The following is the text of a report set out on pages I-[●] to I-[●], received from the Company's reporting accountants, [Deloitte Touche Tohmatsu], Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF SHENZHEN HOSONSOFT CO., LTD. AND SINOLINK SECURITIES (HONG KONG) COMPANY LIMITED

Introduction

We report on the historical financial information of 深圳市漢森軟件股份有限公司 (Shenzhen Hosonsoft Co., Ltd., being translation for identification purpose only, formerly known as "深圳市漢森軟件有限公司") ("the Company") and its subsidiaries (together, "the Group") set out on pages I-[●] to I-[●] which comprises the consolidated statements of financial position of the Group as at December 31, 2023, 2024 and 2025, the statements of financial position of the Company as at December 31, 2023, 2024 and 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity, and the consolidated statements of cash flows of the Group for each of the three years ended December 31, 2023, 2024 and 2025 (the "Track Record Period") and material accounting policy information and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-[●] to I-[●] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [●] (the "Document") in connection with the [**REDACTED**] of H-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 1 to the Historical Financial Information, and for such internal control as the directors of the Company 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" 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 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 of the Company, 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 purpose of the accountants' report, a true and fair view of the Group's financial position as at December 31, 2023, 2024 and 2025, of the Company's financial position as at December 31, 2023, 2024 and 2025 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in note 1 to the Historical Financial Information.

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

Adjustments

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

Dividends

We refer to note 12 to the Historical Financial Information which contains information about the dividends declared and paid by the Company in respect of the Track Record Period.

[Deloitte Touche Tohmatsu]
Certified Public Accountants
Hong Kong
[Date]

HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

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

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with IFRS Accounting Standards issued by International Accounting Standards Board (the "IASB") and were audited by us in accordance with International Standards on Auditing issued by International Auditing and Assurance Standards Board (the "Underlying Financial Statements").

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

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended December 31,		
	NOTES	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Revenue	*5*	332,062	438,957	596,909
Cost of sales		(143,242)	(195,076)	(271,630)
Gross profit		188,820	243,881	325,279
Other income, expenses, gains and losses, net	*6*	21,743	33,825	27,529
Reversal of impairment loss (impairment loss) under expected credit loss ("ECL") model, net	*7*	4,260	(756)	(2,356)
Selling expenses		(9,326)	(13,173)	(24,516)
Administrative expenses		(27,038)	(38,492)	(54,016)
Research and development expenses		(54,440)	(74,418)	(104,113)
Finance costs	*8*	(444)	(698)	(5,410)
[**REDACTED**]		**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Share of result of an associate	*18*	–	–	(358)
Profit before tax		123,575	148,298	149,410
Income tax expense	*9*	(10,878)	(8,485)	(7,133)
Profit for the year	*10*	112,697	139,813	142,277
Other comprehensive income (expense) for the year				
Item that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations		12	70	(214)
Total comprehensive income for the year		112,709	139,883	142,063
Profit (loss) for the year attributable to:				
Owners of the Company		112,776	139,813	135,157
Non-controlling interests		(79)	–	7,120
		112,697	139,813	142,277
Total comprehensive income (expense) for the year attributable to:				
Owners of the Company		112,788	139,883	134,943
Non-controlling interests		(79)	–	7,120
		112,709	139,883	142,063
Earnings per share				
Basic (in RMB)	*13*	1.88	2.33	2.17

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	NOTES	As at December 31,		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Non-current Assets				
Property, plant and equipment	*14*	8,076	9,013	152,140
Right-of-use assets	*15*	5,824	18,996	43,988
Intangible assets	*16*	1,174	1,782	172,375
Goodwill	*17*	–	–	73,793
Investment in an associate	*18*	–	–	9,642
Prepayment for acquisition of property, plant and equipment		155	1,511	2,157
Deferred tax assets	*19*	3,318	3,398	4,013
Other receivables, prepayments and deposits	*22*	823	1,286	1,295
Total Non-current Assets		19,370	35,986	459,403
Current Assets				
Inventories	*20*	33,976	42,095	137,510
Trade and bills receivables	*21*	36,115	48,115	132,930
Other receivables, prepayments and deposits	*22*	4,985	10,044	35,985
Contract assets		–	60	109
Tax recoverable		1,631	3,863	11,010
Financial assets at fair value through profit and loss ("FVTPL")	*23*	34,974	13,068	327,917
Amounts due from related parties	*24(a)*	874	626	918
Pledged bank balances	*25*	–	–	22,277
Short-term fixed deposits	*25*	176,755	354,076	102,534
Cash and cash equivalents	*25*	72,026	122,586	205,288
Total Current Assets		361,336	594,533	976,478

		As at December 31,		
	NOTES	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Current Liabilities				
Trade, bills and other payables	*26*	46,807	68,113	160,330
Amounts due to related parties	*24(b)*	241	1	1,089
Tax payable		4,191	–	3,080
Bank borrowings	*27*	2,802	–	60,129
Lease liabilities	*28*	3,762	6,454	5,629
Contract liabilities	*29*	3,062	8,837	25,810
Provisions	*30*	2,275	4,059	6,450
Deferred income		–	–	1,078
Total Current Liabilities		63,140	87,464	263,595
Net Current Assets		298,196	507,069	712,883
Total Assets less Current Liabilities		317,566	543,055	1,172,286
Non-current Liabilities				
Put option written to a non-controlling interest	*35*	–	–	347,256
Bank borrowings	*27*	–	–	140,000
Lease liabilities	*28*	2,863	13,469	9,776
Deferred tax liabilities	*19*	–	–	31,021
Total Non-current Liabilities		2,863	13,469	528,053
Net Assets		314,703	529,586	644,233
Capital and Reserves				
Share capital	*31(a)*	60,000	61,800	63,093
Reserves		254,703	467,786	321,518
Equity attributable to owners of the Company		314,703	529,586	384,611
Non-controlling interests	*32*	–	–	259,622
Total Equity		314,703	529,586	644,233

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at December 31,		
	NOTES	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Non-current Assets				
Property, plant and equipment	*14*	7,448	6,593	6,404
Right-of-use assets	*15*	4,773	10,636	7,882
Intangible assets	*16*	1,174	1,782	1,659
Investments in subsidiaries	*41*	35,827	39,827	395,344
Investment in an associate	*18*	–	–	9,642
Deferred tax assets	*19*	2,313	2,535	2,836
Prepayment for acquisition of property, plant and equipment		155	599	52
Other receivables, prepayments and deposits	*22*	544	923	932
Total Non-current Assets		52,234	62,895	424,751
Current Assets				
Inventories	*20*	27,530	34,891	67,493
Trade and bills receivables	*21*	31,147	40,546	78,855
Tax recoverable		–	1,424	9,010
Other receivables, prepayments and deposits	*22*	2,325	6,780	19,826
Financial assets at FVTPL	*23*	34,974	13,068	202,369
Amounts due from related parties	*24(a)*	874	626	793
Amounts due from subsidiaries	*24(c)*	1,639	7,211	9,416
Short-term fixed deposits	*25*	176,755	351,726	102,534
Cash and cash equivalents	*25*	28,694	61,283	62,624
Total Current Assets		303,938	517,555	552,920
Current Liabilities				
Trade, bills and other payables	*26*	39,590	59,943	67,859
Amounts due to related parties	*24(b)*	–	1	529
Tax payable		4,221	–	–
Bank borrowings	*27*	2,802	–	60,129
Lease liabilities	*28*	2,893	4,537	3,743
Contract liabilities	*29*	2,654	8,243	9,995
Amounts due to subsidiaries	*24(d)*	2,104	1,379	680
Provisions	*30*	2,209	3,877	6,281
Total Current Liabilities		56,473	77,980	149,216
Net Current Assets		247,465	439,575	403,704
Total Assets less Current Liabilities		299,699	502,470	828,455
Non-current Liabilities				
Bank borrowings	*27*	–	–	140,000
Lease liabilities	*28*	2,537	6,720	4,602
Total Non-current Liabilities		2,537	6,720	144,602
Net Assets		297,162	495,750	683,853
Capital and Reserves				
Share capital	*31(a)*	60,000	61,800	63,093
Reserves	*31(b)*	237,162	433,950	620,760
Total Equity		297,162	495,750	683,853

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company								
	Share capital	Share premium	Other reserves	Translation reserves	Statutory reserves	Retained earnings	Subtotal	Non-Controlling equity	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000* *(Note i)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	17,036	61,898	153	5	8,518	114,305	201,915	–	201,915
Profit (loss) for the year	–	–	–	–	–	112,776	112,776	(79)	112,697
Other comprehensive income for the year	–	–	–	12	–	–	12	–	12
Realised on deregistration of a subsidiary *(Note ii)*	–	–	–	–	–	–	–	79	79
Conversion into a joint stock company with limited liability of the Company *(Note iii)*	42,964	109,016	–	–	(8,518)	(143,462)	–	–	–
Transfer to statutory reserve	–	–	–	–	6,034	(6,034)	–	–	–
As at December 31, 2023	60,000	170,914	153	17	6,034	77,585	314,703	–	314,703
Profit for the year	–	–	–	–	–	139,813	139,813	–	139,813
Other comprehensive income for the year	–	–	–	70	–	–	70	–	70
Capital injection by shareholders *(note 31(a))*	1,800	88,200	–	–	–	–	90,000	–	90,000
Dividends recognised as distribution *(note 12)*	–	–	–	–	–	(15,000)	(15,000)	–	(15,000)
Transfer to statutory reserve	–	–	–	–	12,194	(12,194)	–	–	–
As at December 31, 2024	61,800	259,114	153	87	18,228	190,204	529,586	–	529,586
Profit for the year	–	–	–	–	–	135,157	135,157	7,120	142,277
Other comprehensive expense for the year	–	–	–	(214)	–	–	(214)	–	(214)
Capital injection by shareholders *(note 31(a))*	1,293	63,346	–	–	–	–	64,639	–	64,639
Transfer to statutory reserve	–	–	–	–	12,217	(12,217)	–	–	–
Acquisition of a subsidiary *(note 35)*	–	–	–	–	–	–	–	252,502	252,502
Put option written to a non-controlling interest *(note 35)*	–	–	(344,557)	–	–	–	(344,557)	–	(344,557)
As at December 31, 2025	63,093	322,460	(344,404)	(127)	30,445	313,144	384,611	259,622	644,233

Notes:

(i) It represents the statutory reserve of certain entities comprising the Group in the People's Republic of China (the "PRC"). Pursuant to applicable PRC regulations, the PRC entities established comprising the Group is required to appropriate 10% of its profit after tax (after offsetting prior year losses) to the statutory reserve until such reserve reaches 50% of its registered capital. Transfer to this reserve must be made before distribution of dividends to shareholders. Upon approval by relevant authorities, the statutory reserve can be used to make up for previous years' losses or, expand the existing operations or can be converted into additional capital of the Company.

(ii) During the year ended December 31, 2023, the Group deregistered Guangzhou Senhang Intelligent System Co., Ltd.* (廣州森航智能系統有限公司).

(iii) Amount represents the effect of the conversion of the Company into a joint stock company with limited liability during the year ended December 31, 2023. According to the relevant rules in the PRC, the total audited net assets on conversion date were converted into 60,000,000 ordinary shares of the Company with a nominal value of RMB1.0 per share. The portion of net assets exceeding the total share capital was recorded as share premium of the joint stock company.

* English name is for identification purpose

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
OPERATING ACTIVITIES			
Profit before tax	123,575	148,298	149,410
Adjustments for:			
Interest expenses	444	698	5,410
Interest income	(2,206)	(4,958)	(7,058)
Depreciation of property, plant and equipment	3,514	3,434	10,662
Depreciation of right-of-use assets	3,901	5,185	7,867
Amortisation of intangible assets	228	589	6,126
(Reversal of impairment loss) impairment loss under ECL model, net	(4,260)	756	2,356
Allowance on inventories	1,019	1,165	597
(Gain) loss on disposal of property, plant and equipment	(6)	(196)	73
Gain on termination of leases	(30)	(18)	(561)
Gain on fair value changes of financial assets at FVTPL	(1,826)	(703)	(1,150)
Unrealised exchange gain, net	92	76	(465)
Share of result of an associate	–	–	358
Operating cash flows before movements in working capital	124,445	154,326	173,625
Decrease (increase) in inventories	17,773	(9,284)	(44,713)
Increase in trade and bills receivables	(11,040)	(12,518)	(36,777)
Decrease (increase) in other receivables, prepayments and deposits	8,338	(5,509)	(15,199)
Decrease (increase) in contract assets	186	(63)	(52)
Increase in provisions	1,247	1,784	2,391
Increase (decrease) in trade, bills and other payables	9,966	20,847	5,226
(Decrease) increase in contract liabilities	(4,277)	5,775	13,618
Decrease (increase) in amounts due from related parties	4,254	2	(168)
Increase in amounts due to related parties	–	–	106
Cash generated from operations	150,892	155,360	98,057
Income tax paid	(7,271)	(14,988)	(13,668)
NET CASH FROM OPERATING ACTIVITIES	143,621	140,372	84,389

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
INVESTING ACTIVITIES			
Interest received	1,608	3,987	8,250
Purchases of financial assets at FVTPL	(371,000)	(89,000)	(307,000)
Placement of short-term fixed deposits	(206,082)	(409,850)	(102,000)
Purchases of property, plant and equipment	(4,151)	(5,346)	(11,965)
Acquisition of investment in an associate	–	–	(10,000)
Purchases of intangible assets	(945)	(1,054)	(754)
Proceeds from maturity of financial assets at FVTPL	399,770	111,609	63,803
Proceeds on disposal of property, plant and equipment	291	236	840
Proceeds from withdrawal of short-term fixed deposits	45,000	233,500	352,350
Placement of pledged bank balances	–	–	(4,641)
Withdrawal of pledged bank balances	1,007	–	–
Net cash outflow on acquisition of a subsidiary	–	–	(176,466)
NET USED IN INVESTING ACTIVITIES	(134,502)	(155,918)	(187,583)
FINANCING ACTIVITIES			
Proceeds from capital injection by shareholders	–	90,000	64,639
Proceeds from bank borrowings	3,000	–	200,000
Dividends paid	–	(15,000)	(66,296)
Repayment of borrowings	(4,975)	(2,800)	(100)
Repayment of lease liabilities	(3,782)	(5,041)	(7,062)
Interests paid	(448)	(700)	(2,582)
Proceeds from capital injection by non-controlling shareholders	79	–	–
Advances from related parties	599	–	600
Repayments to related parties	(80)	(240)	(48)
Payment of [**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(5,607)	66,178	185,812
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,512	50,632	82,618
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	68,729	72,026	122,586
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(215)	(72)	84
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	72,026	122,586	205,288

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION AND BASIS OF PREPARATION OF HISTORICAL FINANCIAL INFORMATION

The Company was incorporated in the PRC on November 9, 2006 as a limited liability company under the Company Law of the PRC. On August 14, 2023, the Company was converted from a limited liability company into a joint stock company. The respective addresses of the registered office and the principal place of business of the Company are stated in the section headed "Corporate Information" of the Document. Mr. Li Longliang is the founder and ultimate controlling shareholder of the Company.

The Group is principally engaged in providing digital printing control system, printing machines and consumables and printing software and services to printing equipment manufacturers, merchants, print on demand merchandise factories and consumers.

The Historical Financial Information has been prepared based on the accounting policies which conform with the IFRS Accounting Standards issued by the IASB. Further details of the material accounting policy information are set out in note 3.

The Historical Financial Information is presented in RMB, which is the currency of the economic environment in which the Company operates.

The statutory financial statements of the Company prepared in accordance with the relevant accounting principles and regulations in the PRC were audited by Baker Tilly China Certified Public Accountants (Special General Partnership) (天職國際會計師事務所(特殊普通合夥)) for the year ended December 31, 2023 and Shenzhen Caifu Certified Public Accountants (General Partnership) (深圳財富會計師事務所(普通合夥)) for the year ended December 31, 2024.

[No statutory financial statements of the Company have been prepared for the year ended December 31, 2025 as the financial statements have not yet been due to issue].

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARS

For the purpose of preparing the Historical Financial Information for the Track Record Period, the Group has consistently applied the accounting policies which conform with IFRS Accounting Standards, which are effective for the accounting period beginning on January 1, 2025 throughout the Track Record Period.

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11[2]
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[3]
IFRS 18	Presentation and Disclosure in Financial Statements[3]

1 Effective for annual periods beginning on or after a date to be determined.

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

3 Effective for annual periods beginning on or after January 1, 2027.

IFRS 18 *Presentation and Disclosure in Financial Statements* ("IFRS 18") sets out requirements on presentation and disclosures in financial statements and it will replace IAS 1 *Presentation of Financial Statements*. The new IFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss and other comprehensive income; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of IFRS 18) and IFRS 7 *Financial Instruments and Disclosures*. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after January 1, 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have material impact on the financial performance and position of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss and other comprehensive income.

Except as described above, the directors of the Company consider that the application of all the amendments to IFRS Accounting Standards is unlikely to have a material impact on the Group's financial position and performance in foreseeable future.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The Historical Financial Information has been prepared in accordance with accounting policies which conform with IFRS Accounting Standards issued by the IASB. For the purpose of preparation of the Historical Financial Information, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the Historical Financial Information includes applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and by the Hong Kong Companies Ordinance.

The Historical Financial Information has been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Basis of consolidation

The Historical Financial Information incorporates the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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 listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Historical Financial Information from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

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.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

The identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the Conceptual Framework for Financial Reporting (the "Conceptual Framework") except for transactions and events within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or HK(IFRIC)-Int 21 Levies, in which the Group applies IAS 37 or HK(IFRIC)-Int 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below);

- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard; and

- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in IFRS 16 *Leases*) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A CGU to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit.

Investments in subsidiaries

Investments in subsidiaries is stated in the statements of financial position of the Company at cost less any identified impairment loss.

Investment in an associate

An associate is an entity over which the Group 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 results and assets and liabilities of an associate are incorporated in these consolidated financial statements using the equity method of accounting, the financial statements of an associate used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statements of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* ("IAS 36") as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Revenue from contracts with customers

Information about the Group's accounting policies relating to contracts with customers is provided in note 5.

Lease

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 *Leases* at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Right-of-use assets

The cost of right-of-use assets include the amounts of the initial measurement of the lease liabilities.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statements of financial position.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statements of financial position.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under "other income".

Employee benefit

Retirement benefit costs

Payments to state-managed retirement scheme are classified as defined contribution plans and are recognised as an expense when employees have rendered service entitling them to the contributions.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

Share-based payment

Equity-settled share-based payment transactions

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share premium). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share premium.

When share awards granted are vested, the amount previously recognised in share-based payments reserve will be transferred to share premium.

Taxation

Income tax expense represents the sum of the current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

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 profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 *Income Tax* requirements to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

Current and deferred tax are recognised in profit or loss.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets other than properties under construction less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Impairment on property, plant and equipment, right-of-use assets and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets, intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indicator exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any. Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

The recoverable amount of property, plant and equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the CGU to which the asset belongs.

In testing a CGU for impairment, corporates assets are allocated to the relevant cash generating units when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs, and is compared with the carrying amount of the relevant CGU or group of CGUs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 (or a CGU) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a CGU, the Group compares the carrying amount of a group of CGUs including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (io measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of CGUs. An impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statements of financial position include:

(a) cash, which comprises of cash on hand and demand deposits; and

(b) cash equivalents, which comprises of short-term deposits with original maturity of three months or less. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statements of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale, including costs to be incurred in marketing, selling and distribution.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Provisions for the expected cost of assurance-type warranty obligations under the relevant contracts with customers for sales of printing control system products are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15"). Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

(ii) Financial assets at FVTPL

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend earned or interest earned on the financial asset and is included in the "other gains and losses" line item.

Impairment of financial assets subject to impairment assessment under IFRS 9 Financial Instruments ("IFRS 9")

The Group performs impairment assessment under ECL model on financial assets (including bank balances, pledged and restricted bank balances, short-term fixed bank deposits, trade and bills receivables, other receivables, contract assets and amount due from subsidiaries/related parties) which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables and contract assets.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at each reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- an actual or expected significant deterioration in the operating results of the debtor; or

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using internal credit rating taking into consideration historical credit loss experience and forward looking information that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Trade and other receivables with credit-impaired debtors are assessed for ECL individually.

Lifetime ECL for non credit-impaired trade and other receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting the carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct [**REDACTED**].

Financial liabilities at amortised cost

Financial liabilities of the Group (including trade, bills and other payables, amounts due to related parties/subsidiaries and bank borrowings) are subsequently measured at amortised cost, using the effective interest method.

Put option written to a non-controlling interest

For the put option written to a non-controlling interest by the Group to purchase the shares of a subsidiary owned by the non-controlling interest for cash, even if the Group's obligation to purchase is conditional on the counterparty exercising the right, financial liabilities are recognized at the present value of the purchase amount, with the amount charged against other reserves within equity.

The financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised in profit or loss on an accrual basis as it is incurred.

Upon termination of the written put option associated with shares of a subsidiary, the carrying amount of the written put option will be reclassified to equity.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within next twelve months.

Net realisable value of inventories

Net realizable value of inventories is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale. These estimates are based on the current market conditions and the historical experience of sale of products of similar natures. Any change in the assumptions would increase or decrease the amount of inventories write-down or the related reversals of write-down made in prior years and affect the Group's net assets value. The Group reassesses these estimates periodically. The carrying amounts of the Group's and the Company's inventories are set out in note 20.

Deferred tax assets

Deferred tax assets in respect of tax losses carried forward and deductible temporary differences are recognised and measured based on the expected manner of realization or settlement of the carrying amount of the relevant assets and liabilities, using tax rates enacted or substantively enacted at the end of each reporting date. In determining the carrying amounts of deferred tax assets, expected taxable profits are estimated which involves several assumptions relating to the operating environment of the Group and require a significant level of judgement exercised by the directors. Any change in such assumptions and judgement would affect the carrying amounts of deferred tax assets to be recognised and hence the net profit in future years.

Provision of ECL for trade receivables

Trade receivables which considered to be credit-impaired are assessed on individual basis. In addition, the Group uses collective assessment to calculate ECL for trade receivables balances which are not assessed individually at the end of each reporting period. The ECL rates are based on internal credit ratings by groupings of various debtors that have similar loss patterns. The collective assessment is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. The historical observed default rates are reassessed and changes in the forward-looking information are considered at the end of each reporting period. The provision of ECL is sensitive to changes in estimates.

The information about the Group's and the Company's trade receivables and the related ECL disclosures are set out in notes 21 and 38, respectively.

5. REVENUE AND OPERATING SEGMENTS

(i) Disaggregation of revenue from contracts with customers

Types of goods or services

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Type of goods/services			
Printing control system	262,729	320,614	379,392
Printing machines and consumables			
Printing machines	46,880	46,100	42,125
Printing consumables	12,681	58,302	145,015
Printheads	1,549	24,254	26,194
Dyes and inks	609	602	70,002
Research and development service	–	8,403	3,717
Individual components and others	10,523	25,043	45,102
	59,561	104,402	187,140

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Printing software and services			
Raster image processor ("RIP") color management system	7,381	9,771	14,042
RIIN Galaxy SaaS	2,391	4,170	16,335
	9,772	13,941	30,377
Total	332,062	438,957	596,909
Timing of revenue recognition for contracts with customers			
At point in time	332,009	438,716	596,410
Over time	53	241	499
Total	332,062	438,957	596,909

(ii) Revenue accounting policies and performance obligations for contracts with customers

Revenue from sales of goods

The Group recognises revenue from the sale of goods when the customer obtains control of the related goods.

Revenue from sales of goods primarily includes income from printing control system, printing machines and printing consumables and RIP color management system included in printing software and services. The transfer of control is determined based on the agreed delivery method. The Group sends the goods to the address specified by the customer according to the delivery conditions stipulated in the contract or order and the revenue is recognised at a point in time when the goods are generally accepted by the customers.

Revenue from services

Revenue from services primarily includes research and development services income included in printing machines and consumables and RIIN Galaxy SaaS included in printing software and services and provide customized design and development services for printer solutions. The revenue from development service is recognised at a point of time when the customers obtain control of the services.

RIIN Galaxy SaaS revenues primarily consist of fees that provide merchants and merchandise factories merchants access to the platform for advanced printing control system.

The Group either charge merchants and merchandise factories (i) on an annual subscription package that offers unlimited or maximum volume, or (ii) based on the volume of orders processed on the products.

Under unlimited or maximum volume subscription model, merchants and merchandise factories are provided with access to the Group's RIIN Galaxy SaaS over the contract term. Revenue is generally recognised on a straight line basis over the contract term.

Under limited volume model, merchants and merchandise factories first purchase certain number of volumes from the Group, and consumed the volume upon usage. Related revenue is recognised upon the consumption.

The Group applies the practical expedient in IFRS 15 and does not disclose information about its remaining performance obligation as the performance obligation is part of a contract that has an original expected duration of one year or less.

(iii) Segment information

The Group has only one operating segment and reportable segment based on information reported to the chief operating decision maker (the "CODM") of the Group, being the executive directors of the Company, for the purpose of resource allocation and performance assessment, which is the consolidated results of the Group. No analysis of segment assets or segment liabilities is presented as such information is not regularly provided to the CODM.

The accounting policies of the operating segment is the same as the Group's accounting policies. Accordingly, the Group has only one single operating segment and no further analysis of the single segment is presented.

(iv) Geographical information

The following table sets out information about the Group's revenue from external customers by the location of customers:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Chinese Mainland	283,169	379,996	503,480
Japan	45,940	53,697	60,923
Others	2,953	5,264	32,506
Total	332,062	438,957	596,909

The Group's non-current assets are substantially all located in the Mainland of China by location of assets.

(v) Information about major customers

Revenue from customers of the corresponding year contributing over 10% of the total revenue of the Group are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Customer A	48,605	58,906	N/A*

* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

Note: Based on the best knowledge of the directors of the Company, Customer A is a group of companies under the control of the same holding company.

6. OTHER INCOME, EXPENSES, GAINS AND LOSSES, NET

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other income (expenses):			
– government grants related to expense items *(Note)*	18,329	28,150	20,746
– interest income from bank balances	2,206	4,958	7,058
– others	(795)	(624)	(570)
	19,740	32,484	27,234
Other gains (losses):			
– gain (losses) on disposal of property, plant and equipment	6	196	(73)
– fair value gain of financial assets at FVTPL	1,826	703	1,150
– net foreign exchange gain	223	622	(90)
– others	(52)	(180)	(692)
	2,003	1,341	295

Note: Amount recognised mainly represent subsidies granted by certain local government authorities to support the operating activities of the Group, in which no future related cost is expected to be incurred. These government grants with no unfulfilled conditions are recognised when payments were received or became receivable.

7. REVERSAL OF IMPAIRMENT LOSS (IMPAIRMENT LOSS) UNDER ECL MODEL, NET

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net impairment losses (recognised) reversed on:			
– trade receivables	(458)	(520)	(2,141)
– other receivables	4,464	(246)	(163)
– contract assets	9	(3)	(3)
– amounts due from related parties	245	13	(49)
	4,260	(756)	(2,356)

Details of impairment assessment are set out in note 38.

8. FINANCE COSTS

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest expense on:			
– lease liabilities	366	538	947
– bank borrowing	78	160	1,764
– Put option written to a non-controlling interest	–	–	2,699
	444	698	5,410

9. INCOME TAX EXPENSE

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current tax:			
– Chinese Mainland Enterprise Income Tax ("EIT")	10,722	8,565	8,300
– Hong Kong profits tax	10	–	–
Deferred tax *(note 19)*	146	(80)	(1,167)
Income tax expense	10,878	8,485	7,133

Hong Kong, China

Hong Kong, China Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first Hong Kong dollars ("HK$") 2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million.

Chinese Mainland

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the Company and its subsidiaries incorporated in Chinese Mainland (other than those as described below) is 25% for the Track Record Period.

In December 2021, the "Certificate of New Hi-tech Enterprise" was granted to the Company for a period of three year from December 2021. The same qualification has been renewed and granted to the Company for another three years in December 2024. Accordingly, the Company is subject to the preferential EIT rate of 15% for the Track Record Period. In addition, the Company was recognized as a "Key Software Enterprise" in 2024 and was eligible for a further preferential EIT rate of 10%. The directors of the Company have considered it likely that the Company would continue to meet the eligibility criteria and maintain this preferential tax rate in 2025.

In December 2022, the "Certificate of New Hi-tech Enterprise" was granted to the Dongguan iMaxcan Smart Manufacturing Co., Ltd. ("Dongguan iMaxcan"), a subsidiary of the Company, for a period of three years from December 2022. In December 2025, Dongguan iMaxcan Smart Manufacturing Co., Ltd. renewed the "Certificate of New Hi-tech Enterprise" for a three-year period. Accordingly, the Dongguan iMaxcan is subject to the preferential EIT rate of 15% for the Track Record Period.

In November 2023, the "Certificate of New Hi-tech Enterprise" was granted to the Celludye (Hubei) Image Color Co., Ltd. ("Hubei Celludye"), a subsidiary of the Company, for a period of three years from November 2023. Accordingly, the Hubei Celludye is subject to the preferential EIT rate of 15% for a period of three years from 2023 to 2025.

The taxation for the Track Record Period can be reconciled to profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Profit before tax	123,575	148,298	149,410
Tax at the domestic income tax rate of 25%	30,894	37,075	37,353
Tax effect of expenses not deductible for tax purpose	177	202	456
Extra deduction of research and development expenses *(Note)*	(7,927)	(7,517)	(10,280)
Tax effect of tax losses not recognized	275	313	1,936
Tax effect of deductible temporary differences not recognized	–	5	8
Utilisation of deductible temporary differences previously not recognised	(24)	(66)	(547)
Tax effect of income tax at concessionary rate	(12,517)	(21,527)	(21,793)
Income tax expense	10,878	8,485	7,133

Note: The eligible expenditures of research and development costs incurred in the Chinese Mainland and charged to profit or loss is subject to an additional 100% tax deduction in the calculation of income tax expense in the Track Record Period.

10. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging (crediting):

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Directors' and chief executive's remuneration *(note 11)*	5,262	6,502	5,378
Other staff cost:			
– Salaries and other allowances	62,146	86,045	132,855
– Performance related bonus	12,788	19,720	17,803
– Retirement benefits	3,641	5,213	9,006
Total staff costs	83,837	117,480	165,042
Less: capitalised in inventories	(14,494)	(24,067)	(31,781)
	69,343	93,413	133,261

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Depreciation of property, plant and equipment	3,514	3,434	10,662
Depreciation of right-of use assets	3,901	5,185	7,867
Amortisation of intangible assets	228	589	6,126
Total depreciation and amortisation	7,643	9,208	24,655
Less: capitalised in inventories	(1,371)	(786)	(4,271)
	6,272	8,422	20,384
Auditor's remuneration	35	59	58
Cost of inventories recognised as an expense	126,001	172,427	249,502
Allowances for inventories, net (included in cost of sales)	1,019	1,165	597
[**REDACTED**]	[REDACTED]	[REDACTED]	[REDACTED]

11. DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executives' remuneration for the Track Record Period, disclosed pursuant to the applicable Listing Rules, is as follows:

	Fees	Salaries, and other allowances	Retirement benefit	Performance related bonus	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2023					
Directors:					
– Mr. Li Longliang *(Note ii)*	–	588	46	670	1,304
– Mr. Chen Yan *(Note iii)*	–	573	39	390	1,002
– Mr. Liu Xiaohuan *(Note iv)*	–	260	17	485	762
– Ms. Liu Xiaoyan *(Note v)*	–	86	6	250	342
Independent Directors:					
– Ms. Chu Dazhi *(Note vi)*	34	–	–	–	34
– Mr. Zeng Gangjun *(Note vi)*	34	–	–	–	34
– Mr. Zheng Chaoyu *(Note vii)*	34	–	–	–	34
Supervisors:					
– Mr. Xu Guomin *(Note viii)*	–	266	18	457	741
– Mr. Sun Shuanghai *(Note ix)*	–	346	19	–	365
– Ms. Deng Lingling *(Note x)*	–	154	11	57	222
– Mr. Chen Changhong *(Note xi)*	–	25	2	142	169
– Mr. Mei Ming *(Note xii)*	–	50	3	200	253
	102	2,348	161	2,651	5,262

	Fees	Salaries, and other allowances	Retirement benefit	Performance related bonus	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2024					
Directors:					
– Mr. Li Longliang *(Note ii)*	–	663	50	750	1,463
– Mr. Chen Yan *(Note iii)*	–	652	42	411	1,105
– Mr. Liu Xiaohuan *(Note iv)*	–	597	38	727	1,362
– Ms. Liu Xiaoyan *(Note v)*	–	–	–	–	–
Independent Directors:					
– Ms. Chu Dazhi *(Note vi)*	80	–	–	–	80
– Mr. Zeng Gangjun *(Note vi)*	80	–	–	–	80
– Mr. Zheng Chaoyu *(Note vii)*	80	–	–	–	80
Supervisors:					
– Mr. Xu Guomin *(Note viii)*	–	631	41	381	1,053
– Mr. Chen Changhong *(Note xi)*	–	293	19	155	467
– Mr. Mei Ming *(Note xii)*	–	546	36	230	812
	240	3,382	226	2,654	6,502

	Fees	Salaries, and other allowances	Retirement benefit	Performance related bonus	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Year ended December 31, 2025					
Directors:					
– Mr. Li Longliang *(Note ii)*	–	1,131	75	300	1,506
– Mr. Chen Yan *(Note iii)*	–	623	35	149	807
– Mr. Liu Xiaohuan *(Note iv)*	–	742	43	340	1,125
– Ms. Liu Xiaoyan *(Note v)*	–	–	–	–	–
– Mr. Xu Guomin *(Note viii)*	–	291	15	–	306
Independent Directors:					
– Ms. Chu Dazhi *(Note vi)*	80	–	–	–	80
– Mr. Zeng Gangjun *(Note vi)*	80	–	–	–	80
– Mr. Zheng Chaoyu *(Note vii)*	55	–	–	–	55
– Mr. Cheung Wing Hang *(Note xiii)*	21	–	–	–	21
Supervisors:					
– Mr. Xu Guomin *(Note viii)*	–	535	31	–	566
– Mr. Chen Changhong *(Note xi)*	–	232	16	57	305
– Mr. Mei Ming *(Note xii)*	–	397	30	100	527
	236	3,951	245	946	5,378

Notes:

(i) The emoluments of directors and supervisors shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The independent directors' emoluments shown above were for their services as directors of the Group. The performance-related bonuses were determined by the management of the Group by reference to the Group's performance.

(ii) Mr. Li Longliang is the chief executive of the Group and the emoluments disclosed above include those for services rendered as the chief executive and executive director of the Company. Mr. Li Longliang was appointed as a director of the Company since 2006 and re-designated as executive director in September 2025.

(iii) Mr. Chen Yan was appointed as supervisor of the Company in January 2022 and was re-designated as director of the Company in July 2023 and resigned from this office in September 2025.

(iv) Mr. Liu Xiaohuan was appointed as a director of the Company in July 2023 and was re-designated as executive director in September 2025.

(v) Ms. Liu Xiaoyan was appointed as a director of the Company in July 2023 and was re-designated as a non-executive director in September 2025.

(vi) Ms. Chu Dazhi and Mr. Zeng Gangjun were appointed as independent directors of the Company in July 2023, and were re-designated as independent non-executive directors in September 2025.

(vii) Mr. Zheng Chaoyu was appointed as independent director of the Company in July 2023, and resigned from this office in September 2025.

(viii) Mr. Xu Guomin served as the chairman of board of supervisors from July 2023 to September 2025. Mr. Xu Guomin was appointed as an employee director of the Company in September 2025 and was re-designated as executive director in September 2025.

(ix) Mr. Sun Shuanghai was appointed as supervisor of the Company in July 2023 and resigned from this office in December 2023.

(x) Ms. Deng Lingling was appointed was appointed as supervisor of the Company in July 2023 and resigned from this office in December 2023.

(xi) Mr. Chen Changhong was appointed as supervisor of the Company in December 2023 and resigned from this office in September 2025.

(xii) Mr. Mei Ming was appointed as supervisor of the Company in December 2023 and resigned from this office in September 2025.

(xiii) Mr. Cheung Wing Hang was appointed as an independent non-executive director in September 2025.

(xiv) In compliance with the relevant provisions of the New Company Law and the requirements of the Transitional Arrangements for the Implementation of the Supporting Rules under the New Company Law issued by the China Securities Regulatory Commission (CSRC), the Company abolished the supervisory board and established an audit committee to perform the corresponding functions and powers with effect from September 2025.

Five individuals with the highest emoluments

The five highest paid individuals of the Group included 3, 3 and 2 directors for the years ended December 31, 2023, 2024 and 2025, respectively, whose emoluments are included in the disclosures above. The emoluments of the remaining 2, 2 and 3 individuals for the years ended December 31, 2023, 2024 and 2025, respectively, are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries and other allowances	969	1,079	2,392
Retirement benefits	1,017	1,261	995
Performance related bonus	59	72	128
	2,045	2,412	3,515

The number of the highest paid employees for the years ended December 31, 2023, 2024 and 2025 who are not the directors of the Company whose remuneration fell within the following band is as follows:

	Year ended December 31,		
	2023	2024	2025
	No. of employees	*No. of employees*	*No. of employees*
HK$1,000,001 to HK$1,500,000	2	2	3

No emoluments were paid by the Group to the directors, the supervisors or the five highest paid individuals, as an inducement to join or upon joining the Group or as compensation for loss of office during the Track Record Period. None of the directors or supervisors waived or agreed to waive any emoluments during the Track Record Period.

12. DIVIDENDS

During the year ended December 31, 2024, a dividend with aggregated amount of RMB15,000,000, was paid to the shareholders of the Company in June 2024.

No dividend was paid or declared to the ordinary shareholders of the Company for the year ended December 31, 2023 and the year ended December 31, 2025 nor has any dividend been proposed or paid since the end of the Track Record Period.

Subsequent to the end of the reporting period, a final dividend in respect of the year ended December 31, 2025 of RMB20,000,000, was approved of the Company in March 20, 2026.

13. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

	As at December 31,		
	2023	2024	2025
Earnings for the year (RMB'000):			
Earnings for the purpose of basic earnings per share	112,776	139,813	135,157
Number of shares (000)			
Weighted average number of ordinary shares for the purpose of basic earnings per share	60,000	60,000	62,243

The Company was converted to a joint stock company on August 14, 2023, 60,000,000 ordinary shares with par value of RMB1 each were issued and allotted to the respective shareholders of the Company according to the paid-in capital registered under these shareholders on that day. This capitalization of share capital is applied retrospectively for the purpose of calculating basic earnings per share, as adjusted for the capital contributions by the then shareholder.

No diluted earnings per share for the years ended December 31, 2023, 2024 and 2025 were presented as there were no potential ordinary shares in issue for any of those reporting periods.

14. PROPERTY, PLANT AND EQUIPMENT

The Group

	Building	Machineries	Motor vehicles	Furniture and electronic equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
COST						
As at January 1, 2023	–	2,123	2,241	3,491	4,362	12,217
Additions	–	1,510	195	796	1,653	4,154
Disposal	–	(701)	–	(217)	–	(918)
As at December 31, 2023	–	2,932	2,436	4,070	6,015	15,453
Additions	–	2,329	183	1,899	–	4,411
Disposal	–	(96)	–	(206)	–	(302)
As at December 31, 2024	–	5,165	2,619	5,763	6,015	19,562
Additions	77	6,431	994	1,877	1,940	11,319
Disposal	–	(888)	–	(958)	–	(1,846)
Acquired on acquisition of a subsidiary	97,780	41,197	763	3,643	–	143,383
As at December 31, 2025	97,857	51,905	4,376	10,325	7,955	172,418
DEPRECIATION						
As at January 1, 2023	–	798	433	1,928	1,337	4,496
Provided for the year	–	928	441	892	1,253	3,514
Eliminated on disposal	–	(428)	–	(205)	–	(633)
As at December 31, 2023	–	1,298	874	2,615	2,590	7,377
Provided for the year	–	689	465	991	1,289	3,434
Eliminated on disposal	–	(61)	–	(201)	–	(262)
As at December 31, 2024	–	1,926	1,339	3,405	3,879	10,549
Provided for the year	2,872	2,759	653	1,454	2,924	10,662
Eliminated on disposal	–	(105)	–	(828)	–	(933)
As at December 31, 2025	2,872	4,580	1,992	4,031	6,803	20,278
CARRYING VALUES						
As at December 31, 2023	–	1,634	1,562	1,455	3,425	8,076
As at December 31, 2024	–	3,239	1,280	2,358	2,136	9,013
As at December 31, 2025	94,985	47,325	2,384	6,294	1,152	152,140

The Company

	Machineries	Motor vehicles	Furniture electronic equipment	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
COST					
As at January 1, 2023	1,318	2,241	2,546	3,752	9,857
Additions	1,389	195	637	1,492	3,713
Disposal	(24)	–	(106)	–	(130)
As at December 31, 2023	2,683	2,436	3,077	5,244	13,440
Additions	712	–	1,554	–	2,266
Disposal	(59)	–	(12)	–	(71)
As at December 31, 2024	3,336	2,436	4,619	5,244	15,635
Additions	1,052	913	1,260	1,940	5,165
Disposal	(114)	–	(749)	–	(863)
As at December 31, 2025	4,274	3,349	5,130	7,184	19,937
DEPRECIATION					
As at January 1, 2023	518	433	1,132	1,062	3,145
Provided for the year	747	441	795	974	2,957
Eliminated on disposal	(10)	–	(100)	–	(110)
As at December 31, 2023	1,255	874	1,827	2,036	5,992
Provided for the year	624	441	892	1,151	3,108
Eliminated on disposal	(47)	–	(11)	–	(58)
As at December 31, 2024	1,832	1,315	2,708	3,187	9,042
Provided for the year	798	521	1,105	2,847	5,271
Eliminated on disposal	(63)	–	(717)	–	(780)
As at December 31, 2025	2,567	1,836	3,096	6,034	13,533
CARRYING VALUES					
As at December 31, 2023	1,428	1,562	1,250	3,208	7,448
As at December 31, 2024	1,504	1,121	1,911	2,057	6,593
As at December 31, 2025	1,707	1,513	2,034	1,150	6,404

The above items of property, plant and equipment of the Group and the Company after taking into account the residual values, where applicable, are depreciated on a straight-line basis over their estimated useful lives at the following:

Building	10-50 years
Machineries	3-15 years
Motor vehicles	5 years
Furniture and electronic equipment	3 years
Leasehold improvements	3-10 years, or the lease term of the leased properties, whichever is shorter

15. RIGHT-OF-USE ASSETS

The Group

	Leasehold lands	Leased properties	Total
	RMB'000	*RMB'000*	*RMB'000*
As at December 31, 2023			
Carrying amount	–	5,824	5,824
As at December 31, 2024			
Carrying amount	–	18,996	18,996
As at December 31, 2025			
Carrying amount	29,511	14,477	43,988
For the year ended December 31, 2023			
Depreciation charge	–	3,901	3,901
For the year ended December 31, 2024			
Depreciation charge	–	5,185	5,185
For the year ended December 31, 2025			
Depreciation charge	249	7,618	7,867

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Expenses relating to short-term leases	537	421	196
Total cash outflows for leases	4,685	6,000	8,205
Additions to right-of-use assets	2,482	18,628	36,283

During the Track Record Period, the Group leases various offices, staff quarters and warehouses for its operations. Lease terms are negotiated by the Group on an individual basis and contain a wide range of different terms and conditions. The terms are fixed with various period, from 12 to 120 months. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

The leasehold lands of RMB29,511,000 were acquired through the acquisition of a subsidiary and mainly represent upfront payments for leasehold lands in the PRC for 50 years. Land use right certificates for leasehold land in the PRC have been obtained.

The Group occasionally entered into short-term leases for certain offices, staff quarters and warehouses. As at December 31, 2023, 2024 and 2025, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

The Company

	Leased properties
	RMB'000
As at December 31, 2023	
Carrying amount	4,773
As at December 31, 2024	
Carrying amount	10,636
As at December 31, 2025	
Carrying amount	7,882

	Leased properties
	RMB'000
For the year ended December 31, 2023	
Depreciation charge	2,270
For the year ended December 31, 2024	
Depreciation charge	3,271
For the year ended December 31, 2025	
Depreciation charge	5,527

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Expenses relating to short-term leases	537	421	154
Total cash outflows for leases	2,298	3,496	5,892
Additions to right-of-use assets	2,482	9,117	5,806

During the Track Record Period, the Company leases various offices, staff quarters and warehouses for its operations. Lease terms are negotiated by the Company on an individual basis and contain a wide range of different terms and conditions. The terms are fixed with various period, from 12 to 120 months. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

The Company occasionally entered into short-term leases for certain offices, staff quarters and warehouses. As at December 31, 2023, 2024 and 2025, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

16. INTANGIBLE ASSETS

The Group

	Client relationship	Trademarks	Technology	Pollution emission right	Software	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
COST						
As at January 1, 2023	–	–	–	–	836	836
Additions	–	–	–	–	921	921
As at December 31, 2023	–	–	–	–	1,757	1,757
Additions	–	–	–	–	1,197	1,197
As at December 31, 2024	–	–	–	–	2,954	2,954
Additions	–	–	–	–	754	754
Acquired on acquisition of a subsidiary	92,170	36,120	46,910	341	424	175,965
As at December 31, 2025	92,170	36,120	46,910	341	4,132	179,673
AMORTISATION						
As at January 1, 2023	–	–	–	–	355	355
Provided for the year	–	–	–	–	228	228
As at December 31, 2023	–	–	–	–	583	583
Provided for the year	–	–	–	–	589	589
As at December 31, 2024	–	–	–	–	1,172	1,172
Provided for the year	3,840	–	1,563	20	703	6,126
As at December 31, 2025	3,840	–	1,563	20	1,875	7,298

	Client relationship	Trademarks	Technology	Pollution emission right	Software	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
CARRYING VALUES						
As at December 31, 2023	–	–	–	–	1,174	1,174
As at December 31, 2024	–	–	–	–	1,782	1,782
As at December 31, 2025	88,330	36,120	45,347	321	2,257	172,375

The above client relationship, trademarks, technology and pollution right were purchased as part of a business combination in 2025. Details of the acquisition is set out in note 35.

The Company

	Software
	RMB'000
COST	
As at January 1, 2023	606
Additions	921
As at December 31, 2023	1,527
Additions	1,197
As at December 31, 2024	2,724
Additions	556
As at December 31, 2025	3,280
AMORTISATION	
As at January 1, 2023	125
Provided for the year	228
As at December 31, 2023	353
Provided for the year	589
As at December 31, 2024	942
Provided for the year	679
As at December 31, 2025	1,621
CARRYING VALUES	
As at December 31, 2023	1,174
As at December 31, 2024	1,782
As at December 31, 2025	1,659

The above intangible assets other than trademarks have finite useful lives. Such intangible assets are amortized on a straight-line basis over the following periods:

Client relationship	8 years
Technology	10 years
Software	1-10 years
Pollution emission right	10 years

The trademarks have a legal life of 10 years but is renewable every 10 years at minimal cost. The directors of the Company are of the opinion that the Group would renew the trademarks continuously and has the ability to do so. Various studies including product life cycle studies, market, competitive and environmental trends, and brand extension opportunities have been performed by management of the Group, which supports that the trademarks have no foreseeable limit to the period over which the trademarked products are expected to generate net cash inflow for the Group.

As a result, the trademarks are considered by the management of the Group as having an indefinite useful life because it is expected to contribute to net cash inflows indefinitely. The trademarks will not be amortised until its useful life is determined to be finite. Instead, it will be tested for impairment annually and whenever there is an indication that it may be impaired.

For the purposes of impairment testing, trademarks with indefinite useful lives has been allocated to CGU of Shanghai Celludye Imaging Colorants Ltd. ("Shanghai Celludye"). The detailed information of impairment testing was shown in Note 17.

No impairment loss was recognised for intangible assets at the end of each year over the Track Record Period.

17. GOODWILL

	RMB'000
COST AND CARRYING VALUES	
As at January 1, 2023, December 31, 2023 and 2024	–
Arising on acquisition of a subsidiary	73,793
As at December 31, 2025	73,793

For the purposes of impairment testing, goodwill has been allocated to CGU of Shanghai Celludye.

During the year ended December 31, 2025, the management of the Group determines that there is no impairment of Shanghai Celludye.

The basis of the recoverable amounts of the CGU of Shanghai Celludye and their major underlying assumptions are summarised below.

For the purpose of impairment testing on the goodwill arising from acquisition of Shanghai Celludye, the recoverable amount of the CGU has been determined by a value-in-use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period, and a pre-tax discount rate of 13.9%. Cash flows beyond the five-year period are extrapolated with 2% growth. Expected cash inflows/outflows, which include budgeted sales, gross margin and raw material price inflation, have been determined based on past performance and management's expectations for the market development.

As at December 31, 2025, management of the Group determined that the recoverable amount of the CGU of Shanghai Celludye exceeded its carrying amount by RMB48,889,000. The management of the Group was of the view that there was sufficient headroom such that any reasonably possible changes in the key parameters would not cause the carrying amount of the CGU of Shanghai Celludye to exceed its recoverable amount as of December 31, 2025. If the pre-tax discount rate was changed to 15.0%, with other parameters remain constant, the recoverable amount of the CGU of Shanghai Celludye would equal its carrying amount.

18. INVESTMENT IN AN ASSOCIATE

The Group and Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cost of investment in an associate	–	–	10,000
Share of post-acquisition loss	–	–	(358)
	–	–	9,642

The following set out the particulars of the associate of the Group and Company as at December 31, 2025:

Name of entities	Place of incorporation	Place of business	Proportion of ownership interest and voting rights held by the Group and Company: As at December 31, 2023	2024	2025	As at the date of report	Principle activity
西安德高鯨典數碼科技有限公司 Xi'an Degaojingdian Digital Technology Co., Ltd.*	PRC	PRC	N/A	N/A	31.67%	31.67%	Manufacture of printing equipment

* The English translation of the name of the above company is for reference only. The official name of the entity is in Chinese.

The associate is accounted for using the equity method in these consolidated financial statements. The Group considers the associate is individually immaterial.

Financial information of this associate has not been disclosed since this associate is immaterial to the Group.

19. DEFERRED TAXATION

The following are the major deferred tax assets and liabilities recognised by the Group and the Company and movements thereon during the Track Record Period:

The Group

	Impairment losses under ECL	Allowance on inventories	Lease liabilities	Right-of-use assets	Fair value change of acquisition assets	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	1,399	1,107	1,278	(1,180)	–	860	3,464
(Charged) credited to profit or loss	(631)	167	(227)	260	–	285	(146)
As at December 31, 2023	768	1,274	1,051	(920)	–	1,145	3,318
Credited (charged) to profit or loss	113	177	1,963	(1,952)	–	(221)	80
As at December 31, 2024	881	1,451	3,014	(2,872)	–	924	3,398
Acquired on acquisition of a subsidiary	291	101	45	(44)	(31,921)	(45)	(31,573)
Credited (charged) to profit or loss	309	(14)	(794)	791	900	(25)	1,167
As at December 31, 2025	1,481	1,538	2,265	(2,125)	(31,021)	854	(27,008)

As at December 31, 2023, 2024 and 2025, the Group had unused tax losses of RMB1,721,000, RMB2,985,000 and RMB4,809,000, available to offset against future profits. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profit streams.

The unrecognised tax losses will be carried forward and expire in the following years:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
2027	619	619	509
2028	1,102	1,102	138
2029	–	1,264	86
2030	–	–	4,076
	1,721	2,985	4,809

The Company

	Impairment losses under ECL	Allowance on inventories	Lease liabilities	Right-of-use assets	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	950	473	816	(709)	640	2,170
(Charged) credited to profit or loss	(291)	90	(1)	(7)	352	143
As at December 31, 2023	659	563	815	(716)	992	2,313
Credited (charged) to profit or loss	127	249	874	(879)	(149)	222
As at December 31, 2024	786	812	1,689	(1,595)	843	2,535
Credited (charged) to profit or loss	413	(132)	(437)	413	44	301
As at December 31, 2025	1,199	680	1,252	(1,182)	887	2,836

The Company had no unused tax losses under PRC EIT during the Track Record Period.

20. INVENTORIES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Raw materials	20,243	26,329	73,066
Work in progress	615	1,188	6,751
Finished goods	13,118	14,578	57,693
	33,976	42,095	137,510

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Raw materials	18,609	23,600	50,640
Finished goods	8,921	11,291	16,853
	27,530	34,891	67,493

21. TRADE AND BILLS RECEIVABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables-third parties	33,496	44,043	114,546
Less: Allowance for credit losses	(1,811)	(2,331)	(4,289)
	31,685	41,712	110,257
Bills receivables *(Note)*	4,430	6,403	22,673
	36,115	48,115	132,930

Note: As the Group had not transferred the significant risks and rewards relating to certain endorsed bills receivables, it continued to recognise the full carrying amount of the receivables and trade payable. As at December 31, 2023, 2024 and 2025, the amount of such endorsed and not been derecognised bills receivable was RMB3,140,000, RMB1,654,000 and RMB13,025,000, respectively.

As at January 1, 2023, the carrying amount of trade receivables from contracts with customers net of allowance for credit losses of the Group amounted to RMB23,554,000.

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables-third parties	28,123	36,175	74,097
Less: Allowance for credit losses	(1,406)	(1,809)	(4,398)
	26,717	34,366	69,699
Bills receivables *(Note)*	4,430	6,180	9,156
	31,147	40,546	78,855

Note: As the Company had not transferred the significant risks and rewards relating to certain endorsed bills receivables, it continued to recognise the full carrying amount of the receivables and trade payable. As at December 31, 2023, 2024 and 2025, the amount of such endorsed and not been derecognised bills receivable was RMB3,140,000, RMB1,499,000 and RMB1,941,000, respectively.

As at January 1, 2023, the carrying amount of trade receivables from contracts with customers net of allowance for credit losses of the Company amounted to RMB19,668,000.

The Group and the Company grants credit period ranging from 0 day to 90 days to its trade customers.

Aging of trade receivables net of allowance for credit losses is, prepared based on the date of transfer of goods and services, which approximated the respective revenue recognition dates, as follows:

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
0-90 days	31,093	39,913	103,833
91-180 days	390	1,705	6,424
181-360 days	28	80	–
Over 360 days	174	14	–
	31,685	41,712	110,257

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
0-90 days	26,344	32,963	69,699
91-180 days	373	1,403	–
	26,717	34,366	69,699

Aging of bills receivables, net of impairment loss allowance, presented based on remaining dates to maturity of bills receivables at the end of each reporting period.

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
0-90 days	1,760	1,505	9,692
91-180 days	2,670	4,898	12,981
	4,430	6,403	22,673

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
0-90 days	1,760	1,350	1,392
91-180 days	2,670	4,830	7,764
	4,430	6,180	9,156

As at December 31, 2023, 2024 and 2025, include in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB14,922,000, RMB14,673,000 and RMB43,869,000, which were past due as at the each reporting period. Out of the past due balances, RMB344,000, RMB131,000 and RMB1,689,000 has been past due 90 days or more and is not considered as in default as the Group considered such balances could be recovered based on repayment history. The Group does not hold any collateral over these balances.

As at December 31, 2023, 2024 and 2025, include in the Company's trade receivables balance are debtors with aggregate carrying amount of RMB14,293,000, RMB14,338,000 and RMB30,911,000, which were past due as at the each reporting period. Out of the past due balances, Nil, RMB7,000 and RMB1,000 has been past due 90 days or more and is not considered as in default as the Company considered such balances could be recovered based on repayment history. The Company does not hold any collateral over these balances.

Details of impairment assessment of trade receivables are set out in note 38.

22. OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Business transfer receivable *(Note)*	2,593	2,593	2,593
Deposits	1,323	2,028	4,247
Prepayments	2,221	4,092	24,776
Value added tax recoverable	1,608	2,578	2,534
Others	1,286	2,985	2,984
Deferred [**REDACTED**]	[REDACTED]	[REDACTED]	[REDACTED]
	9,031	14,799	40,917
Less: Allowance for credit losses	(3,223)	(3,469)	(3,637)
	5,808	11,330	37,280

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Analysed as:			
Current	4,985	10,044	35,985
Non-current	823	1,286	1,295
	5,808	11,330	37,280

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Business transfer receivable *(Note)*	2,593	2,593	2,593
Deposits	1,015	1,637	3,787
Prepayments	912	3,315	11,268
Value added tax recoverable	138	239	638
Others	1,152	2,796	2,195
Deferred [**REDACTED**]	[REDACTED]	[REDACTED]	[REDACTED]
	5,810	11,103	24,264
Less: Allowance for credit losses	(2,941)	(3,400)	(3,506)
	2,869	7,703	20,758

Note: The business transfer receivable represents receivables arising from the disposal of business of the Group to third parties before Track Record Period.

Analysed as:			
Current	2,325	6,780	19,826
Non-current	544	923	932
	2,869	7,703	20,758

Details of impairment assessment of other receivables are set out in note 38.

23. FINANCIAL ASSETS AT FVTPL

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Money market funds	34,974	13,068	327,917

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Money market funds	34,974	13,068	202,369

Details of the fair value measurement for the financial assets at FVTPL are set out in note 38. All of the financial assets at FVTPL are denominated in RMB, which is the same as the functional currency of the relevant entities of the Group.

During the years ended December 31, 2023, 2024 and 2025, the Group entered into contracts of financial products with several financial institutions. All investments had maturity date within one year and are classified as financial assets measured at FVTPL. The expected return rates varied from (0.78)%-3.24%, 1.38%-2.93% and 0.12%-2.37% per annum for the years ended December 31, 2023, 2024 and 2025, respectively.

24. AMOUNTS DUE FROM/TO RELATED PARTIES/SUBSIDIARIES

(a) Amounts due from related parties

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade related:			
Other related parties *(Note)*	920	659	832
Less: Allowance for credit losses	(46)	(33)	(87)
	874	626	745
Non-trade related:			
Key management personnel of significant consolidated subsidiaries	–	–	130
Other related parties *(Note)*	–	–	50
Less: Allowance for credit losses	–	–	(7)
	–	–	173
	874	626	918

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade related:			
Other related parties *(Note)*	920	659	832
Less: Allowance for credit losses	(46)	(33)	(87)
	874	626	745
Non-trade related:			
Other related parties *(Note)*	–	–	50
Less: Allowance for credit losses	–	–	(2)
	–	–	48
	874	626	793

As represented by the directors of the Company, the non-trade amounts were interest-free and repayable on demand, and the Group plan to settle these amounts prior to the H Share [**REDACTED**].

Note: These entities are under significant influence by Mr. Li Longliang.

Aging of trade related amount due from related parties, net of impairment loss allowance, prepared based on the date of transfer of goods and services, which approximated the respective revenue recognition dates, as follows:

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
0-90 days	616	47	291
91-180 days	258	57	–
181-360 days	–	522	6
Over 360 days	–	–	448
	874	626	745

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
0-90 days	616	47	291
91-180 days	258	57	–
181-360 days	–	522	6
Over 360 days	–	–	448
	874	626	745

(b) Amounts due to related parties

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade related:			
Other related parties *(Note)*	–	–	106
Non-trade related:			
Ms. Liu Xiaoyan	241	–	–
Mr. Chen Yan	–	–	500
Key management personnel of significant consolidated subsidiaries	–	–	454
Other related parties *(Note)*	–	1	29
	241	1	983
	241	1	1,089

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Non-trade related:			
Mr. Chen Yan	–	–	500
Other related parties *(Note)*	–	1	29
	–	1	529

As represented by the directors of the Company, the non-trade amounts were interest-free and repayable on demand, and the Group plan to settle these amounts prior to the H Share [**REDACTED**].

Note: These entities are under significant influence by Mr. Li Longliang.

The following is the aging analysis of trade related amount due to related parties of the Group presented based on invoice date at the end of each reporting period.

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
0-90 days	–	–	106

(c) Amounts due from subsidiaries

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Subsidiaries	1,639	7,211	9,416

The amounts were non-trade nature, interest-free and repayable on demand.

(d) Amounts due to subsidiaries

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Subsidiaries	2,104	1,379	680

The amounts were non-trade nature, interest-free and repayable on demand.

25. PLEDGED BANK BALANCES, SHORT-TERM FIXED DEPOSITS AND CASH AND CASH EQUIVALENTS

Pledged bank balances

Amount of RMB22,277,000 pledged bank balance as at December 31, 2025 were pledged as security deposits in connection with the issuance of bills payable.

Short-term fixed deposits

Short-term fixed deposits of the Group and the Company are deposits with financial institutions with a maturity period within twelve months when acquired.

Cash and cash equivalents

Cash and cash equivalents consist of bank balances and demand deposits for the purpose of meeting the Group's short term cash commitment.

The Group and Company

The ranges of effective interest rate of the bank balances and deposits of the Group and the Company are:

	As at December 31,		
	2023	2024	2025
Interest rate per annum	0.20%-2.25%	0.10%-2.25%	0.05%-2.25%

26. TRADE, BILLS AND OTHER PAYABLES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables – third parties *(note 21)*	21,740	27,713	57,157
Bills payables	–	–	16,407
	21,740	27,713	73,564
Other payable:			
Accrued staff expenses	20,364	30,611	31,364
Other tax payables	3,104	5,215	8,563
Other accrued expenses	1,238	2,007	2,070
Accrued **[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Dividend payables *(Note)*	–	–	40,704
Others	361	362	1,267
	25,067	40,400	86,766
	46,807	68,113	160,330

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade payables – third parties *(note 21)*	17,269	22,263	28,723
Other payable:			
Accrued staff expenses	17,971	28,376	27,448
Other tax payables	2,952	5,034	7,096
Other accrued expenses	1,108	1,762	1,400
Accrued **[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Others	290	303	394
	22,321	37,680	39,136
	39,590	59,943	67,859

Note: The dividend payables of RMB40,704,000 were acquired through the acquisition and mainly represent dividends declared but not yet paid by the acquiree prior to the acquisition date.

The credit period on trade payables ranging from 0 day to 90 days.

The following is the aging analysis of trade and bills payables of the Group and the Company presented based on invoice date at the end of each reporting period.

The Group

	As at December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
0-90 days	21,682	27,267	60,807
91-180 days	5	338	12,293
Over 180 days	53	108	464
	21,740	27,713	73,564

The Company

	As at December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
0-90 days	17,219	21,996	28,723
91-180 days	–	267	–
Over 180 days	50	–	–
	17,269	22,263	28,723

27. BANK BORROWINGS

The Group and Company

	As at December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Unsecured and guaranteed *(Note)*	2,802	–	–
Unsecured and unguaranteed	–	–	200,129
	2,802	–	200,129
Carrying amounts repayable based on contractual repayment dates as follows:			
Within one year	2,802	–	60,129
Within a period of more than one year but not exceeding two years	–	–	60,000
Within a period of more than two years but not exceeding five years	–	–	80,000
	2,802	–	200,129
Less: amount due for settlement within 12 months shown under current liabilities	(2,802)	–	(60,129)
Amount due for settlement after 12 months shown under non-current liabilities	–	–	140,000

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's and Company's bank borrowings are as follows:

The Group and Company

	As at December 31,		
	2023	2024	2025
Fixed-rate borrowings	2.95%-3.9%	2.95%	–
Variable-rate borrowing	–	–	2.35%

Note: Bank borrowings amounting to RMB2,802,000 of the Group and the Company as at December 31, 2023, were guaranteed by Mr. Li Longliang and Ms. Liu Xiaoyan. The guarantees were terminated on December 31, 2024.

28. LEASE LIABILITIES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Lease liabilities payable:			
Within 1 year	3,762	6,454	5,629
Within a period of more than one year but not exceeding two years	2,512	4,709	4,944
Within a period of more than two years but not exceeding five years	351	8,760	4,832
	6,625	19,923	15,405
Less: Amount due for settlement within 12 months under current liabilities	(3,762)	(6,454)	(5,629)
Amount due for settlement after 12 months shown under non-current liabilities	2,863	13,469	9,776

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Lease liabilities payable:			
Within 1 year	2,893	4,537	3,743
Within a period of more than one year but not exceeding two years	2,186	2,962	2,847
Within a period of more than two years but not exceeding five years	351	3,758	1,755
	5,430	11,257	8,345
Less: Amount due for settlement within 12 months under current liabilities	(2,893)	(4,537)	(3,743)
Amount due for settlement after 12 months shown under non-current liabilities	2,537	6,720	4,602

The weighted average incremental borrowing rate of the Group's and the Company's lease liabilities is 4.75% as at December 31, 2023, 2024 and 2025.

29. CONTRACT LIABILITIES

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Advance receipts *(Note)*	3,062	8,780	25,810
In-kind rebates	–	57	–
	3,062	8,837	25,810

Note: The significant increase in advance receipts as at December 31, 2025 was attributable to business expansion and a rise in customer demand.

As at January 1, 2023, the Group's contract liabilities amounted to RMB7,339,000.

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Advance receipts	2,654	8,186	9,995
In-kind rebates	–	57	–
	2,654	8,243	9,995

As at January 1, 2023, the Company's contract liabilities amounted to RMB5,991,000.

Contract liabilities are expected to be settled within the Group's and the Company's normal operating cycle.

The contract liabilities for sales of goods are classified as current based on the Group's and the Company's earliest obligation to transfer goods to the customers. Revenue recognised during each reporting period with performance obligation satisfied includes the entire balance of contract liability at the beginning of each reporting period. The contract liabilities for service income are classified as current based on Group's and the Company's earliest obligation to transfer services to the customers.

30. PROVISIONS

The Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Analysed for reporting purposes as			
Current liabilities	2,275	4,059	6,450

	Warranty provision
	RMB'000
As at January 1, 2023	1,028
Additional provision in the year	11,090
Utilisation of provision	(9,843)

	Warranty provision
	RMB'000
As at December 31, 2023	2,275
Additional provision in the year	15,438
Utilisation of provision	(13,654)
As at December 31, 2024	4,059
Additional provision in the year	18,184
Utilisation of provision	(15,793)
As at December 31, 2025	6,450

The Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Analysed for reporting purposes as			
Current liabilities	2,209	3,877	6,281

	Warranty provision
	RMB'000
As at January 1, 2023	956
Additional provision in the year	10,723
Utilisation of provision	(9,470)
As at December 31, 2023	2,209
Additional provision in the year	15,088
Utilisation of provision	(13,420)
As at December 31, 2024	3,877
Additional provision in the year	18,000
Utilisation of provision	(15,596)
As at December 31, 2025	6,281

The Group and Company makes provision for warranty for sales of printing control system, printing machines and accessories according to the best settlement under the sales agreements. The provision amount takes into account the Group's recent claims, past warranty data and the weight of all possible results and their related probabilities. The recent claims may not represent the claims it will face in the future for past sales. When the future costs and the probability of incurring warranty claims are higher or lower than expected and where events or circumstances that indicating the amount of warranty provision may not be adequate or excessive, such impact will affect the profit and loss in the years in which such estimate has been changed.

31. SHARE CAPITAL AND RESERVES OF THE COMPANY

(a) Share Capital of the Company

	Number of shares	Share capital
		RMB'000
Ordinary shares of RMB1.0 each		
As at January 1, 2023	17,035,625	17,036
Conversion into a joint stock company with limited liability	42,964,375	42,964
As at December 31, 2023	60,000,000	60,000
Issue of shares	1,800,000	1,800
As at December 31, 2024	61,800,000	61,800

	Number of shares	Share capital
		RMB'000
Issue of shares	1,292,783	1,293
As at December 31, 2025	63,092,783	63,093

In July 2023, the registered capital of the Company was converted into 60,000,000 ordinary shares of the Company in a nominal value of RMB1.0 each. On December 16, 2024, the share capital of the Company increased to RMB61,800,000 upon capital injection by certain shareholders. On August 29, 2025, the share capital of the Company increased to RMB63,093,000 upon capital injection by certain shareholders.

(b) Reserves of the Company

	Share premium	Statutory reserve	Retained profits	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	61,898	8,518	110,079	180,495
Profit and total comprehensive income for the year	–	–	99,631	99,631
Conversion into a joint stock company with limited liability	109,016	(8,518)	(143,462)	(42,964)
Transfer to statutory reserve	–	6,034	(6,034)	–
As at December 31, 2023	170,914	6,034	60,214	237,162
Profit and total comprehensive income for the year	–	–	123,588	123,588
Capital injection by shareholders *(note 31(a))*	88,200	–	–	88,200
Dividends declared *(note 12)*	–	–	(15,000)	(15,000)
Transfer to statutory reserve	–	12,194	(12,194)	–
As at December 31, 2024	259,114	18,228	156,608	433,950
Profit and total comprehensive income for the year	–	–	123,464	123,464
Capital injection by shareholders *(note 31(a))*	63,346	–	–	63,346
Transfer to statutory reserve	–	12,217	(12,217)	–
As at December 31, 2025	322,460	30,445	267,855	620,760

32. NON-CONTROLLING INTERESTS

	Share of net assets of subsidiaries
	RMB'000
As at January 1, 2023	–
Share of loss and other comprehensive expense for the year	(79)
Realised on deregistration of a subsidiary	79
As at December 31, 2023 and 2024	–
Share of profit and other comprehensive income for the year	7,120
Non-controlling interests arising on acquisition of subsidiaries	252,502
As at December 31, 2025	259,622

33. SHARE-BASED PAYMENT TRANSACTIONS

(i) The [REDACTED] share award scheme

In June 2020, the directors of the Company approved the establishment of the Employee Incentive Plan with the purpose of enhancing corporate governance, establishing long-term incentives, attracting and retaining talent, boosting team cohesion and competitiveness, aligning interests of shareholders, the Company, and core team, and ensuring long-term development and strategic goals. In connection with the implementation of the employee incentive schemes, Shenzhen Hesen Juxian Operation Management Enterprise (Limited Partnership)* 深圳市合森聚賢運營管理企業(有限合夥) ("Hesen Juxian") and Shenzhen Hesen Tongding Operation Management Enterprise (Limited Partnership)* 深圳市合森同鼎運營管理企業(有限合夥) ("Hesen Tongding") were established as employee shareholding platforms ("Employee Shareholding Platforms").

Hesen Juxian was established in the PRC as a limited partnership on August 4, 2020 and became a shareholder in September 2020. Hesen Tongding was established in the PRC as a limited partnership on August 19, 2020 and became a shareholder in May 2022.

The Employee Shareholding Platforms would hold the shares of the Company and each Eligible Participant would indirectly hold shares of the Company through Employee Shareholding Platforms. The controlling partner has the authority to approve the share awards to Eligible Participants. The shares will only vest after the Eligible Participants provide continually service for the Company at least six years and 36 months after the Company achieves a [**REDACTED**]. If the Company does not achieve a [**REDACTED**], but an Eligible Participant has fulfilled the six-year service requirement, such Participant shall have the right: (i) to hold the share and have them vest upon the Company's subsequent [**REDACTED**]; (ii) to transfer the share to other Eligible Participant; (iii) to require the general partner of the Employee Shareholding Platforms to redeem the share.

During the year ended December 31, 2023, the Company granted 83,000 shares and 94,000 shares to 4 and 9 grantees, respectively, through the Hesen Juxian and Hesen Tongding platforms.

During the year ended December 31, 2025, the Company granted 33,000 shares and 100,000 shares to 3 and 20 grantees, respectively, through the Hesen Juxian and Hesen Tongding platforms.

The following table disclosed movements of share awards of the Company:

	Directors	Other employees
	'000	*'000*
As at January 1, 2023	371	647
Granted	–	177
Lapsed	–	(184)
As at December 31, 2023	371	640
Lapsed	–	(14)
As at December 31, 2024	371	626
Granted	29	104
Lapsed	–	(78)
As at December 31, 2025	400	652

No share-based payment expenses have been recognised during the Track Record Period in relation to share award granted as the Company assessed that the [**REDACTED**] is not yet probable during the Track Record Period.

(ii) The share option scheme of Shanghai Celludye

Pursuant to a resolution passed on March 31, 2022 by shareholders' meeting of Shanghai Celludye, a share option scheme (the "Share Option Scheme") was adopted. The purpose of the Share Option Scheme is to enhance the cohesion and maintain long-term stable development of the Shanghai Celludye. The scheme will be implemented after the Shanghai Celludye qualified IPO and will expire on March 31, 2027.

According to the Share Option Scheme, the Shanghai Celludye granted a number of 1,500,000 share options to eligible participants on March 31, 2022. The total number of shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 15% of the shares of the Shanghai Celludye before qualified IPO, without prior approval from the Shanghai Celludye's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual is not permitted to exceed 1% of the shares of the Shanghai Celludye in issue at any point in time, without prior approval from the Shanghai Celludye's shareholders.

The validity period of the Share Option Scheme is from the date of completion of the registration of share options grants to the date of exercise or cancellation of all share options granted to eligible participants, with a maximum of 60 months. After 24 months from the grant date of share options, the eligible participants can only exercise it in three installments within the next 36 months if the grantees satisfied the vesting conditions as stipulated in the Share Option Scheme. The exercise period of the granted options and the schedule of each exercise period are shown as follows:

	Exercisable period	The proportion of feasible options to the number of granted share options
1 . .	From the first trading day 24 months after the completion of the grant registration to the last trading day within 36 months from the completion of the grant registration	20%
2 . .	From the first trading day 36 months after the completion of the grant registration to the last trading day within 48 months from the completion of the grant registration	30%
3 . .	From the first trading day 48 months after the completion of the grant registration to the last trading day within 60 months from the completion of the grant registration	50%

The exercise price of the share options granted under the Share Option Scheme is RMB15.37 per share.

No share-based payment expenses have been recognised during the Track Record Period in relation to share options granted by the Shanghai Celludye as Shanghai Celludye assessed that the [**REDACTED**] is not probable during the Track Record Period.

34. RETIREMENT BENEFIT PLANS

In accordance with the rules and regulations in the Chinese Mainland, the employees of the Group based in the Chinese Mainland participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the Chinese Mainland under which the Group and the relevant employees are required to make monthly contributions to these plans calculated at a certain percentage of the employees' salaries.

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired Chinese Mainland-based employees' payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefit of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the PRC government. The contributions to these plans are recognised as employee benefit charged to profit or loss and capitalised where applicable.

Contributions to the above schemes for the year ended December 31, 2023, 2024 and 2025 made by the Group amounted to RMB3,802,000, RMB5,439,000 and RMB9,251,000, respectively.

35. ACQUISITION OF A SUBSIDIARY

On July 29, 2025, the Company entered into an acquisition agreement ("the Acquisition Agreement") pursuant to which the Company will acquire 51% ownership interest of Shanghai Celludye (the "Acquisition") through entering into contractual arrangements with (1) acquisition of shares from independent third parties and (2) issuance of shares from Shanghai Celludye for a total cash consideration of RMB336.6 million, with RMB317.9 million paid by the acquisition date and the remaining RMB18.7 million paid in October 2025. The Acquisition is accounted for using the acquisition method.

Shanghai Celludye is principally engaged in the manufacturing and sales of highly purified dyes used in digital textile printing and desktop or large-format inkjet printing & inks for pen. The directors of the Company are of the view that the completion of the Acquisition would significantly accelerate the strategic layout and improve the industry performance of the Group in the PRC.

On August 31, 2025, the Group acquired 50.94% ownership and voting rights in Shanghai Celludye. The Group acquired remaining 0.06% ownership interest and voting rights and completed the acquisition on October 24, 2025.

Pursuant to the Share Purchase Agreement in relation to the acquisition of a 51% equity interest in Shanghai Celludye, the Seller was granted a put option in which the Seller has the right to require the Group to acquire the remaining 49% of its rights in Shanghai Celludye, and the put option is exercisable at anytime during a 4-months period immediately after the year end of 2027.

The exercise price of the options would not be lower than the agreed price-earning ratio.

The estimated gross obligation arising from the put option written to the Seller was recognised when the contractual obligation to acquire the remaining 49.06% interest of Shanghai Celludye was established, even though the obligation is conditional on the option being exercised by the Seller. The Company applied a discount rate of 2.35% in determining the initial recognition amount RMB344,557,000 of the redemption liability. During the year ended December 31, 2025, the Group recognised financial cost of RMB2,699,000 due to the redemption liability.

Acquisition-related costs amounting to RMB208,000 have been excluded from the consideration transferred and have been recognised as an expense, within the "other expenses" line item in the consolidated statements of profit or loss and other comprehensive income.

Consideration Transferred

	RMB'000
Cash	336,600

Assets acquired and liabilities assumed at the date of acquisition

	RMB'000
Non-current Assets	
Property, plant and equipment	143,383
Right-of-use assets	30,054
Intangible assets	175,965
Deferred tax assets	348
Current Assets	
Inventories	51,299
Trade and bills receivables	50,263
Other receivables, prepayments and deposits	4,315
Financial assets at FVTPL	70,502
Amounts due from related parties	195
Pledged bank balances	17,636
Cash and cash equivalents	160,134
Current Liabilities	
Trade and other payables	150,279
Amounts due to related parties	452
Tax payable	1,301
Contract liabilities	3,354
Lease liabilities	161
Deferred income	1,078
Non-current Liabilities	
Bank borrowings	100
Lease liabilities	139
Deferred tax liabilities	31,921
	515,309

The fair values of intangible assets are based on estimation used by the management of the Group with reference to valuation carried out by independent valuers, key assumptions and estimation used by the management included discount rates, growth rates and useful lives of the intangible assets. The fair value of trade and other receivables at the date of acquisition amounted to RMB54,578,000, which is also the gross contractual amounts of those deposits and other receivables.

Non-controlling interests

The non-controlling interests (49%) in Shanghai Celludye recognised at the acquisition date was measured by reference to the proportionate share of recognised amounts of net assets of Shanghai Celludye and amounted to RMB252,502,000.

Goodwill arising on acquisition:

The goodwill arising on the acquisition is as follows:

	RMB'000
Consideration transferred	336,600
Plus: non-controlling interests (49% in Shanghai Celludye)	252,502
Less: recognised amounts of net assets acquired	515,309
Goodwill arising on acquisition	73,793

Goodwill arose in the acquisition of Shanghai Celludye because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development of Shanghai Celludye. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for the identifiable intangible assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Net cash outflow on acquisition of Shanghai Celludye

	RMB'000
Cash consideration paid	336,600
Less: cash and cash equivalents balances acquired	160,134
Net cash outflow for the year	176,466

Impact of acquisition on the results of the Group

Included in the profit during the year ended December 31, 2025 is 14,531,000 attributable to the additional generated by Shanghai Celludye. Revenue during the year ended December 31, 2025 includes RMB69,734,000 generated from Shanghai Celludye.

Had the acquisition of Shanghai Celludye been completed on January 1, 2025, revenue for the year ended December 31, 2025 of the Group would have been RMB745,511,000 and profit for the year ended December 31, 2025 would have been RMB174,042,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on January 1, 2025, nor is it intended to be a projection of future results.

In determining the 'pro-forma' revenue and profit of the Group had Shanghai Celludye been acquired at the beginning of the period, the directors of the Company calculated depreciation of property, plant and equipment and amortization of intangible assets based on the recognised amounts of property, plant and equipment and intangible assets at the date of the acquisition.

36. CAPITAL COMMITMENT

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Capital expenditure in respect of:			
Acquisition of property, plant and equipment contracted for but not provided in the Historical Financial information	–	2,483	3,631

37. CAPITAL RISK MANAGEMENT

The Group and Company manages its capital to ensure that entities in the Group will be able to continue as a going concern with maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged during the Track Record Period.

The capital structure of the Group consists of net debts, which includes bank borrowings and lease liabilities disclosed in notes 27 and 28 respectively, net of pledged bank balances, short-term fixed deposits and cash and cash equivalents disclosed in note 25, and equity attributable to owners of the Company, comprising share capital and reserves.

The management of the Group reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risks associated with the capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, issue of new shares or new debts and redemption of existing debts.

38. FINANCIAL INSTRUMENTS

Categories of financial instruments

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets			
At amortised cost	287,749	529,600	470,243
Financial assets at FVTPL	34,974	13,068	327,917
	322,723	542,668	798,160
Financial liabilities			
At amortised cost	26,382	32,288	668,877
Lease liabilities	6,625	19,923	15,405
	33,007	52,211	684,282

The Company

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets			
At amortised cost	240,928	465,018	259,291
Financial assets at FVTPL	34,974	13,068	202,369
	275,902	478,086	461,660
Financial liabilities			
At amortised cost	23,573	27,913	234,653
Lease liabilities	5,430	11,257	8,345
	29,003	39,170	242,998

Financial risk management objectives and policies

The Group's and the Company's major financial instruments include financial assets at FVTPL, trade and bills receivables, certain other receivables, pledged bank balances, short-term fixed bank deposits, cash and cash equivalents, trade payables, certain other payables, bank borrowings, lease liabilities and amounts due from/to subsidiaries/related parties. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group and the company manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

The Group's and the Company's activities expose it primarily to currency risk, interest rate risk and other price risk.

There has been no change to the Group's and the Company's exposure to market risks or the manner in which it manages and measures the risk during the Track Record Period.

(i) Currency risk

Certain of the Group's bank balances, trade receivables and certain trade payables are denominated in currencies other than the functional currency of the relevant group entities and expose to such foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure by closely monitoring the movement of foreign currency rates.

The carrying amounts of the foreign currency denominated financial assets and financial liabilities at the end of each reporting date are as follows:

The Group mainly exposes to foreign currency of US Dollars ("USD") and Japanese Yen ("JPY"). The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities as at December 31, 2023, 2024 and 2025 are as follows:

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Assets			
USD	8,888	7,012	77,788
JPY	1,256	1,820	7,920

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Liabilities			
USD	–	471	1,171

Sensitivity analysis

The following table details the Group's and Company's sensitivity to a 10% increase and decrease in RMB against the relevant foreign currencies. 10% is the sensitivity rate used which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates. A negative number below indicates a decrease in profit after tax where RMB strengthens 10% against the relevant foreign currencies. For a 10% weakening of RMB against the relevant foreign currencies, there would be an equal and opposite impact on the profit after tax for the year.

The Group

	At December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
USD			
Profit or loss	(755)	(556)	(6,512)
JPY			
Profit or loss	(107)	(155)	(673)

In the opinion of the directors of the Company, the sensitivity analysis above is unrepresentative for the inherent foreign exchange risk as the exposure at the end of reporting period does not reflect the exposure during each reporting period.

(ii) Interest rate risk

The Group and the Company is exposed to fair value interest rate risk in relation to short-term fixed deposits, fixed-rate bank borrowings and lease liabilities. The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances, variable-rate bank borrowing and pledged bank balances. The Group's and the Company's cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances and prime rate LPR arising from the bank borrowing. The Group and the Company manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. The management of the Group and the Company considers that the impacts of interest rate risk to profit or loss for the years ended December 31, 2023 and 2024 are insignificant for a reasonable change in the market interest rate. Accordingly, no sensitivity analysis is prepared in respective years. The sensitivity analysis on the interest rate risk for the year ended December 31, 2025 is detailed as below.

Sensitivity analysis

The sensitivity analyses have been determined based on the exposure to interest rates at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period was outstanding for the whole year. 50 basis point increase or decrease in variable-rate bank borrowings are used represents management's assessment of the reasonably possible change in interest rates. Bank balances are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's and the Company's post-tax profit for the year ended December 31, 2025 would decrease/increase by RMB285,000. This is mainly attributable to the Group's and the Company's exposure to interest rates on its variable-rate bank borrowings.

(iii) Other price risk

The Group and Company is exposed to price risk through the money market funds measured at FVTPL.

Sensitivity analysis

The sensitivity analyses have been determined based on the exposure to equity price risk at the end of each reporting period.

The management of the Group considers that all of the financial assets at FVTPL of the Group and the Company are categorized as Level 2 as at December 31, 2023, 2024 and 2025.

If the prices of the financial assets had been 10% higher/lower, the Group's post-tax profit for the year ended December 31, 2023, 2024 and 2025 would increase/decrease by RMB2,973,000, RMB1,111,000 and RMB27,873,000, respectively as a result of the changes in fair value of investment in financial assets at FVTPL.

If the prices of the financial assets had been 10% higher/lower, the Company's post-tax profit for the year ended December 31, 2023, 2024 and 2025 would increase/decrease by RMB2,973,000, RMB1,111,000 and RMB17,201,000, respectively as a result of the changes in fair value of investment in financial assets at FVTPL.

In the opinion of the directors of the Company, the sensitivity analysis above is unrepresentative for the other price risk as the exposure at the end of reporting period does not reflect the exposure during each reporting period.

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's and the Company's counterparties default on their contractual obligations resulting in financial losses to the Group and the Company. The Group's and the Company's credit risk exposures are primarily attributable to trade and bills receivables, certain other receivables, amounts due from related parties/subsidiaries, pledged bank balances, short-term fixed deposits and cash and cash equivalents and contract assets. The Group or the Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risks associated with bill receivables is mitigated because settlement of certain bills receivables are backed by bills issued by reputable banks and financial institutions. The Group and the Company performed impairment assessment for financial assets and other items under ECL model.

The Group and Company manages the risk with respect to pledged bank balances, short-term fixed deposits and bank balances by placing in or entered into the contract with the banks with high reputation only.

The Group and Company has policies in place to ensure that sales are made to reputable customers with an appropriate financial strength and credit history. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

In addition, the Group and Company reviews regularly the authorisation of credit limits to individual customers and recoverable amount of each individual trade receivables to ensure that adequate impairment losses are made for irrecoverable amounts. In respect of the business of sale of products, the Group and Company normally grants credit periods from 15 to 90 days to reputable customers only and request for full payments upon deliveries of products and service for other customers.

The Group and Company have receivables from different customers and other debtors operate in different geographic regions in the country and of different commercial scales. Thus, the Group and Company classified the above assets into below categories:

- Category 1: trade receivables and contract assets;
- Category 2: bill receivables; and
- Category 3: other receivables and amounts due from related parties.

Trade receivables and contract assets

The Group and Company applies the IFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics by reference to aging based on the dates of goods delivery.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the consumer price index of to be the most relevant factors for customers, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Impairment losses on trade receivables and contract assets are presented as a net basis in the profit or loss. Subsequent recoveries of amounts previously written off are credited against the same line item.

Bill receivables

The Group and the Company assesses the credit losses of bill receivables individually using three-stage approach. The credit risk of bill receivables is considered not significantly as settlement of certain bills receivables are backed by bills issued by high reputable banks and financial institutions. The management of the Group believed that there was no significant increase in credit risk of these amounts since initial recognition and the management assessed the loss allowance based on 12m ECL, and considered them to have low credit risk, and thus no loss allowance was recognised.

Other receivables and Amounts due from related parties/subsidiaries

The management of the Group makes periodic individual assessment on the recoverability of these amounts based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. Since the credit risk of other receivables is considered not significantly increased since initial recognition, therefore the impairment provision is determined as 12m ECL. As at December 31, 2023, 2024 and 2025, balances of RMB3,223,000, RMB3,469,000 and RMB3,637,000, respectively, were provided as loss allowance for other receivables and balances of RMB46,000, RMB33,000 and RMB94,000, respectively, were provided as loss allowance for amounts due from related parties.

The Group's and the Company's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables/ contract assets	Other Financial assets
Low risk	The counterparty has a low risk of default	Lifetime ECL – not credit-impaired	12m ECL
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL – not credit-impaired	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group/the Company has no realistic prospect of recovery	Amount is written off	Amount is written off

The tables below detail the credit risk exposures of the Group's and the Company's financial assets which are subject to ECL assessment:

The Group

	Notes	External credit rating	Internal credit rating	12m or Lifetime ECL	At December 31, 2023 Gross carrying amount	2024 Gross carrying amount	2025 Gross carrying amount
					RMB'000	*RMB'000*	*RMB'000*
Financial assets at amortised cost							
Trade receivables – third parties	*21*	N/A	Low risk	Lifetime ECL (not credit-impaired)	25,825	24,072	71,883
			Watch list	Lifetime ECL (not credit-impaired)	7,671	19,971	42,663
Bill receivables	*21*	AA and AA+	N/A	12m ECL (not credit-impaired)	4,430	6,403	22,673
Other receivables	*22*	N/A	Low risk	12m ECL (not credit-impaired)	2,609	5,013	7,231
			Loss	Lifetime ECL (credit-impaired)	2,593	2,593	2,593
Bank balances, pledged bank balances and short-term fixed bank deposits	*25*	AA and AA+	N/A	12m ECL (not credit-impaired)	248,781	476,662	330,099
Amounts due from related parties	*24(a)*	N/A	Low risk	12m ECL (not credit-impaired)	–	–	186
			Watch List	12m ECL (not credit-impaired)	920	659	826
Other items							
Contract assets		N/A	Low risk	Lifetime ECL (not credit-impaired)	–	63	115

The Company

	Notes	External credit rating	Internal credit rating	12m or Lifetime ECL	At December 31, 2023 Gross carrying amount	2024 Gross carrying amount	2025 Gross carrying amount
					RMB'000	*RMB'000*	*RMB'000*
Financial assets at amortised cost							
Trade receivables – third parties	*21*	N/A	Low risk	Lifetime ECL (not credit-impaired)	20,833	16,859	46,325
			Watch list	Lifetime ECL (not credit-impaired)	7,290	19,316	27,772
Bill receivables	*21*	AA and AA+	N/A	12m ECL (not credit-impaired)	4,430	6,180	9,156
Other receivables	*22*	N/A	Low risk	12m ECL (not credit-impaired)	2,167	4,433	5,982
			Loss	Lifetime ECL (credit-impaired)	2,593	2,593	2,593
Bank balances, pledged bank deposits and short-term fixed bank deposits	*25*	AA and AA+	N/A	12m ECL (not credit-impaired)	205,449	413,009	165,158
Amounts due from related parties	*24(a)*	N/A	Low risk	12m ECL (not credit-impaired)	–	–	56
			Watch List	12m ECL (not credit-impaired)	920	659	826
Amounts due from subsidiaries	*24(c)*	N/A	Low risk	12m ECL	1,639	7,211	9,416

As part of the Group's and the Company's credit risk management, the Group and the Company apply internal credit rating for its customers in relation to its operation. The following table provides information about the exposure to credit risk for trade receivables which are assessed on a collective basis within lifetime ECL (not credit-impaired).

The Group

	At December 31,					
	2023		2024		2025	
Internal credit rating	Average loss rate	Trade receivables	Average loss rate	Trade receivables	Average loss rate	Trade receivables
		RMB'000		*RMB'000*		*RMB'000*
Low risk	5.00%	25,825	5.00%	24,072	1.71%	71,883
Watch list	6.78%	7,671	5.65%	19,971	7.16%	42,663
		33,496		44,043		114,546

The Company

	At December 31,					
	2023		2024		2025	
Internal credit rating	Average loss rate	Trade receivables	Average loss rate	Trade receivables	Average loss rate	Trade receivables
		RMB'000		*RMB'000*		*RMB'000*
Low risk	5.00%	20,833	5.00%	16,859	3.15%	46,325
Watch list	5.01%	7,290	5.01%	19,316	10.59%	27,772
		28,123		36,175		74,097

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables.

The Group

	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
	RMB'000	*RMB'000*	*RMB'000*
As at January 1, 2023	(1,353)	–	(1,353)
Impairment losses recognised	(879)	–	(879)
Impairment losses reversed	421	–	421
As at December 31, 2023	(1,811)	–	(1,811)
Impairment losses recognised	(1,094)	–	(1,094)
Impairment losses reversed	574	–	574
As at December 31, 2024	(2,331)	–	(2,331)
Impairment losses recognised	(5,008)	(183)	(5,191)
Impairment losses reversed	3,050	–	3,050
Written-off	–	183	183
As at December 31, 2025	(4,289)	–	(4,289)

The Company

	Lifetime ECL (not credit-impaired)	Total
	RMB'000	*RMB'000*
As at January 1, 2023	(1,077)	(1,077)
Impairment losses recognised	(670)	(670)
Impairment losses reversed	341	341
As at December 31, 2023	(1,406)	(1,406)
Impairment losses recognised	(907)	(907)
Impairment losses reversed	504	504
As at December 31, 2024	(1,809)	(1,809)
Impairment losses recognised	(2,849)	(2,849)
Impairment losses reversed	260	260
As at December 31, 2025	(4,398)	(4,398)

Liquidity risk

In the management of the liquidity risk, the Group and the Company monitor and maintain a level of cash and cash equivalents deemed adequate by the management to finance the Group's and the Company's operations and mitigate the effects of fluctuations in cash flows. The management also monitors the utilisation of bank borrowings and renews bank borrowings, if necessary.

The tables below analyses the Group's and the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of each reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows including both interest and principal.

The Group

	Weighted average interest rate	On demand or within 1 year	1-2 years	2-5 years	Total undiscounted cash flows	Total Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2023						
Non-interest bearing						
Trade, bills and other payables	–	23,339	–	–	23,339	23,339
Amounts due to related parties	–	241	–	–	241	241
Interest bearing						
Bank borrowings	3.40	2,852	–	–	2,852	2,802
Lease liabilities	4.75	3,935	2,601	406	6,942	6,625
Total		30,367	2,601	406	33,374	33,007
As at December 31, 2024						
Non-interest bearing						
Trade, bills and other payable	–	32,287	–	–	32,287	32,287
Amounts due to a related party	–	1	–	–	1	1
Interest bearing						
Lease liabilities	4.75	7,330	5,274	9,238	21,842	19,923
Total		39,618	5,274	9,238	54,130	52,211
As at December 31, 2025						
Non-interest bearing						
Trade, bills and other payable	–	120,403	–	–	120,403	120,403
Amounts due to related parties	–	1,089	–	–	1,089	1,089
Interest bearing						
Bank borrowings	2.35	63,960	62,531	80,838	207,329	200,129
Lease liabilities	4.75	6,208	5,271	5,004	16,483	15,405
Put option written to a non-controlling interests	2.35	–	–	363,769	363,769	347,256
Total		191,660	67,802	449,611	709,073	684,282

The Company

	Weighted average interest rate	On demand or within 1 year	1-2 years	2-5 years	Total undiscounted cash flows	Total Carrying amount
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2023						
Non-interest bearing						
Trade, bills and other payable	–	18,667	–	–	18,667	18,667
Amounts due to related parties/subsidiaries	–	2,104	–	–	2,104	2,104
Interest bearing						
Bank borrowings	3.40	2,852	–	–	2,852	2,802
Lease liabilities	4.75	3,044	2,327	406	5,777	5,430
Total		26,667	2,327	406	29,400	29,003
As at December 31, 2024						
Non-interest bearing						
Trade, bills and other payable	–	26,533	–	–	26,533	26,533
Amounts due to related parties/subsidiaries	–	1,380	–	–	1,380	1,380
Interest bearing						
Lease liabilities	4.75	5,034	3,253	3,949	12,236	11,257
Total		32,947	3,253	3,949	40,149	39,170
As at December 31, 2025						
Non-interest bearing						
Trade, bills and other payable	–	33,315	–	–	33,315	33,315
Amounts due to related parties/subsidiaries	–	1,209	–	–	1,209	1,209
Interest bearing						
Bank borrowings	2.35	63,960	62,531	80,838	207,329	200,129
Lease liabilities	4.75	4,036	2,982	1,830	8,848	8,345
Total		102,520	65,513	82,668	250,701	242,998

Fair value measurement of financial instruments

The management of the Group and Company has closely monitored and determined the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of financial instruments, the Group uses market-observable data to the extent it is available.

Fair value estimation

(i) Fair value of financial instruments that are measured at fair value on recurring basis

Some of the Group's and the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

The Group

Financial assets	Fair value as at 31-Dec-23	Fair value as at 31-Dec-24	Fair value as at 31-Dec-25	Fair value hierarchy	Valuation technique(s) and key input(s)
Unlisted money market fund	34,974	13,068	327,917	Level 2	Redemption value quoted by the relevant investment funds with reference to the underlying assets (mainly listed securities and bonds) of the fund

The Company

Financial assets	Fair value as at 31-Dec-23	Fair value as at 31-Dec-24	Fair value as at 31-Dec-25	Fair value hierarchy	Valuation technique(s) and key input(s)
Unlisted money market fund	34,974	13,068	202,369	Level 2	Redemption value quoted by the relevant investment funds with reference to the underlying assets (mainly listed securities and bonds) of the fund

(ii) Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities measured at amortised cost in Historical Financial Information, approximate their fair value.

39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statements of cash flows as cash flows from financing activities.

	Lease liabilities	Bank borrowings	Accrued [REDACTED]	Put option written to a non-controlling interest	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	8,122	4,781	–	–	12,903
Financing cash flows	(4,148)	(2,057)	–	–	(6,205)
New leases entered	2,482	–	–	–	2,482
Early termination of leases	(197)	–	–	–	(197)
Finance costs recognised *(note 8)*	366	78	–	–	444

	Lease liabilities	Bank borrowings	Accrued [REDACTED]	Put option written to a non-controlling interest	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2023	6,625	2,802	–	–	9,427
Financing cash flows	(5,579)	(2,962)	(41)	–	(8,582)
New leases entered	18,628	–	–	–	18,628
Early termination of leases	(289)	–	–	–	(289)
Finance costs recognised *(note 8)*	538	160	–	–	698
Deferred [**REDACTED**]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
As at December 31, 2024	19,923	–	482	–	20,405
Financing cash flows	(8,009)	198,265	(3,339)	–	186,917
New leases entered	6,229	–	–	–	6,229
Early termination of leases	(3,985)	–	–	–	(3,985)
Finance costs recognised *(note 8)*	947	1,764	–	2,699	5,410
Recognition of put option written to a non-controlling interest *(note 35)*	–	–	–	344,557	344,557
Acquired on acquisition of a subsidiary	300	100	–	–	400
Deferred [**REDACTED**]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
As at December 31, 2025	15,405	200,129	403	347,256	563,193

40. RELATED PARTY TRANSACTIONS

(a) Related parties transaction

Other than as disclosed elsewhere in these Historical Financial Information, the Group has following transactions carried out between the Group and its related parties in the ordinary course of business during the Track Record Period :

Related parties	Relationship	Year ended December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Sales of products				
深圳市軒語科技有限公司Shenzhen Xuanyu Technology Co. Ltd.*	(i)	1,461	634	(140)
東莞新匠數碼科技有限公司 Dongguan Xinjiang Digital Technology Co. Ltd.*	(i)	–	27	197
廣州紫元素科技有限公司 Guangzhou Zi Yuan Su Technology Co., Ltd.*	(i)	–	–	110
		1,461	661	167
Purchase of products				
東莞新匠數碼科技有限公司 Dongguan Xinjiang Digital Technology Co. Ltd.*	(i)	–	–	122
深圳市森大企業管理有限公司 Shenzhen Senda Enterprise Management Co Ltd. *	(ii)	300	–	–
		300	–	122

* The English translation of the names of the above companies is for reference only. The official names of these entities are in Chinese.

Notes:

(i) The entity is under significant influence by Mr. Li Longliang.

(ii) The entity is controlled by Mr. Li Longliang.

(b) Related parties transaction

Certain of the Group's borrowings are guaranteed personally by certain directors of the Company during the Track Record Period as set out in note 27.

(c) Compensation of key management personnel

The remuneration of directors, supervisors and other members of key management during the Track Record Period was as follows:

	Year ended December 31.		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Fee	102	240	236
Salaries and other allowances	2,348	3,382	3,951
Retirement Benefits	161	226	245
Performance related bonus	2,651	2,654	946
	5,262	6,502	5,378

The remuneration of key management personnel is determined with reference to the performance of the individuals and the market trends.

(d) Redemption Rights Granted to Certain Shareholders by Mr. Li

Prior to the Track Record Period, certain shareholders were granted redemption rights by Mr. Li Longliang ("Mr. Li") and Senda Industry (Shenzhen) Co., Ltd. ("Senda Industry"), an entity controlled by Mr. Li (collectively, "Mr. Li's Redemption Obligation"). The Company is not a party to Mr. Li's Redemption Obligation. Pursuant to a separate supplemental agreement entered into by the Company and all of its shareholders on October 21, 2025, Mr. Li's Redemption Obligation was terminated prior to the Company's first submission of the H Share [**REDACTED**].

The Company has not provided any financial assistance, guarantee, underwriting, or other form of support in connection with the redemption rights granted by Mr. Li and Senda Industry under the aforementioned arrangement, including in the event of default by the repurchase obligor. Accordingly, no financial liability related to Mr. Li's Redemption Obligation has been recognized in respect of such redemption rights throughout the Track Record Period.

As represented by the directors of the Company, there were no other side arrangements between the Company and the investors or between the Company and Mr. Li and Senda Industry regarding Redemption Obligation granted to the investors during Track Record Period and up to the date of this report.

41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cost of investments, unlisted shares	35,827	39,827	395,344

During the Track Record Period and as at the date of this report, details of the subsidiaries directly and indirectly held by the Company are set out below:

Entity name	Date of incorporation	Country/ Place of incorporation, legal status	Registered/ Issued and paid-up capital	Attributable equity interest of the Group: As at December 31, 2023	2024	2025	As at the date of this report	Principal activities	*Notes*
			'000						
Dongguan iMaxcan 東莞市圖創智能製造有限公司	December 14, 2017	PRC, Limited Liability Company	RMB22,500	100%	100%	100%	100%	Manufacturing of equipment	*c*
Suzhou Senhong Technology Co., Ltd.* 蘇州市森泓技術有限公司	December 16, 2022	PRC, Limited Liability Company	RMB5,000	100%	100%	N/A	N/A	Manufacturing of accessories	*b, f*
Sancono Digital Printing Technology (Shenzhen) Co., Ltd.* 森彩數字印刷技術(深圳)有限公司	January 17, 2020	PRC, Limited Liability	RMB5,000	100%	100%	100%	100%	Manufacturing of accessories	*b*
Hosonsoft Co., Limited 漢森技術有限公司	October 19, 2020	Hong Kong, Limited Liability	USD300	100%	100%	100%	100%	Import and export trade	*c*
Shenzhen Senhang Technology Co., Ltd.* 深圳市森航科技有限公司	October 22, 2024	PRC, Limited Liability	RMB10,000	N/A	100%	100%	100%	Manufacturing of accessories	*b*
Senda (Shenzhen) Technology Co., Ltd.* 森大(深圳)技術有限公司	January 17, 2020	PRC, Limited Liability	RMB1,000	100%	100%	100%	100%	Manufacturing of accessories	*b*
Guangdong Huisen Intelligent Technology Co., Ltd.* 廣東省繪森智能 科技有限公司	August 1, 2019	PRC, Limited Liability	RMB5,000	N/A	N/A	N/A	N/A	Manufacturing of accessories	*b, d*
Guangzhou Senhang Intelligent System Co., Ltd.* 廣州森航智能系統有限公司	February 17, 2023	PRC, Limited Liability	RMB1,000	N/A	N/A	N/A	N/A	Manufacturing of accessories	*b, e*
Shanghai Celludye Imaging Colorants Company Limited* 上海色如丹數碼科技股份有限公司 *(note 35)*	December 27, 2005	PRC, Limited Liability	RMB52,494	N/A	N/A	51%	51%	Manufacturing of dyes and inks	*c*
Hubei Celludye 色如丹(湖北)影像色素有限公司 *(note 35)*	June 9, 2020	PRC, Limited Liability	RMB110,000	N/A	N/A	51%	51%	Manufacturing of dyes and inks	*c*

* The English translation of the names of the above companies is for reference only. The official names of these entities are in Chinese.

Notes:

(a) None of the subsidiaries had issued any debt securities as at the end of each reporting period.

(b) No audited financial statements of the subsidiaries of the Company have been prepared since there are no statutory audit requirements in the jurisdictions or the corresponding statutory audits have not been completed.

(c) The financial statements of these entities for the years ended December 31, 2023 and 2024 were prepared in accordance with relevant accounting principles and financial regulations and were audited by Certified Public Accountants registered in respective jurisdiction. [No statutory financial statements of these entities have been prepared for the year ended December 31, 2025 as the financial statements have not yet been due to issue].

(d) The Group deregistered Guangdong Huisen Intelligent Technology Co., Ltd. on January 30, 2023.

(e) The Group deregistered Guangzhou Senhang Intelligent System Co., Ltd. on July 12, 2023.

(f) The Group deregistered Suzhou Senhong Technology Co., Ltd. on November 14, 2025.

Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of a non-wholly-owned subsidiary of the Group that has material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by non-controlling interest	Profit allocated to non-controlling interest	Accumulated non-controlling interest
		As at December 31, 2025		
			RMB'000	*RMB'000*
Shanghai Celludye *(Note)*	Shanghai, the PRC	49%	7,120	259,622

Note: On August 31, 2025, the Group acquired 50.94% ownership and voting rights in Shanghai Celludye and the remaining 0.06% ownership interest and voting rights were completed on October 24, 2025. The detailed information of the Acquisition was disclosed in note 35.

Summarised financial information of Shanghai Celludye during the period since the acquisition date to December 31, 2025 is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Shanghai Celludye	As at December 31, 2025
Current assets	312,641
Non-current assets	340,647
Current liabilities	(92,427)
Non-current liabilities	(31,020)
Equity attributable to owners of the Company	270,219
Non-controlling interests of Shanghai Celludye	259,622

	During the period from acquisition date to December 31, 2025
Revenue	69,734
Expense	(55,203)
Profit for the year	14,531
Profit for the year attributable to:	
– Owners of the Company	7,411
– Non-controlling interest of Shanghai Celludye	7,120
	14,531
Net cash inflow from operating activities	16,963
Net cash outflow from investing activities	(59,970)
Net cash outflow from financing activities	(66,428)
Net cash outflow	(109,435)

42. EVENT AFTER THE END OF THE TRACK RECORD PERIOD

There is no material event after the end of the Track Record Period.

43. SUBSEQUENT FINANCIAL STATEMENTS

[No audited financial statements of the Company, its subsidiaries or the Group have been prepared in respect of any period subsequent to December 31, 2025.]