

(b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.

(c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the statement of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

Other income

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

Other employee benefits

Pension scheme

The employees of the Group's subsidiaries which operate in 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 proportion of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

All borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements. Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's 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:

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. Further details on deferred taxes are disclosed in note 25 to the Historical Financial Information.

Estimation uncertainty

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

Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by customer type and rating).

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 manufacturing sector, 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 trade receivables is disclosed in note 16 to the Historical Financial Information.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and has one reportable operating segment. The information reported to the directors, 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

(a) ***Revenue from external customers***

Substantially all of the Group's revenue derived from external customers were generated in Chinese Mainland during the Relevant Periods. Accordingly, no information about the revenue by geographical areas is presented.

(b) ***Non-current assets***

Substantially all the Group's non-current assets were located in Chinese Mainland as at the end of each of the Relevant Periods. Accordingly, no geographic information is presented.

The non-current asset information is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

Revenue from major customers which accounted for 10% or more of the Group's revenue during the Relevant Periods is set out below:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Company A	495,808	346,715	329,649
Company B	N/A*	N/A*	292,417
Company C	312,965	302,016	285,191
Total	**808,773**	**648,731**	**907,257**

* Less than 10% of the Group's revenue.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Revenue from contracts with customers	1,425,231	1,563,966	1,949,630

Revenue from contracts with customers

(a) Disaggregated revenue information

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Types of goods or services			
Content marketing solutions	1,325,698	1,485,280	1,836,612
Influencer marketing	1,293,121	1,459,249	1,800,025
Content amplification	32,577	26,031	36,587
Content management services	99,533	78,686	113,018
Total	**1,425,231**	**1,563,966**	**1,949,630**
Timing of revenue recognition			
Services transferred at a point in time	1,347,026	1,487,378	1,839,141
Services transferred over time	78,205	76,588	110,489
Total	**1,425,231**	**1,563,966**	**1,949,630**

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:			
Content marketing solutions	6,470	9,876	4,933
Influencer marketing	1,633	8,536	4,186
Content amplification	4,837	1,340	747
Content management services	2,060	2,585	2,466
Total	**8,530**	**12,461**	**7,399**

(b) Performance obligations

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

Content marketing solutions

The performance obligation is satisfied upon transferring the promised services to customers. Payment terms are based on the schedule specified in the contracts with customers.

Content management services

The performance obligation is satisfied over time as services provided to customers. Subscription fee is prepaid before sevices provided.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at the end of each of the Relevant Periods:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Amounts expected to be recognised as revenue:			
Within 1 year	12,461	7,399	18,006
Over 1 year	3,499	6,179	5,378
Total	**15,960**	**13,578**	**23,384**

Other income and gains

		Year ended 31 December		
	Notes	**2023**	**2024**	**2025**
		RMB'000	**RMB'000**	**RMB'000**
Other income				
Government grants		9,886	2,099	4,450
Bank interest income		733	604	225
Investment income from wealth management products		9	573	33
		10,628	3,276	4,708
Other gains				
Gain on disposal of a subsidiary	*6*	1,146	—	—
Gain on disposal of an associate	*6*	—	3,585	—
Gain on termination of lease contracts	*6*	—	—	38
Gain on reversal of provisions	*6*	—	14,299	—
Others		5	6	—
		1,151	17,890	38
Total		**11,779**	**21,166**	**4,746**

6. PROFIT BEFORE TAX

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

		Year ended 31 December		
		2023	**2024**	**2025**
	Notes	**RMB'000**	**RMB'000**	**RMB'000**
Cost of sales		1,250,878	1,408,803	1,690,755
Depreciation of property, plant and equipment*	*13*	477	687	1,666
Depreciation of right-of-use assets*	*14(a)*	9,014	10,103	8,934
Share of losses of associates		865	—	—
[REDACTED]		[REDACTED]	[REDACTED]	[REDACTED]
Lease payments not included in the measurement of lease liabilities	*14(c)*	818	516	580
Employee benefit expense (including directors' and chief executive's remuneration (note 8)):				
Wages, salaries and other allowances		131,404	132,208	161,006
Pension scheme contributions and social welfare**		14,418	15,372	17,475
Gain on disposal of a subsidiary	*5*	(1,146)	—	—
Loss on disposal of items of property, plant and equipment		—	5	—
Loss/(gain) on termination of lease contracts		—	174	(38)
Gain on disposal of an associate	*5*	—	(3,585)	—
Fair value loss on financial assets at fair value through profit or loss		300	—	—
Gain on reversal of provisions	*5*	—	(14,299)	—
Loss on provisions***		—	—	11,500
Impairment on financial assets, net		798	11,041	(1,314)

* The depreciation of property, plant and equipment, depreciation of right-of-use assets are included in "Cost of sales", "Selling and marketing expenses", "Administrative expenses" and "Research and development expenses" in the consolidated statements of profit or loss.

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

*** The loss on provisions is included in "Other expenses" in the consolidated statements of profit or loss.

7. 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 bank borrowings	6,819	7,359	10,318
Interest on factoring of trade receivables	6,225	4,327	4,252
Interest on lease liabilities	820	1,266	1,567
Total	**13,864**	**12,952**	**16,137**

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	Year ended 31 December		
	Group		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Fees	—	—	—
Other emoluments:			
Salaries, allowances and benefits in kind	2,411	2,397	2,402
Performance related bonuses*	900	400	2,000
Pension scheme contributions and social welfares	511	530	538
Subtotal	3,822	3,327	4,940
Total	**3,822**	**3,327**	**4,940**

* Certain executive directors and chief executive of the Company are entitled to bonus payments which are determined by key performance indicators.

(a) Independent non-executive directors

During the Relevant Periods, no independent non-executive directors were appointed, and no fees or other remuneration were payable to such directors.

The Company intends to appoint Mr. GU Mingjie, Ms. CHIU Mun Mimi and Dr. WANG Wenbo as independent non-executive directors, whose appointment will become effective prior to the [REDACTED].

(b) Executive directors, a non-executive director and the chief executive

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions and social welfare	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2023				
Executive directors:				
Mr. XU Jun (a)	604	300	143	1,047
Mr. CHEN Weiyu (b)	596	—	143	739
Mr. LI Jianwei (c)	601	300	136	1,037
Mr. YANG Zhao (d)	610	300	89	999
Total	**2,411**	**900**	**511**	**3,822**

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions and social welfare	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2024				
Executive directors:				
Mr. XU Jun (a)	600	100	145	845
Mr. CHEN Weiyu (b)	596	100	145	841
Mr. LI Jianwei (c)	600	100	143	843
Mr. YANG Zhao (d)	601	100	97	798
Total	**2,397**	**400**	**530**	**3,327**

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions and social welfare	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2025				
Executive directors:				
Mr. XU Jun (a)	600	500	146	1,246
Mr. CHEN Weiyu (b)	600	500	146	1,246
Mr. LI Jianwei (c)	601	500	147	1,248
Mr. YANG Zhao (d)	601	500	99	1,200
Total	**2,402**	**2,000**	**538**	**4,940**

Notes:

(a) Mr. XU Jun was appointed as a director and the general manager of the Company since February 2012, chairman of the Board since October 2015 and was re-designated as an executive director with effect from 27 April 2026.

(b) Mr. CHEN Weiyu was appointed as a deputy general manager of the Company since March 2014, a director since October 2015, and was re-designated as an executive director with effect from 27 April 2026.

(c) Mr. LI Jianwei was appointed as chief operating officer of the Company since March 2014, a director since October 2015, and was re-designated as an executive director with effect from 27 April 2026.

(d) Mr. YANG Zhao was appointed as chief technology officer of the Company since November 2014, a director since October 2015 and was re-designated as an executive director with effect from 27 April 2026.

There was no arrangement under which a director of the Company waived or agreed to waive any remuneration during the Relevant Periods. No remuneration was paid by the Group to a director of the Company as an inducement to join or upon joining the Group during the Relevant Periods.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Relevant Periods included one, nil and nil director and the chief executive, details of whose remuneration are set out in note 8 above. Details of the remuneration for the Relevant Periods of the remaining four, five and five highest paid employees who are neither a director nor 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	2,043	2,129	2,185
Performance related bonuses	2,389	2,763	4,090
Pension scheme contributions and social welfares	520	635	791
Total	**4,952**	**5,527**	**7,066**

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	Number of employees Year ended 31 December		
	2023	**2024**	**2025**
Nil to HKD1,000,000	—	—	—
HKD1,000,001 to HKD1,500,000	3	5	3
HKD1,500,001 to HKD2,000,000	1	—	2
Total	**4**	**5**	**5**

10. INCOME TAX

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

Chinese Mainland

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the Enterprise Income Tax ("**EIT**") rate of the PRC subsidiaries was 25% during the Relevant Periods, unless otherwise specified below.

The Company and Beijing NewRank Co., Ltd. are qualified as high and new technology enterprises and were subject to income tax at a preferential tax rate of 15% for the Relevant Periods. Such qualifications are subject to review by the relevant tax authority in the PRC for every three years.

In addition, certain subsidiaries of the Group operating in Chinese Mainland were entitled to effective preferential income tax rates of 5% for the Relevant Periods because they were regarded as "Small-scaled Minimal Profit Enterprises" with annual taxable income of no more than RMB3,000,000.

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Current income tax expense	821	73	52
Deferred tax *(note 25)*	(3,242)	(2,183)	1,379
Total	**(2,421)**	**(2,110)**	**1,431**

A reconciliation of the tax (credit)/expense applicable to profit before tax at the statutory tax rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled and/or operate to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Profit before tax	**30,506**	**9,814**	**64,237**
Tax at the statutory tax rate of 25%	7,627	2,454	16,059
Effect of preferential tax rates	(2,990)	(826)	(6,088)
Additional deductible allowance for qualified research and development expenses	(8,198)	(7,024)	(8,848)
Adjustments in respect of current tax of previous periods	777	(10)	4
Deductible temporary difference and tax losses not recognised	786	3,211	250
Tax losses utilised from previous periods	(615)	(30)	(6)
Expenses not deductible for tax	192	115	60
Tax charge at the Group's effective tax rate	**(2,421)**	**(2,110)**	**1,431**

11. DIVIDENDS

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Dividends declared to owners of the parent	—	—	40,000

The dividends declared has been approved by the Company's shareholders' meeting.

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average numbers of ordinary shares during each of the Relevant Periods.

No adjustment has been made to the basic earnings per share amounts presented for each of the Relevant Periods for a dilution as the Group had no potentially dilutive ordinary shares in issue during the Relevant Periods.

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

	Year ended 31 December		
	2023	2024	2025
Earnings			
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation (RMB'000)	32,926	11,907	62,805
Shares			
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation ('000)	10,000	10,000	10,000
Earnings per share (basic and diluted) RMB per share	3.29	1.19	6.28

13. PROPERTY, PLANT AND EQUIPMENT

The Group

	Leasehold improvements		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
At the beginning of the year:			
Cost	2,058	1,108	6,340
Accumulated depreciation	(1,361)	(800)	(1,315)
Net carrying amount	697	308	5,025
At the beginning of the year, net of accumulated depreciation	697	308	5,025
Additions	88	5,409	460
Depreciation provided during the year	(477)	(687)	(1,666)
Disposals	—	(5)	—
As at the end of the year, net of accumulated depreciation	308	5,025	3,819
As at the end of the year:			
Cost	1,108	6,340	6,067
Accumulated depreciation	(800)	(1,315)	(2,248)
Net carrying amount	308	5,025	3,819

The Company

	Leasehold improvements		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
At the beginning of the year:			
Cost	2,058	1,108	5,550
Accumulated depreciation	(1,361)	(800)	(1,139)
Net carrying amount	697	308	4,411
At the beginning of the year, net of accumulated depreciation	697	308	4,411
Additions	88	4,620	460
Depreciation provided during the year	(477)	(512)	(1,052)
Disposals	—	(5)	—
As at the end of the year, net of accumulated depreciation	308	4,411	3,819
As at the end of the year:			
Cost	1,108	5,550	5,278
Accumulated depreciation	(800)	(1,139)	(1,459)
Net carrying amount	308	4,411	3,819

14. LEASES

The Group as a lessee

The Group has certain lease contracts for buildings for its office used in its operations. Leases of buildings generally have lease terms between 3 and 7.5 years.

(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 follows:

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Carrying amount at the beginning of the year	21,346	19,055	36,094
Additions	7,531	31,571	5,227
Depreciation charge	(9,014)	(10,103)	(8,934)
Termination of lease contracts	(808)	(4,429)	(1,143)
Carrying amount at the end of the year	19,055	36,094	31,244

The right-of-use (the "**ROU**") assets of the Group consisted of the offices leased from third parties for headquarter offices purpose. During the Relevant Periods, all the ROU assets remained in good condition and normal use, and no obsolescence or physical damage of these ROU assets had occurred during the Relevant Periods or was expected to take place in the near future.

(b) ***Lease liabilities***

The carrying amount 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	21,995	19,581	37,617
New leases	7,531	31,571	5,227
Accretion of interest recognised during the year	820	1,266	1,567
Payments	(9,957)	(10,548)	(8,990)
Termination of lease contracts	(808)	(4,253)	(1,181)
Carrying amount at the end of the year	19,581	37,617	34,240
Analysed into:			
Current portion	8,142	7,098	7,783
Non-current portion	11,439	30,519	26,457

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

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Interest on lease liabilities	820	1,266	1,567
Depreciation charge of right-of-use assets	9,014	10,103	8,934
Expense relating to short-term leases (included in cost of sales)	818	516	580
Total amount recognised in profit or loss	10,652	11,885	11,081

(d) ***The total cash outflow for leases is disclosed in notes 30(c) to the historical financial information.***

The Company as a lessee

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

The carrying amounts of the Company's right-of-use assets 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	19,948	12,578	29,204
Additions	714	29,286	894
Depreciation charge	(7,327)	(8,231)	(6,756)
Termination of lease contracts	(757)	(4,429)	—
Carrying amount at the end of the year	12,578	29,204	23,342

(b) ***Lease liabilities***

The carrying amount 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	20,494	13,155	31,357
New leases	714	29,286	894
Accretion of interest recognised during the year	732	965	1,308
Payments	(8,028)	(7,796)	(6,942)
Termination of lease contracts	(757)	(4,253)	—
Carrying amount at the end of the year	13,155	31,357	26,617
Analysed into:			
Current portion	6,857	5,463	5,336
Non-current portion	6,298	25,894	21,281

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

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Interest on lease liabilities	732	966	1,308
Depreciation charge of right-of-use assets	7,327	8,231	6,756
Expense relating to short-term leases (included in cost of sales)	720	296	438
Total amount recognised in profit or loss	8,779	9,493	8,502

15. INVESTMENTS IN SUBSIDIARIES

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Investments, at cost	37,000	37,000	37,000
Less: impairment	(14,870)	(14,870)	(14,870)
Total	**22,130**	**22,130**	**22,130**

16. TRADE RECEIVABLES

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Trade receivables	439,520	513,586	848,835
Impairment	(27,434)	(36,940)	(35,518)
Net carrying amount	412,086	476,646	813,317

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Trade receivables	393,119	480,015	814,522
Impairment	(4,722)	(14,214)	(12,766)
Net carrying amount	388,397	465,801	801,756

The Group's trading terms with its certain customers are on credit and the credit period is generally within 90 days. 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 minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the afore mentioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the revenue recognition date and net of impairment, is as follows:

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Within 6 months	396,223	464,765	776,348
6 months to 1 year	11,749	10,177	34,825
1 to 2 years	4,100	1,704	2,105
2 to 3 years	14	—	39
Total	**412,086**	**476,646**	**813,317**

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Within 6 months	372,981	455,612	766,538
6 months to 1 year	11,323	8,544	34,427
1 to 2 years	4,093	1,645	777
2 to 3 years	—	—	14
Total	**388,397**	**465,801**	**801,756**

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

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
At the beginning of the year	27,459	27,434	36,940
Impairment, net	1,297	9,506	(1,422)
Write off	(1,322)	—	—
At the end of the year	27,434	36,940	35,518

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
At the beginning of the year	4,948	4,722	14,214
Impairment, net	1,096	9,492	(1,448)
Write off	(1,322)	—	—
At the end of the year	4,722	14,214	12,766

Set out below is the information about the credit risk exposure on trade receivables using a provision matrix based on revenue recognition date:

The Group

As at 31 December 2023

	Ageing					
	Within 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Collective assessed：						
Expected credit loss rate	0.31%	7.26%	14.58%	65.85%	—	0.69%
Gross carrying amount (RMB'000)	397,450	12,669	4,800	41	—	414,960
Expected credit losses (RMB'000)	(1,227)	(920)	(700)	(27)	—	(2,874)
Net carrying amount (RMB'000)	396,223	11,749	4,100	14	—	412,086

As at 31 December 2024

	Ageing					
	Within 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Collective assessed：						
Expected credit loss rate	0.12%	4.24%	28.28%	100.00%	100.00%	0.49%
Gross carrying amount (RMB'000)	465,326	10,628	2,376	614	42	478,986
Expected credit losses (RMB'000)	(561)	(451)	(672)	(614)	(42)	(2,340)
Net carrying amount (RMB'000)	464,765	10,177	1,704	—	—	476,646

The Group

As at 31 December 2025

	Ageing					
	Within 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Collective assessed：						
Expected credit loss rate	0.04%	0.59%	5.22%	68.03%	100.00%	0.11%
Gross carrying amount (RMB'000)	776,668	35,032	2,221	122	192	814,235
Expected credit losses (RMB'000)	(320)	(207)	(116)	(83)	(192)	(918)
Net carrying amount (RMB'000)	776,348	34,825	2,105	39	—	813,317

In addition to the above provision matrix, the Group has made individual impairment for certain customers while the credit risk increased significantly. As at 31 December 2023, 2024 and 2025, the accumulated individual impairment were RMB24,560,000, RMB34,600,000 and RMB34,600,000, with carrying amounts before impairment of RMB24,560,000, RMB34,600,000 and RMB34,600,000, respectively.

The Company

As at 31 December 2023

	Ageing					
	Within 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Collective assessed：						
Expected credit loss rate	0.31%	7.26%	14.55%	—	—	0.70%
Gross carrying amount (RMB'000)	374,135	12,210	4,790	—	—	391,135
Expected credit losses (RMB'000)	(1,154)	(887)	(697)	—	—	(2,738)
Net carrying amount (RMB'000)	372,981	11,323	4,093	—	—	388,397

As at 31 December 2024

	Ageing					
	Within 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Collective assessed：						
Expected credit loss rate	0.12%	4.25%	28.29%	100.00%	—	0.47%
Gross carrying amount (RMB'000)	456,164	8,923	2,294	610	—	467,991
Expected credit losses (RMB'000)	(552)	(379)	(649)	(610)	—	(2,190)
Net carrying amount (RMB'000)	455,612	8,544	1,645	—	—	465,801

The Company

As at 31 December 2025

	Ageing					
	Within 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Collective assessed：						
Expected credit loss rate	0.04%	0.59%	5.59%	67.44%	100.00%	0.09%
Gross carrying amount (RMB'000)	766,853	34,632	823	43	147	802,498
Expected credit losses (RMB'000)	(315)	(205)	(46)	(29)	(147)	(742)
Net carrying amount (RMB'000)	766,538	34,427	777	14	—	801,756

In addition to the above provision matrix, the Company has made individual impairment for certain customers while the credit risk increased significantly. As at 31 December 2023, 2024 and 2025, the accumulated individual impairment were RMB1,984,000, RMB12,024,000 and RMB12,024,000, with carrying amounts before impairment of RMB1,984,000, RMB12,024,000 and RMB12,024,000, respectively.

17. RECEIVABLES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Group and the Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Receivables at fair value through other comprehensive income	37,097	64,384	53,231

The Group considers the credit risk is limited because the counterparty is a high-quality corporate client with good credit rating and is highly likely to be paid. Therefore, the corresponding expected credit losses is considered as insignificant.

During the Relevant Periods, there were RMB373,237,000, RMB287,328,000 and RMB308,586,000 receivables at fair value through other comprehensive income factored to bank without recourse. Since the Group has transferred substantially all the risks and rewards of ownership in respect of the relevant factored receivables to the bank, these factored trade receivables were therefore derecognised.

18. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Amounts due from media partners	109,664	130,379	145,566
Prepayments	74,044	77,445	76,983
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Deposits	4,277	5,507	6,262
Prepaid income tax	99	62	—
Receivables from platforms and others	10,124	21,539	11,472
Subtotal	198,208	234,932	241,974
Impairment allowance	(2,332)	(3,867)	(3,975)
Total	**195,876**	**231,065**	**237,999**

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Amounts due from media partners	109,664	130,379	145,566
Prepayments	70,147	53,981	66,343
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Deposits	3,028	4,432	4,541
Prepaid income tax	99	—	—
Receivables from platforms and others	10,105	21,539	11,472
Subtotal	193,043	210,331	229,613
Impairment allowance	(2,312)	(3,850)	(3,946)
Total	**190,731**	**206,481**	**225,667**

The movements in the impairment allowance for financial assets included in prepayments, other receivables and other assets are as follows:

The Group

	12-month Stage 1	**Life time Stage 2**	**Life time Stage 3**	**Total**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
As at 1 January 2023	2,831	—	—	2,831
Impairment losses, net	(499)	—	—	(499)
As at 31 December 2023 and 1 January 2024	2,332	—	—	2,332
Transfers into stage 3	(1,075)	—	1,075	—
Impairment losses, net	1,535	—	—	1,535
As at 31 December 2024 and 1 January 2025	2,792	—	1,075	3,867
Impairment losses, net	198	—	(90)	108
As at 31 December 2025	2,990	—	985	3,975

The Company

	12-month Stage 1	**Life time Stage 2**	**Life time Stage 3**	**Total**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
As at 1 January 2023	2,805	—	—	2,805
Impairment losses, net	(493)	—	—	(493)
As at 31 December 2023 and 1 January 2024	2,312	—	—	2,312
Transfers into stage 3	(1,075)	—	1,075	—
Impairment losses, net	1,538	—	—	1,538
As at 31 December 2024 and 1 January 2025	2,775	—	1,075	3,850
Impairment losses, net	186	—	(90)	96
As at 31 December 2025	2,961	—	985	3,946

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group and the Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Current			
Wealth management products	30,009	—	10,000

The wealth management products issued by banks in Chinese Mainland were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

20. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

The Group

		As at 31 December		
	Note	**2023**	**2024**	**2025**
		RMB'000	**RMB'000**	**RMB'000**
Cash and cash equivalents		81,736	20,601	*38,784*
Restricted cash*		—	—	*24*
Pledged deposits	*24*	3,000	1,500	*1,500*
Total		**84,736**	**22,101**	*40,308*

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Cash and cash equivalents	72,509	13,677	38,266
Restricted cash*	—	—	24
Pledged deposits	3,000	1,500	1,500
Total	**75,509**	**15,177**	**39,790**

At the end of each of the Relevant Periods, the Group's cash and cash equivalents, and pledged deposits were all denominated in RMB. The RMB is not freely convertible into other currencies, however, under Chinese Mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

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

* As at 31 December 2025, the amount of RMB24,000 was restricted due to a litigation.

21. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	74,568	69,920	146,520
Over 1 year	1,224	4,155	7,585
Total	**75,792**	**74,075**	**154,105**

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within 1 year	68,968	68,302	139,039
Over 1 year	1,224	3,916	7,338
Total	**70,192**	**72,218**	**146,377**

Trade payables are non-interest-bearing and normally settled within 180 days.

22. OTHER PAYABLES AND ACCRUALS

The Group

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Payroll and welfare payables	25,140	20,860	35,771
Other tax payables	26,241	43,051	57,529
Dividends payable	—	—	40,000
Other payables*	7,203	3,821	7,107
Total	**58,584**	**67,732**	**140,407**

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Payroll and welfare payables	16,734	12,991	23,797
Other tax payables	24,098	40,447	54,663
Dividends payable	—	—	40,000
Other payables*	6,886	3,226	6,496
Total	**47,718**	**56,664**	**124,956**

* Other payables are non-interest-bearing, typically settled within a payment term of one to three months.

23. CONTRACT LIABILITIES

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Contract liabilities			
—advances received on sales of services			
Content marketing	13,256	10,987	15,426
Influencer marketing	11,800	10,090	13,993
Content amplification	1,456	897	1,433
Content management	2,704	2,591	7,958
Total	**15,960**	**13,578**	**23,384**

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Contract liabilities			
—advances received on sales of services			
Content marketing	12,954	10,435	15,005
Influencer marketing	11,522	9,761	13,665
Content amplification	1,432	674	1,340
Content management	1,271	2,478	7,883
Total	**14,225**	**12,913**	**22,888**

24. INTEREST-BEARING BANK BORROWINGS

The Group

	As at 31 December 2023		
	Effective interest rate	Maturity	RMB'000
Current			
Bank loans — secured	2.55%–4.9%	2024	218,362

	As at 31 December 2024		
	Effective interest rate	**Maturity**	**RMB'000**
Current			
Bank loans — secured	2.6%–3.3%	2025	206,633
Bank loans — unsecured	2.91%–3.1%	2025	53,042
Total			**259,675**

	As at 31 December 2025		
	Effective interest rate	**Maturity**	**RMB'000**
Current			
Bank loans — secured	2.15%–3.1%	2026	409,776
Bank loans — unsecured	2.3%–2.6%	2026	13,509
Total			**423,285**

Certain of the Group's bank loans are guaranteed or secured by:

(i) the pledge of the deposits, amounting to RMB3,000,000, RMB1,500,000 and RMB1,500,000 at 31 December 2023, 2024 and 2025, respectively (note 20);

(ii) the guarantee provided by certain substantial shareholders of the Company, which will be discharged or replaced upon the [REDACTED] on the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (note 34).

The Company

	As at 31 December 2023		
	Effective interest rate	**Maturity**	**RMB'000**
Current			
Bank loans — unsecured	3.1%-4.9%	2024	188,339

	As at 31 December 2024		
	Effective interest rate	**Maturity**	**RMB'000**
Current			
Bank loans — secured	2.6%–3.3%	2025	201,633
Bank loans — unsecured	2.91%	2025	50,040
Total			**251,673**

	As at 31 December 2025		
	Effective interest rate	**Maturity**	**RMB'000**
Current			
Bank loans — secured	2.15%–2.94%	2026	406,782

25. DEFERRED TAX

The Group

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

	ROU assets
	RMB'000
As at 1 January 2023	3,189
Deferred tax credited to the statement of profit or loss during the year *(note 10)*	(337)
As at 1 January 2024	2,852
Deferred tax charged to the statement of profit or loss during the year *(note 10)*	2,621
As at 1 January 2025	5,473
Deferred tax credited to the statement of profit or loss during the year *(note 10)*	(465)
As at 31 December 2025	5,008

Deferred tax assets

	Lease liabilities	Impairment of assets	Accruals and provisions	Receivables at fair value through other comprehensive income	Tax losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2023	**3,271**	**1,167**	**2,737**	**191**	**—**	**7,366**
Deferred tax (charged)/credited to the statement of profit or loss during the year *(note 10)*	(334)	(98)	—	—	3,337	2,905
Deferred tax charged to the statement of other comprehensive income during the year	—	—	—	(110)	—	(110)
As at 1 January 2024	**2,937**	**1,069**	**2,737**	**81**	**3,337**	**10,161**
Deferred tax credited/(charged) to the statement of profit or loss during the year *(note 10)*	2,859	1,641	(2,145)	—	2,449	4,804
Deferred tax credited to the statement of other comprehensive income during the year	—	—	—	49	—	49
As at 1 January 2025	**5,796**	**2,710**	**592**	**130**	**5,786**	**15,014**
Deferred tax (charged)/credited to the statement of profit or loss during the year *(note 10)*	(296)	(203)	1,132	—	(2,477)	(1,844)
Deferred tax charged to the statement of other comprehensive income during the year	—	—	—	(29)	—	(29)
As at 31 December 2025	**5,500**	**2,507**	**1,724**	**101**	**3,309**	**13,141**

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 statement of financial position	7,309	9,541	8,133

The Group has tax losses arising in Chinese Mainland of RMB32,638,000, RMB57,943,000 and RMB45,580,000 as at the end of each of the Relevant Periods that will expire in one to ten years for offsetting against future taxable profits.

Deferred tax assets have not been recognised in respect of the following items:

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
Tax losses	10,396	19,373	23,522
Deductible temporary differences	22,678	22,744	22,873
Total	**33,074**	**42,117**	**46,395**

Deferred tax assets have not been recognised in respect of the above items as it is not considered probable that taxable profits will be available against which the above items can be utilised.

The Company

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

	ROU assets
	RMB'000
As at 1 January 2023	2,992
Deferred tax credited to the statement of profit or loss during the year *(note 10)*	(1,106)
As at 1 January 2024	1,886
Deferred tax charged to the statement of profit or loss during the year *(note 10)*	2,492
As at 1 January 2025	4,378
Deferred tax credited to the statement of profit or loss during the year *(note 10)*	(880)
As at 31 December 2025	3,498

The Company

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax assets

	Lease liabilities	Impairment of assets	Accruals and provisions	Receivables at fair value through other comprehensive income	Tax losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2023	**3,074**	**1,167**	**2,737**	**191**	**—**	**7,169**
Deferred tax (charged)/credited to the statement of profit or loss during the year *(note 10)*	(1,101)	(113)	—	—	3,337	2,123
Deferred tax charged to the statement of other comprehensive income during the year	—	—	—	(110)	—	(110)
As at 1 January 2024	**1,973**	**1,054**	**2,737**	**81**	**3,337**	**9,182**
Deferred tax credited/(charged) to the statement of profit or loss during the year *(note 10)*	2,743	1,641	(2,145)	—	2,449	4,688
Deferred tax credited to the statement of other comprehensive income during the year	—	—	—	49	—	49
As at 1 January 2025	**4,716**	**2,695**	**592**	**130**	**5,786**	**13,919**
Deferred tax (charged)/credited to the statement of profit or loss during the year *(note 10)*	(711)	(203)	1,132	—	(2,477)	(2,259)
Deferred tax charged to the statement of other comprehensive income during the year	—	—	—	(29)	—	(29)
As at 31 December 2025	**4,005**	**2,492**	**1,724**	**101**	**3,309**	**11,631**

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 Company 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	7,296	9,541	8,133

26. PROVISIONS

The Group and the Company

	Provisions		
	2023	**2024**	**2025**
	RMB'000	**RMB'000**	**RMB'000**
At the beginning of the year:	18,250	18,250	3,951
Accrual	—	—	11,500
Reversal	—	(14,299)	—
Payment	—	—	(3,951)
As at the end of the year	18,250	3,951	11,500

Prior to the Relevant Periods, the Group was involved in a litigation case based on allegations of infringement of third-party copyright ("**Copyright Case**") due to the content provided by a third-party, and accrued a provision of RMB18,250,000 according to the first judgement by the court.

In December 2024, the Copyright Case was finally judged by the court, and the Company reversed the accrued provision to RMB3,951,000 based on the estimated compensation amount, which was paid in 2025.

The balance as at 31 December 2025 mainly represented a civil claim by a social media platform in relation to unfair competition and data usage. The Group assessed and accrued a provision of RMB10,000,000.

27. SHARE CAPITAL

The Group and the Company

Shares

	As at 31 December 2023		As at 31 December 2024		As at 31 December 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**
Issued and fully paid：						
Ordinary shares	10,000,000	10,000	10,000,000	10,000	10,000,000	10,000

28. RESERVES

(a) Statutory reserve

In accordance with the Company Law of the PRC, companies registered in the PRC are required to allocate 10% of the statutory after tax profits to the statutory reserve until the cumulative total of the reserve reaches 50% registered capital. Subject to approval from the relevant PRC authorities, the statutory reserve may be used to offset any accumulated losses or increase the registered capital of the companies. The statutory reserve is not available for dividend distribution to equity holders of the PRC subsidiaries.

(b) Capital reserve

The capital reserve mainly represents capital contributions or deemed distributions to shareholders.

(c) Share-based payment reserve

The share-based payment reserve represents the compensation reserve recognised due to equity-settled share-based payment transactions.

(d) Other comprehensive income

Other comprehensive income represents changes in fair value from receivables at fair value through other comprehensive income.

The Company

	Other comprehensive income	Capital reserve	Share-based payment reserve	Statutory reserves	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2023	**(1,084)**	**224,541**	**91,938**	**2,361**	**29,210**	**346,966**
Profit for the year	—	—	—	—	28,045	28,045
Other comprehensive income for the year:						—
Changes in fair value of receivables at fair value through other comprehensive income, net of tax	627	—	—	—	—	627
Total comprehensive income for the year	627	—	—	—	28,045	28,672
Appropriation of statutory reserve	—	—	—	2,639	(2,639)	—
At 31 December 2023 and 1 January 2024	**(457)**	**224,541**	**91,938**	**5,000**	**54,616**	**375,638**
Profit for the year	—	—	—	—	22,715	22,715
Other comprehensive income for the year:						
Changes in fair value of receivables at fair value through other comprehensive income, net of tax	(282)	—	—	—	—	(282)
Total comprehensive income for the year	(282)	—	—	—	22,715	22,433
Disposal of an associate	—	(3,279)	—	—	—	(3,279)
At 31 December 2024 and 1 January 2025	**(739)**	**221,262**	**91,938**	**5,000**	**77,331**	**394,792**
Profit for the year	—	—	—	—	64,848	64,848
Other comprehensive income for the year:						
Changes in fair value of receivables at fair value through other comprehensive income, net of tax	166	—	—	—	—	166
Total comprehensive income for the year	166	—	—	—	64,848	65,014
Dividend declared	—	—	—	—	(40,000)	(40,000)
At 31 December 2025	**(573)**	**221,262**	**91,938**	**5,000**	**102,179**	**419,806**

29. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTEREST

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

	As at 31 December		
	2023	2024	2025
Percentage of equity interest held by non-controlling interest:			
Xinbang Jiasu	36.17%	36.17%	36.17%

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Profit for the year allocated to non-controlling interest:			
Xinbang Jiasu	1	17	1
Accumulated balances of non-controlling interest at the reporting date:			
Xinbang Jiasu	1,508	1,525	1,526

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

	Xinbang Jiasu		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Revenue	—	—	—
Total income	2	47	1
Profit for the year	2	47	1
Total comprehensive income for the year	2	47	1
Net assets	4,169	4,217	4,218

30. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the Relevant Periods, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB7,531,000, RMB31,571,000 and RMB5,227,000, respectively, in respect of lease arrangements.

(b) Changes in liabilities arising from financing activities

(i) *Interest-bearing bank borrowings*

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
At beginning of year	115,018	218,362	259,675
Changes from financing cash flows	96,525	33,954	153,292
Accretion of interest recognised during the period	6,819	7,359	10,318
At end of year	218,362	259,675	423,285

(ii) *Lease liabilities*

	Year ended 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
At beginning of year	21,995	19,581	37,617
Changes from financing cash flows	(9,957)	(10,548)	(8,990)
New leases	7,531	31,571	5,227
Termination of lease contracts	(808)	(4,253)	(1,181)
Accretion of interest recognised during the period	820	1,266	1,567
At end of year	19,581	37,617	34,240

(c) Total cash outflow for leases

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

	As at 31 December		
	2023	2024	2025
	RMB'000	RMB'000	RMB'000
Within operating activities	818	516	580
Within financing activities	9,957	10,548	8,990
Total	**10,775**	**11,064**	**9,570**

31. CONTINGENT LIABILITIES

Besides the litigation cases mentioned in note 26, at the end of the Relevant Periods, the Group does not have any significant contingent liabilities.

32. PLEDGE OF ASSETS

Details of the Group's assets pledged for the Group's bank facilities are included in note 24 to the Historical Financial Information.

33. COMMITMENTS

The Group does not have any significant commitments as at the end of the Relevant Periods.

34. RELATED PARTY TRANSACTIONS

(a) During the Relevant Periods, excluding disclosure below, the Group does not have any other material related party transactions.

(b) There were no outstanding balance with related parties at the end of each of the Relevant Periods.

(c) Other transactions with related parties:

(i) As at the end of each of the Relevant Periods, guarantee provided to the Group by certain directors of the Company for bank borrowing was RMB218,362,000, RMB206,633,000 and RMB409,776,000 respectively.

(d) 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	4,548	3,839	5,846
Post-employment benefits	317	332	337
Total compensation paid to key management personnel	**4,865**	**4,171**	**6,183**

Further details of directors' and the chief executive's emoluments are included in note 8 to the Historical Financial Information.

35. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2023

Financial assets

	Financial assets at fair value through profit and loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Receivables at fair value through other comprehensive income	—	37,097	—	37,097
Trade receivables	—	—	412,086	412,086
Financial assets included in prepayments, other receivables and other assets	—	—	195,876	195,876
Financial assets at fair value through profit or loss	30,009	—	—	30,009
Pledged deposits	—	—	3,000	3,000
Cash and cash equivalents	—	—	81,736	81,736
Total	**30,009**	**37,097**	**692,698**	**759,804**

Financial liabilities

	Financial liabilities amortised cost
	RMB'000
Trade payables	75,792
Financial liabilities included in other payables and accruals *(note 22)*	7,203
Interest-bearing bank borrowings	218,362
Total	**301,357**

2024

Financial assets

	Financial assets at fair value through profit and loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Receivables at fair value through other comprehensive income	—	64,384	—	64,384
Trade receivables	—	—	476,646	476,646
Financial assets included in prepayments, other receivables and other assets	—	—	231,065	231,065
Pledged deposits	—	—	1,500	1,500
Cash and cash equivalents	—	—	20,601	20,601
Total	**—**	**64,384**	**729,812**	**794,196**

Financial liabilities

	Financial assets at amortised cost
	RMB'000
Trade payables	74,075
Financial liabilities included in other payables and accruals *(note 22)*	3,821
Interest-bearing bank borrowings	259,675
Total	**337,571**

2025

Financial assets

	Financial assets at fair value through profit and loss	Financial assets at fair value through other comprehensive income	Financial assets at amortised cost	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Receivables at fair value through other comprehensive income	—	53,231	—	53,231
Trade receivables	—	—	813,317	813,317
Financial assets included in prepayments, other receivables and other assets	—	—	237,999	237,999
Financial assets at fair value through profit or loss	10,000	—	—	10,000
Pledged deposits	—	—	1,500	1,500
Restricted cash	—	—	24	24
Cash and cash equivalents	—	—	38,784	38,784
Total	**10,000**	**53,231**	**1,091,624**	**1,154,855**

Financial liabilities

	Financial assets at amortised cost
	RMB'000
Trade payables	154,105
Financial liabilities included in other payables and accruals *(note 22)*	47,107
Interest-bearing bank borrowings	423,285
Total	**624,497**

36. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, restricted cash, pledged deposits, receivables at fair value through other comprehensive income, trade receivables, financial assets included in prepayments, other receivables and other assets, financial assets at fair value through profit or loss, trade payables and financial liabilities included in other payables and accruals, interest-bearing bank borrowings, approximate to their carrying amounts largely due to the short term maturities of these instruments.

The finance manager of the Group is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The Group's finance manager reports directly to the chief financial officer. At the end of each of the Relevant Periods, 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 following methods and assumptions were used to estimate the fair values:

The fair values of the non-current portion of pledged deposits, interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values have been assessed to be approximate to their carrying amounts.

The Group invests in unlisted investments, which represent wealth management products issued by banks in Chinese Mainland. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

The fair values of receivables at fair value through other comprehensive income have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

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 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Receivables at fair value through other comprehensive income	—	37,097	—	37,097
Financial assets at fair value through profit or loss	—	30,009	—	30,009
Total	**—**	**67,106**	**—**	**67,106**

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Receivables at fair value through other comprehensive income	—	64,384	—	64,384

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Receivables at fair value through other comprehensive income	—	53,231	—	53,231
Financial assets at fair value through profit or loss	—	10,000	—	10,000
Total	**—**	**63,231**	**—**	**63,231**

During the Relevant Periods, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The Group did not have any financial liabilities measured at fair value as at the end of each of the Relevant Periods.

37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December.

The amounts presented are gross carrying amounts for financial assets.

As at 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*	—	—	—	439,520	439,520
Financial assets included in prepayments, other receivables and other assets					
— Normal**	113,941	—	—	—	113,941
Receivables at fair value through other comprehensive income	—	—	—	37,097	37,097
Pledged deposits	3,000	—	—	—	3,000
Cash and cash equivalents	81,736	—	—	—	81,736
Total	**198,677**	**—**	**—**	**476,617**	**675,294**

As at 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*	—	—	—	513,586	513,586
Financial assets included in prepayments, other receivables and other assets					—
— Normal**	156,014	—	—	—	156,014
— Doubtful**	—	—	1,075	—	1,075
Receivables at fair value through other comprehensive income	—	—	—	64,384	64,384
Pledged deposits	1,500	—	—	—	1,500
Cash and cash equivalents	20,601	—	—	—	20,601
Total	**178,115**	**—**	**1,075**	**577,970**	**757,160**

As at 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*	—	—	—	848,835	848,835
Financial assets included in prepayments, other receivables and other assets					—
— Normal**	162,315	—	—	—	162,315
— Doubtful**	—	—	985	—	985
Receivables at fair value through other comprehensive income	—	—	—	53,231	53,231
Pledged deposits	1,500	—	—	—	1,500
Restricted cash	24	—	—	—	24
Cash and cash equivalents	38,784	—	—	—	38,784
Total	**202,623**	**—**	**985**	**902,066**	**1,105,674**

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 16 to the Historical Financial Information, respectively.

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

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 16 to the Historical Financial Information.

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the operations and mitigate the effects of fluctuations in cash flows.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	As at 31 December 2023			
	Within 1 year	1 to 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Lease liabilities	8,801	11,981	—	20,782
Interest-bearing bank borrowings	220,562	—	—	220,562
Trade payables	75,792	—	—	75,792
Financial liabilities included in other payables and accruals	7,203	—	—	7,203
Total	**312,358**	**11,981**	**—**	**324,339**

	As at 31 December 2024			
	Within 1 year	1 to 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Lease liabilities	8,650	28,591	5,463	42,704
Interest-bearing bank borrowings	263,595	—	—	263,595
Trade payables	74,075	—	—	74,075
Financial liabilities included in other payables and accruals	3,821	—	—	3,821
Total	**350,141**	**28,591**	**5,463**	**384,195**

	As at 31 December 2025			
	Within 1 year	1 to 5 years	Over 5 years	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Lease liabilities	8,960	28,505	—	37,465
Interest-bearing bank borrowings	428,634	—	—	428,634
Trade payables	154,105	—	—	154,105
Financial liabilities included in other payables and accruals	47,107	—	—	47,107
Total	**638,806**	**28,505**	**—**	**667,311**

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the 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 for managing capital during the Relevant Periods.

38. EVENTS AFTER THE RELEVANT PERIODS

Share subdivision

Pursuant to the resolutions of the general meeting of the Shareholders on 27 April 2026, each of the Company's shares with nominal value of RMB1.00 each will be subdivided into 10 Shares with nominal value of RMB0.10 each immediately prior to the [REDACTED] and immediately after the Share subdivision, the registered share capital of the Company will be RMB10,000,000, dividing into 100,000,000 Shares with a nominal value of RMB0.10 each.

39. SUBSEQUENT FINANCIAL STATEMENTS

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