The following is the text of a report set out on pages I-[1] to I-[2], received from the Company's reporting accountant, [PricewaterhouseCoopers], Certified Public Accountants, Hong Kong, for the purpose of incorporation in this Document. It is prepared and addressed to the directors of the Company and to the Sole Sponsor pursuant to the requirements of HKSIR 200 Accountants' Reports on Historical Financial Information in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants.

[Letterhead of PricewaterhouseCoopers]

[DRAFT]

ACCOUNTANT'S REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF BEIJING RC TECH CO., LTD. AND [REDACTED]

Introduction

We report on the historical financial information of Beijing RC Tech Co., Ltd. (the "Company") and its subsidiaries (together, the "Group") set out on pages I-[3] to I-[48], which comprises the consolidated balance sheets as at December 31, 2023, 2024 and 2025, the company balance sheets 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 for each of the 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-[3] to I-[48] forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [date] (the "Document") in connection with the initial [**REDACTED**] of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountant's 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 ("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 accountant's 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 accountant considers internal control relevant to the entity's preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountant's report, a true and fair view of the financial position of the Company and the consolidated financial position of the Group as at December 31, 2023, 2024 and 2025 and of its consolidated financial performance and its consolidated cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

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

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-[3] have been made.

Dividends

We refer to Note [32] to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Track Record Period.

[PricewaterhouseCoopers]
Certified Public Accountants
Hong Kong, [Date]

I. 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 accountant's report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by [PricewaterhouseCoopers] in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board (the "Underlying Financial Statements").

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

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Year ended December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Revenue	*6*	191,455	167,620	197,354
Cost of sales	*9*	(70,602)	(42,382)	(38,420)
Gross profit		120,853	125,238	158,934
Selling and marketing expenses	*9*	(36,274)	(34,770)	(39,440)
General and administrative expenses	*9*	(23,197)	(11,550)	(19,043)
Research and development expenses	*9*	(48,705)	(45,225)	(58,776)
Net impairment reversal/(losses) on financial assets	*9*	317	(1,617)	(4,854)
Other income	*7*	3,510	2,191	815
Other gains, net	*8*	1,688	1,749	1,540
Operating profit		18,192	36,016	39,176
Finance costs	*11*	(32,922)	(32,865)	(13,051)
(Loss)/profit before income tax		(14,730)	3,151	26,125
Income tax credit	*12*	–	–	5,718
(Loss)/profit for the year		(14,730)	3,151	31,843
Other comprehensive income:				
Other comprehensive income for the year, net of tax		–	–	–
Total comprehensive (loss)/income for the year		(14,730)	3,151	31,843
(Loss)/profit and total comprehensive (loss)/income attributable to:				
Owners of the Company		(12,393)	3,431	31,843
Non-controlling interests		(2,337)	(280)	–
(Loss)/earnings per share for (loss)/profit attributable to owners of the Company (expressed in RMB per share)	*13*			
Basic		(0.14)	0.04	0.35
Diluted		(0.14)	0.04	0.35

CONSOLIDATED BALANCE SHEETS

		As at December 31,		
	Note	**2023**	**2024**	**2025**
		RMB'000	*RMB'000*	*RMB'000*
Assets				
Non-current assets				
Property, plant and equipment	*16*	1,089	633	427
Right-of-use assets	*15*	3,621	3,774	1,505
Financial assets at fair value through profit or loss	*18*	26,828	27,395	27,542
Other receivables	*21*	756	1,404	–
Trade receivables	*20*	–	–	3,729
Deferred income tax assets	*26*	–	–	5,718
		32,294	33,206	38,921
Current assets				
Contract fulfilment costs	*19*	107	5,465	–
Notes receivables	*20*	1,150	1,507	202
Trade receivables	*20*	60,941	35,660	45,559
Prepayments and other receivables	*21*	43,272	29,810	6,377
Financial assets at fair value through profit or loss	*18*	–	30,028	–
Restricted cash	*22*	–	–	81
Cash and cash equivalents	*22*	19,954	54,879	136,546
		125,424	157,349	188,765
Total assets		157,718	190,555	227,686
Equity and liabilities				
Equity attributable to owners of the Company				
Paid-in capital/share capital	*23*	102,074	102,074	113,416
Treasury stock	*24*	(314,492)	(314,057)	(15,530)
Reserves	*24*	198,309	199,391	23,991
(Accumulated losses)/retained earnings		(369,855)	(366,424)	35,390
		(383,964)	(379,016)	157,267
Non-controlling interests		269	(3)	–
(Deficit on total equity)/total equity		(383,695)	(379,019)	157,267
Liabilities				
Non-current liabilities				
Lease liabilities	*15*	2,161	1,551	–
Contract liabilities	*6*	76	45	–
Borrowings	*29*	–	–	6,800
Redemption liabilities	*30*	455,047	487,266	–
		457,284	488,862	6,800
Current liabilities				
Trade payables	*27*	12,637	11,890	13,301
Other payables and accruals	*28*	33,678	33,514	32,274
Contract liabilities	*6*	19,978	27,895	15,979
Borrowings	*29*	16,500	5,000	800
Lease liabilities	*15*	1,336	2,413	1,265
		84,129	80,712	63,619
Total liabilities		541,413	569,574	70,419
Total equity and liabilities		157,718	190,555	227,686

COMPANY BALANCE SHEETS

	Note	As at December 31,		
		2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Assets				
Non-current assets				
Property, plant and equipment		1,005	586	414
Right-of-use assets	*15*	3,621	3,774	1,505
Investment in subsidiaries	*14*	–	–	–
Financial assets at fair value through profit or loss	*18*	26,828	27,395	27,542
Other receivables	*21*	756	1,404	–
Trade receivables		–	–	3,729
Deferred income tax assets	*26*	–	–	5,718
		32,210	33,159	38,908
Current assets				
Contract fulfilment costs	*19*	107	5,465	–
Notes receivables		1,150	1,507	202
Trade receivables		60,429	35,607	45,559
Prepayments and other receivables	*21*	46,733	36,286	6,377
Financial assets at fair value through profit or loss	*18*	–	30,028	–
Restricted cash	*22*	–	–	81
Cash and cash equivalents	*22*	13,091	49,007	134,514
		121,510	157,900	186,733
Total assets		153,720	191,059	225,641
Equity and liabilities				
Equity attributable to owners of the Company				
Paid-in capital/share capital	*23*	102,074	102,074	113,416
Treasury stock	*24*	(314,492)	(314,057)	(15,530)
Reserves	*24*	198,309	199,391	23,991
(Accumulated losses)/retained earnings		(358,226)	(363,494)	35,087
(Deficit on total equity)/total equity		(372,335)	(376,086)	156,964
Liabilities				
Non-current liabilities				
Contract liabilities		76	45	–
Lease liabilities	*15*	2,161	1,551	–
Redemption liabilities	*30*	455,047	487,266	–
		457,284	488,862	–
Current liabilities				
Trade payables		11,709	11,855	13,301
Other payables and accruals	*28*	29,279	31,131	38,132
Contract liabilities		19,947	27,884	15,979
Borrowings		6,500	5,000	–
Lease liabilities	*15*	1,336	2,413	1,265
		68,771	78,283	68,677
Total liabilities		526,055	567,145	68,677
Total equity and liabilities		153,720	191,059	225,641

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

		Attributable to owners of the Company							
		Paid-in capital	Share capital	Treasury stock	Reserves	(Accumulated losses)/ retained earnings	Subtotal	Non-controlling interests	(Deficit on total equity)/ total equity
	Note	RMB'000 (Note 23(a))	RMB'000 (Note 23(b))	RMB'000 (Note 24)	RMB'000 (Note 24)	RMB'000	RMB'000	RMB'000	RMB'000
Balance at January 1, 2023		102,074	–	(315,168)	196,906	(357,462)	(373,650)	2,606	(371,044)
Comprehensive loss									
Loss for the year		–	–	–	–	(12,393)	(12,393)	(2,337)	(14,730)
Total comprehensive loss for the year		–	–	–	–	(12,393)	(12,393)	(2,337)	(14,730)
Transactions with owners in their capacity as owners									
Share-based compensation	25	–	–	–	1,403	–	1,403	–	1,403
Derecognition of other payables for share-based compensation	25	–	–	676	–	–	676	–	676
Total transactions with owners in their capacity as owners		–	–	676	1,403	–	2,079	–	2,079
Balance at December 31, 2023		102,074	–	(314,492)	198,309	(369,855)	(383,964)	269	(383,695)
Balance at January 1, 2024		102,074	–	(314,492)	198,309	(369,855)	(383,964)	269	(383,695)
Comprehensive income/(loss)									
Profit/(loss) for the year		–	–	–	–	3,431	3,431	(280)	3,151
Total comprehensive income/ (loss) for the year		–	–	–	–	3,431	3,431	(280)	3,151
Transactions with owners in their capacity as owners									
Share-based compensation	25	–	–	–	1,082	–	1,082	–	1,082
Derecognition of other payables for share-based compensation	25	–	–	435	–	–	435	–	435
Disposal of subsidiaries	14	–	–	–	–	–	–	8	8
Total transactions with owners in their capacity as owners		–	–	435	1,082	–	1,517	8	1,525
Balance at December 31, 2024		102,074	–	(314,057)	199,391	(366,424)	(379,016)	(3)	(379,019)

		Attributable to owners of the Company							
		Paid-in capital	Share capital	Treasury stock	Reserves	(Accumulated losses)/ retained earnings	Subtotal	Non-controlling interests	(Deficit on total equity)/ total equity
	Note	RMB'000 (Note 23(a))	RMB'000 (Note 23(b))	RMB'000 (Note 24)	RMB'000 (Note 24)	RMB'000	RMB'000	RMB'000	RMB'000
Balance at January 1, 2025		102,074	–	(314,057)	199,391	(366,424)	(379,016)	(3)	(379,019)
Comprehensive income									
Profit for the year		–	–	–	–	31,843	31,843	–	31,843
Total comprehensive income for the year		–	–	–	–	31,843	31,843	–	31,843
Transactions with owners in their capacity as owners									
Disposal of subsidiaries	14	–	–	–	–	–	–	3	3
Share-based compensation	25	–	–	–	4,515	–	4,515	–	4,515
Derecognition of other payables for share-based compensation	25	–	–	70	–	–	70	–	70
Issuance of ordinary shares	23	11,342	–	(11,342)	–	–	–	–	–
Derecognition of redemption liabilities	30	–	–	309,799	190,056	–	499,855	–	499,855
Conversion into a joint stock company	23	(113,416)	113,416	–	(369,971)	369,971	–	–	–
Total transactions with owners in their capacity as owners		(102,074)	113,416	298,527	(175,400)	369,971	504,440	3	504,443
Balance at December 31, 2025		–	113,416	(15,530)	23,991	35,390	157,267	–	157,267

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Note	Year ended December 31, 2023	2024	2025
		RMB'000	*RMB'000*	*RMB'000*
Cash flows from operating activities				
Cash generated from operations	*34(a)*	30,623	65,186	20,834
Interest received		17	151	93
Net cash from operating activities		30,640	65,337	20,927
Cash flows from investing activities				
Purchase of property, plant and equipment		(16)	(188)	(37)
Proceeds from disposal of property, plant and equipment		1,487	–	–
Purchases of financial assets at fair value through profit or loss	*18*	–	(65,000)	(510,000)
Proceeds from maturity of financial assets at fair value through profit or loss	*18*	–	35,116	541,146
Net cash outflow from disposal of subsidiaries		–	(29)	(203)
Loans granted	*33(b)(ii)*	(41,388)	(27,050)	–
Loans repaid		3,317	40,362	24,709
Net cash (used in)/from investing activities		(36,600)	(16,789)	55,615
Cash flows from financing activities				
Proceeds from issuance of restricted stock units ("RSUs")	*25*	–	–	5,418
Payment of [**REDACTED**]		[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Proceeds from borrowings		16,500	5,000	8,000
Repayment of borrowings		–	(16,500)	(5,400)
Interest paid		(472)	(408)	(192)
Refund of lease deposit		1,428	–	–
Payment of lease deposit		(770)	(711)	–
Payment of lease liabilities	*15(b)*	(4,665)	(1,004)	(2,082)
Net cash from/(used in) financing activities		12,021	(13,623)	5,125
Net increase in cash and cash equivalents		6,061	34,925	81,667
Cash and cash equivalents at beginning of the year		13,893	19,954	54,879
Cash and cash equivalents at end of the year	*22(a)*	19,954	54,879	136,546

II. NOTES TO THE FINANCIAL INFORMATION

1 GENERAL INFORMATION

Beijing RC Tech Co., Ltd. (the "Company") is a limited liability company incorporated in Beijing, the People's Republic of China (the "PRC") on March 18, 2015. Pursuant to a resolution of the shareholders meeting of the Company held on June 10, 2025, it is resolved that the Company will convert from a limited liability company to a joint stock limited company. On October 27, 2025, the Company completed the industrial and commercial registration and obtained the Business License (No. 91110108335481926M) issued by the Beijing Haidian District Administration for Market Regulation and was formally converted into a joint stock company with limited liability under the Company Law of the PRC. The address of the Company's registered office is Room 040, Level 1, Building 7, Qinghe Maofang Road, Haidian District, Beijing, PRC.

The Company and its subsidiaries (collectively, the "Group") are primarily engaged in provision of internet application solutions, vertical industry solutions and overseas nationwide communication solutions in the Chinese Mainland and certain areas outside of the Chinese Mainland, based on artificial intelligent communication platform ("AICP") built by the Company.

Mr. Wang Cheng is the ultimate controlling shareholder of the Group throughout the Track Record Period and remains as the ultimate controlling shareholder of the Group as of the date of this report.

2 BASIS OF PREPARATION

The Historical Financial Information of the Group has been prepared in accordance with all applicable IFRS Accounting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board ("IASB").

IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards;
- IAS Standards; and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

The Historical Financial Information has been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, which are carried at fair value.

The preparation of Historical Financial Information in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 4 below.

All effective standards, amendments to standards and interpretations, which are mandatory for the financial period ended December 31, 2025, are consistently adopted by the Group throughout the Track Record Period.

New or amended standards and annual improvement that have been issued but not yet effective and not being early adopted by the Group during the Track Record Period are as follows:

Standards and amendments	Effective for annual periods beginning on or after
Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	January 1, 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
Amendment to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity	January 1, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency	January 1, 2027
IFRS 20 Regulatory Assets and Regulatory Liabilities	January 1, 2029
Sale or Contribution of Assets between an Investor and its Associate – Amendments to IFRS 10 and IAS 28	To be determined

These new or amended accounting standards and annual improvements are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions, except for the adoption of IFRS 18 for the reporting periods beginning on or after January 1, 2027.

IFRS 18 will replace IAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is assessing the implications of applying IFRS 18. Although the adoption of IFRS 18 will have no impact on the net profit, the Group expects that grouping items in the statements of profit or loss into new categories will impact how operating profit is calculated and exported, From the high level assessment up to now, management has identified that the gain or loss of financial assets at fair value through profit or loss which is currently aggregated in the line item "other gains, net" within operating profit, will be presented below operating profit under IFRS 18.

The Group will apply this new standard from its mandatory effective date of January 1, 2027. Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with IFRS 18.

At each subsequent reporting period, the Group will provide an update on the progress towards transition to IFRS 18.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

(a) Market risk

(i) Foreign exchange risk

The Group mainly operates in the Chinese Mainland and is exposed to foreign exchange risk arising from transactions denominated in United States Dollar ("USD"). Accordingly, foreign exchange risk primarily arises from the Group's recognized assets, which relate to the receipt or expected receipt of foreign currencies from business counterparties outside the Chinese Mainland.

If foreign currencies had strengthened/weakened by 5% against RMB with all other variables held constant, the loss for the year ended December 31, 2023 would have been approximately RMB1,290,000 lower/higher, respectively, as a result of net foreign exchange gains on translation of net monetary assets denominated in USD.

If foreign currencies had strengthened/weakened by 5% against RMB with all other variables held constant, the profit for the year ended December 31, 2024 would have been approximately RMB30,000 higher/lower, respectively, as a result of net foreign exchange gains on translation of net monetary assets denominated in USD.

If foreign currencies had strengthened/weakened by 5% against RMB with all other variables held constant, the profit for the year ended December 31, 2025 would have been approximately RMB100,000 higher/lower, respectively, as a result of net foreign exchange gains on translation of net monetary assets denominated in USD.

(ii) Interest rate risk

The Group's interest rate risk primarily arose from its redemption liabilities, borrowings, and cash and cash equivalents. Those carried at floating rates expose the Group to cash flow interest rate risk whereas those carried at fixed rates expose the Group to fair value interest rate risk.

All the Group's interest-bearing borrowings all bear fixed interest rates as at December 31, 2023, 2024 and 2025, and hence the Group is not subject to cash flow interest rate risk.

If the interest rate of cash and cash equivalents had been 50 basis points higher/lower, the loss before income tax for the years ended December 31, 2023 would have been approximately RMB100,000 lower/higher. If the interest rate of cash and cash equivalents had been 50 basis points higher/lower, the profit before income tax for the years ended December 31, 2024 and 2025 would have been approximately RMB274,000 and RMB683,000 higher/lower, respectively.

The Group regularly monitors its interest rate risk to ensure there is no undue exposure to significant interest rate movements.

(iii) Price risk

The Group is exposed to price risk in respect of investments held by the Group classified as financial assets at fair value through profit or loss. The Group is not exposed to commodity price risk. To manage the price risk arising from its investments, the Group diversifies its portfolio and the investments are managed by management one by one, either for strategic purposes, or for the purpose of achieving investment yield and balancing the Group's liquidity level simultaneously. See Note 3.3 for details for more about the sensitivity information for the changes in prices or fair value of these investments.

(b) Credit risk

The Group is exposed to credit risk in relation to its cash and cash equivalents, restricted cash, trade receivables, notes receivables and other receivables. The carrying amounts of each class of the above financial assets represent the Group's maximum exposure to credit risk in relation to these financial assets.

To manage risk arising from cash and cash equivalents, restricted cash and notes receivables, the Group only transacts with state-owned or reputable financial institutions. There has been no recent history of default in relation to these financial institutions.

To manage risk arising from trade receivables, the Group determined the corresponding credit term based on the past transaction history and business scale with the counterparties. The credit period granted to the customers is usually no more than 90 days and the credit quality of the customers are assessed by taking into account their financial position, past experience and other factors.

For other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experiences. In view of the history of cooperation with the counterparties and the sound collection history of receivables due from them, management believes that the credit risk inherent in the Group's outstanding other receivables balances is low.

Impairment of financial assets

The Group performs impairment assessment under the expected credit loss ("ECL") model on financial assets at amortized cost (mainly including trade receivables and other receivables). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

While cash and cash equivalents, restricted cash and notes receivables (mainly for bank acceptance) are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and aging periods. The expected loss rates are based on the aged-based migration rates of trade receivables and historical credit loss rates by industry, 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 gross domestic product ("GDP") of Chinese Mainland (the prime location of its business operations) and global nominal GDP growth rate (for international customers) to be the most relevant factors, and accordingly adjusts the loss rates based on expected changes in these factors. Details of loss allowance of trade receivables as at December 31, 2023, 2024 and 2025 were included in Note 20.

Other receivables

The management of the Group makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experiences. The Group measures credit risk using Probability of Default ("PD"), Exposure at Default ("EAD") and Loss Given Default ("LGD").

- Other receivables that are not credit-impaired on initial recognition are classified in 'Stage 1' and have their credit risk continuously monitored by the Group. The expected credit loss is measured on a 12-month basis.

- If a significant increase in credit risk (specifically, when the debtor is more than 30 day past due on its contractual payments) since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. The expected credit loss is measured on lifetime basis.

- If the financial instrument is credit-impaired (specifically, when the debtor is more than 90 days past due on its contractual payments), the financial instrument is then moved to 'Stage 3'. The expected credit loss is measured on lifetime basis.

As there has been no significant increase in credit risk since initial recognition, all of the Group's other receivables as at December 31, 2023, 2024 and 2025 were classified in Stage 1 and their expected credit losses were measured on a 12-month basis.

Write-off policy

Financial assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include ceasing enforcement activity. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

(c) Liquidity risk

The Group aims to maintain sufficient cash and cash equivalents. Due to the dynamic nature of the underlying business, the policy of the Group is to regularly monitor the Group's liquidity risk and to maintain adequate cash and cash equivalents or adjust financing arrangements to meet the Group's liquidity requirements.

The table below analyzes the Group's non-derivative financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at each balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year	Between 1 year and 2 years	Between 2 years and 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At December 31, 2023						
Borrowings	16,972	–	–	–	16,972	16,500
Trade payables	12,637	–	–	–	12,637	12,637
Other payables (excluding payroll payables and other taxes payables)	9,051	–	–	–	9,051	9,051
Lease liabilities	1,438	1,406	820	–	3,664	3,497
At December 31, 2024						
Borrowings	5,408	–	–	–	5,408	5,000
Trade payables	11,890	–	–	–	11,890	11,890
Other payables (excluding payroll payables and other taxes payables)	6,040	–	–	–	6,040	6,040
Lease liabilities	2,499	1,562	–	–	4,061	3,964
At December 31, 2025						
Borrowings	1,058	1,030	2,916	3,885	8,889	7,600
Trade payables	13,301	–	–	–	13,301	13,301
Other payables (excluding payroll payables and other taxes payables)	12,669	–	–	–	12,669	12,669
Lease liabilities	1,274	–	–	–	1,274	1,265

The Group's liabilities arising from the redemption rights that were granted to the investors was not included in the above table as the redemption will only be triggered under the occurrence of certain conditions and situations (please refer to Note 30 for more details).

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to enhance shareholders' value in the long-term.

The Group monitors capital by regularly reviewing the capital structure. As a part of this review, the Group considers the cost of capital and the risks associated with the issued share capital. The Group may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or repurchase the Company's shares.

The Group monitors capital on the basis of the adjusted liability-to-asset ratio. For this purpose, adjusted liabilities are defined as total liabilities less redemption liabilities. The adjusted liability-to-asset ratio of the Group as at December 31, 2023, 2024 and 2025 was approximately 54.8%, 43.2% and 30.9%. In the opinion of the directors of the Company, the Group's capital risk is manageable.

3.3 Fair value estimation

The table below analyzes the Group's financial instruments carried at fair value as at each balance sheet dates, by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorized into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following tables present the Group's assets that are measured at fair value at December 31, 2023, 2024 and 2025:

As at December 31, 2023	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
Long-term investments measured at fair value through profit or loss *(Note 18)*	–	–	26,828	26,828

As at December 31, 2024	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
Long-term investments measured at fair value through profit or loss *(Note 18)*	–	–	27,395	27,395
Short-term investments measured at fair value through profit or loss *(Note 18)*	–	–	30,028	30,028
	–	–	57,423	57,423

As at December 31, 2025	Level 1	Level 2	Level 3	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Assets				
Long-term investments measured at fair value through profit or loss *(Note 18)*	–	–	27,542	27,542

The management manages the valuation exercise of the investments on a case-by-case basis. At least once every year, the management would use valuation techniques to determine the fair value of the Group's level 3 instruments. External valuation experts were involved when necessary.

The valuation of the level 3 instruments mainly included the Group's long-term investments in fund investments (Note 18), and short-term investments in wealth management products (Note 18). As these instruments are not traded in an active market, their fair values have been determined by using various applicable valuation techniques.

The following table summarizes the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements.

Description	Fair values			Significant unobservable inputs	Range of inputs			Relationship of unobservable inputs to fair values
	As at December 31,				As at December 31,			
	2023	2024	2025		2023	2024	2025	
	RMB'000	*RMB'000*	*RMB'000*		*RMB'000*	*RMB'000*	*RMB'000*	
Long-term investments measured at fair value through profit or loss:								
– Fund investments *(note)*	26,828	27,395	27,542	*note*	N/A	N/A	N/A	*note*
Short-term investments measured at fair value through profit or loss:								
– Investments in wealth management products	–	30,028	–	Expected rate of return	N/A	1.30% to 2.30%	N/A	The higher the expected rate of return, the higher the fair value.
	26,828	57,423	27,542					

Note:

Valuation of long-term investments measured at fair value through profit or loss

The fair value of the fund investments are primarily based on the Group's attributable portion of the reported net asset values ("NAVs") of the funds. The NAVs were derived from the fair value of the underlying investments (most of the assets of the funds represented financial assets measured at fair value) at the same measurement date as that used by the Group. The Group understands and assesses the valuations provided by the general partner of the funds and made necessary adjustments as a result of the assessment. The fund investments are included in level 3.

The unobservable inputs which significantly impacted the fair value are the net asset value of the funds reported by its general partner and the adjustment made by the Group (together, the "adjusted NAV"). If the adjusted NAV increased/decreased by 5%, the loss before income tax for the year ended December 31, 2023 would have been approximately RMB1,341,000 lower/higher. If the adjusted NAV increased/decreased by 5%, the profit before income tax for the years ended December 31, 2024 and 2025 would have been approximately RMB1,370,000, and RMB1,377,000 higher/lower, respectively.

The Group believes that any reasonably possible change in assumptions used for the significant unobservable inputs would not have any significant impact on the Group's profit or loss.

There were no transfers between levels 1, 2 and 3 of fair value hierarchy classifications during the years ended December 31, 2023, 2024 and 2025.

The carrying amounts of the Group's financial assets that are not measured at fair value including cash and cash equivalents, restricted cash, trade receivables, notes receivables and other receivables, and the Group's financial liabilities that are not measured at fair value, including borrowings, lease liabilities, trade payables and other payables, approximate their fair values due to their short maturities or they bear interest rates which are close to the market interest rates.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of Historical Financial Information requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(a) Valuation of share-based compensation

The fair value of RSUs at the grant date is determined by using valuation techniques. Significant estimates on assumptions, such as risk-free interest rate, expected volatility, dividend yield and discount for lack of marketability are made based on management's best estimates. Further details are included in Note 25.

(b) Credit loss allowance for trade receivables

The credit loss allowance for trade receivables are based on assumptions about risk of default and expected loss rates. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and aging periods. The expected loss rates are based on the aged-based migration rates of trade receivables and historical credit loss rates by industry, adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation. Further details are included in Notes 3.1(b) and 20.

(c) Fair value of long-term financial assets

As mentioned in Note 3.3, the fair value of Level 3 financial assets that are not traded in an active market is determined by using valuation techniques. The Group has used NAV approach for various long-term financial assets measured at fair value through profit or loss that are not traded in active markets. The Group uses its judgment to make necessary adjustments to reported NAVs of the fund investments based on selection of a variety of valuation methods and assumptions that are mainly based on market conditions existing at each balance sheet date.

(d) Income taxes

Significant judgment is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional tax will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the year in which such determination is made.

For temporary differences or tax losses which give rise to deferred income tax assets, the Group assesses the likelihood that the deferred income tax assets could be recovered. Deferred income tax assets are recognized based on the Group's estimates and assumptions that they will be recovered from taxable income arising from continuing operations in the foreseeable future.

5 SEGMENT INFORMATION

The Group's business activities, for which discrete financial information are available, are regularly reviewed and evaluated by the chief operating decision-makers ("CODMs"). The CODMs, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the executive directors of the Company that make strategic decisions. The CODMs consider that the Group's operations are operated and managed as a single segment. Accordingly, no segment information is presented.

Geographical information

The following table sets out the information about the geographical location of the Group's revenue from external customers. The geographical location for internet application solutions is based on the location of the data centers, while that for vertical industry solutions and overseas nationwide communication solutions is based on the location where the products or services are accepted.

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Chinese Mainland	114,075	102,041	119,090
Outside of Chinese Mainland	77,380	65,579	78,264
	191,455	167,620	197,354

As at December 31, 2023, 2024 and 2025, substantially all of the Group's non-current assets are located or derived from transactions conducted in the Chinese Mainland.

6 REVENUE

Disaggregation of revenue from contracts with customers:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Internet application solutions	126,208	127,417	132,592
Vertical industry solutions	26,814	26,773	48,082
Overseas nationwide communication solutions	38,433	13,430	16,680
	191,455	167,620	197,354

The Group derives revenue from the transfer of goods and services at a point in time and over time which are analyzed as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Revenue recognized			
– Over time	169,550	145,221	149,276
– At a point in time	21,905	22,399	48,078
	191,455	167,620	197,354

For the year ended December 31, 2023, revenue of approximately RMB38,433,000 was derived from one external customer, which accounted for approximately 20% of the Group's total revenue. For the year ended December 31, 2024, there was no revenue derived from transactions with a single external customer which amounted to 10% or more of the Group's total revenue. For the year ended December 31, 2025, revenue of approximately RMB22,430,000 was derived from one external customer, which accounted for approximately 11% of the Group's total revenue.

(a) Contract liabilities

The Group has recognized the following liabilities related to contracts with customers:

	As at January 1,	As at December 31,		
	2023	2023	2024	2025
	RMB'000 *(Unaudited)*	*RMB'000*	*RMB'000*	*RMB'000*
Internet application solutions	19,324	15,791	14,168	12,662
Vertical industry solutions	5,605	4,263	13,772	2,250
Overseas nationwide communication solutions	–	–	–	1,067
	24,929	20,054	27,940	15,979

Contract liabilities of the Group mainly arise from the advance payments made by customers for the underlying products and services not yet provided.

The following table shows how much of the revenue, which was included in the contract liability balance at the beginning of each year, recognized during each of the Track Record Period related to carried-forward contract liabilities:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Revenue recognized that was included in the contract liabilities at the beginning of the year	16,971	14,254	23,068

(b) Unsatisfied performance obligations

The following table shows unsatisfied performance obligations resulting from long-term contracts:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Aggregate amount of the transaction price allocated to long-term contracts that are partially or fully unsatisfied	116	1,583	16,271

As at 31 December 2025, management expects that approximately 91% of the transaction price allocated to unsatisfied performance obligations will be recognized as revenue during the year ending December 31, 2026, and the remaining 9% will be recognized during the year ending December 31, 2027.

Other contracts at the end of each reporting year are for an original expected duration of one year or less, or are billed based on actual consumption incurred. The Group applied the expedient under IFRS 15 for not disclosing of unsatisfied performance obligations.

(c) Accounting policies of revenue recognition

Revenue is measured at the transaction price, representing amounts receivable for products sold and services provided, net of discounts and excluding value-added taxes. The Group recognizes revenue as and when the performance obligation is satisfied for each of its activities, as described below.

(a) Internet application solutions

Revenue related to internet application solutions consists of licensing with access to the AICP. The Group charges customers on a consumption basis, such as the maximum number of daily active users and the number of messages of the platform in a reporting period. Licensing with access to the platform is one separate performance obligation in the contract. Customers may purchase multiple items of licensing with access to the platform, and the relevant transaction price is determined based on the relative observable standalone selling prices of each separate performance obligation provided to the customers. Revenue from licensing with access to the platform is recognized over time based on customers' utilization of the platform.

(b) Vertical industry solutions

Revenue related to vertical industry solutions consists of on-premises licensing, application implementation and maintenance services.

On-premises licensing is recognized at the point in time when the control of the asset is transferred to the customer, generally on delivery of license code and the software development kit ("SDK"). The Group sells standard SDKs to end customers or solution partners. Solution partners are regarded as direct customers of the Group as the solution partners will take control of the software, integrate with other products and related services and sell to end customers.

Application implementation services are recognized as revenue upon the transfer of control to the customer of the promised products and services, generally on the acceptance of the implemented promised products and services by the customer.

Revenue from application maintenance services is recognized when the services are rendered.

(c) Overseas nationwide communication solutions

Revenue related to overseas nationwide communication solutions consists of application development, licensing and maintenance services.

Revenue from application development services is recognized over the period of the contracts by reference to the progress of work performed, which is established according to the value of efforts put in each task (measured by standard man days for each task) acknowledged by the customers. The corresponding implementation costs are recognized as incurred under cost of sales.

Depending on the nature of the license, revenue from licensing is recognized over time (the license period) or at a point in time. Revenue from application maintenance services is recognized when the services are rendered.

Timing of revenue recognition may differ from the timing of invoicing to customers. The Group may perform by transferring goods or services to a customer before the customer pays consideration or before payment is due, also may have a right to an amount of consideration before transferring goods or services to a customer. The Group recognizes a contract liability in the balance sheet, depending on the relationship between the Group's performance and the customer's payment.

7 OTHER INCOME

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Government grants *(note)*	2,290	1,027	–
Value-added tax and other tax refunds	1,090	1,013	722
Interest income from bank deposits	17	151	93
Others	113	–	–
	3,510	2,191	815

Note: Government grants represented various subsidies granted by and received from local government authorities in the PRC. There are no unfulfilled conditions or contingencies related to these government grants.

Accounting policies of government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the property and equipment and other non-current assets are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

8 OTHER GAINS, NET

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Fair value changes on financial assets at fair value through profit or loss			
– Fund investments	65	567	147
– Investments in wealth management products	–	144	1,118
Foreign exchange gains/(losses), net	2,273	804	(142)
Others	(650)	234	417
	1,688	1,749	1,540

9 EXPENSES BY NATURE

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Employee benefit costs *(Note 10)*	116,590	89,701	92,461
Changes in capitalized contract fulfilment cost	(47)	(5,358)	5,465
Bandwidth and servers custody fee	27,843	21,513	20,263
Promotion and advertising expenses	7,565	10,966	13,262
Outsourced technical services	5,615	6,223	7,296
Net impairment (reversal)/losses on financial assets	(317)	1,617	4,854
[**REDACTED**]	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Travelling expenses	3,170	2,234	2,096
Depreciation charges	7,015	2,168	2,295
Other professional consulting fees	1,890	762	2,122
Business development expenses	2,633	2,377	2,040
Utilities and office expenses	4,285	2,353	2,836
Auditors' remuneration	482	–	–
Others	1,737	988	1,510
	178,461	135,544	160,533

10 EMPLOYEE BENEFIT COSTS

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Wages, salaries and bonuses	93,418	71,813	73,306
Pension costs – defined contribution plans *(note)*	4,498	3,506	3,917
Other social security costs, housing benefits and other employee benefits	17,271	13,300	10,723
Share-based compensation *(Note 25)*	1,403	1,082	4,515
	116,590	89,701	92,461

Note: During the Track Record Period, no forfeited contributions were utilized by the Group to reduce its contributions to these pension schemes for the respective years.

(a) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group did not include any directors or supervisors of the Company for the year ended December 31, 2023, but included one director of the Company for the year ended December 31, 2024, and two directors of the Company for the year ended December 31, 2025, whose emoluments are set out in note (b) below. The emoluments payable to the respective remaining 5, 4 and 3 highest paid individuals for the years ended December 31, 2023, 2024, and 2025 are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Wages and salaries	2,631	2,346	1,970
Discretionary bonuses	2,532	1,865	698
Pension costs – defined contribution plans	208	225	95
Other social security costs, housing benefits and other employee benefits	414	423	252
Share-based compensation	266	227	340
	6,051	5,086	3,355

Their emoluments for the years ended December 31, 2023, 2024, and 2025 fell within the following bands:

	Year ended December 31,		
	2023	2024	2025
Hong Kong Dollar ("HKD") 500,001 to HKD1,000,000	–	–	1
HKD1,000,001 to HKD1,500,000	5	4	2
	5	4	3

(b) Benefits and interests of directors and supervisors

The remuneration of each director and supervisor of the Company for the year ended December 31, 2023 are set out as follows:

	Wages and salaries	Discretionary bonuses	Contributions to pension plans	Other social security costs, housing benefits and other employee benefits	Share-based compensation	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive director						
Wang Cheng	216	–	21	79	–	316
Dong Han	600	–	12	73	170	855
Ren Jie	250	–	9	34	–	293
He Liang *(note (i))*	840	70	12	69	88	1,079
Han Ying *(note (ii))*	225	–	7	89	–	321
Cen Yu *(note (iii))*	840	280	63	96	98	1,377

	Wages and salaries	Discretionary bonuses	Contributions to pension plans	Other social security costs, housing benefits and other employee benefits	Share-based compensation	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Non-executive director						
Huang Shuo *(note (iv))*	–	–	–	–	–	–
Tang Zujia	–	–	–	–	–	–
Cai Yaoyao	–	–	–	–	–	–
Yu Jie *(note (v))*	–	–	–	–	–	–
Zhou Fan *(note (vii))*	–	–	–	–	–	–
Supervisor						
Li Miao	603	77	63	97	–	840
Zhu Yidan *(note (x))*	180	39	5	24	–	248
	3,754	466	192	561	356	5,329

The remuneration of each director and supervisor of the Company for the year ended December 31, 2024 are set out as follows:

	Wages and salaries	Discretionary bonuses	Contributions to pension plans	Other social security costs, housing benefits and other employee benefits	Share-based compensation	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive director						
Wang Cheng	386	–	21	82	–	489
Dong Han	450	–	13	75	177	715
Ren Jie	35	–	–	2	–	37
Cen Yu *(note (iii))*	940	240	66	129	99	1,474
He Liang	840	210	13	76	89	1,228
Non-executive director						
Huang Shuo *(note (iv))*	–	–	–	–	–	–
Tang Zujia	–	–	–	–	–	–
Cai Yaoyao	–	–	–	–	–	–
Zhou Fan *(note (vii))*	–	–	–	–	–	–
Supervisor						
Li Miao	459	–	49	80	–	588
Zhu Yidan *(note (x))*	98	114	3	15	–	230
	3,208	564	165	459	365	4,761

The remuneration of each director and supervisor of the Company for the year ended December 31, 2025 are set out as follows:

	Wages and salaries	Discretionary bonuses	Contributions to pension plans	Other social security costs, housing benefits and other employee benefits	Share-based compensation	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive director						
Wang Cheng	420	–	21	86	–	527
Dong Han	420	–	13	79	192	704
Ren Jie	420	–	22	87	–	529
Cen Yu *(note (iii))*	960	–	68	106	106	1,240
Non-executive director						
Huang Shuo	–	–	–	–	–	–
Tang Zujia	–	–	–	–	–	–
Cai Yaoyao *(note (vi))*	–	–	–	–	–	–
Zhou Fan *(note (vii))*	–	–	–	–	–	–
Independent non-executive directors						
Sun Kai *(note (viii))*	–	–	–	–	–	–
Wang Wenbo *(note (viii))*	–	–	–	–	–	–
Ye Lingwei *(note (viii))*	–	–	–	–	–	–
Zhang Yi *(note (viii))*	–	–	–	–	–	–

	Wages and salaries	Discretionary bonuses	Contributions to pension plans	Other social security costs, housing benefits and other employee benefits	Share-based compensation	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Supervisor						
Li Miao *(note (ix))*	584	2	65	99	–	750
Zhu Yidan *(note (x))*	342	25	10	48	156	581
He Liang *(note (i))*	849	–	13	76	144	1,082
	3,995	27	212	581	598	5,413

Notes:

(i) Mr. He Liang was appointed as an executive director of the Company in May 2023 and tendered his resignation from the position of executive director and was appointed as a supervisor of the Company simultaneously in July 2025. He eventually resigned from the position of supervisor in December 2025.

(ii) Mr. Han Ying tendered his resignation from the position of executive director of the Company in May 2023.

(iii) Mr. Cen Yu was appointed as an executive director of the Company in July 2025.

(iv) Ms. Huang Shuo was appointed as a non-executive director of the Company in May 2023.

(v) Ms. Yu Jie tendered her resignation from the position of non-executive director of the Company in May 2023

(vi) Ms. Cai Yaoyao tendered her resignation from the position of non-executive director of the Company in May 2025.

(vii) Mr. Zhou Fan was appointed as a non-executive director of the Company in May 2025.

(viii) Mr. Sun Kai, Mr. Wang Wenbo, Mr. Ye Lingwei and Ms. Zhang Yi were appointed as independent non-executive directors of the Company in December 2025. None of them received any remuneration from the Group prior to their appointment.

(ix) Mr. Li Miao tendered his resignation from the position of supervisor of the Company in December 2025.

(x) Ms. Zhu Yidan was appointed as supervisor of the Company in July 2025, and resigned from the position in December 2025.

(c) Directors' and supervisors' termination benefits

No termination benefits were paid or payable to the directors or supervisors during the years ended December 31, 2023, 2024 and 2025.

(d) Consideration provided to third parties for making available directors' and supervisors' services

No consideration provided to third parties for making available directors' or supervisors' services during the years ended December 31, 2023, 2024 and 2025.

(e) Information about loans, quasi-loans and other dealings in favor of directors and supervisors, controlled body corporates by and connected entities with such directors and supervisors

No loans, quasi-loans and other dealings in favor of directors or supervisors, controlled body corporates by and connected entities with such directors or supervisors subsisted as at December 31, 2023, 2024 and 2025 or at any time during the respective years.

(f) Directors' and supervisors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director or supervisor of the Company had a material interest, whether directly or indirectly, subsisted as at December 31, 2023, 2024 and 2025 or at any time during the respective years.

Accounting policies of employee benefits.

(a) Pension obligations and other social welfare benefits

Full-time employees of the Group in Chinese Mainland are entitled to staff welfare benefits including pension, work-related injury benefits, maternity insurances, medical insurances, unemployment benefits and housing fund plans through a PRC government-mandated defined contribution plan. Chinese labor regulation requires that the Group make contributions to the government for these benefits based on certain percentage of the employees' salaries, up to a maximum amount specified by the local government. The Group has no further legal obligation for the benefits beyond the required contributions.

(b) Employee leave entitlements

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date. Employee entitlements to sick leave and maternity leave are not recognized until the time of leave.

(c) Bonus plans

The expected cost of bonuses is recognized as a liability when the Group has a present legal or constructive obligation for payment of bonus as a result of services rendered by employees and a reliable estimate of the obligation can be made. Liabilities for bonus plans are expected to be settled within 1 year and are measured at the amounts expected to be paid when they are settled.

(d) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

11 FINANCE COSTS

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest expense on redemption liabilities *(Note 30)*	32,132	32,219	12,589
Interest expense on lease liabilities *(Note 15)*	115	64	70
Interest expense on borrowings	472	408	192
Others	203	174	200
	32,922	32,865	13,051

12 INCOME TAX

The income tax of the Group for the years ended December 31, 2023, 2024, and 2025 are analyzed as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current income tax	–	–	–
Deferred income tax	–	–	(5,718)
Income tax credit	–	–	(5,718)

The tax on the Group's (loss)/profit before income tax differs from the theoretical amount that would arise using the statutory tax rate in Chinese Mainland as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
(Loss)/profit before income tax	(14,730)	3,151	26,125
Tax calculated at statutory income tax rate of 25% in Chinese Mainland *(note (a))*	(3,683)	788	6,531

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Effect of lower tax rates in other jurisdictions	87	2	–
Preferential income tax rate applicable to subsidiaries *(note (b))*	2,677	(113)	(2,522)
Expenses not deductible for income tax purposes	5,050	5,059	1,959
Income not subject to tax	(975)	(2)	–
Tax losses and temporary differences for which no deferred income tax assets were recognized *(note (c))*	2,153	1,316	3,092
Utilization and recognition of previously unrecognized tax losses	–	(1,194)	(7,146)
Super Deduction for research and development expenses *(note (d))*	(5,318)	(5,842)	(7,632)
Others	9	(14)	–
Income tax credit	–	–	(5,718)

Notes:

(a) *Enterprise Income Tax ("EIT")*

The income tax provision of the Group in respect of its operations in Chinese Mainland was calculated at tax rate of 25% on the assessable profits for the respective year presented, based on the existing legislation, interpretations and practices in respect thereof.

(b) *Preferential EIT Rate*

The Company and certain subsidiaries in Chinese Mainland are entitled to preferential EIT rate, and details of which are as below:

The Company obtained the qualification as a "High and New Technology Enterprise" ("HNTE") in October 2020 and renewed the qualification in December 2023, hence it enjoys a preferential income tax rate of 15% from 2020 to 2026. Management considers that the Company can be continued to be qualified as HNTE upon renewal and hence will continue to enjoy the preferential income tax rate of 15% in the foreseeable future.

Beijing Bailing Century Network Technology Co., Ltd. ("Beijing Bailing Century"), Beijing Shadian IoT Technology Co., Ltd. ("Beijing Shadian"), Beijing Guoxin Anshi Technology Co., Ltd. ("Beijing Guoxin Anshi") and Beijing Chuangqiyi Technology Co., Ltd. ("Beijing Chuangqiyi") are qualified as small and micro enterprises. According to the Announcement of the Ministry of Finance of the PRC and the State Taxation Administration on Further Implementing the Income Tax Preferential Policies for Small and Micro Enterprises (Cai Shui [2023] No. 12), only 25% of the aforesaid subsidiaries' taxable profits will be subject to enterprise income tax at a preferential tax rate of 20%.

(c) *Temporary differences and deferred income tax*

Deferred income taxes are calculated in full on temporary differences under the liability method using the tax rates which are expected to be applied at the time of reversal of the temporary differences. Deferred income tax assets are recognized for deductible temporary differences and tax losses to the extent that the realization of the related tax benefits through future taxable profits is probable. See Note 26 for more information about the deferred income tax as recognized by the Group.

(d) *Super Deduction for research and development expenses*

According to a policy promulgated by the Ministry of Finance of the PRC and the State Taxation Administration that was effective from 2023 onwards, enterprises engaging in research and development activities are entitled to claim 100% of the eligible research and development expenses incurred as tax deductible expenses in determining tax assessable profits ("Super Deduction"). The Group has made its best estimate for the Super Deduction to be claimed for the Group's entities in ascertaining their assessable profits during the respective years.

Accounting policies of current and deferred income tax

The income tax expense for the period comprises current and deferred income tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the income tax is also recognized in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(b) Deferred income tax

Inside basis differences

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Historical Financial Information. However, deferred income tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognized on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilized.

(c) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

13 (LOSS)/EARNINGS PER SHARE

(a) Basic

The basic (loss)/earnings per share is calculated by dividing the (loss)/profits attributable to owners of the Company by the weighted average number of ordinary shares in issue (less treasury stocks) during the respective year. The weighted average number of ordinary shares in issue before the conversion into a joint stock company was determined assuming the paid-in capital had been fully converted into share capital at the same conversion ratio of 1:1 as upon conversion into joint stock company in October 2025 and retrospectively applied.

	Year ended December 31,		
	2023	2024	2025
(Loss)/profit attributable to owners of the Company (RMB'000)	(12,393)	3,431	31,843
Weighted average number of ordinary shares in issue (in thousand)	102,074	102,074	108,754
Less: weighted average number of treasury shares (in thousand) (*note*)	(11,482)	(11,482)	(18,162)
Weighted average number of ordinary shares outstanding (in thousand)	90,592	90,592	90,592
Basic (loss)/earnings per share for profit attributable to owners of the Company (expressed in RMB per share)	(0.14)	0.04	0.35

Note: The treasury shares include shares repurchased or held under the Share Award Schemes as mentioned in Note 25, and exclude treasury shares as recognized in connection with the redemption liabilities.

(b) Diluted

As the Group incurred losses for the year ended December 31, 2023, the potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive for that year. For the years ended December 31, 2024 and 2025, the potential ordinary shares from the redemption liabilities were not included in the calculation of diluted earnings per share as their inclusion would be anti-dilutive. Accordingly, diluted earnings per share for the years ended December 31, 2023, 2024 and 2025 are the same as basic profit per share for the respective years.

Accounting policies of earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing:

the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares; and

by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and

the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

14 SUBSIDIARIES OF THE COMPANY

As at the date of this report, the Company has direct and indirect interests in the following subsidiaries, all being limited liability companies:

Name of subsidiary	Place and date of incorporation/ establishment	Registered capital	Equity interest held as at December 31, 2023	2024	2025	the date of this report	Principal activities	Note
Subsidiaries directly held:								
Beijing Bailing Century	Beijing, PRC/ November 25, 2019	RMB3,093,600	100%	100%	100%	100%	Technological development	(a), (f)
Beijing Shadian	Beijing, PRC/ January 4, 2022	RMB20,000,000	65%	N/A	N/A	N/A	Technological development	(a), (b), (f)
Beijing Guoxin Anshi	Beijing, PRC/ September 19, 2016	RMB5,000,000	60%	60%	N/A	N/A	Technological development	(a), (c), (f)
RCLOUD GLOBAL PTE. LTD.	Singapore/ December 10, 2025	Singapore Dollar ("SGD") 3,000	N/A	N/A	100%	100%	Technological development	(e)
Subsidiaries indirectly held:								
Beijing Chuangqiyi	Beijing, PRC/ August 27, 2021	RMB10,000,000	100%	100%	N/A	N/A	Technological development	(a), (d), (f)
Smart Interconnection FZE ("Smart FZE")	Dubai, United Arab Emirates/ July 13, 2022	AED300,000	65%	N/A	N/A	N/A	Audio-visual	(a), (b), (f)

Notes:

(a) No audited financial statements were issued for these companies as they are either newly incorporated or not required to issue audited financial statements under the statutory requirements of their respective places of incorporation.

(b) On September 30, 2024, the Company disposed of its entire 65% equity interest in Beijing Shadian and its subsidiary, Smart FZE, and the two companies were de-consolidated from the Group since then.

(c) Beijing Guoxin Anshi was deregistered on August 29, 2025.

(d) On June 12, 2025, the Company disposed of its entire 100% equity interest in Beijing Chuangqiyi and Beijing Chuangqiyi was de-consolidated from the Group since then.

(e) The wholly-owned subsidiary is incorporated by the company in Singapore on December 10, 2025. As at December 31, 2025, the Group had not yet completed its capital contributions.

(f) Full provision for impairment on the Company's costs of investments have been recognized prior to the beginning of the Track Record Period and hence the Company's costs of investments in subsidiaries were Nil as of December 31, 2023, 2024 and 2025.

15 LEASES

The Group leases certain of its offices under lease arrangements, with the negotiated lease terms of 3 years.

The consolidated balance sheets include the following amounts relating to leases:

(a) Right-of-use assets

Group and Company

The carrying amounts of the Group's right-of-use assets and the movements during the years ended December 31, 2023, 2024 and 2025 are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At beginning of the year	4,308	3,621	3,774
Additions	4,072	2,095	178
Termination	–	(418)	–
Change of leases	–	–	(395)
Depreciation charge	(4,759)	(1,524)	(2,052)
At end of the year	3,621	3,774	1,505

(b) Lease liabilities

Group and Company

The carrying amounts of the Group's lease liabilities as at December 31, 2023, 2024 and 2025 are as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Current	1,336	2,413	1,265
Non-current	2,161	1,551	–
	3,497	3,964	1,265

The consolidated statements of profit or loss and comprehensive income show the following amounts relating to leases:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Depreciation charge of right-of-use assets	4,759	1,524	2,052
Interest expense *(Note 11)*	115	64	70
Expense relating to short-term leases and low-value leases that are not included in lease liabilities	502	292	311

The consolidated statements of cash flows show the following amounts relating to leases:

The total cash outflows for leases during the years ended December 31, 2023, 2024 and 2025 were RMB5,167,000, RMB1,296,000 and RMB2,393,000, respectively.

Accounting policies of leases

The Group assesses whether a contract is or contains a lease at inception of a contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease, and payments for these leases are presented in the consolidated statements of cash flows within operating activities.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate specific to the country, term and currency of the contract. In addition, the Group considers its recent debt issuances as well as publicly available data for instruments with similar characteristics when calculating the incremental borrowing rates.

Lease payments include fixed payments (less any lease incentives), variable lease payments that depend on an index or a rate known at the commencement date, and purchase options or extension option payments if the Group is reasonably certain to exercise these options.

A lease liability is remeasured upon a change in the lease term, changes in an index or rate used to determine the lease payments or reassessment of exercise of a purchase option. The corresponding adjustment is made to the related right-of-use asset.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses (if any). The right-of-use assets are depreciated starting at the commencement date over the shorter period of useful life of the underlying asset and lease term.

The lease liability is presented in the 'Lease liabilities' line and the right-of-use assets are presented in the 'Right-of-use assets' line in the balance sheets. In addition, the principal portion of the lease payments and the interest component are presented within financing activities in the consolidated statements of cash flows.

16 PROPERTY, PLANT AND EQUIPMENT

The movement information of property, plant and equipment during the Track Record Period is as below:

	Computers and electronic equipment	Leasehold improvement	Total
	RMB'000	*RMB'000*	*RMB'000*
At January 1, 2023			
Cost	7,740	2,911	10,651
Accumulated depreciation	(3,884)	(1,951)	(5,835)
Net book amount	3,856	960	4,816
Year ended December 31, 2023			
Opening net book amount	3,856	960	4,816
Additions	16	–	16
Disposals *(note)*	(1,487)	–	(1,487)
Depreciation charge	(1,296)	(960)	(2,256)
Closing net book amount	1,089	–	1,089
At December 31, 2023			
Cost	5,478	2,911	8,389
Accumulated depreciation	(4,389)	(2,911)	(7,300)
Net book amount	1,089	–	1,089
Year ended December 31, 2024			
Opening net book amount	1,089	–	1,089
Additions	188	–	188
Depreciation charge	(644)	–	(644)
Closing net book amount	633	–	633
At December 31, 2024			
Cost	5,666	2,911	8,577
Accumulated depreciation	(5,033)	(2,911)	(7,944)
Net book amount	633	–	633
Year ended December 31, 2025			
Opening net book amount	633	–	633
Additions	37	–	37
Depreciation charge	(243)	–	(243)
Closing net book amount	427	–	427
As at December 31, 2025			
Cost	5,703	2,911	8,614
Accumulated depreciation	(5,276)	(2,911)	(8,187)
Net book amount	427	–	427

Note: In May 2023, the Group disposed of computers and electronic equipment at the carrying amounts of RMB1,464,000 to Baiwo (Beijing) Network Technology Co., Ltd., a related party.

Depreciation charges were expensed off in the following categories in the consolidated statements of profit or loss and other comprehensive income:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cost of sales	705	186	36
Selling and marketing expenses	449	140	55
General and administrative expenses	241	38	18
Research and development expenses	861	280	134
	2,256	644	243

Accounting policies of property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Computers and electronic equipment	3 to 5 years
Leasehold improvement	Estimated useful lives of 3 years or remaining lease terms, whichever the shorter

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 36.5).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other gains, net in the consolidated statements of profit or loss and other comprehensive income.

17 FINANCIAL INSTRUMENTS BY CATEGORY

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Assets as per balance sheets			
Financial assets at fair value through profit or loss:			
– Fund investments *(Note 18)*	26,828	27,395	27,542
– Investments in wealth management products *(Note 18)*	–	30,028	–
Financial assets at amortized cost:			
– Notes receivables *(Note 20)*	1,150	1,507	202
– Trade receivables *(Note 20)*	60,941	35,660	49,288
– Prepayments and other receivables (excluding prepayments and [**REDACTED**] to be capitalized) *(Note 21)*	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
– Restricted cash *(Note 22(b))*	–	–	81
– Cash and cash equivalents *(Note 22(a))*	19,954	54,879	136,546
	147,894	176,818	215,974
Liabilities as per balance sheets			
Financial liabilities at amortized cost:			
– Trade payables *(Note 27)*	12,637	11,890	13,301
– Other payables and accruals (excluding payroll payables and other taxes payables) *(Note 28)*	9,051	6,040	12,669
– Borrowings *(Note 29)*	16,500	5,000	7,600
– Redemption liabilities *(Note 30)*	455,047	487,266	–
– Lease liabilities *(Note 15)*	3,497	3,964	1,265
	496,732	514,160	34,835

18 INVESTMENTS

Group and Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Non-current assets			
Long-term investments measured at fair value through profit or loss			
– Fund investments *(note (i))*	26,828	27,395	27,542
Current assets			
Short-term investments measured at fair value through profit or loss			
– Investments in wealth management products *(note (ii))*	–	30,028	–

Notes:

(i) Fund investments

On November 25, 2019, Beijing Taiyue Wutong Venture Investment Centre (Limited Partnership) (the "Taiyue Wutong Fund") was incorporated in Beijing, PRC. On May 25, 2020, the Company, as a limited partner, has contributed cash of RMB32,400,000 to the Taiyue Wutong Fund and the Group has held 33.58% partnership interest in the Taiyue Wutong Fund as of December 31, 2023, 2024 and 2025. The Group has no significant influence as it has no representative in the investment committee of the Taiyue Wutong Fund and accounted for the investment in the Taiyue Wutong Fund as financial asset at fair value through profit or loss in accordance with IFRS 9.

(ii) Investments in wealth management products

The Group purchased investments in wealth management products issued by several banks located in PRC. The returns on all of these investments are not guaranteed and hence their contractual cash flows do not qualify for solely payments of principal and interest. Therefore, they are accounted for as financial asset at fair value through profit or loss. None of these investments are past due as at the balance sheet date.

Gains recognized in profit or loss

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Fair value changes on long-term investments measured at fair value through profit or loss	65	567	147
Fair value changes on short-term investments measured at fair value through profit or loss	–	144	1,118
	65	711	1,265

Movements in financial assets at fair value through profit or loss during the years ended December 31, 2023, 2024 and 2025 are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At beginning of the year	26,763	26,828	57,423
Addition	–	65,000	510,000
Disposal	–	(35,116)	(541,146)
Changes in fair value	65	711	1,265
At end of the year	26,828	57,423	27,542

19 CONTRACT FULFILMENT COSTS

Group and Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Contract fulfilment costs	107	5,465	–

Contract fulfilment costs are recognized from the costs incurred to fulfil contracts related to vertical industry solutions, which will be recognized in cost of sales mainly within 1 year when the Group's related performance obligations are satisfied and hence the related service contract revenue is recognized.

Accounting policies of contract fulfilment costs

Contract fulfilment costs are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The Group recognizes contract fulfilment cost from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.
- the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- the costs are expected to be recovered.

The contract fulfilment cost recognized shall be amortized to profit or loss on a systematic basis that is consistent with the transfer to the customer of the services to which the asset relates.

The Group recognizes an impairment loss in profit or loss to the extent that the carrying amount of contract fulfilment cost recognized exceeds:

- the remaining amount of consideration that the Group expects to receive in exchange for the services to which the asset relates; less
- the costs that relate directly to providing those services and that have not been recognized as expenses.

20 TRADE RECEIVABLES AND NOTES RECEIVABLES

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Notes receivables			
– Third parties	1,150	1,507	202
Trade receivables			
– Third parties	33,657	39,993	58,620
– Related parties *(Note 33(c))*	29,986	–	–
	64,793	41,500	58,822
Less: credit loss allowance	(2,702)	(4,333)	(9,332)
	62,091	37,167	49,490

The gross carrying amount of the Group's trade receivables and notes receivables are denominated in the following currencies:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
RMB	34,807	40,834	58,822
USD	29,986	666	–
	64,793	41,500	58,822

Movements in the credit loss allowance recognized for the Group's trade receivables is as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
At beginning of the year	3,186	2,702	4,333
Credit loss allowance (reversed)/recognized, net	(484)	1,631	4,999
At end of the year	2,702	4,333	9,332

The Group determines trading terms with customers on a case-by-case basis. The credit terms given to trade customers are determined on an individual basis with the normal contractual credit period mainly within 90 days. The ageing analysis of the trade receivables based on date of initial recognition is as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables			
Up to 1 year	56,458	27,993	39,943
1 to 2 years	5,971	9,366	10,440
2 to 3 years	964	2,153	6,722
Over 3 years	250	481	1,515
	63,643	39,993	58,620

Notes receivables of the Group are bank accepted notes mainly with maturity dates within six months. Aging analysis of notes receivables based on issue date is as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Notes receivables			
Up to 1 year	1,150	1,507	202

The credit loss allowance of trade receivables as at December 31, 2023, 2024 and 2025 were determined as follows:

	As at December 31, 2023		
	Gross carrying amount	Expected credit loss rate	Credit loss allowance
	RMB'000		*RMB'000*
For credit loss allowance measured by aging related to internet application solutions			
– Up to 1 year	10,679	1.22%	130
– 1 to 2 years	1,270	33.62%	427
– 2 to 3 years	312	66.67%	208
– Over 3 years	236	100.00%	236
	12,497		1,001
For credit loss allowance measured by aging related to vertical industry solutions			
– Up to 1 year	15,793	2.09%	330
– 1 to 2 years	4,701	18.53%	871
– 2 to 3 years	652	52.91%	345
– Over 3 years	14	100.00%	14
	21,160		1,560
For credit loss allowance measured by industry related to overseas nationwide communication solutions			
– Telecommunication, computer and software	29,986	0.47%	141
	63,643		2,702

	As at December 31, 2024		
	Gross carrying amount	Expected credit loss rate	Credit loss allowance
	RMB'000		*RMB'000*
For credit loss allowance measured by aging related to internet application solutions			
– Up to 1 year	10,619	1.76%	187
– 1 to 2 years	2,891	23.28%	673
– 2 to 3 years	322	50.31%	162
– Over 3 years	5	100.00%	5
	13,837		1,027
For credit loss allowance measured by aging related to vertical industry solutions			
– Up to 1 year	16,708	3.20%	535
– 1 to 2 years	6,475	19.72%	1,277
– 2 to 3 years	1,831	55.38%	1,014
– Over 3 years	476	100.00%	476
	25,490		3,302
For credit loss allowance measured by industry related to overseas nationwide communication solutions			
– Telecommunication, computer and software	666	0.60%	4
	39,993		4,333

	As at December 31, 2025		
	Gross carrying amount	Expected credit loss rate	Credit loss allowance
	RMB'000		*RMB'000*
For credit loss allowance measured by aging related to internet application solutions			
– Up to 1 year	13,818	2.93%	405
– 1 to 2 years	2,014	31.88%	642
– 2 to 3 years	2,675	60.19%	1,610
– Over 3 years	327	100.00%	327
	18,834		2,984
For credit loss allowance measured by aging related to vertical industry solutions			
– Up to 1 year	26,125	4.50%	1,176
– 1 to 2 years	8,426	21.33%	1,797
– 2 to 3 years	4,047	54.04%	2,187
– Over 3 years	1,188	100.00%	1,188
	39,786		6,348
	58,620		9,332

21 PREPAYMENTS AND OTHER RECEIVABLES

Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Included in non-current assets			
Rental, bidding and other deposits	769	1,420	–
Less: allowance for impairment *(note (b))*	(13)	(16)	–
	756	1,404	–
Included in current assets			
Rental, bidding and other deposits	279	249	1,843
Amounts due from related parties *(Note 33(c))*	38,072	956	–
Amounts due from third parties *(note (a))*	–	24,759	–
Prepayments	5,007	3,865	3,192

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
[**REDACTED**] to be capitalized	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Others	99	149	511
	43,457	29,978	6,416
Less: allowance for impairment *(note (b))*	(185)	(168)	(39)
	43,272	29,810	6,377
	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]

Notes:

(a) The balances with the third parties were unsecured, interest-free and repayable on demand. As of December 31, 2025, the amount has been fully recovered.

(b) The expected credit losses of other receivables were measured as either 12 months or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. All of the Group's other receivables as at December 31, 2023, 2024 and 2025 were considered to be of low credit risk, and thus the impairment provision recognized was limited to 12 months expected credit losses.

Based on the aforementioned description and Note 3.1(b), the credit loss allowances of other receivables as at December 31, 2023, 2024 and 2025 were determined as follows:

	Internal credit rating	Expected credit loss rate	Gross carrying amount	Loss allowance
			RMB'000	*RMB'000*
At December 31, 2023	Performing	0.50%	39,219	198
At December 31, 2024	Performing	0.67%	27,533	184
At December 31, 2025	Performing	1.66%	2,354	39

Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Included in non-current assets			
Rental, bidding and other deposits	769	1,420	–
Less: allowance for impairment	(13)	(16)	–
	756	1,404	–
Included in current assets			
Rental, bidding and other deposits	279	249	1,843
Amounts due from subsidiaries *(note)*	7,321	20,769	16,362
Amounts due from related parties *(Note 33(c))*	38,072	956	–
Amounts due from third parties	–	24,759	–
[**REDACTED**] to be capitalized	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Prepayments	5,000	3,865	3,192
Others	86	148	511
	50,758	50,746	22,778
Less: allowance for impairment	(4,025)	(14,460)	(16,401)
	46,733	36,286	6,377
	47,489	37,690	6,377

Note: The balances due from subsidiaries are unsecured, interest-free, and have no fixed terms of repayment.

22 BANK BALANCES

(a) Cash and cash equivalents

Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash at bank	19,864	54,632	136,305
Due from other financial institutions	90	247	241
	19,954	54,879	136,546

Cash and cash equivalents are denominated in the following currencies:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
RMB	19,954	54,879	136,546

Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash at bank	13,001	48,760	134,273
Due from other financial institutions	90	247	241
	13,091	49,007	134,514

Cash and cash equivalents are denominated in the following currencies:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
RMB	13,091	49,007	134,514

(b) Restricted cash

Group and Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Restricted cash	–	–	81

23 PAID-IN CAPITAL/SHARE CAPITAL

Group and Company

(a) Paid-in capital

Paid-in capital are generated from founders' and investors' capital injection. The excess of total consideration raised over paid-in capital was credited to the Company's capital reserve.

As at January 1, 2023, December 31, 2023 and 2024, the Company's paid-in capital was RMB102,074,210. On May 30, 2025, the Company issued ordinary shares for share-based compensation (Note 25) and received capital contribution of RMB11,341,579.

(b) Share capital

	Number of ordinary shares	Nominal value of ordinary shares
		RMB'000
Authorized and issued:		
At January 1, 2023, December 31, 2023 and 2024	–	–
Issuance of ordinary shares upon conversion into a joint stock company *(note)*	113,415,789	113,416
At December 31, 2025	113,415,789	113,416

Note: Pursuant to a resolution of the shareholders meeting held on June 10, 2025, it is resolved that the Company will convert from a limited liability company to a joint stock limited company. On October 27, 2025, the Company completed the industrial and commercial registration and was formally converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company as at May 31, 2025, the conversion base date, were converted into 113,415,789 ordinary shares of the Company at RMB1 each and share capital of RMB113,415,789 was recorded accordingly.

24 TREASURY STOCK AND RESERVES

Group and Company

		Reserves		
	Treasury stock	Capital reserve	Share-based compensation reserve	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Balance at January 1, 2023	(315,168)	192,790	4,116	196,906
Share-based compensation *(Note 25)*	–	–	1,403	1,403
Derecognition of other payables for share-based compensation *(Note 25)*	676	–	–	–
Balance at December 31, 2023	(314,492)	192,790	5,519	198,309
Balance at January 1, 2024	(314,492)	192,790	5,519	198,309
Share-based compensation *(Note 25)*	–	–	1,082	1,082
Derecognition of other payables for share-based compensation *(Note 25)*	435	–	–	–
Balance at December 31, 2024	(314,057)	192,790	6,601	199,391
Balance at January 1, 2025	(314,057)	192,790	6,601	199,391
Share-based compensation *(Note 25)*	–	–	4,515	4,515
Issuance of ordinary shares *(Note 23)*	(11,342)	–	–	–
Derecognition of other payables for share-based compensation *(Note 25)*	70	–	–	–
Derecognition of redemption liabilities *(Note 30)*	309,799	190,056	–	190,056
Conversion into a joint stock company *(Note 23)*	–	(369,971)	–	(369,971)
Balance at December 31, 2025	(15,530)	12,875	11,116	23,991

Accounting policies of treasury stock

Treasury stock is recorded to reflect the carrying amount of the redemption obligation when it is initially reclassified from equity and will be reversed when the redemption obligation is derecognized upon when the Group's obligations in connection with those redemption obligations are discharged, cancelled or have expired which will then be reclassified back to equity. The redemption obligations include other payables for share-based compensation (Note 28) and redemption liabilities (Note 30).

25 SHARE-BASED PAYMENTS

Share-based compensation of the Group mainly relates to share rewards granted to senior management, core technicians, key employees and other suitable person identified for their contribution to the Group with vesting conditions.

Share award scheme

Employee share award scheme of Tianjin Yunchuang Rongxin — the 2019 Scheme

In October 2019, the shareholders' meeting of the Company approved the adoption of the share incentive scheme ("the 2019 Scheme") for the purpose of attracting, motivating, retaining and rewarding certain senior management, core technicians and key employees. From October 2019, eligible participants were entitled to be granted restricted RSUs in the form of equity interests in the Employee Incentive Platform "Tianjin Yunchuang Rongxin Network Technology Partnership (Limited Partnership)" ("Tianjin Yunchuang Rongxin") which was established on November 17, 2017.

As at December 31, 2023, 2024 and 2025, 4,693,000, 4,258,000 and 4,188,000 shares of RSUs were granted to employees, respectively. These RSUs were granted on the following dates: 5,043,047 RSUs on October 31, 2019, 269,209 RSUs on August 6, 2021, 60,842 RSUs on October 14, 2021, 880,762 RSUs on October 31, 2022, at a grant price of RMB1 per share. These RSUs granted have no performance conditions and the vesting period was from the grant date to the [**REDACTED**] date. The fair value of the shares granted on October 31, 2019 was RMB2.52. The fair value of the shares granted on August 6, 2021, October 14, 2021 and October 31, 2021 was RMB7.02 per share, The fair value of the shares granted on October 31, 2022 was RMB7.03 per share.

The Company has the obligation to repurchase the unvested RSUs at the granted price when the participants cease to render services to the Group for any reason prior to the RSUs being vested and therefore recognizes other payables and treasury stocks from the grant date. As at December 31, 2023, 2024 and 2025, the balance of other payables and treasury stocks in connection with the 2019 Scheme was RMB4,693,000, RMB4,258,000, and RMB4,188,000, respectively.

For the years ended December 31, 2023, 2024 and 2025, the expense recognized in profit or loss for RSUs granted under the 2019 Scheme amounted to RMB1,403,000, RMB1,082,000 and RMB1,499,000, respectively.

Movements in the number of share awards granted to employees under the 2019 Scheme are set out as below:

	Weighted average fair value	Number of RSUs
	(RMB)	
Outstanding as at January 1, 2023	3.82	5,368,753
Forfeited	3.29	(675,585)
Outstanding as at December 31, 2023	3.85	4,693,168
Outstanding as at January 1, 2024	3.85	4,693,168
Forfeited	3.55	(435,368)
Outstanding as at December 31, 2024	3.76	4,257,800
Outstanding as at January 1, 2025	3.76	4,257,800
Forfeited	3.64	(70,000)
Outstanding as at December 31, 2025	3.70	4,187,800

Employee share award scheme of Beijing Yunzhi Rongyao — the 2024 Scheme

In December 2024, the Company approved the adoption of the Share Incentive Scheme (the "2024 Scheme") for the purpose of attracting, motivating, retaining and rewarding certain senior management, core technicians and key employees. From March 2025, eligible participants were entitled to be granted RSUs units in the form of equity interests in the Employee Incentive Platform "Beijing Yunzhi Rongyao Network Technology Partnership (Limited Partnership)" ("Beijing Yunzhi Rongyao").

As at December 31, 2025, 2,709,000 shares of RSUs were granted to employees. These shares were granted on March 1, 2025 with an granted price of RMB2 per share. The shares granted have no performance conditions and the vesting period was from the grant date to the [**REDACTED**] date. The fair value of the shares granted on March 1, 2025 was RMB7.03 per share.

The Company has the obligation to repurchase the unvested RSUs at the granted price when the participants cease to render services to the Group for any reason prior to the RSUs being vested and therefore recognizes other payables and treasury stocks from the grant date. As at December 31, 2025, the balance of other payables and treasury stocks in connection with the 2024 Scheme were RMB5,418,000 and RMB11,342,000, respectively.

For the year ended December 31, 2025, the expense recognized in profit or loss for RSUs granted under the 2024 Scheme amounted to RMB3,016,000.

	Fair value weighted average	Number of RSUs
	(RMB)	
Outstanding as at January 1, 2025	–	–
Granted	7.03	2,719,000
Forfeited	7.03	(10,000)
Outstanding as at December 31, 2025	7.03	2,709,000

Fair value of share awards

The Group has used discounted cash flow method and the straight-line interpolation method to determine the underlying equity fair value of the Company and adopted the equity allocation model to determine the fair value of the underlying registered capitals. Key assumptions, such as discount rate and projections of future performance, are determined by the Group with best estimate.

The fair value of each RSU was determined by reference to the fair value of the ordinary shares of the Company. Key assumptions as set out below are determined by the Group based on management's best estimates.

	Grant date					
	As at October 31, 2019	As at August 6, 2021	As at October 14, 2021	As at October 31, 2021	As at October 31, 2022	As at March 1, 2025
Free-risk interest rate	2.83%	2.39%	2.39%	2.39%	2.48%	1.44%
Dividend yield	–	–	–	–	–	–
Expected volatility	53.77%	69.66%	69.66%	69.66%	70.48%	71.36%
Discount for Lack of Marketability ("DLOM")	15.11%	14.93%	14.93%	14.93%	25.54%	18.80%

Accounting policies of share-based payments

(a) Equity-settled share-based payment transactions

The Group operates certain share incentive plans, under which it receives services from employees as consideration for equity instruments (including RSUs) of the Company. The fair value of the services received in exchange for the grant of the equity instruments is recognized as an expense on the consolidated statement of profit or loss and other comprehensive income with a corresponding increase in equity.

In terms of the options or shares awarded to employees, the total amount to be expensed is determined by reference to the fair value of the options and shares granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions; and
- including the impact of any non-vesting conditions.

Service and non-marketing performance vesting conditions are included in calculation of the number of options and shares that are expected to vest. The total amount expensed is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its estimates of the number of options and shares that are expected to vest based on the service and non-marketing vesting performance conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

In some circumstances, employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognizing the expense during the period between service commencement period and grant date. The Company undertakes redemption obligations when the unvested RSUs has been forfeited, other payables are recognized and reclassified from equity when the shares of the Company issued to the Employee Incentive Platform. The Group derecognizes related liabilities when, and only when, the RSUs are vested.

When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognized in reserves will continue to be held in reserves.

(b) Cash-settled share-based payment transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date. This fair value is with recognition of a corresponding liability. The liability is re-measured at each reporting date up to and at the date of settlement, with any changes in fair value recognized in profit or loss for the period. The Group did not have any cash-settled share-based payment during the Track Record Period.

(c) Modifications

Where the terms of the share-based payment plan are modified, the expense that is not yet recognized for the award is recognized over the remaining vesting period as if the terms had not been modified. If a modification increases the fair value of the equity instruments granted, the incremental fair value granted is included in the measurement of the amount recognized for the services received over the remainder of the vesting period. If the Group modifies the terms or conditions of its equity instruments granted in a manner that reduces the total fair value of the share-based payment arrangement, or is not otherwise beneficial to the employee, the Group shall nevertheless continue to account for the services received as consideration for the equity instruments granted as if that modification had not occurred.

26 DEFERRED INCOME TAXES

(a) Deferred income tax assets

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
The balance comprises temporary differences attributable to:			
Lease liabilities	525	566	190
Tax losses	19	–	5,754
Total gross deferred income tax assets	544	566	5,944
Set-off of deferred income tax liabilities pursuant to set-off provisions	(544)	(566)	(226)
Net deferred income tax assets	–	–	5,718
Deferred income tax assets:			
– to be recovered after 12 months	335	198	5,754
– to be recovered within 12 months	209	368	190
	544	566	5,944

The gross movement on the deferred income tax assets accounts are as follows:

	Lease liabilities	Tax losses	Total
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	599	47	646
Charged to profit or loss	(74)	(28)	(102)
At 31 December 2023	525	19	544
At 1 January 2024	525	19	544
Credited/(charged) to profit or loss	41	(19)	22
At 31 December 2024	566	–	566
At 1 January 2025	566	–	566
(Charged)/credited to profit or loss	(376)	5,754	5,378
At 31 December 2025	190	5,754	5,944

Deferred income tax assets are recognized for tax losses carried forward and deductible temporary differences to the extent that realization of the related tax benefits through the future taxable profits is probable. As at December 31, 2023, 2024 and 2025, the Group did not recognize deferred income tax assets of RMB62,771,000, RMB59,712,000 and RMB51,857,000, respectively, in respect of deductible temporary differences and cumulative tax losses amounting to RMB418,474,000, RMB398,080,000 and RMB345,714,000, respectively that can be carried forward against future taxable income. As at December 31, 2023, 2024 and 2025, tax losses of RMB408,400,000, RMB387,277,000 and RMB322,832,000, can be carried forward within 5 or 10 years from the respective balance sheet dates. The expiry calendar years of the related tax losses as are as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
2024	6,144	–	–
2025	24,298	16,213	–
2026	25,146	25,146	4,779
2027	36,277	33,901	10,428
2028	49,660	43,826	40,008
2029	140,368	141,684	140,719
2030	8,808	8,808	9,199
2031	23,643	23,643	23,643
2032	87,278	87,278	87,278
2033	6,778	6,778	6,778
	408,400	387,277	322,832

(b) Deferred income tax liabilities

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
The balance comprises temporary differences attributable to:			
Right-of-use assets	(544)	(566)	(226)
Total gross deferred income tax liabilities	(544)	(566)	(226)
Set-off of deferred income tax assets pursuant to set-off provisions	544	566	226
Net deferred income tax liabilities	–	–	–
Deferred income tax liabilities:			
– to be settled after 12 months	(335)	(208)	–
– to be settled within 12 months	(209)	(358)	(226)
	(544)	(566)	(226)

The gross movement on the deferred income tax liabilities accounts are as follows:

	Right-of-use assets	Total
	RMB'000	*RMB'000*
At 1 January 2023	(646)	(646)
Credited to profit or loss	102	102
At 31 December 2023	(544)	(544)
At 1 January 2024	(544)	(544)
Charged to profit or loss	(22)	(22)
At 31 December 2024	(566)	(566)
At 1 January 2025	(566)	(566)
Credited to profit or loss	340	340
At 31 December 2025	(226)	(226)

27 TRADE PAYABLES

Trade payables primarily include payables for bandwidth and servers custody fee. As at December 31, 2023, 2024 and 2025, the carrying amounts of trade payables were primarily denominated in RMB.

Trade payables and their aging analysis based on invoice date are as follows:

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Up to 3 months	8,741	8,283	7,587
3 to 6 months	540	774	596
Over 6 months	3,356	2,833	5,118
	12,637	11,890	13,301

28 OTHER PAYABLES AND ACCRUALS

Group

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other taxes payables	12,858	12,179	11,952
Payroll payables	11,769	15,295	7,653
Other payables for share-based compensation *(note)*	4,693	4,258	9,606
Accrued expenses	1,306	306	507

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
[**REDACTED**] payables	–	–	[**REDACTED**]
Others	3,052	1,476	716
	33,678	33,514	32,274

Company

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other taxes payables	9,647	10,103	11,951
Payroll payables	11,132	15,054	7,653
Other payables for share-based compensation *(note)*	4,693	4,258	15,530
[**REDACTED**] payables	–	–	1,840
Accrued expenses	2,695	242	443
Others	1,112	1,474	715
	29,279	31,131	38,132

Note: The Group and the Company has the obligation to repurchase the unvested RSUs at the granted price when the participants cease to render services to the Group for any reason prior to the RSUs being vested and therefore recognizes other payables and treasury stocks from the grant date.

As at December 31, 2023, 2024 and 2025, the carrying amounts of other payables approximated their fair values and were primarily denominated in RMB.

29 BORROWINGS

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Included in current liabilities			
Guaranteed			
Short-term bank loans *(notes a and b)*	16,500	5,000	–
Current portion of long-term bank loans *(note c)*	–	–	800
	16,500	5,000	800
Included in non-current liabilities			
Guaranteed			
Long-term bank loans *(note c)*	–	–	7,600
Less: current portion	–	–	(800)
Non-current portion	–	–	6,800

Notes:

(a) As at December 31, 2023 and 2024, the weighted average interest rate of the fixed-rate short-term borrowing was 2.8% per annum. The borrowing was guaranteed by Mr. Wang Cheng, the ultimate controlling shareholder of the Group, and Ms. Dong Han, the executive director of the Group, and a third-party financial guarantee institution.

(b) As at December 31, 2023, the weighted average interest rate of the fixed-rate short-term borrowing was 6% per annum. The borrowing was guaranteed by Mr. Wang Cheng, the ultimate controlling shareholder of the Group, and Mr. Han Ying, the then executive director of the Group.

(c) As at December 31, 2025, the weighted average interest rate of the fixed-rate long-term borrowing was 3.6% per annum. The borrowing is repayable (by instalments) prior to May 29, 2035 and was guaranteed by Mr. Wang Cheng, the ultimate controlling shareholder of the Group. During the year ended December 31, 2025, the Group repaid RMB560,000 of the loan principal together with the accrued interest in accordance with the loan agreement.

30 REDEMPTION LIABILITIES

Group and Company

Since the date of incorporation of the Company to December 31, 2025, the Company has completed several rounds of financing including Series A, Series B, Transfer Series, Series C, Series D in the way of capital increase of the Company and capital transfer from founders to investors. In accordance with the Shareholders Agreement on Beijing RC Tech Co., Ltd. (the "Shareholders Agreement") signed between the Company and its shareholders in April 2022 unified the preferred rights granted to the mentioned above shareholders, and the terms are summarized as below:

(i) Redemption right

Preferred shareholders have the right to require the Company to redeem their investments in case that the Company and the founders including Mr. Wang Cheng violate transaction documents in all rounds that are effective as at the effective date of the Shareholders Agreement and fail to rectify the violation within 45 working days from the date when the investor issues a written notice to request rectification ("Agreed Redemption"). Redemption amount is (a) the original investment principal of shareholders plus an annual interest rate (simple interest rate) of 10% on the original investment principal during the period from relevant investment payment date to the date when the redemption price is paid off and any accumulated or declared but not distributed dividends less cash dividend and accumulated compensations received, or (b) the Company's net asset value allocated to the equity held by preferred shareholders at that time.

(ii) Liquidation preferences

In the event of a legal liquidation event (referring to liquidation, dissolution or closure of the Company) occurs, the distributable liquidation property (remaining property after paying off the Company's debts) shall be distributed according to in the priority order of Series D, Series C and series including Transfer Series, Series B and Series A shareholders as well as ordinary shareholder series. The liquidation preference amount is the shareholder's original investment principal plus an annual interest rate (simple interest rate) (no interest for ordinary shareholders) of 10% on original investment principal and any accumulated or declared but not distributed dividends less cash dividend and accumulated compensations received. The remaining distributable liquidation property can be distributed among all the shareholders according to the equity proportion at that time.

(iii) Anti-dilution right

If the Company raises funds at a price lower than that paid by the Anti-Dilution Right Holder (the Series D, Series C, Transfer Series, Series B and Series A investors with preferred rights referred) ("New Low Financing"), the subscription price per unit invested by the anti-dilution holders in the Company will be adjusted. The anti-dilution holder has the right to request the Company to issue new capital or request the founders to transfer capital at a nominal price or a minimum price permitted by applicable laws, so that the equity proportion held by the Anti-Dilution Right Holder can reach that can be subscribed according to the adjusted subscription price per unit.

The redemption rights and liquidation preference that are granted to investors constitutes as the obligation of the Company to repurchase its own equity instruments. These obligations were recognized as redemption liabilities which are initially measured at fair value (referring to the present value of expected cash flows for settling related obligations if these rights are exercised by investors) and subsequently measured at amortized cost. The Company applied a redemption discount rate of redemption ranged from 7.88% to 10.00% to determine the initial recognition amount of the redemption liabilities. At the initial recognition, treasury stock is reclassified in equity to reflect the carrying amount of redemption liabilities. The anti-dilution right is a derivative financial instrument measured at fair value through profit or loss, of which the fair value was considered close to nil as the Directors expects that there will be no New Low Financing.

Before the derecognition of the redemption liabilities, the Company and the founders including Mr. Wang Cheng confirmed that the agreed redemption never occurred in the historical period and commit that there will be no agreed redemption in the next 12 months at each balance sheet date of the Track Record Period. The redemption liabilities were therefore classified as non-current liabilities.

The movements of redemption liabilities during the years ended December 31, 2023, 2024 and 2025 are set out below:

	Year ended December 31,		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
At beginning of the year	422,915	455,047	487,266
Charged to finance costs	32,132	32,219	12,589
Derecognition *(note)*	–	–	(499,855)
At end of the year	455,047	487,266	–

Note: Pursuant to the preferred rights termination agreement as entered into with the respective investors on May 23, 2025, the entire carrying amount of the Group's redemption liabilities of RMB499,855,000 and treasury stock of RMB309,799,000 as at that date have been derecognized and the difference between their respective carrying amounts of approximately RMB190,056,000 was credited to the capital reserve (Note 24).

Accounting policies of redemption liabilities

A contract that contains an obligation to purchase the Group's equity instruments for cash or another financial asset gives rise to a financial liability for the present value of the redemption amount, even if the Group's obligations to purchase is conditional on the counterparty exercising a right to redeem. The Company undertakes such redemption obligations as certain preferred rights are granted to investors in the Company's financing process, the redemption liabilities are recognized as financial liabilities initially at fair value respectively the present value of the estimated redemption amount and reclassified from equity. Subsequently, the redemption liabilities are measured at amortized cost with interest charged in finance costs.

The Group derecognizes the redemption liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. When the preferred rights are waived by investors, the carrying amount of the redemption liability is reclassified to equity.

31 CONTINGENCIES AND CAPITAL COMMITMENTS

(a) Contingencies

The Group did not have any material contingent liabilities as at December 31, 2023, 2024 and 2025.

(b) Capital commitments

The Group dose not have any significant capital commitments as at December 31, 2023, 2024 and 2025.

32 DIVIDENDS

No dividends have been paid or declared by the Company or the companies now comprising the Group during each of the years ended December 31, 2023, 2024 and 2025.

33 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family members of the Group are also considered as related parties.

The following significant transactions were carried out between the Group and its related parties during the periods presented. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

(a) Names and relationships with related parties

The following companies are related parties of the Group that had significant transactions and/or balances with the Group during the Track Record Period.

Names of the major related parties	Relationship
Mr. Wang Cheng	The ultimate controlling shareholder of the Group
Ms. Dong Han	The executive director of the Group
Mr. Han Ying	The then executive director of the Group
Rong Cloud H.K. Limited	A company controlled by the ultimate controlling shareholder
MENA Communication Holding Company Limited ("MENA") *(note (a))*	Jointly controlled by shareholders with significant influence on the Company
Beem Information Technology Company *(note (b))*	Jointly controlled by shareholders with significant influence on the Company
Baiwo (Beijing) Network Technology Co., Ltd. *(note (b))*	Jointly controlled by shareholders with significant influence on the Company

Notes:

(a) Starting from December 13, 2024, MENA has ceased to be a related party of the Company since the shareholders with significant influence over the Company no longer held any shares of MENA.

(b) Beem Information Technology Company is a company controlled by MENA. Baiwo (Beijing) Network Technology Co., Ltd. is a company controlled by Beem Information Technology Company.

(b) Significant transactions with related parties

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
(i) Rendering of services			
Beem Information Technology Company	38,433	13,430	–
(ii) Loan granted to a related party			
Baiwo (Beijing) Network Technology Co., Ltd.	41,388	27,050	–
(iii) Repayment of loan from a related party			
Baiwo (Beijing) Network Technology Co., Ltd.	3,317	40,362	–
(iv) Guarantees provided by related parties (Note 29(c))			
Mr. Wang Cheng	–	–	7,600
Mr. Wang Cheng and Ms. Dong Han	10,000	5,000	–
Mr. Wang Cheng and Mr. Han Ying	6,500	–	–
	16,500	5,000	7,600

Note: Details of the Group's disposal of computers and electronic equipment to Baiwo (Beijing) Network Technology Co., Ltd. are set out in Note 16.

(c) Significant balance with related parties

	As at December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
(i) Trade receivables			
Beem Information Technology Company	29,986	–	–
(ii) Other receivables			
Baiwo (Beijing) Network Technology Co., Ltd.	38,072	–	–
Rong Cloud H.K. Limited	–	956	–
	38,072	956	–
(iii) Other payables			
Baiwo (Beijing) Network Technology Co., Ltd.	1,659	–	–

Note: The balances with the related parties are unsecured, interest-free and repayable on demand. As at December 31, 2025, the amounts have been fully settled. The balance with Rong Cloud H.K. Limited is generated from amounts collected from certain clients outside of Chinese Mainland on behalf of the Company.

(d) Key management personnel compensation

The remuneration of directors, supervisors and other key management personnel is as follows:

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Wages and salaries	2,106	2,261	2,640
Discretionary bonuses	280	240	–
Contributions to pension plans	109	113	138
Other social security costs, housing benefits and other employee benefits	345	355	424
Share-based compensation *(Note 25)*	267	276	1,546
	3,107	3,245	4,748

34 CASH FLOW INFORMATION

(a) Cash generated from operations

	Year ended December 31,		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
(Loss)/profit before income tax	(14,730)	3,151	26,125
Adjustments for:			
– Depreciation of property, plant and equipment *(Note 16)*	2,256	644	243
– Depreciation of right-of-use assets *(Note 15(b))*	4,759	1,524	2,052
– Net impairment (reversal)/losses on financial assets	(317)	1,617	4,854
– Share-based compensation *(Note 25)*	1,403	1,082	4,515
– Interest expense on redemption liabilities *(Note 30)*	32,132	32,219	12,589
– Interest expenses	570	321	169
– Gains on disposal of subsidiaries, net	–	(16)	(50)
– Fair value changes on financial assets at fair value through profit or loss *(Note 18)*	(65)	(711)	(1,265)
	26,008	39,831	49,232
Changes in working capital			
– Increase in restricted cash	–	–	(81)
– (Increase)/decrease in contract fulfilment costs	(47)	(5,358)	5,465
– Decrease/(increase) in trade and note receivables	49,059	23,293	(17,835)
– (Increase)/decrease in prepayments and other receivables	(593)	233	1,466
– (Decrease)/increase in trade payables	(28,502)	(747)	1,411
– (Decrease)/increase in other payables and accruals	(10,424)	48	(6,894)
– (Decrease)/increase in contract liabilities	(4,878)	7,886	(11,930)
Cash generated from operations	30,623	65,186	20,834

(b) Reconciliation of liabilities from financing activities

This section sets out an analysis and the movements of liabilities from financing activities for the years ended December 31, 2023, 2024 and 2025, respectively.

	Liabilities from financing activities			
	Redemption liabilities	Lease liabilities	Borrowings	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023	422,915	3,979	–	426,894
Cash flows	–	(4,665)	16,500	11,835
Accrued interest expenses	32,132	115	472	32,719
Interest paid	–	–	(472)	(472)
Addition of new leases	–	4,068	–	4,068
As at December 31, 2023	455,047	3,497	16,500	475,044
As at January 1, 2024	455,047	3,497	16,500	475,044
Cash flows	–	(1,004)	(11,500)	(12,504)
Accrued interest expenses	32,219	64	408	32,691
Interest paid	–	–	(408)	(408)
Addition of new leases	–	33	–	33
Change of leases	–	1,374	–	1,374
As at December 31, 2024	487,266	3,964	5,000	496,230
As at January 1, 2025	487,266	3,964	5,000	496,230
Cash flows	–	(2,082)	2,600	518
Accrued interest expenses	12,589	70	192	12,851
Interest paid	–	–	(192)	(192)
Derecognition of redemption liabilities	(499,855)	–	–	(499,855)
Addition of new leases	–	123	–	123
Change of leases	–	(810)	–	(810)
As at December 31, 2025	–	1,265	7,600	8,865

(c) Major non-cash investing and financing activities

The major non-cash investing and financing activities during the Track Record Period mainly include (i) the addition to right-of-use assets and lease liabilities described in Note 15, and (ii) the interest as amortized on redemption liabilities and the derecognition of redemption liabilities as described in Note 30.

35 SUBSEQUENT EVENTS

There are no material subsequent events undertaken by the Group after December 31, 2025 and up to the date of this report.

36 SUMMARY OF OTHER ACCOUNTING POLICIES

36.1 Principles of consolidation

(a) Subsidiaries

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intra-group transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, consolidated balance sheet and consolidated statement of changes in equity.

(b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized in equity.

When the Group ceases to consolidate for an investment because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

36.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

36.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). As the major operations of the Group are within the Chinese Mainland, the Group determined to present the Historical Financial Information in RMB, which is the Company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss or other comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss and other comprehensive income on a net basis within other gains/losses, net.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting currency translation differences are recognized in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognized in other comprehensive income.

36.4 Investments and other financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all of the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortized cost: assets that are held for collection of contractual cash flows, where those cashflows represent solely payments of principal and interest, are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in 'other gains/(losses), net' together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

Fair value through other comprehensive income ("FVOCI"): assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in 'other gains/(losses), net', and impairment expenses are presented as a separate line item in the statement of profit or loss.

Fair value through profit or loss ("FVTPL"): assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognized in profit or loss and presented net within 'other gains/(losses), net' in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognized in 'other gains/(losses), net' in the statement of profit or loss as applicable.

(d) Impairment

The Group assesses on a forward-looking basis for the expected credit losses on financial assets (including trade receivables, other receivables, restricted cash and cash and cash equivalents), which is subject to impairment under IFRS 9. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables, see Note 3.1(b) for details.

For others, it is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

36.5 Impairment of non-financial assets

Other assets are tested for impairment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

36.6 Trade and other receivables

Trade receivables are amounts due from customers for products sold or services performed in the ordinary course of business. Majority of other receivables are deposits and loans/amounts advanced to counterparties. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Group holds the trade and other receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method. See Notes 36.4(d) and 3.1(b) for a description of the Group's impairment policy for trade and other receivables.

36.7 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

36.8 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Majority of other payables are payroll payables, other payables for employee share-based compensation scheme, other taxes payables and accrued expenses. Trade and other payables are classified as current liabilities if payment is due within one year (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

36.9 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

36.10 Paid-in capital/share capital

Ordinary shares and paid-in capital/share capital from owners are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

36.11 Dividend income and dividend distribution

Dividend income is recognized when the right to receive payment is established.

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's financial information in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

III SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company or any of the companies now comprising the Group in respect of any period subsequent to December 31, 2025 and up to the date of this report. No dividend or distribution has been declared or made by the Company or any of the companies now comprising the Group in respect of any period subsequent to December 31, 2025.