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ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF HANGZHOU LYGO TECHNOLOGY CO., LTD., CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED AND SPDB INTERNATIONAL CAPITAL LIMITED

Introduction

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

Directors' responsibility for the Historical Financial Information

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

Reporting accountants' responsibility

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

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

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

Opinion

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

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

Adjustments

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

Dividends

We refer to note 11 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

[•]
Certified Public Accountants
Hong Kong
[date]

I. HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

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

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

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

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 December		
		2023	**2024**	**2025**
	Notes	*RMB'000*	*RMB'000*	*RMB'000*
REVENUE	5	463,368	1,201,001	2,435,161
Cost of sales		(376,206)	(1,078,119)	(2,264,554)
Gross profit		87,162	122,882	170,607
Other income and gains	5	5,359	5,039	11,016
Selling and distribution expenses		(53,197)	(64,029)	(96,197)
Administrative expenses		(13,537)	(16,319)	(120,627)
Research and development expenses		(50,995)	(52,664)	(61,603)
Share of (loss)/profit of an associate		(246)	90	220
(Impairment loss)/reversal of impairment loss on trade receivables, net		(157)	(400)	203
Other expenses		(804)	(437)	(1,284)
Finance costs	7	(579)	(2,764)	(6,006)
Fair value losses of financial liabilities at fair value through profit or loss	23	(83,237)	(12,274)	(165,345)
LOSS BEFORE TAX	6	(110,231)	(20,876)	(269,016)
Income tax	10	—	—	—
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(110,231)	(20,876)	(269,016)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT				
Basic and diluted (RMB)	12	N/A	N/A	N/A

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December		
		2023	2024	2025
	Notes	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS				
Right-of-use assets	13	1,589	2,909	1,322
Investment in an associate	14	1,742	1,832	2,052
Equity investments at fair value through profit or loss	17	—	1,000	1,000
Total non-current assets		3,331	5,741	4,374
CURRENT ASSETS				
Trade receivables	15	55,098	152,570	330,142
Prepayments, other receivables and other assets	16	5,888	7,907	12,178
Amounts due from related parties	29	2,574	3,592	3,715
Financial assets at fair value through profit or loss	17	57,083	52,560	20,079
Restricted cash	18	—	—	5,000
Cash and cash equivalents	18	27,643	17,264	89,454
Total current assets		148,286	233,893	460,568
CURRENT LIABILITIES				
Trade payables	19	25,865	57,005	132,490
Other payables and accruals	20	16,810	25,001	44,821
Contract liabilities	21	9,795	9,266	10,971
Amounts due to related parties	29	—	88	1,244
Lease liabilities	13	956	1,571	810
Financial liabilities at fair value through profit or loss	23	577,335	589,609	754,954
Interest-bearing bank and other borrowings	22	50,539	106,307	238,382
Total current liabilities		681,300	788,847	1,183,672
NET CURRENT LIABILITIES		(533,014)	(554,954)	(723,104)
TOTAL ASSETS LESS CURRENT LIABILITIES		(529,683)	(549,213)	(718,730)
NON-CURRENT LIABILITIES				
Lease liabilities	13	—	810	—
Total non-current liabilities		—	810	—
Net liabilities		(529,683)	(550,023)	(718,730)
DEFICITS				
Paid-in capital	24	6,899	6,899	6,899
Accumulated losses	27	(555,100)	(575,976)	(844,992)
Other reserves	27	18,518	19,054	119,363
Total deficits		(529,683)	(550,023)	(718,730)

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2023

	Note	Paid-in capital	Capital reserve*	Share-based payment reserve*	Accumulated losses	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023		6,899	3,436	14,397	(444,869)	(420,137)
Loss and total comprehensive loss for the year		—	—	—	(110,231)	(110,231)
Share-based payment expenses	26	—	—	685	—	685
At 31 December 2023		6,899	3,436	15,082	(555,100)	(529,683)

Year ended 31 December 2024

	Note	Paid-in capital	Capital reserve*	Share-based payment reserve*	Accumulated losses	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2024		6,899	3,436	15,082	(555,100)	(529,683)
Loss and total comprehensive loss for the year		—	—	—	(20,876)	(20,876)
Share-based payment expenses	26	—	—	536	—	536
At 31 December 2024		6,899	3,436	15,618	(575,976)	(550,023)

Year ended 31 December 2025

	Note	Paid-in capital	Capital reserve*	Share-based payment reserve*	Accumulated losses	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2025		6,899	3,436	15,618	(575,976)	(550,023)
Loss and total comprehensive loss for the year		—	—	—	(269,016)	(269,016)
Share-based payment expenses	26	—	—	100,309	—	100,309
At 31 December 2025		6,899	3,436	115,927	(844,992)	(718,730)

* These reserve accounts comprise the consolidated other reserves of RMB18,518,000, RMB19,054,000 and RMB119,363,000 in the consolidated statements of financial position as of 31 December 2023, 2024 and 2025, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended December 31		
		2023	**2024**	**2025**
	Notes	*RMB'000*	*RMB'000*	*RMB'000*
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax		(110,231)	(20,876)	(269,016)
Adjustments for:				
Finance costs	7	579	2,764	6,006
Fair value losses of financial liabilities at fair value through profit or loss	23	83,237	12,274	165,345
Interest income	5	(109)	(315)	(450)
Fair value gains on financial assets at fair value through profit or loss, net	5	(1,584)	(910)	(821)
Share of loss/(profit) of an associate		246	(90)	(220)
Depreciation of right-of-use assets	6	1,896	1,854	1,587
Impairment loss/(reversal of impairment loss) on trade receivables, net	6	157	400	(203)
Share-based payment expenses	6	685	536	100,309
		(25,124)	(4,363)	2,537
Increase in trade receivables		(34,398)	(97,872)	(177,369)
Decrease/(increase) in prepayments, other receivables and other assets		1,041	(2,019)	(4,271)
Increase in trade payables		24,079	31,140	75,485
Decrease/(increase) in amounts due from related parties		4,386	(1,730)	1,356
Increase in amounts due to related parties		—	88	1,156
(Decrease)/increase in contract liabilities		(227)	(529)	1,705
(Decrease)/increase in other payables and accruals		(7,751)	8,191	19,820
Cash used in operating activities		(37,994)	(67,094)	(79,581)
Interest received		73	178	140
Net cash flows used in operating activities		(37,921)	(66,916)	(79,441)

		Year ended December 31		
		2023	2024	2025
	Notes	*RMB'000*	*RMB'000*	*RMB'000*
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases of financial assets at fair value through profit or loss		(485,595)	(502,011)	(453,508)
Maturity/redemption of financial assets at fair value through profit or loss		499,264	506,444	486,810
(Increase)/decrease in amounts due from related parties		(1,821)	849	(1,169)
Increase in restricted cash		—	—	(5,000)
Net cash flows from investing activities		11,848	5,282	27,133
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from bank and other borrowings		53,539	310,992	1,765,297
Repayment of bank and other borrowings		(3,000)	(255,224)	(1,633,222)
Interest paid for bank and other borrowings		(552)	(2,736)	(5,949)
Principal portion of lease payments		(1,902)	(1,749)	(1,571)
Interest portion of lease payments		(27)	(28)	(57)
Net cash flows from financing activities		48,058	51,255	124,498
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		21,985	(10,379)	72,190
Cash and cash equivalents at beginning of year		5,658	27,643	17,264
CASH AND CASH EQUIVALENTS AT END OF YEAR		27,643	17,264	89,454
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS				
Cash and bank balances	18	27,643	17,264	94,454
Less: Restricted cash	18	—	—	(5,000)
Cash and cash equivalents as stated in the consolidated statements of cash flows and consolidated statements of financial position		27,643	17,264	89,454

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at 31 December		
		2023	2024	2025
	Notes	*RMB'000*	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS				
Right-of-use assets	13	794	1,455	661
Investments in subsidiaries	1	5,000	5,000	10,000
Investment in an associate	14	1,742	1,832	2,052
Equity investments at fair value through profit or loss	17	—	1,000	1,000
Total non-current assets		7,536	9,287	13,713
CURRENT ASSETS				
Trade receivables	15	7,799	41,438	5,905
Amounts due from subsidiaries	33	69,754	97,420	159,398
Amounts due from related parties	29	2,424	1,537	693
Prepayments, other receivables and other assets	16	3,211	4,539	9,781
Financial assets at fair value through profit or loss	17	57,083	52,524	15,079
Restricted cash	18	—	—	5,000
Cash and cash equivalents	18	16,962	2,632	1,267
Total current assets		157,233	200,090	197,123
CURRENT LIABILITIES				
Trade payables	19	6,001	1,113	2,223
Amounts due to subsidiaries	33	2,208	—	5,169
Other payables and accruals	20	8,851	9,031	9,395
Contract liabilities	21	10,235	7,477	6,697
Lease liabilities	13	478	786	405
Financial liabilities at fair value through profit or loss	23	577,335	589,609	754,954
Interest-bearing bank borrowings	22	43,000	84,900	85,000
Total current liabilities		648,108	692,916	863,843
NET CURRENT LIABILITIES		(490,875)	(492,826)	(666,720)
TOTAL ASSETS LESS CURRENT LIABILITIES		(483,339)	(483,539)	(653,007)
NON-CURRENT LIABILITIES				
Lease liabilities	13	—	405	—
Total non-current liabilities		—	405	—
Net liabilities		(483,339)	(483,944)	(653,007)
DEFICITS				
Paid-in capital	24	6,899	6,899	6,899
Accumulated losses	27	(508,756)	(509,897)	(779,269)
Other reserves	27	18,518	19,054	119,363
Total deficits		(483,339)	(483,944)	(653,007)

II. NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE AND GROUP INFORMATION

Hangzhou Lygo Technology Co., Ltd. (the "Company", formerly known as "杭州弧途科技有限公司") was incorporated as a limited liability company in the People's Republic of China (the "PRC") on 29 August 2013. Upon approval by the Company's owners' general meeting held on 3 June 2026, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC and was renamed as Hangzhou Lygo Technology Co., Ltd. ("杭州靈卡科技股份有限公司"). The registered office of the Company is located at Room 1106, 11th Floor, No. 1380 Wenyi West Road, Cangqian Street, Yuhang District, Hangzhou, Zhejiang Province.

During the Relevant Periods, the Company and its subsidiaries (together, the "Group") were principally engaged in providing one-stop flexible employment solutions business and online recruitment matching services in the PRC.

As at the date of this report, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies, the particulars of which are set out below:

Name*	*Notes*	Place of registration/ operation and date of registration/operations	Registered paid-in capital	Percentage of equity attributable to the Company		Principal activities
				Direct	Indirect	
Hangzhou Qingtuanbao Network Technology Co., Ltd. (杭州青團寶網絡科技有限責任公司)	(a)	PRC/Chinese mainland 17 September 2018	RMB10,000,000	100	—	Provision of services
Shanghai Arcway Network Technology Co., Ltd. (上海弧途網絡科技有限公司)	(b)	PRC/Chinese mainland 24 January 2018	RMB2,000,000	100	—	Provision of services
Hangzhou Yunditui Network Technology Co., Ltd. (杭州雲地推網絡科技有限責任公司)	(b)	PRC/Chinese mainland 08 January 2019	RMB2,000,000	100	—	Provision of services
Hangzhou Yima Light Fertilizer Network Technology Co., Ltd. (杭州衣馬輕肥網絡科技有限公司)	(b)	PRC/Chinese mainland 12 May 2023	—	—	100	Provision of services
Hangzhou Dingshi Mingzhong Network Technology Co., Ltd. (杭州鼎食鳴鐘網絡科技有限公司)	(b)	PRC/Chinese mainland 12 May 2023	—	—	100	Provision of services
Hangzhou Zhonggu Zhuanyu Information Technology Co., Ltd. (杭州鐘鼓饌玉信息科技有限公司)	(b)	PRC/Chinese mainland 01 September 2022	—	—	100	Provision of services
Hangzhou Qingtuanlingka Technology Co., Ltd. (杭州青團靈卡科技有限公司)	(b)	PRC/Chinese mainland 12 June 2025	—	100	—	Research and development
Shanghai Qingtuanbao Human Resources Co., Ltd. (上海青團寶人力資源有限公司)	(c)	PRC/Chinese mainland 16 June 2021	RMB2,000,000	—	100	Provision of services
Hangzhou Qingxin Drive Network Technology Co., Ltd. (杭州青心驅動網絡科技有限公司)	(c)	PRC/Chinese mainland 21 May 2025	RMB2,000,000	—	100	Provision of services
Hangzhou Slash Star Culture Media Co., Ltd. (杭州斜槓星文化傳媒有限公司)	(d)	PRC/Chinese mainland 09 October 2025	—	—	100	Dormant

* The English names of the subsidiaries established in the Chinese mainland represent the best effort made by the directors of the Company (the "Directors") to translate the Chinese names as these companies have not been registered with any official English names.

(a) The statutory financial statements of this entity for the years ended 31 December 2023, 2024 and 2025 prepared in accordance with generally accepted accounting principles in the Chinese mainland ("PRC GAAP") were audited by 杭州太炎會計師事務所(普通合夥) (Hangzhou Taiyan Certified Public Accountants Firm (General Partnership)), certified public accountants registered in the Chinese mainland.

(b) No audited financial statements have been prepared for these entities for the years ended 31 December 2023, 2024 and 2025 as these entities were not subject to any statutory audit requirements under the relevant rules and regulations in their jurisdiction of incorporation/registration.

(c) The statutory financial statements of this entity for the years ended 31 December 2025 prepared in accordance with generally accepted accounting principles in the Chinese mainland ("PRC GAAP") were audited by 杭州太炎會計師事務所(普通合夥) (Hangzhou Taiyan Certified Public Accountants Firm (General Partnership)), certified public accountants registered in the Chinese mainland. No audited financial statements have been prepared for these entities for the years ended 31 December 2023, 2024 as these entities were not subject to any statutory audit requirements under the relevant rules and regulations in their jurisdiction of incorporation/registration.

(d) As at the date of this report, no audited financial statements have been prepared since these entities were either newly incorporated in 2025 or have not started operation.

The Company's investments in subsidiaries are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Investments in subsidiaries, at cost	9,000	9,000	14,000
impairment loss	(4,000)	(4,000)	(4,000)
Carrying amount	5,000	5,000	10,000

2.1 BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). All IFRS Accounting Standards effective for the accounting period commencing from 1 January 2025, together with the relevant transitional provisions, have been early adopted on a consistent basis by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods.

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

The Historical Financial Information has been prepared under the going concern basis notwithstanding the fact that, (i) the Group incurred net loss of RMB269,016,000 for the year ended 31 December 2025; (ii) the Group and the Company have net current liabilities of RMB723,104,000 and RMB666,720,000, respectively, at 31 December 2025, and (iii) the Group and the Company have net liabilities of RMB718,730,000 and RMB653,007,000, respectively, at 31 December 2025, which primarily arose from the financial liabilities at fair value through profit or loss (i.e., those financial instruments issued by the Company with redemption rights) amounting to RMB754,954,000 as at 31 December 2025 granted to certain existing equity holders. As disclosed in note 23 to the Historical Financial Information, in April 2026, the Company and the holders of the financial instruments with redemption rights have entered into a supplemental agreement, and the directors of the Company are of the view that the Company is not required to return the capital in relation to the financial instruments with redemption rights on or before 31 December 2026. As a result, these instruments are not expected to be redeemed within twelve months after 31 December 2025. Besides, in February and June 2026, total cash contribution of RMB34,881,000 was paid by the Company's owners. In addition, the Group had unutilised invoice factoring facilities of RMB61,618,000 as at 31 December 2025. Having taken into above considerations, and together with the cashflow forecast which covers a period of not less than twelve months from 31 December 2025 prepared by management of the Group, the directors of the Company are of the opinion that the Group has sufficient financial resources to continue as a going concern for the next twelve months. Accordingly, the directors of the Company consider that it is appropriate to prepare the Historical Financial Information for the Relevant Periods on a going concern basis.

The Historical Financial Information is presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

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

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

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

(b) rights arising from other contractual arrangements; and

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

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

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

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

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

2.2 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information.

IFRS 18	*Presentation and Disclosure in Financial Statements*[2]
IFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
IFRS 20	*Regulatory Assets and Regulatory Liabilities*[3]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
Amendments to IAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
Annual Improvements to IFRS Accounting Standards — Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*[1]

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

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

3 Effective for annual periods beginning on or after 1 January 2029

4 No mandatory effective date yet determined but available for adoption

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

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss and other comprehensive income, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss and other comprehensive income into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRS Accounting Standards. IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The application of IFRS 18 is not expected to have any impact on the financial position of the Group but is expected to affect the presentation of the statement of profit or loss and other comprehensive income and statement of cash flows, and additional disclosure will be included in the financial statements upon initial application.

The Group has already commenced an assessment of the impact of other new and amended IFRS Accounting Standards. According to the preliminary assessment made by the directors of the Company, except for IFRS 18, no significant impact on the financial performance or financial position of the Group is expected when other new and amended IFRS Accounting Standards become effective.

2.3 MATERIAL ACCOUNTING POLICIES

Fair value measurement

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

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

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

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

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

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

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

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

Impairment of non-financial assets

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

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

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

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

Related parties

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

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

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

(ii) has significant influence over the Group; or

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

or

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

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

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

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

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

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

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

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

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

Intangible assets (other than goodwill)

Research and development costs

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

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

Leases

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

Group as a lessee

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

(a) Right-of-use assets

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

Office buildings	13 months to 2 years

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

(b) Lease liabilities

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

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

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

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

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

Investment in an associate

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

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

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

Investments and other financial assets

Initial recognition and measurement

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

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

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

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

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

Subsequent measurement

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

Financial assets at amortised cost (debt instruments)

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

Financial assets at fair value through profit or loss

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

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

Derecognition of financial assets

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

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

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

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

Impairment of financial assets

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

General approach

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

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 30 days past due. The Group may consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

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

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

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

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

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

For trade receivables that contain a significant financing component, the Group chooses as its accounting policy to adopt the general approach in calculating ECLs with policies as described above.

Simplified approach

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

Classification as equity and financial liabilities

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

A financial liability is any liability that is (a) a contractual obligation (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or (b) a contract that will or may be settled in the entity's own equity instruments and is: (i) a non derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as at amortised cost or at fair value through profit or loss, as appropriate.

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

The Group's financial liabilities include trade payables, other payables and accruals, amounts due to related parties, interest-bearing bank and other borrowings, and the financial instruments issues by the Company with redemption rights.

Subsequent measurement

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

Financial liabilities at amortised cost (loans and borrowings, or payables)

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

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

Financial liabilities at fair value through profit or loss

For the financial instruments issued by the Company with redemption rights in note 23, the financial liabilities are measured at fair value with changes in fair value recognised in profit or loss.

Derecognition of financial liabilities

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

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

Cash and cash equivalents

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

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

Income tax

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

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

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

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

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

Government grants

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

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

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

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

(a) Provision of one-stop flexible employment solutions services

The Group enters into agreements with enterprise customers to offer one-stop flexible employment solutions services. In determining the fees for the services provided, the Group takes into account various factors including (i) the expected timing of flexible works involved and the underlying costs of the workforce, including expected incentives payable to the service providers; and (ii) the extent of the usage of the Group's online platform.

The one-stop flexible employment solutions services are treated as one performance obligation since these services are highly interdependent and interrelated as the customers are not able to benefit from the subsequent service without the implementation. The Group recognises the revenue from one-stop flexible employment solutions during the period from the initiation to the completion of the service based on the time incurred and contractual agreed hourly rate.

(b) Online recruitment matching services and other services

Revenue from online recruitment matching services and other services are mainly generated from the provision of online recruitment matching services through the Group's online platform. The revenue generated from the these services is recognised at the point in time upon the acceptance of such services by customers.

Other income

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

Contract liabilities

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

Share-based payments

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

The cost of equity-settled transactions with employees for grants is measured by reference to the fair value at the date at which they are granted. The fair value of the share options or awarded equity granted determined by an external valuer using the equity allocation model, taking into account the recent capital injection price. Further details of which are given in note 26 to the Historical Financial Information.

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

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

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

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

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

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

Other employee benefits

Social pension plans

The Group has social pension plans for its employees arranged by local government labour and security authorities in the Chinese mainland. The Group makes contributions on a monthly basis to the social pension plans. The contributions are charged to profit or loss as they become payable in accordance with the rules of the social pension plans. The Group's liability in respect of these funds is limited to the contributions payable in each reporting period.

Housing fund and other social insurances

The Group has participated in defined social security contribution schemes for its employees pursuant to the relevant laws and regulations of the PRC. These include a housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group makes monthly contributions to the housing fund and other social insurances. The contributions are charged to profit or loss on an accrual basis. The Group's liability in respect of these funds is limited to the contributions payable in each reporting period.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Events after the reporting period

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

Judgements

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

Revenue Recognition

In determining whether the Group acts as a principal or an agent in its one-stop flexible employment solutions services, management has made significant judgements regarding the control of services provided by third-party workers.

The Group concluded that it acts as a principal because:

(i) the Group is primarily responsible for the fulfilment of the customers' contracts by ensuring the stability and quality of the flexible workers' performance;

(ii) the Group is subject to the contractual rights and obligations under the contacts entered into with the flexible workers;

(iii) the Group has the right to determine the remuneration paid for the services provided by the workers.

Consequently, revenue is recognised on a gross basis. Had the Group determined it acted as an agent, revenue would have been recognised on a net basis (commission only), which would have significantly reduced reported revenue but increased gross profit margins.

Deferred tax assets

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

The Group has accumulated tax losses of RMB285,104,000, RMB319,167,000 and RMB338,507,000 at 31 December 2023, 2024 and 2025, respectively. These losses related to the entities of the Group that have a history of losses, have not expired, and may not be used to offset taxable income elsewhere in the Group. The entities have neither any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

If the Group had been able to recognise all unrecognised deferred tax assets, the loss and the deficits would have decreased by RMB7,826,000 RMB5,088,000 and RMB2,726,000 for the year ended 31 December 2023, 2024 and 2025, respectively.

Estimation uncertainty

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

Fair value measurement of financial liabilities at fair value through profit or loss

The fair value of the financial liabilities at fair value through profit or loss is determined by using valuation techniques, including the discounted cash flow method and option-pricing method. Such valuation requires the Group to make estimates of the key assumptions include the risk-free interest rate, discounts for lack of marketability ("DLOM") and volatility, which are subject to uncertainty.

The fair values of financial liabilities at fair value through profit or loss as at 31 December 2023, 2024 and 2025 were RMB577,335,000, RMB589,609,000 and RMB754,954,000, respectively. Further details are included in note 23 to the Historical Financial Information.

Share-based payments

The Group operates a share-based incentive scheme for the purpose of providing incentives to the Group's employees (including directors). The fair value of the share options or awarded equity at the dates of grant were determined by an external valuer, taking into account the terms and conditions upon which the share options or awarded equity were granted. The Group has used the discounted cash flow method, back-solve method and extrapolation method to determine the underlying equity's fair value of the Group, adopted an equity value allocation model to derive the per-share value of ordinary shares, and used the binomial options pricing model to determine the fair value of the underlying employee share options or awarded equity. Significant estimates on assumptions, including the underlying equity value, risk-free interest rate, expected volatility, and dividend yield, are made by management. Further details are disclosed in note 26 to the Historical Financial Information.

Provision for expected credit losses on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on the ageing or credit rating of groupings of various customer segments that have similar loss patterns.

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

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 15 to the Historical Financial Information.

4. OPERATING SEGMENT INFORMATION

The Group manages its businesses as a whole by the chief operating decision maker for the purposes of resource allocation and performance assessment. The Group's chief operating decision maker is the chief executive officer of the Company who reviews the Group's consolidated results of operations for the purpose of making decisions about resource allocation and performance assessment. Accordingly, no reportable segment information is presented.

Geographical information

As the Group generated its revenue in the PRC during the Relevant Periods, and its non-current assets (excluding financial assets) were located in the PRC at the end of each of the Relevant Periods, no geographical information is presented.

Information about major customers

The major customers who contributed 10% or more of the Group's revenue for the Relevant Periods are set out below:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Customer A**	154,839	492,957	730,426
Customer B**	*	194,384	607,321
Customer C**	82,670	*	*

* Represents less than 10% of the Group's total revenue.

** Including sales of a group of entities which are known to under common control with that customer.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue is as follows:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Revenue from contracts with customers	463,368	1,201,001	2,435,161

Revenue from contracts with customers

(i) Disaggregated revenue information

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Types of services			
Revenue from one-stop flexible employment solutions services	350,715	1,082,268	2,299,973
Revenue from online recruitment matching services	98,877	115,981	129,545
Others	13,776	2,752	5,643
Total	463,368	1,201,001	2,435,161
Timing of revenue recognition			
Services transferred over time	350,715	1,082,268	2,299,973
Services transferred at a point in time	112,653	118,733	135,188

The following table shows the amounts of revenue recognised in each of the Relevant Periods that were included in the contract liabilities at the beginning of each of the Relevant Periods:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Provision of services	10,022	9,795	9,266

(ii) Performance obligations

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

One-stop flexible employment solutions services

The performance obligation is recognised over time and payment is generally due within 30 days from completion of services.

Online recruitment matching services and other services

Online recruitment matching services revenue and other revenue are mainly generated from provision of online recruitment matching services. Based on the terms of contracts, the performance obligation is satisfied at the point in time as the services are accepted and prepayment is generally required from customers.

All the amounts of transaction prices allocated to the remaining performance obligations as at the end of each of the Relevant Periods are expected to be recognised as revenue within one year.

Other income and gains

An analysis of other income and gains is as follows:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Other income			
Government grants*	3,294	3,541	9,640
Interest income	109	315	450
Others	372	273	105
	3,775	4,129	10,195
Gains			
Fair value gains on financial assets at fair value through profit or loss, net	1,584	910	821
Total	5,359	5,039	11,016

* Various government grants have been received mainly for conducting research activities or generating taxable revenue in an enterprise zone within Zhejiang Province, the Chinese mainland. Government grants related to income are recognised in the consolidated profit or loss as "other income" in the period in which the related research and development expenses are incurred. There are no unfulfilled conditions or contingencies relating to these grants.

6. LOSS BEFORE TAX

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

		Year ended 31 December		
		2023	2024	2025
	Notes	*RMB'000*	*RMB'000*	*RMB'000*
Cost of services provided		376,206	1,078,119	2,264,554
Depreciation of right-of-use assets	13	1,896	1,854	1,587
Lease payments not included in the measurement of lease liabilities	13	343	323	320
Auditor's remuneration		17	18	21
[REDACTED]		—	—	—
Employee benefit expense (including directors', chief executive's and supervisors' remuneration *(note 8)*):				
— Wages and salaries		71,412	78,077	94,626
— Pension scheme contributions		9,420	11,165	12,977
— Share-based payment expenses		685	536	100,309
Total		81,517	89,778	207,912
Impairment loss/(reversal of impairment loss) on trade receivables, net	15	157	400	(203)
Fair value loss of financial liabilities at fair value through profit or loss	23	83,237	12,274	165,345
Interest income		109	315	450

7. FINANCE COSTS

An analysis of the Group's finance costs is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest on lease liabilities	27	28	57
Interest expenses on bank and other borrowings	552	2,736	5,949
Total	579	2,764	6,006

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

The remuneration of directors and the chief executive of the Company recorded in each of the Relevant Periods is set out below:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Fees	—	—	—
Other emoluments:			
Salaries, allowances and benefits in kind	1,463	1,560	1,782
Performance related bonuses	298	196	454
Pension scheme contributions	24	27	30
Share-based payment expenses	314	92	99,249
Subtotal	2,099	1,875	101,515
Total	2,099	1,875	101,515

During the Relevant Periods, certain directors were granted share options, in respect of their services to the Group, under the share options scheme of the Company, further details of which are set out in note 26 to the Historical Financial Information. The fair value of such share options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for each of the Relevant Period is included in the above directors' and chief executive's remuneration disclosures.

(a) Directors and supervisors

The remuneration of each directors, supervisors and the chief executive of the Company during the Relevant Periods is set out below:

Year ended 31 December 2023

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Share-based payment expenses	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors:					
Deng Jianbo ("Mr. Deng")*	662	100	8	—	770
Pan Hong	553	144	8	302	1,007
Lin Xiaolei	248	54	8	12	322
Non-executive directors:					
He Wenyi	—	—	—	—	—
Zhang Jie	—	—	—	—	—
Sun Wei	—	—	—	—	—
He Yongming	—	—	—	—	—
Supervisors:					
Zhou Zhaofeng	—	—	—	—	—
Jia Tianyu	—	—	—	—	—
Total	1,463	298	24	314	2,099

Year ended 31 December 2024

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Share-based payment expenses	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors:					
Mr. Deng*	663	38	9	—	710
Pan Hong	645	144	9	89	887
Lin Xiaolei	252	14	9	3	278
Non-executive directors:					
He Wenyi	—	—	—	—	—
Zhang Jie	—	—	—	—	—
Sun Wei	—	—	—	—	—
He Yongming	—	—	—	—	—
Supervisors:					
Zhou Zhaofeng	—	—	—	—	—
Jia Tianyu	—	—	—	—	—
Total	1,560	196	27	92	1,875

Year ended 31 December 2025

	Salaries, allowances and benefits in kind	Performance related bonuses	Pension scheme contributions	Share-based payment expenses	Total remuneration
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors:					
Mr. Deng*	667	150	10	99,233	100,060
Pan Hong	820	250	10	16	1,096
Lin Xiaolei	295	54	10	—	359
Non-executive directors:					
He Wenyi	—	—	—	—	—
Zhang Jie	—	—	—	—	—
Sun Wei	—	—	—	—	—
He Yongming	—	—	—	—	—
Supervisors:					
Zhou Zhaofeng	—	—	—	—	—
Jia Tianyu	—	—	—	—	—
Total	1,782	454	30	99,249	101,515

* Mr. Deng was also chairman of board and chief executive officer of the Company.

There was no arrangement under which a director waived or agreed to waive any remunerations during the Relevant Periods.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the years ended 31 December 2023, 2024 and 2025 included two, one, and two directors, respectively, details of whose remuneration are set out in note 8 to the Historical Financial Information.

Details of the remuneration for the remaining three, four and three highest paid employees who are neither directors nor the chief executive of the Company during the years ended 31 December 2023, 2024 and 2025 are as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salaries, allowances and benefits in kind	1,963	2,887	2,291
Performance related bonuses	260	526	429
Pension scheme contributions	23	35	30
Share-based payment expenses	84	201	340
Total	2,330	3,649	3,090

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

	Year ended 31 December		
	2023	2024	2025
Nil to HKD1,000,000	3	2	—
HKD1,000,001 to HKD1,500,000	—	2	3
Total	3	4	3

10. INCOME TAX

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

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and the Implementation Regulation of the EIT Law, the EIT rate of the PRC subsidiaries is 25% except for those that are entitled to preferential tax as set out below:

The Company and Hangzhou Qingtuanbao Network Technology Co., Ltd. have been qualified as High and New Technology Enterprises ("HNTEs") under relevant tax rules and regulations, and accordingly, were entitled to a preferential EIT rate of 15% from 2023 to 2025.

In addition, some subsidiaries of the Group entitle to the preferential policy of Small and Micro-sized enterprises, for which the applicable income tax rate is 5%.

Given that none of the entities in the Group generated assessable profits for each of the Relevant Periods, no provision of current income tax is made. No deferred tax assets or liabilities is recognised at end of each of the Relevant Periods (note 25). Accordingly, no deferred tax charge or credit is recognised in profit or loss in each reporting period. A reconciliation of the income tax credit applicable to loss before tax using the statutory tax rate for the country or jurisdiction in which the majority of the Company's subsidiaries are domiciled and/or operate to the income tax expense at the effective tax rate is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Loss before tax	(110,231)	(20,876)	(269,016)
Tax at the statutory tax rate of 25%	(27,558)	(5,219)	(67,254)
Effect of preferential tax rate	10,973	2,045	26,889
Expenses not deductible for tax*	12,685	1,964	39,962
Additional deductible allowance for research and development expenses	(4,497)	(4,011)	(3,689)
Effect of deductible temporary difference and tax losses not recognised	8,397	5,221	4,092
Tax charge at the Group's effective rate	—	—	—

* Expenses not deductible for tax mainly represent the impact of non-deductible share-based payment expenses and fair value loss of financial instruments issued by the Company with redemption rights.

11. DIVIDENDS

No dividends were declared or distributed by the Company during the Relevant Periods.

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

Loss per share information for the Relevant Periods is not presented. Its inclusion for the purpose of this report is considered not meaningful as the Company was converted into a joint stock company with limited liability under the Company Law of the PRC after the end of the Relevant Period on 4 June 2026.

13. LEASES

The Group as a lessee

The Group has lease contracts mainly for various items of buildings used in its operations. Leases of office buildings generally have lease terms between 1 and 2 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

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

The Group

	Office buildings
	RMB'000
As at 1 January 2023	1,578
Additions	1,907
Depreciation charge	(1,896)
As at 31 December 2023 and 1 January 2024	1,589
Additions	3,174
Depreciation charge	(1,854)
As at 31 December 2024 and 1 January 2025	2,909
Additions	—
Depreciation charge	(1,587)
As at 31 December 2025	1,322

The Company

	Office buildings
	RMB'000
As at 1 January 2023	789
Additions	953
Depreciation charge	(948)
As at 31 December 2023 and 1 January 2024	794
Additions	1,587
Depreciation charge	(926)
As at 31 December 2024 and 1 January 2025	1,455
Additions	—
Depreciation charge	(794)
As at 31 December 2025	661

(b) Lease liabilities

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

The Group

	31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount at the beginning of the year	951	956	2,381
New lease	1,907	3,174	—
Accretion of interest recognised during the year	27	28	57
Payments	(1,929)	(1,777)	(1,628)
Carrying amount at the end of the year	956	2,381	810
Analysed into:			
Current portion	956	1,571	810
Non-current portion	—	810	—

The maturity analysis of lease liabilities is disclosed in note 32 to the Historical Financial Information.

The Company

	31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Carrying amount at the beginning of the year	476	478	1,191
New lease	953	1,587	—
Accretion of interest recognised during the year	13	14	29
Payments	(964)	(888)	(815)
Carrying amount at the end of the year	478	1,191	405
Analysed into:			
Current portion	478	786	405
Non-current portion	—	405	—

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

The Group

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Interest on lease liabilities	27	28	57
Depreciation charge of right-of-use assets	1,896	1,854	1,587
Expenses relating to leases of low-value and short-term assets	343	323	320
Total amount recognised in profit or loss	2,266	2,205	1,964

(d) The total cash outflow for leases is disclosed in note 28 to the Historical Financial Information.

14. INVESTMENT IN AN ASSOCIATE

The Group and the Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Share of net assets	1,742	1,832	2,052

The associate is not considered material. The associate is accounted for by the Company using the equity method.

15. TRADE RECEIVABLES

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	55,819	153,683	330,962
Impairment	(721)	(1,113)	(820)
Total	55,098	152,570	330,142

The Group's trading terms with its customers are mainly on credit. The credit term is generally one month. The Group seeks to maintain strict control over its outstanding receivables and has a credit control process to minimise credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the Group's trade receivables, based on the invoice date and net of loss allowance, as at the end of each of the Relevant Periods is as follows:

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	54,919	152,448	329,782
1 year to 2 years	169	82	339
2 years to 3 years	10	40	21
Total	55,098	152,570	330,142

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

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of the year	564	721	1,113
Impairment losses provided/(reversed), net	157	400	(203)
Amounts written off as uncollectible	—	(8)	(90)
At the end of the year	721	1,113	820

The Group applies the simplified approach in calculating ECLs for trade receivables. Trade receivables relating to customers with known financial difficulties or significant doubt on collection are assessed individually for impairment allowance. The remaining trade receivables are grouped and collectively assessed for impairment allowance. Under the collective approach, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on the ageing analysis for grouping of customers that have similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off according to management's approval.

During the Relevant Periods, there was no significant fluctuation of the overall expected credit loss rates, so the Group adopted similar expected credit loss rates.

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

As at 31 December 2023

	Expected credit loss rate	Gross carrying amount	Expected credit losses	Net carrying amount
	(%)	*RMB'000*	*RMB'000*	*RMB'000*
For credit loss allowance analysed by ageing				
— Within 1 year	0.87	55,404	(485)	54,919
— 1 year to 2 years	27.60	234	(65)	169
— 2 years to 3 years	83.24	59	(49)	10
— Over 3 years	100.00	122	(122)	—
Total		55,819	(721)	55,098

As at 31 December 2024

	Expected credit loss rate	Gross carrying amount	Expected credit losses	Net carrying amount
	(%)	*RMB'000*	*RMB'000*	*RMB'000*
For credit loss allowance analysed by ageing				
— Within 1 year	0.56	153,309	(861)	152,448
— 1 year to 2 years	23.90	108	(26)	82
— 2 years to 3 years	55.78	90	(50)	40
— Over 3 years	100.00	176	(176)	—
Total		153,683	(1,113)	152,570

As at 31 December 2025

	Expected credit loss rate	Gross carrying amount	Expected credit losses	Net carrying amount
	(%)	*RMB'000*	*RMB'000*	*RMB'000*
For credit loss allowance analysed by ageing				
— Within 1 year	0.13	330,212	(430)	329,782
— 1 year to 2 years	27.40	468	(129)	339
— 2 years to 3 years	70.70	74	(53)	21
— Over 3 years	100.00	208	(208)	—
Total		330,962	(820)	330,142

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	8,063	41,908	6,217
Impairment	(264)	(470)	(312)
Total	7,799	41,438	5,905

An ageing analysis of the Company's trade receivables, based on the invoice date and net of loss allowance, as at the end of each of the Relevant Periods is as follows:

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	7,724	41,357	5,730
1 year to 2 years	66	46	161
2 year to 3 years	9	35	14
Total	7,799	41,438	5,905

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

	31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of the year	217	264	470
Impairment losses, net	47	206	(158)
At the end of the year	264	470	312

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

As at 31 December 2023

	Expected credit loss rate	**Gross carrying amount**	**Expected credit losses**	**Net carrying amount**
	(%)	*RMB'000*	*RMB'000*	*RMB'000*
For credit loss allowance analysed by ageing				
— Within 1 year	0.87	7,796	(72)	7,724
— 1 year to 2 years	27.60	91	(25)	66
— 2 years to 3 years	83.24	54	(45)	9
— Over 3 years	100.00	122	(122)	—
Total		8,063	(264)	7,799

As at 31 December 2024

	Expected credit loss rate	**Gross carrying amount**	**Expected credit losses**	**Net carrying amount**
	(%)	*RMB'000*	*RMB'000*	*RMB'000*
For credit loss allowance analysed by ageing				
— Within 1 year	0.56	41,592	(235)	41,357
— 1 year to 2 years	23.90	60	(14)	46
— 2 years to 3 years	55.78	80	(45)	35
— Over 3 years	100.00	176	(176)	—
Total		41,908	(470)	41,438

As at 31 December 2025

	Expected credit loss rate	**Gross carrying amount**	**Expected credit losses**	**Net carrying amount**
	(%)	*RMB'000*	*RMB'000*	*RMB'000*
For credit loss allowance analysed by ageing				
— Within 1 year	0.13	5,738	(8)	5,730
— 1 year to 2 years	27.40	223	(62)	161
— 2 years to 3 years	70.70	48	(34)	14
— Over 3 years	100.00	208	(208)	—
Total		6,217	(312)	5,905

16. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Prepayments	4,790	5,927	7,273
Value-added tax recoverable	159	606	2,673
Deposits and other receivables	939	1,374	2,232
	5,888	7,907	12,178
Impairment allowance	—	—	—
Total	5,888	7,907	12,178

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Prepayments	2,774	3,787	6,426
Value-added tax recoverable	44	44	2,057
Deposits and other receivables	393	708	1,298
	3,211	4,539	9,781
Impairment allowance	—	—	—
Total	3,211	4,539	9,781

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Unlisted equity investments — non-current	—	1,000	1,000
Wealth management products — current	57,083	52,560	20,079
Total	57,083	53,560	21,079

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Unlisted equity investments — non-current	—	1,000	1,000
Wealth management products — current	57,083	52,524	15,079
Total	57,083	53,524	16,079

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

18. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Cash and bank balances	27,643	17,264	94,454
Less:			
Restricted cash*	—	—	(5,000)
Cash and cash equivalents denominated in RMB	27,643	17,264	89,454

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Cash and bank balances	16,962	2,632	6,267
Less:			
Restricted cash*	—	—	(5,000)
Cash and cash equivalents denominated in RMB	16,962	2,632	1,267

* As at 31 December 2025, the restricted cash of RMB5,000,000 represented structured deposits that were subscribed but not yet settled.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

19. TRADE PAYABLES

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

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	25,865	56,996	132,481
1 year to 2 years	—	9	9
Total	25,865	57,005	132,490

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	6,001	1,104	2,214
1 year to 2 years	—	9	9
Total	6,001	1,113	2,223

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 90 days.

20. OTHER PAYABLES AND ACCRUALS

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salary payables	10,803	12,561	16,227
Other tax payables	4,317	8,245	21,703
Other payables	1,690	4,195	6,891
Total	16,810	25,001	44,821

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Salary payables	6,880	6,550	6,400
Other tax payables	1,211	692	364
Other payables	760	1,789	2,631
Total	8,851	9,031	9,395

Other payables are unsecured, non-interest-bearing and repayable within 1 year. The fair values of other payables at the end of each of the Relevant Periods approximated to their corresponding carrying amounts.

21. CONTRACT LIABILITIES

Details of contract liabilities are as follows:

The Group

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Advances received from customers	9,795	9,266	10,971

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Advances received from subsidiaries	738	—	—
Advances received from customers	9,497	7,477	6,697
Total	10,235	7,477	6,697

Contract liabilities include advances received to fulfil performance obligations for online recruitment matching services primarily. The contract liabilities of the Group and the Company amounted to RMB10,022,000 and RMB9,248,000, respectively, at 1 January 2023. The changes in contract liabilities during the Relevant Periods were mainly due to the recognition of revenue upon fulfilment of performance obligations.

22. INTEREST-BEARING BANK AND OTHER BORROWINGS

The Group

	As at 31 December 2023			As at 31 December 2024			As at 31 December 2025		
	Effective interest rate (%)	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*
Current									
Bank loans — unsecured	3.40–4.05	2024	45,000			—			—
Bank loans — secured	3.20–3.55	2024	5,539	3.25–3.80	2025	94,900	2.60–3.15	2026	100,000
Other loans — secured			—	3.20	2025	11,407	3.20	2026	138,382
Total			50,539			106,307			238,382

The Group's bank and other borrowings are all denominated in RMB and bear fixed interest rates.

As at 31 December 2023, the Group's bank borrowings with an amount of RMB3,539,000 was guaranteed by Mr. Deng, the Company's controlling equity holder and executive director, and an amount of RMB2,000,000 was guaranteed by Mr. Deng and Lin Xiaolei, an executive director of the Company.

As at 31 December 2024, the Group's bank borrowings with an amount of RMB74,900,000 was guaranteed by Mr. Deng, an amount of RMB10,000,000 was guaranteed by Hangzhou Financing Guarantee Group Co., Ltd., and an amount of RMB10,000,000 was guaranteed by Mr. Deng and Lin Xiaolei. The Group's other borrowings of RMB11,407,000 were secured by the Group's accounts receivable with balance of RMB124,754,000 and the lender is Shangrong (Shanghai) Commercial Factoring Co., Ltd., which is a fellow subsidiary of Shanghai Yun Yang Business Consulting Co. Ltd. ("Yun yang").

As at 31 December 2025, the Group's bank borrowings with an amount of RMB75,000,000 was guaranteed by Mr. Deng, an amount of RMB10,000,000 was guaranteed by Mr. Deng, and Hangzhou Financing Guarantee Group Co., Ltd., and an amount of RMB15,000,000 was guaranteed by Mr. Deng and Lin Xiaolei. The Group's other borrowings of RMB138,382,000 were secured by the Group's accounts receivable with balance of RMB153,758,000 and were provided by Shangrong (Shanghai) Commercial Factoring Co., Ltd..

The Company

	As at 31 December 2023			As at 31 December 2024			As at 31 December 2025		
	Effective interest rate (%)	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*	*Effective interest rate (%)*	*Maturity*	*RMB'000*
Current									
Bank loans — unsecured	3.40–4.05	2024	40,000			—			—
Bank loans — guaranteed	3.40	2024	3,000	3.25–3.80	2025	84,900	2.60–3.15	2026	85,000
Total			43,000			84,900			85,000

As at 31 December 2023, the Company's bank borrowing with an amount of RMB3,000,000 was guaranteed by Mr. Deng, the Company's controlling shareholder.

As at 31 December 2024, the Company's bank borrowings with an amount of RMB74,900,000 was guaranteed by Mr. Deng and an amount of RMB10,000,000 was guaranteed by Hangzhou Financing Guarantee Group Co., Ltd..

As at 31 December 2025, the Company's bank borrowings with an amount of RMB75,000,000 was guaranteed by Mr. Deng, and an amount of RMB10,000,000 was guaranteed by Mr. Deng and Hangzhou Financing Guarantee Group Co., Ltd..

23. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group and the Company

	Financial instruments with redemption rights
	RMB'000
At 1 January 2023	494,098
Fair value changes	83,237
As at 31 December 2023 and 1 January 2024	577,335
Fair value changes	12,274
As at 31 December 2024 and 1 January 2025	589,609
Fair value changes	165,345
As at 31 December 2025	754,954

Registered statutory equity holders/owners of the Company have been granted the rights to require the Company to redeem their interests upon the occurrence of any of the following events, including but not limited to:

(i) The Company's failure to complete a qualified [REDACTED] ("[REDACTED]) or a sale of the Company's entire business before 31 December 2026;

(ii) Any group member, founding owner, or management owner has material breach of capital increase agreements, the articles of association, or material violation of laws and regulations, or is subject to criminal penalties;

(iii) A change in control of the Company resulting from a merger or acquisition.

The amount payable by the Company to redeem the Series Seed, Series Pre-A and Series A capital subject to redemption will be sum of 100% of the amount originally paid up by those equity holders minus the profit distributions already received by those equity holders, plus a simple interest of 10% per annum.

The amount payable by the Company to redeem the Series B capital subject to redemption will be the higher of:

(i) Sum of 100% of the amount originally paid up by those equity holders plus a simple interest of 10% per annum; and

(ii) Sum of 100% of the amount originally paid up by those equity holders plus any declared but unpaid dividends of the Company.

The amount payable by the Company to redeem the Series B+ capital subject to redemption will be the highest of:

(i) The fair market value of the Company at such time multiplied the proportion of the paid-up share capital held by the investor at such time;

(ii) Sum of 100% of the amount originally paid up by those equity holders plus a simple interest of 10% per annum; and

(iii) Sum of 100% of the amount originally paid up by those equity holders plus any declared but unpaid dividends of the Company.

The amount payable by the Company to redeem the Series C1 and Series C2 capital subject to redemption will be the higher of:

(i) The fair market value of the Company at such time multiplied the proportion of the paid-up capital held by the investor at such time; and

(ii) Sum of 100% of the amount originally paid up by those equity holders plus a simple interest of 10% per annum, and any declared but unpaid dividends of the Company.

The amount payable by the Company to redeem the remaining capital subject to redemption will be the amount of 100% of the amount originally paid up by those equity holders plus a simple interest of 10% per annum, and any declared but unpaid dividends of the Company.

The redemption obligations and other special/preferential rights give rise to financial liabilities, which are measured at fair value through profit or loss.

Cessation of the preferential rights

Pursuant to a termination agreement entered into among those equity holders/owners with redemption and other preferential rights, and the Company on 13 April 2026, the redemption rights ceased to be effective from the date of the termination agreement and all other special rights ceased to be effective upon [REDACTED] of the Company provided that all such special rights shall be automatically reinstated as if the termination of such rights had never taken place in the event where (i) the Company withdraws the [REDACTED] of the Company; or (ii) the [REDACTED] is rejected, refused, or returned by The Stock Exchange of Hong Kong Limited (the "Stock Exchange"); or (iii) twenty-four months have elapsed from the date of the first submission of the Company's [REDACTED] to the Stock Exchange, and the Company has not completed its [REDACTED] on the Stock Exchange.

The Group applied the discount cash flow method to determine the underlying equity value of the Company and adopted the option-pricing method to determine the fair value of the financial liabilities at fair value through profit or loss. Key assumptions are set out below:

	As at 31 December		
	2023	**2024**	**2025**
Discount rate	13.50%	13.00%	13.00%
Risk-free interest rate	2.16%	1.10%	1.31%
DLOM	9.99%	15.59%	9.95%
Volatility	36.20%	51.43%	44.45%

The discount rate was estimated by the weighted average cost of capital as of the valuation date. The Group estimated the risk-free interest rates based on the yields of the China Government Bond as of each of the valuation dates with a maturity life equal to the period from the respective valuation dates to the expected liquidation date. The DLOM was estimated based on the Finnerty method. Under the Finnerty method, the cost of a put option, which can hedge the price change before the privately held share can be sold, was considered as a basis to determine the lack of marketability discount. The volatility was estimated based on implied volatility of comparable companies as of the valuation date. Scenario-based probability weight under each of the redemption features and liquidation preferences was based on the Group's best estimates. In addition to the assumptions adopted above, the Company's projections of future performance were also factored into the determination of the fair value of financial instruments with preferential rights on the valuation date.

Management considered that the fair value changes of these financial liabilities that are attributable to changes of credit risk of these instruments are not material.

Set out below is a summary of significant unobservable inputs to the valuation of financial liabilities categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at the end of each of the Relevant Periods.

31 December 2023

Valuation technique	Significant unobservable inputs	Range of inputs	Increase/ (decrease) in basis points	Sensitivity of fair value to the inputs
				RMB'000
Discount cash flow method; option-pricing method	Discount rate	13.50%	100/(100)	(71,480)/80,781
	Risk-free interest rate	2.16%	25/(25)	(354)/339
	DLOM	9.99%	100/(100)	(6,255)/6,255
	Volatility	36.20%	100/(100)	(696)/1,258

31 December 2024

Valuation technique	Significant unobservable inputs	Range of inputs	Increase/ (decrease) in basis points	Sensitivity of fair value to the inputs
				RMB'000
Discount cash flow method; option-pricing method	Discount rate	13.00%	100/(100)	(94,321)/115,016
	Risk-free interest rate	1.10%	25/(25)	(435)/463
	DLOM	15.59%	100/(100)	(6,830)/6,830
	Volatility	51.43%	100/(100)	(372)/986

31 December 2025

Valuation technique	Significant unobservable inputs	Range of inputs	Increase/ (decrease) in basis points	Sensitivity of fair value to the inputs
				RMB'000
Discount cash flow method; option-pricing method	Discount rate	13.00%	100/(100)	(123,958)/155,293
	Risk-free interest rate	1.31%	100/(100)	(258)/259
	DLOM	9.95%	100/(100)	(8,268)/8,268
	Volatility	44.45%	100/(100)	90/(243)

24. PAID-IN CAPITAL

The Group and the Company

	Paid-in capital
	RMB'000
As at 1 January 2023, 31 December 2023, 31 December 2024 and 31 December 2025	6,899

25. DEFERRED TAX

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

Deferred tax liabilities

	Right-of-use assets
	RMB'000
At 1 January 2023	142
Deferred tax credited to profit or loss	1
At 31 December 2023 and 1 January 2024	143
Deferred tax credited to profit or loss	214
At 31 December 2024 and 1 January 2025	357
Deferred tax charged to profit or loss	(235)
At 31 December 2025	122

Deferred tax assets

	Lease liabilities
	RMB'000
At 1 January 2023	142
Deferred tax charged to profit or loss	1
At 31 December 2023 and 1 January 2024	143
Deferred tax charged to profit or loss	214
At 31 December 2024 and 1 January 2025	357
Deferred tax credited to profit or loss	(235)
At 31 December 2025	122

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

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Net deferred tax assets recognised in the consolidated statement of financial position	—	—	—
Net deferred tax liabilities recognised in the consolidated statement of financial position	—	—	—

The Group had accumulated tax losses arising in the Chinese mainland of RMB285,104,000, RMB319,167,000 and RMB338,507,000 as at 31 December 2023, 2024 and 2025, respectively, which will expire in one to ten years for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in the Company and subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

26. SHARE-BASED PAYMENTS

To provide incentives and rewards to eligible participants who contribute to the Group's operation, Mr. Deng, a founder and controlling equity holder of the Company, has established an employee incentive platform through setting up a limited partnership entity for the Company to operate an employee incentive scheme (the "Scheme"). Eligible participants of the Scheme, including members of senior management, mid-level managers and other employees of the Group, were determined by the respective employee incentive platform and approved by the Company's board of directors.

In 2020, 2021, 2022, 2024 and 2025, the Company granted 11,335,000, 2,334,000, 1,841,000, 822,000 and 1,223,000 share options of the Company, respectively, to 85 eligible employees at subscription prices ranging from RMB0.1 to RMB0.5 for each option. The eligible employees shall be entitled to exercise 50 share options in exchange for one share. The fair values of the share options and awarded equity at the dates of grant were determined by an external valuer taking into account the terms and conditions upon which the share options and awarded equity were granted. The Group has used the discounted cash flow method, back-solve method and extrapolation method to determine the underlying equity's fair value of the Company, adopted an equity value allocation model to derive the per-share value of the equity, and used the binomial options pricing model to determine the fair value of the underlying employee stock options. Key assumptions, such as discount rate, risk-free interest rate, expected volatility and projections of future performance, are required to be determined by the Group with best estimate. Key assumptions for the share options are set out below:

	At grant dates
Dividend yield (%)	—
Expected volatility (%)	45.01–46.48
Risk-free interest rate (%)	1.66–3.21
Expected life of options (year)	9.25–9.92

The differences between the fair value of share options and awarded equity granted and the exercise prices were recorded in the share-based payment reserve within equity with the corresponding share-based payment expenses recognised in profit or loss.

These options were scheduled to vest and become exercisable in two annual installments, which are to be released 50% on the secondary anniversary from the grant date, and 50% each on the third anniversary from the grant date.

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

	Weighted average exercise price	**Number of options**
	RMB per option	*'000*
At 1 January 2023	0.12	19,958
Granted during the year	—	—
Forfeited during the year	0.10	(726)
As at 31 December 2023 and 1 January 2024	0.12	19,232
Granted during the year	0.10	822
Forfeited during the year	0.10	(141)
As at 31 December 2024 and 1 January 2025	0.12	19,913
Granted during the year	0.10	1,223
Forfeited during the year	0.10	(687)
At 31 December 2025	0.12	20,449

In December 2025, pursuant to the resolution of the Company's directors, the Company awarded certain equity of the Company to Mr. Deng. The difference between the cash consideration paid by Mr. Deng and the fair value of the awarded equity (note 23) is recognised as a share-based payment expenses immediately as no service conditions were required for the award. As a result, share-based payment expenses of RMB99,233,000 was recognised in profit or loss for the year ended 31 December 2025. The cash consideration was paid by Mr. Deng in February 2026.

Equity-settled share-based payment expenses of RMB685,000, RMB536,000 and RMB100,309,000, were charged to profit or loss during year ended 31 December 2023, 2024 and 2025, respectively.

27. RESERVES

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

Capital reserve

The capital reserve represents the premium arising from capital contribution from equity holders/owners including those with redemption rights (note 23).

The amounts of the Company's reserves and the movements therein during each of the Relevant Periods are as follows:

	Capital reserve	Share-based payment reserve	Accumulated losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	3,436	14,397	(422,383)	(404,550)
Loss and total comprehensive loss for the year	—	—	(86,373)	(86,373)
Share-based payment expenses	—	685	—	685
At 31 December 2023	3,436	15,082	(508,756)	(490,238)
At 1 January 2024	3,436	15,082	(508,756)	(490,238)
Loss and total comprehensive loss for the year	—	—	(1,141)	(1,141)
Share-based payment expenses	—	536	—	536
At 31 December 2024	3,436	15,618	(509,897)	(490,843)
At 1 January 2025	3,436	15,618	(509,897)	(490,843)
Loss and total comprehensive loss for the year	—	—	(269,372)	(269,372)
Share-based payment expenses	—	100,309	—	100,309
At 31 December 2025	3,436	115,927	(779,269)	(659,906)

28. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2023 and 2024, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB1,907,000 and RMB3,174,000, respectively, in respect of lease arrangements for buildings.

(b) Changes in liabilities arising from financing activities

Year ended 31 December 2023

	Financial liabilities at fair value through profit or loss	Interest-bearing bank and other borrowings	Lease liabilities
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2023	494,098	—	951
Interest expense	—	552	27
New lease	—	—	1,907
Fair value changes	83,237	—	—
Changes from financing cash flows	—	49,987	(1,929)
At 31 December 2023	577,335	50,539	956

Year ended 31 December 2024

	Financial liabilities at fair value through profit or loss	Interest-bearing bank and other borrowings	Lease liabilities
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2024	577,335	50,539	956
Interest expense	—	2,736	28
New lease	—	—	3,174
Fair value changes	12,274	—	—
Changes from financing cash flows	—	53,032	(1,777)
At 31 December 2024	589,609	106,307	2,381

Year ended 31 December 2025

	Financial liabilities at fair value through profit or loss	Interest-bearing bank and other borrowings	Lease liabilities
	RMB'000	*RMB'000*	*RMB'000*
At 1 January 2025	589,609	106,307	2,381
Interest expense	—	5,949	57
Fair value changes	165,345	—	—
Changes from financing cash flows	—	126,126	(1,628)
At 31 December 2025	754,954	238,382	810

(c) Total cash outflow for leases

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within operating activities	343	323	320
Within financing activities	1,929	1,777	1,628
Total	2,272	2,100	1,948

29. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Name and relationship

Name of related party	Relationship with the Company
Mr. Deng	Controlling equity holder
Lin Xiaolei*	Executive director
Yun yang**	An equity holder of the Company with significant influence
Hangzhou Qingtuan She Internet Co., Ltd.**	Controlled by Mr. Deng
Cathay Insurance Co., Ltd.	Fellow subsidiaries of Yun yang
Alipay Payment Technology Co., Ltd.**	Fellow subsidiaries of Yun yang
Alipay (Hangzhou) Digital Service Technology Co., Ltd.**	Fellow subsidiaries of Yun yang

* Lin Xiaolei was resigned as the executive director with effect from 3 June 2026.

** The English names of these companies registered in the PRC represent the translated names of these companies as no English names have been registered.

(b) The Group had the following material related party transactions during the Relevant Periods:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest income from			
Lin Xiaolei	36	137	310
Services charge to:			
Cathay Insurance Co., Ltd.	—	715	2,832
Alipay Payment Technology Co., Ltd.	83	407	516
Alipay (Hangzhou) Digital Service Technology Co., Ltd.	80	9	—
Total	163	1,131	3,348
Provision of services to:			
Hangzhou Qingtuan She Internet Co., Ltd.	—	5	—
Cathay Insurance Co., Ltd.	—	4	—
Alipay (Hangzhou) Digital Service Technology Co., Ltd.	1,209	426	614
Total	1,209	435	614

(c) Outstanding balances with related parties

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Trade related:			
Amounts due from related parties			
Hangzhou Qingtuan She Internet Co., Ltd.	45	50	50
Cathay Insurance Co., Ltd.	—	1,719	295
Alipay Payment Technology Co., Ltd.	10	10	—
Alipay (Hangzhou) Digital Service Technology Co., Ltd.	698	704	782
Total	753	2,483	1,127
Non-trade related:			
Amounts due from related parties			
Lin Xiaolei	1,821	1,109	2,588
Total	2,574	3,592	3,715
Trade related:			
Amounts due to related parties			
Cathay Insurance Co., Ltd.	—	88	1,244

The trade related balances due from related parties are unsecured, interest-free, repayable on demand and aged within one year. The non-trade related balances due from related parties are unsecured, interest bearing at 3.06% per annum and repayable on demand. The management of the Company considers there was no significant credit risk for the amounts due from related parties.

The maximum outstanding amounts due from the Lin Xiaolei during the years ended 31 December 2023,2024 and 2025 were RMB3,785,000, RMB6,535,000 and RMB20,305,000, respectively.

(d) As at 31 December 2023, 2024 and 2025, the details of loan guarantees provided by the controlling equity holder and an executive director are disclosed in note 22 to the Historical Financial Information.

(e) Compensation of key management personnel of the Group:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Salaries, allowances and benefits in kind	1,803	1,905	2,180
Performance related bonuses	346	219	517
Pension scheme contributions	32	36	40
Share-based payment expenses	320	101	99,249
	2,501	2,261	101,986

(f) Amounts due from related parties

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Trade related:			
Amounts due from related parties			
Hangzhou Qingtuan She Internet Co., Ltd.	45	50	50
Cathay Insurance Co., Ltd.	—	4	4
Alipay Payment Technology Co., Ltd.	10	10	—
Alipay (Hangzhou) Digital Service Technology Co., Ltd.	548	364	310
	603	428	364
Non-trade related:			
Amounts due from related parties			
Lin Xiaolei	1,821	1,109	329
Total	2,424	1,537	693

The trade related balances due from related parties are unsecured, interest-free, repayable on demand and aged within one year. The non-trade related balances due from related parties are unsecured, interest bearing at 3.06% per annum and repayable on demand. The management of the Company considers there was no significant credit risk for the amounts due from related parties.

30. FINANCIAL INSTRUMENTS BY CATEGORY

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

Financial assets

As at 31 December 2023

	Financial assets at fair value through profit or loss	**Financial assets at amortised cost**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	57,083	—	57,083
Trade receivables	—	55,098	55,098
Financial assets included in prepayments, other receivables and other assets	—	939	939
Amounts due from related parties	—	2,574	2,574
Cash and cash equivalents	—	27,643	27,643
Total	57,083	86,254	143,337

As at 31 December 2024

	Financial assets at fair value through profit or loss	**Financial assets at amortised cost**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	53,560	—	53,560
Trade and bills receivables	—	152,570	152,570
Financial assets included in prepayments, other receivables and other assets	—	1,374	1,374
Amounts due from related parties	—	3,592	3,592
Cash and cash equivalents	—	17,264	17,264
Total	53,560	174,800	228,360

As at 31 December 2025

	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	21,079	—	21,079
Trade and bills receivables	—	330,142	330,142
Financial assets included in prepayments, other receivables and other assets	—	2,232	2,232
Amounts due from related parties	—	3,715	3,715
Restricted cash	—	5,000	5,000
Cash and cash equivalents	—	89,454	89,454
Total	21,079	430,543	451,622

Financial liabilities

As at 31 December 2023

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Financial liabilities at fair value through profit or loss	577,335	—	577,335
Financial liabilities included in other payables and accruals	—	1,690	1,690
Trade payables	—	25,865	25,865
Interest-bearing bank and other borrowings	—	50,539	50,539
Lease liabilities	—	956	956
Total	577,335	79,050	656,385

As at 31 December 2024

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Financial liabilities at fair value through profit or loss	589,609	—	589,609
Financial liabilities included in other payables and accruals	—	4,195	4,195
Trade payables	—	57,005	57,005
Interest-bearing bank and other borrowings	—	106,307	106,307
Lease liabilities	—	2,381	2,381
Total	589,609	169,888	759,497

As at 31 December 2025

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	RMB'000	*RMB'000*	*RMB'000*
Financial liabilities at fair value through profit or loss	754,954	—	754,954
Financial liabilities included in other payables and accruals	—	6,891	6,891
Trade payables	—	132,490	132,490
Interest-bearing bank and other borrowings	—	238,382	238,382
Lease liabilities	—	810	810
Total	754,954	378,573	1,133,527

Transfers of financial assets

Transferred financial assets that are not derecognised in their entirety

As part of its normal business, the Group entered into a trade receivable factoring arrangement (the "Arrangement") and transferred certain trade receivables to a financial institution. Under the Arrangement, the Group may be required to reimburse the financial institution for loss of interest if any trade debtors have late payment up to 3 months. The Group is not exposed to default risks of the trade debtors after the transfer. Subsequent to the transfer, the Group did not retain any rights on the use of the trade receivables, including the sale, transfer or pledge of the trade receivables to any other third parties. The original carrying value of the trade receivables transferred under the Arrangement that have not been settled as at 31 December 2024 and 2025 was RMB124,754,000 and RMB210,525,000, respectively. The carrying amount of the assets that the Group continued to recognise as at 31 December 2024 and 2025 was RMB12,674,000 and RMB153,757,000, respectively, and that of the associated liabilities as at 31 December 2024 and 2025 was RMB11,407,000 and RMB138,382,000, respectively.

31. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

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

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

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

The Group invests in equity investments and wealth management products at fair value through profit or loss. The Group has estimated the fair value of these wealth management products by using discounted cash flow valuation model with reference to observable inputs including fluctuations of market prices or valuation models with reference rates.

Fair value hierarchy

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

Assets measured at fair value:

As at 31 December 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	—	57,083	—	57,083

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	—	52,560	1,000	53,560

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial assets at fair value through profit or loss	—	20,079	1,000	21,079

Liabilities measured at fair value:

As at 31 December 2023

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities at fair value through profit or loss	—	—	577,335	577,335

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities at fair value through profit or loss	—	—	589,609	589,609

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Financial liabilities at fair value through profit or loss	—	—	754,954	754,954

The movements and details of the fair value measurement of financial liabilities at fair value through profit or loss are disclosed in note 23 to the Historical Financial Information.

During the Relevant Periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents and bank and other borrowings. The main purpose of these financial instruments is to support the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

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

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank and other borrowings. The Group's policy is to manage its interest cost using a mix of fixed and variable rate debts. As at 31 December 2023, 2024 and 2025, none of the Group's interest-bearing borrowings bore interest at floating rates. Accordingly, as at the end of each of the Relevant Periods, the Group did not have any significant exposure to the interest rate risk in the cash flows.

Credit risk

The Group trades only with recognised and creditworthy third parties and there is no requirement for collateral. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Maximum exposure and year-end staging

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

31 December 2023

	12 months ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables*	—	—	—	55,819	55,819
Financial assets included in prepayments, other receivables and other assets					
— Normal**	939	—	—	—	939
Amounts due from related parties					
— Normal**	2,574	—	—	—	2,574
Cash and cash equivalents	27,643	—	—	—	27,643
Total	31,156	—	—	55,819	86,975

31 December 2024

	12 months ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables*	—	—	—	153,683	153,683
Financial assets included in prepayments, other receivables and other assets					
— Normal**	1,374	—	—	—	1,374
Amounts due from related parties					
— Normal**	3,592	—	—	—	3,592
Cash and cash equivalents	17,264	—	—	—	17,264
Total	22,230	—	—	153,683	175,913

31 December 2025

	12 months ECLs	Lifetime ECLs			
	Stage 1	**Stage 2**	**Stage 3**	**Simplified approach**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Trade receivables*	—	—	—	330,962	330,962
Financial assets included in prepayments, other receivables and other assets					
— Normal**	2,232	—	—	—	2,232
Amounts due from related parties					
— Normal**	3,715	—	—	—	3,715
Restricted cash	5,000	—	—	—	5,000
Cash and cash equivalents	89,454	—	—	—	89,454
Total	100,401	—	—	330,962	431,363

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 15 to the Historical Financial Information.

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

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables and other receivables are respectively disclosed in notes 15 and 16 to the Historical Financial Information, respectively.

At the end of each of the Relevant Periods, the Group had certain concentrations of credit risk as 43%, 49% and 26% of the Group's trade receivables were due from the Group's largest customer, respectively, and 71%, 88%, 66% of the Group's trade receivables were due from the Group's five largest customers, respectively.

Liquidity risk

The Group monitors its exposure to liquidity risk by regularly monitoring short-term and long-term liquidity requirements, as well as compliance with borrowing agreements to ensure that adequate cash reserves and readily realisable liquidity are maintained.

The liquidity of the Group is primarily dependent on its ability to maintain adequate cash inflows from operations to meet its debt obligations as they fall due, and its ability to obtain external financing to meet its committed future capital expenditure.

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

	As at 31 December 2023			
	Within 1 year	**1 to 5 years**	**Over 5 years**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	25,865	—	—	25,865
Financial liabilities included in other payables and accruals	1,690	—	—	1,690
Financial liabilities at fair value through profit or loss	577,335	—	—	577,335
Interest-bearing bank and other borrowings	50,539	—	—	50,539
Lease liabilities	964	—	—	964
Total	656,393	—	—	656,393

	As at 31 December 2024			
	Within 1 year	1 to 5 years	Over 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	57,005	—	—	57,005
Financial liabilities included in other payables and accruals	4,195	—	—	4,195
Financial liabilities at fair value through profit or loss	589,609	—	—	589,609
Interest-bearing bank and other borrowings	106,307	—	—	106,307
Lease liabilities	1,628	820	—	2,448
Total	758,744	820	—	759,564

	As at 31 December 2025			
	On demand	Within 1 year	1 to 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Trade payables	132,490	—	—	132,490
Financial liabilities included in other payables and accruals	6,891	—	—	6,891
Financial liabilities at fair value through profit or loss	754,954	—	—	754,954
Interest-bearing bank and other borrowings	238,382	—	—	238,382
Lease liabilities	820	—	—	820
Total	1,133,537	—	—	1,133,537

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders, by pricing services commensurately with the level of risk.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the Relevant Periods.

33. AMOUNTS DUE FROM AND DUE TO SUBSIDIARIES

The Company

Amounts due from subsidiaries

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other receivables	69,789	97,468	159,478
Impairment	(35)	(48)	(80)
Total	69,754	97,420	159,398

Amounts due to subsidiaries

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other payables	2,208	—	5,169
Total	2,208	—	5,169

Amounts due from/to subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

34. EVENTS AFTER THE RELEVANT PERIODS

(i) On 4 June 2026, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The net assets of the Company as of the conversion base date determined and measured based on the PRC GAAP were converted into 8,796,465 ordinary shares at RMB1.00 each. The excess of the net assets converted over the nominal value of the ordinary shares was credited to the Company's capital reserve.

(ii) In February and June 2026, total capital contribution of RMB4,881,000 was received in cash. In June 2026, 82,467 shares of the Company were issued pursuant to the share purchase agreement entered into between the Company and the new investors and total cash consideration of RMB30,000,000 was received by the Group.

35. SUBSEQUENT FINANCIAL STATEMENTS

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