The following discussion and analysis should be read in conjunction with the consolidated financial information together with the accompanying notes in the Accountants' Report included in Appendix I to this Document. Our historical financial information and the consolidated financial statements of our Group have been prepared in accordance with IFRS Accounting Standards, which may differ in certain material aspects from generally accepted accounting principles in other jurisdictions. You should read the whole Appendix I and not rely merely on the information contained in this section. Unless the context otherwise requires, historical financial information in this section is described on a consolidated basis.

The discussion and analysis set forth in this section contains forward-looking statements that involve risks and uncertainties. These statements are based on assumptions and analyses made by us in light of our experience and perception of historical trends, current conditions and expected future developments as well as other factors we believe are appropriate under the circumstances. Our actual results may differ significantly from those projected. Factors that could cause or contribute to such differences include, without limitation, those discussed in the sections headed "Risk Factors" and "Business" and elsewhere in this Document. Discrepancies between totals and sums of amounts listed in this section in any table or elsewhere in this Document may be due to rounding.

OVERVIEW

Our empowerment and incubation investment business primarily includes provision of training and consulting services and incubation investment business with own funds. Our total of revenue and net investment gains or losses generated from empowerment and incubation investment business were approximately RMB11.2 million, RMB16.2 million and RMB15.8 million, for the years ended 31 December 2023, 2024 and 2025, respectively, which represented approximately 11.6%, 15.3% and 14.6% of our total of revenue and net investment gains or losses during the same periods.

By our private equity fund investment management business, we provide capital management services to Sci-tech innovation industry, including the management of funds of funds and direct investment funds, and make investments through the capital managed by our funds. In addition, we also invest our own capital in such direct investment funds under our management, or in jointly establish corporate incubator funds with industrial companies and listed companies. We have invested in 189, 207 and 224 portfolio companies via our funds as at 31 December 2023, 2024 and 2025, respectively. As at 31 December 2025, our AUM for private equity fund investment management business was RMB12.7 billion, including RMB8.2 billion managed through fund of funds and RMB4.5 billion through direct investment funds. For the years ended 31 December 2023, 2024 and 2025, the total revenue and net investment gains or losses generated by our private equity fund investment management business was approximately RMB85.8 million, RMB89.2 million and RMB92.5 million, accounting for approximately 88.4%, 84.7% and 85.4% of our total revenue and net investment gains or losses for the corresponding years, respectively.

BASIS OF PRESENTATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards. For the purpose of preparing the historical financial information, we have adopted all applicable new and revised IFRS Accounting Standards to the Track Record Period, except for any new and revised or amended standards that are not yet effective for the accounting period beginning on 1 January 2025. New and revised accounting standards and interpretations issued but not yet effective for the accounting period beginning on 1 January 2025 are set out in Note 2 to the Accountants' Report in Appendix I to this document.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial condition and results of operations have been and will continue to be affected by a number of factors, including those discussed below, some of which are beyond our control.

Macroeconomic Conditions and Market Environments

Changes in the macroeconomic environment can significantly impact entrepreneurial opportunities, resources, and the willingness of entrepreneurs to engage in a new business, ultimately affecting the Sci-tech innovation industries. As the macroeconomic cycle fluctuates, it can lead to a decline in the entrepreneurial landscape, particularly in response to external factors such as the slowdown in the domestic economy and a cooling capital market. These conditions can diminish the number of start-up projects and alter the demands of entrepreneurships, thereby placing pressure on the development in our businesses.

Specifically for our training and consulting services, revenue is primarily derived from repeat purchases by key corporate clients. During favourable economic conditions, enterprises tend to increase their budgets for expansion and transformation-related training and consulting services. Conversely, during economic downturns, such budgets are often among the first to be reduced, which may adversely affect our revenue from this segment. Additionally, intensified domestic competition is forcing enterprises to seek more refined and results-driven training and consulting services, requiring our consultants to possess strong practical implementation capabilities.

Deteriorating economic conditions may also have an adverse effect on the performance of our portfolio companies and opportunities in which we invest. Poor performance by such assets or opportunities may negatively impact the returns of our investments, and therefore materially and adversely affect our financial performance and our ability to raise new capital. In addition, local and geopolitical events and decisions, such as sanctions, embargoes, trade disputes, changes in tax laws and regulations, bans, tariffs, or changes in subsidies, may also adversely impact investments made by our investment funds and our overall performance. We are affected by various factors, including the performance and volatility of financial markets, credit spreads, changes in interest rates and inflation. Our exit strategies, whether through public offerings or equity transfers, including acquisitions or repurchases, may also be affected by conditions and trends in the capital markets. Our investment exit proceeds and fund returns are directly or indirectly affected by fluctuations in primary and secondary capital markets. Unfavourable market conditions may delay exits or reduce realized returns, thereby adversely affecting our net investment gains and carried interest. If market trends are unfavourable, it may take longer than we expect for our portfolio companies to achieve an initial public offering and longer for us to exit our investments through other means. As a result, our investment cycle will be longer, resulting in a lower return on investment. However, in an economic downturn, asset prices will be adjusted downward, and some weaker competitors will not be able to survive in the tough economic environment, which will benefit us to make good investments in a less competitive environment.

Fluctuations in the Sci-tech innovation industries

As we are a service provider focuses on Sci-tech innovation industries who provides enterprise empowerment services and private equity fund investment management to customers in China, and we are a pioneer in combining private equity fund investment management business with enterprise empowering services as a dual driving force Sci-tech innovation industries. The funds we manage and invest are also primarily focus on the Sci-tech innovation industries in China, our business may be affected by the volatility of the Sci-tech innovation industries. The Sci-tech innovation industries is constantly changing, including technological developments, frequent launches of new products and services, new industry standards and an ever-changing legal and regulatory environment. The performance of the industry would in turn affect the performance of our technology enterprises empowerment service, and the performance and exit opportunities of the portfolio companies of our funds under management, which subsequently would affect our revenue. Our success will depend in part on our ability to respond to such changes in a timely and efficient manner and to resist risks. As a service provider in China that supports the Sci-tech innovation industries, we seek to identify new opportunities in the industry from time to time and adjust our empowerment methods and investment strategy to hedge against risks during industry cycles.

During the 20th National Congress held in 2022, the Chinese government reiterated the strategy of revitalising the country through science and technology, emphasising that technological innovation should be placed at the core of national development and that technology is the primary productive force. We believe that driven by various favourable policies of the Chinese government, the Sci-tech innovation industries will flourish in the future and we will have more enterprise empowerment businesses and the investment opportunities, ultimately delivering stable revenue for our Group.

The Chinese government's strong support for "Specialized, Refined, Distinctive, and Innovative" (SRDI) enterprises has driven demand for complementary services such as corporate compliance, equity incentive planning, and advisory services for listing on the Beijing Stock Exchange, which may create growth opportunities for our empowerment and incubation investment business. Furthermore, policies encouraging early-stage, small-scale, and technology-focused investments, along with the expansion of government-guided funds, have increased capital flows into sectors such as hard technology, SRDI enterprises, biomedicine, and advanced manufacturing. This trend aligns with our investment focus and may present growth opportunities.

Conditions and Trends of Capital Markets

In our private equity fund investment management business, capital market conditions and trends could affect valuations of our funds and portfolio companies. The valuation of our funds and portfolio companies involves exercise of professional judgement and the use of certain bases, assumptions and unobservable inputs. Changes in these unobservable inputs caused by the capital market conditions and trends will affect the estimated fair value of our financial assets at fair value through profit or loss, which leads to uncertainty in our financial results.

Our ability to continuously attract capital commitments, the pace of investment activities as well as our exit strategies, whether through IPO or equity transfer including mergers and acquisitions or buyback, could also be affected by capital market conditions and trends. Our ability to exit investments successfully depends on the availability and diversity of exit channels, including IPOs, mergers and acquisitions, and equity transfers. A more diversified exit environment would enhance our flexibility, while over-reliance on any single channel could increase risk. If there are favourable conditions or trends in capital markets, we may exit our investments faster than expected and achieve a better realised value of our investments. When facing unfavourable trends or conditions, however, our portfolio companies may take longer time than we expected to reach the standards for an IPO or for us to exit our investments through other means. As a result, our investment period may be longer than we anticipated, lowering our expected returns on investments, and we may be unable to exit our investments either in the open market after IPOs or through private transactions.

Our Ability to Raise and Retain Capital

Our ability to raise and retain capital is significantly dependent on our track record and the investment returns we are able to generate for our fund investors and also on general market sentiment. We aim to provide consistent attractive returns to fund investors across economic cycles and dynamic markets conditions. Our revenue from private equity fund investment management business primarily consists of management fees, carried interest, management fees are relatively stable and linked to AUM, while carried interest and investment gains are highly dependent on exit proceeds and fund net asset value growth. Our investment funds' historical and expected future performance have enabled us to build relationships with a large group of fund investors, attract additional capital from existing and new fund investors, as well as achieve growth in AUM. Our ability to attract capital for our investment funds is also influenced by the competitive dynamics of the private equity investment industry and the strength of our performance relative to that of our competitors.

We prudently manage the pace of our expansion according to our judgement of investment opportunities, with the goal of maximising the returns of our investments through our management funds and through the corporate incubator model. While managing a solid pool of capital has been the foundation of our business, we make investments primarily to achieve strong returns, by exploring and seeking to invest in companies that carry the spirit of the time. We believe our ability to explore and invest in such opportunities will support our long-term success.

Our Ability to Generate Strong and Stable Returns

Our ability to generate strong returns for fund investors has a direct impact on our ability to raise capital for new funds as well as on our revenue and investment gains. Several factors have driven, and will continue to drive, our fund performance and ability to realise investment value, such as (i) our ability to maintain diversified portfolios of investments that grow in value over the long term, despite market fluctuations; (ii) our ability to effectively source and manage investment opportunities; and (iii) the effectiveness, efficiency and synergies of our investment professionals and other supporting departments. Any deteriorations in these factors may adversely affect our returns in the future, which could in turn affect our fundraising abilities, as both existing and prospective fund investors will consider our historical return profile when making future asset allocations.

Especially, our ability to continue to grow our revenue and investment gains is dependent on our continued ability to source attractive investments and efficiently deploy the capital that we have raised. Our ability to identify attractive investments and execute on those investments is dependent on a number of factors, including the general macroeconomic environment, market positioning, valuation, transaction size and the expected duration of such investment opportunities. While the capital deployed in any given quarter may fluctuate significantly due to the availability of attractive opportunities and the long-term nature of our strategies, our ability to efficiently invest our strong capital base positions us well to sustain revenue and investment growth over time.

Our Ability to Attract, Motivate and Retain High-Quality Talents

The growth of our business depends largely on the acquisition and retention of high-quality talent and skilled workforce, including enterprise empowerment teams and investment professionals. Over the years, we have made significant investments to identify and develop our outstanding employees through a variety of talent development programmes. As we compete to acquire and retain qualified employees, we believe it is necessary and customary to prepare an attractive package, including compensation and benefits, clear career paths and diversified career opportunities, to enhance our ability to attract, motivate and retain them. Therefore, we may have to incur significant relevant expenses, which could adversely affect our results of operations.

Regulatory and Policy Changes

Our empowerment and incubation investment business and our private equity fund investment management business are subject to extensive regulations, and present or future regulations affect numerous aspects of our operations. We must comply with, and are affected by, governmental and self-regulatory organisations laws, rules and regulations at a national, regional and local level. Further, we must comply with laws, rules and regulations of jurisdictions into which we may expand in the future and the jurisdictions of fund investors and jurisdictions where our funds make their investments, and would be subject to risks relating to the complexities involved in being subject to such regulations.

Our private equity fund investment management business is subject to comprehensive regulations, including the Regulations on the Supervision and Administration of Private Investment Funds (《私募投資基金監督管理條例》) covering areas such as registration, fundraising, investment, disclosure, internal controls, and risk management. Compliance with these evolving requirements imposes significant operational and legal costs, which may affect our profitability. On the tax front, we are subject to corporate income tax, individual income tax, turnover taxes, and stamp duty at the fund manager level. At the fund level, the "distribute-before-tax" principle applies, passing taxable income through to partners. Favorable tax policies for small and micro enterprises positively impact our clients and our operations where applicable.

MATERIAL ACCOUNTING POLICY INFORMATION AND CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The financial information is presented in RMB, which is the same as our Company's functional currency and all values are rounded to the nearest thousand unless otherwise indicated. The preparation of the historical financial information in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying our accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the historical financial information. For details on the description of our material accounting policy information, as well as critical accounting estimates and judgements, see Notes 3 and 4 to the Accountants' Report in Appendix I to this document.

DISCONTINUED OPERATIONS

In June 2025, pursuant to the agreement signed with Wanglian Keji, a related party of the Group under common control, the Group agreed to sell 85% shareholding in Hangzhou Xingqitian at a consideration of approximately RMB16.2 million determined with reference to an independent valuation of Hangzhou Xingqitian. Hangzhou Xingqitian and its subsidiaries engage in the provision of sales and marketing services through live streaming broadcasting. The disposal transaction was completed on 25 June 2025 and Hangzhou Xingqitian was classified as discontinued operations.

The results of Hangzhou Xingqitian and its subsidiaries extracted from Note 18 to the Accountants' Report in Appendix I are presented as below:

	For the year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Revenue	103,452	139,024	81,530
Cost of goods sold	(18,170)	(20,729)	(10,124)
Staff costs	(27,176)	(19,973)	(11,928)
Depreciation and amortisation	(2,785)	(3,818)	(1,720)
Other operating expenses	(50,407)	(92,688)	(56,094)
Finance costs	(60)	(185)	(151)
Reversal of impairment losses on financial assets, net	(125)	(161)	—
Other income	296	26	64
Other gains/(losses), net	175	(97)	2
Gains on disposal of subsidiaries	—	—	16,231
Profit before income tax	5,200	1,399	17,810
Income tax expense	(261)	(66)	(4,559)
	4,939	1,333	13,251

See "History, Reorganisation and Corporate Structure — Reorganisation" and Note 18 to the Accountants' Report in Appendix I for details.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income for the periods indicated.

	For the year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Continuing operations			
Revenue			
Private equity investment services income	95,175	66,628	57,815
Training and consulting services income	8,381	8,529	6,678
Software development services income	2,560	1,841	84
	106,116	76,998	64,577
Investment gains or losses, net	(9,086)	28,428	43,635
Total revenue and investment gains or losses, net	97,030	105,426	108,212
Staff costs	(48,565)	(44,519)	(45,973)
Depreciation	(7,100)	(6,212)	(5,428)
Other operating expenses	(16,167)	(12,987)	(9,777)
Finance costs	(2,194)	(748)	(927)
(Charge)/reversal of impairment losses on financial assets, net	(94)	952	138
Other income	954	375	4,193
Other gains/(losses), net	3,099	(6,314)	46
Share of results of associates	(340)	272	(2,286)
Profit before income tax	26,623	36,245	48,198
Income tax expense	(4,672)	(2,818)	(9,739)
Profit from continuing operations	21,951	33,427	38,459
Profit from discontinued operations	4,939	1,333	13,251
Profit for the year	26,890	34,760	51,710
Profit/(loss) for the year attributable to:			
Owners of the Company	22,443	37,543	51,632
Non-controlling interests	4,447	(2,783)	78
	26,890	34,760	51,710
Profit attributable to owners of the Company arises from:			
Continuing operations	20,235	36,976	39,411
Discontinued operations	2,208	567	12,221
	22,443	37,543	51,632
Profit/(loss) attributable to non-controlling interests arises from:			
Continuing operations	1,716	(3,549)	(952)
Discontinued operations	2,731	766	1,030
	4,447	(2,783)	78

	For the year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations	209	(505)	—
Total comprehensive income for the year	27,099	34,255	51,710
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company	22,652	37,038	51,632
Non-controlling interests	4,447	(2,783)	78
	27,099	34,255	51,710
Total comprehensive income for the year attributable to owners of the Company arises from:			
Continuing operations	20,444	36,471	39,411
Discontinued operations	2,208	567	12,221
	22,652	37,038	51,632
Total comprehensive income for the year attributable to non-controlling interests arises from:			
Continuing operations	1,716	(3,549)	(952)
Discontinued operations	2,731	766	1,030
	4,447	(2,783)	78
Earnings per share — basic and diluted (expressed in RMB per share)			
Continuing operations	0.20	0.37	0.39
Discontinued operations	0.02	0.01	0.12

DESCRIPTION OF SELECTED ITEMS IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF CONTINUING OPERATIONS

Revenue from continuing operations

Revenue by business line

During the Track Record Period, we primarily generated our revenue from (i) empowerment and incubation investment business segment and (ii) private equity fund investment management business segment.

Our revenue was approximately RMB106.1 million, RMB77.0 million, and RMB64.6 million in 2023, 2024 and 2025 respectively. The table below sets forth the breakdown of our revenue for the periods.

	For the year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Empowerment and Incubation Investment Business			
Training and consulting services income, recognised over time	8,381	8,529	6,678
Software development services income, recognised point in time	2,560	1,841	84
	10,941	10,370	6,762
Private Equity Fund Investment Management Business			
Fund management service income, recognised over time	35,406	29,801	32,281
Carried interest, recognised point in time	59,769	36,827	25,534
	95,175	66,628	57,815
	106,116	76,998	64,577

Empowerment and Incubation Investment Business Segment

Revenue from our empowerment and incubation investment business segment primarily includes provision of training and consulting services. We charge our clients service fees based on the training and consulting services we provide.

For the three years ended 31 December 2023, 2024 and 2025, our revenue generated from our empowerment and incubation investment business segment amounted to approximately RMB10.9 million, RMB10.4 million, and RMB6.8 million respectively, representing approximately 10.3%, 13.5% and 10.5% of our total revenue for the same period, respectively. The decrease in revenue generated from our empowerment and incubation investment business segment during the Track Record Period was primarily due to (i) from 2024 to 2025, the strategic shift of our training and consulting offerings toward identifying and screening high-potential investment targets, with a greater emphasis on lower-priced or complimentary courses to expand our access to potential high-quality investment opportunities, as well as, (ii) from 2023 to 2025, the decrease in software development services income following the strategic downsizing of this non-core business line.

Private Equity Fund Investment Management Business Segment

We provide capital management services to Sci-tech innovation industry, including the management of direct investment funds and funds of funds, and make investments through the capital managed by our funds. We manage capital and make investments primarily through our direct investment funds, where we receive fund management fees and carried interest. When we act as fund manager for fund of funds, we also receive management fee and carried interest from the funds we managed.

The table below sets forth further breakdown of our revenue generated from private equity fund investment management business for the periods indicated:

	For the year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Fund management service for direct investment funds			
Fund management service income	28,277	29,087	31,878
Carried interest	33,475	24,260	16,044
	61,752	53,347	47,922
Fund management service for fund of funds			
Fund management service income	7,129	714	403
Carried interest	26,294	12,567	9,490
	33,423	13,281	9,893
Total	95,175	66,628	57,815

The revenue generated from management of direct investment funds business decreased by approximately 13.6% from approximately RMB61.8 million for the year ended 31 December 2023 to approximately RMB53.3 million for the year ended 31 December 2024 and further decreased by approximately 10.2% from approximately RMB53.3 million for the year ended 31 December 2024 to approximately RMB47.9 million for the year ended 31 December 2025. Such decrease was primarily due to carried interests from fund management service for direct investment funds have declined following a slowdown in exit activities in 2024 and 2025.

The revenue generated from management of fund of funds business decreased by approximately 60.3% from approximately RMB33.4 million for the year ended 31 December 2023 to approximately RMB13.3 million for the year ended 31 December 2024 and further decreased by approximately 25.5% from approximately RMB13.3 million for the year ended 31 December 2024 to approximately RMB9.9 million for the year ended 31 December 2025. Such decrease was primarily due to (i) a decrease in fund management service income from our fund of funds business, as it has not raised new funds in recent years and some existing funds have matured and (ii) the carried interests from fund management service for fund of funds have declined following a slowdown in exit activities in 2024 and 2025.

Revenue by geographical location

During Track Record Period, all the Group's operations are conducted in the PRC. All its revenue was derived from the PRC, no segment geographical information is therefore presented.

Investment Gains or Losses, Net from Continuing Operations

Our net investment gains or losses primarily consist of (i) dividends and interests from financial assets at FVTPL, representing returns generated from our investments in portfolio companies where we do not have significant influence; (ii) dividends and interests from interests in associates measured at fair value, representing returns generated from our investments in associated companies over which we have significant influence; (iii) net (losses)/gains on disposal of financial assets at FVTPL; (iv) net (losses)/gains on disposal of interests in associates measured at fair value; (v) net fair value (losses)/gains on interests in associates measured at fair value, representing the appreciation or depreciation of our interests in associated companies that are not yet realised; (vi) net fair value (losses)/gains on financial assets at FVTPL, representing the investment gains or losses arising from changes in fair value during the holding period; and (vii) net fair value losses on financial liabilities at FVTPL, representing the share of fair value loss arising from our consolidated structure entities to other limited partners according to their respective interests in such entities.

We measure the fair value of our financial assets and liabilities at the end of each financial period or when assets are disposed of, and recorded the gains and losses arising from the fair value measurement in accordance with the accounting policies set out in Note 3 to the Accountants' Report in Appendix I, which conform with IFRS Accounting Standards. Our financial assets at FVTPL with fair value measurements categorised under Level 1, Level 2 and Level 3 of the fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, as detailed in Note 5 and Note 6.

Our interests in associates are accounted for under two distinct measurement approaches: the equity method and fair value through profit or loss. This distinction reflects the different nature of these investments.

We measure the fair value of our interests in associates that are designated at fair value through profit or loss at the end of each financial period, or when such investments are disposed of, and record the gains and losses arising from fair value measurement in accordance with the accounting policies set out in Note 3 to the Accountants' Report in Appendix I, which conform with IFRS Accounting Standards. For our interests in associates accounted for using the equity method, we recognise our share of the associate's results and other comprehensive income on a periodic basis, and test for impairment when circumstances indicate. The fair value measurements of these fund interests are categorised under Level 3 of the fair value hierarchy based on the net asset value of the underlying investments, as detailed in Note 6.

Details of our net investment gains or losses are as set out in Note 8 to the Accountants' Report in Appendix I. The level of the recognition of net investment gains or losses is primarily driven by exit schedule, market conditions, investment cycle and valuation fluctuation. This process is inevitably timing sensitive and deeply affected by market volatility. As a result, market fluctuations affect our general investment performance.

The table below sets forth a breakdown of our net investment gains or losses for the periods indicated:

	For the year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Empowerment and Incubation Investment Business Segment			
— Dividends and interests from financial assets at FVTPL	—	5	—
— Fair value (losses)/gains on financial assets at FVTPL, net	(76)	5,784	8,889
— (Losses)/gains on disposal of financial assets at FVTPL, net	371	21	104
	295	5,810	8,993
Private Equity Fund Investment Management Business Segment			
— Dividends and interests from financial assets at FVTPL	9,785	1,512	68
— Dividends and interests from interests in associates measured at fair value	7,950	2,484	1,759
— Fair value (losses)/gains on financial assets at FVTPL, net	10,176	21,825	23,868
— Fair value (losses)/gains on interests in associates measured at fair value, net	(32,295)	(4,406)	12,287
— Fair value losses on financial liabilities at FVTPL, net	—	(882)	(3,607)
— (Losses)/gains on disposal of financial assets at FVTPL, net	(5,361)	1,840	267
— (Losses)/gains on disposal of interests in associates measured at fair value, net	364	245	—
	(9,381)	22,618	34,642
	(9,086)	28,428	43,635

Empowerment and Incubation Investment Business Segment

We make incubation investment using our own capital to acquire equity interests in early-stage innovation companies, aiming to achieve substantial future returns through gain in capital arising from our empowering incubation investment services. Our incubation investment with our own capital primarily focuses on early-stage projects in Sci-tech innovation industry, which may carry high risks but have high returns. Such investments, classified as financial assets at FVTPL and interests in associates measured at fair value. Net investment gains generated from empowerment and incubation investment business during the Track Record Period, amounted to approximately RMB0.3 million, RMB5.8 million and RMB9.0 million, respectively.

Private Equity Fund Investment Management Business Segment

Apart from provision of capital management services to Sci-tech innovation industry, including the management of funds of funds and direct investment funds, and make investments through the capital managed by our funds, we also invest our own capital in such direct investment funds under our management, or in jointly establish corporate incubator funds with industrial companies and listed companies. Net investment gains or losses from private equity fund investment management business during the Track Record Period, amounted to losses of approximately RMB9.4 million, gains of approximately RMB22.6 million and gains of approximately RMB34.6 million, respectively.

Staff Costs

Our staff costs primarily consist of (i) salaries and allowances, (ii) retirement benefit scheme contributions and (iii) other benefits. During the Track Record Period, we recorded staff costs of approximately RMB48.6 million, RMB44.5 million and RMB46.0 million for the years ended 31 December 2023, 2024 and 2025, respectively. The following table sets forth the breakdown of our staff costs for years indicated:

	For the year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Salaries and allowances	39,565	35,000	36,505
Retirement benefit scheme contributions	3,474	3,460	3,640
Other benefits	5,526	6,059	5,828
Total	48,565	44,519	45,973

Depreciation Expenses

Our depreciation expenses primarily consist of (i) depreciation of property, plant and equipment and (ii) depreciation of right-of-use assets. We recorded depreciation expenses of approximately RMB7.1 million, RMB6.2 million and RMB5.4 million for the years ended 31 December 2023, 2024 and 2025, respectively.

Other Operating Expenses

Our other operating expenses primarily consist of (i) professional fees, (ii) training service fees, (iii) **[REDACTED]**, (iv) travel expenses, (v) office expenses, (vi) rental expenses, (vii) entertainment expenses, (viii) taxes and surcharges, (ix) auditors' remuneration and (x) others. During the Track Record Period, we recorded other operating expenses of approximately RMB16.2 million, RMB13.0 million and RMB9.8 million for the years ended 31 December 2023, 2024 and 2025, respectively.

Finance Costs

Our finance costs primarily consist of (i) interest on loans payable to third parties, (ii) interest on lease liabilities and (iii) interest on bond payables. During the Track Record Period, we recorded finance costs of approximately RMB2.2 million, RMB0.7 million and RMB0.9 million for the years ended 31 December 2023, 2024 and 2025, respectively.

(Charge)/Reversal of Impairment Losses on Financial Assets, Net

We perform impairment assessment under expected credit loss ("**ECL**") model on financial assets. Assessment is performed based on our historical credit loss experience, adjusted for factors that are specific to debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast future conditions. We make periodic individual assessment on the recoverability of other receivables based on historical settlement records, past experience, and also available reasonable and supportive forward looking information under ECL model.

Our (charge)/reversal of impairment losses on financial assets, net consist of (i) accounts receivables; and (ii) deposits and other receivables. During the Track Record Period, we recorded charge of impairment losses on financial assets of approximately RMB 94.0 thousand, reversal of impairment losses on financial assets of approximately RMB1.0 million and reversal of impairment losses on financial assets of approximately RMB0.1 million for the years ended 31 December 2023, 2024 and 2025, respectively.

Other Income

Our other income primarily consists of (i) interest income, mainly reflecting the interest we received from bank deposits, (ii) government grants, and (iii) sundry income. During the Track Record Period, we recorded other income of approximately RMB1.0 million, RMB0.4 million and RMB4.2 million for the years ended 31 December 2023, 2024 and 2025, respectively.

The following table sets forth the breakdown of our other income for years indicated:

	For the year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest income	420	26	84
Government grants[1]	386	274	4,030
Sundry income	148	75	79
Total	954	375	4,193

Note:

(1) The amounts represent subsidies granted by certain local governments for rewarding domestic business contribution and unconditional industrial or high-tech enterprise subsidies for the purpose of giving financial support to the Group's operations. As of 31 December 2023, 2024 and 2025, there are no unfulfilled conditions or contingencies relating to the above subsidies.

Other Gains/(Losses), Net

Our net other gains/(losses) primarily consist of (i) gains/(losses) on disposal of subsidiaries, (ii) gains on disposal of associates, (iii) gains on disposal of early lease termination and other modifications, (iv) net foreign exchange gains/(losses), and (v) losses on disposal of property, plant and equipment. During the Track Record Period, we recorded net other gains of approximately RMB3.1 million, net other losses of approximately RMB6.3 million and net other gains of approximately RMB46.0 thousand for the years ended 31 December 2023, 2024, 2025 respectively.

The following table sets forth the breakdown of our net other gains/(losses) for years indicated:

	For the year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Gains/(losses) on disposal of subsidiaries . . .	1,931	(6,506)	—
Gains on disposal of associates	—	—	51
Gains on disposal of early lease termination and other modifications	1,188	88	—
Foreign exchange gains/(losses), net	—	108	(5)
Losses on disposal of property, plant and equipment.	(20)	(4)	—
	3,099	(6,314)	46

Share of Results of Associates

An associate is an entity in which our Group has significant influence, but not control or joint control, over the financial and operating policies. Our interests in associates are accounted for under two distinct measurement approaches: the equity method and fair value through profit or loss. Interests in associates measured using the equity method represent our strategic equity investments in associate companies, where we recognise our share of the associate's results and other comprehensive income on a periodic basis. Interests in associates measured at fair value represent our interests in associates that are investment funds managed by the Group. For details of our share of results of associates, see Note 24 to the Accountants' Report in Appendix I to this document.

During the Track Record Period, our share of results of associates primarily represented profits less losses from our investments in Beijing Huachuang Jiacheng Investment Management Co., Ltd.* (北京華創嘉成投資管理有限公司), Chongqing Shengying, Beijing Xinaote Shengjing Equity Investment Fund Management Co., Ltd.* (北京新奧特盛景股權投資基金管理有限公司) ("**Beijing Xinaote**"), Nanjing Hongyuan Investment Management Co., Ltd.* (南京閎源投資管理有限公司) ("**Nanjing Hongyuan**") and Beijing Qimiao Emergence Gene Cell Industry Incubation Co., Ltd.* (北京奇妙湧現基因細胞產業孵化有限公司) ("**Beijing Qimiao**"). We recorded the share of results of associates of approximately RMB0.3 million of losses, RMB0.3 million of gains and RMB2.3 million of losses for the years ended 31 December 2023, 2024 and 2025, respectively.

Income Tax Expense

Hong Kong

No provision of Hong Kong Profit Tax was made in our historical financial statements as we had no assessable profit subject to Hong Kong Profit Tax during the Track Record Period.

Mainland China

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, except for the preferential treatments available to certain subsidiaries and consolidated structure entities as mentioned below, other subsidiaries within our Group operating in the PRC are subject to EIT at the statutory rate of 25% during the Track Record Period.

During the Track Record Period, three of the Group's subsidiaries operating in the PRC are subject to Hainan Free Trade Port preferential EIT rate of 15% from their dates of incorporation till 31 December 2027. In addition, certain subsidiaries of the Group operating in the PRC are qualified as small and micro enterprises during the Track Record Period. Their EIT provision is calculated at the applicable EIT rate of 20% on the statutory EIT rate of 25% of the taxable income amount during the Track Record Period and until 31 December 2027, i.e. at a preferential EIT rate of 5%.

We recorded income tax expense of approximately RMB4.7 million, RMB2.8 million and RMB9.7 million for the years ended 31 December 2023, 2024 and 2025, respectively.

As of the Latest Practicable Date, we did not have any dispute with any tax authority. During the Track Record Period and up to the Latest Practicable Date, we had not been subject to any tax investigation, enquiries, penalties or surcharges.

YEAR TO YEAR COMPARISON OF RESULTS OF CONTINUING OPERATIONS

The Year Ended 31 December 2025 Compared with the Year Ended 31 December 2024

Revenue from Continuing Operations

Our total revenue decreased by 16.1% from RMB77.0 million in 2024 to RMB64.6 million in 2025, mainly due to the following changes:

— Our revenue generated from empowerment and incubation investment business decreased from approximately RMB10.4 million in 2024 to approximately RMB6.8 million in 2025, primarily due to (i) the decrease in training and consulting services income following the strategic shift of our training and consulting offerings toward identifying and screening high-potential investment targets, with a greater emphasis on lower-priced or complimentary courses to expand our access to potential high-quality investment opportunities, as well as, (ii) the decrease in software development services income following the strategic downsizing of this non-core business line.

— Our revenue generated from fund investment and management business decreased from approximately RMB66.6 million in 2024 to approximately RMB57.8 million in 2025, primarily due to (i) a decline in fund management service income from our fund of funds management business, as the fund of funds has not raised new funds in recent years and some existing funds have matured, ceasing to accrue or allocate fund management service income, as the lack of new fundraising directly curtails recurring fee income and (ii) carried interests from both fund of funds and direct investment funds have been declining, affected by a slowdown in exit activities in 2025. This decline was partially offset by steady growth in fund management service income from our direct investment funds, driven by an increase in capital raised.

Investment Gains or Losses, Net from Continuing Operations

Our net investment gains increased by 53.5% from RMB28.4 million in 2024 to RMB43.6 million in 2025, mainly due to the following changes:

— Our net investment gains generated from empowerment and incubation investment business increased from approximately RMB5.8 million in 2024 to approximately RMB9.0 million in 2025, primarily due to an increase in net fair value gains on financial assets at FVTPL following rigorous screening and ongoing post-investment management by the Group, fair value appreciation of the incubation investment projects held by the Company, most of which are high-technology projects that have experienced rapid development and significant value growth in recent years, supported by more favourable market conditions and the maturation of certain investment projects.

— Our net investment gains generated from private equity fund investment management business increased from approximately RMB22.6 million in 2024 to approximately RMB34.6 million in 2025, primarily due to (i) an increase in fair value of financial assets at FVTPL following investments made with own capital in direct investment projects have developed favourably, with fair value rising year over year, supported by the rapid growth and maturation of certain investment projects, and (ii) an increase in fair value gains on interests in associates measured at fair value following liquidity improvement, IPO market recovery, and renewed primary market activity supported a rebound in fair values in 2025.

Staff Costs

Our staff costs slightly increased from approximately RMB44.5 million in 2024 to approximately RMB46.0 million in 2025, primarily due to salary increment for certain key employees.

Depreciation Expenses

Our depreciation expenses decreased from approximately RMB6.2 million in 2024 to approximately RMB5.4 million in 2025, primarily due to the decrease in right-of-use assets as a result of the deconsolidation of discontinued operations in 2025, which resulted in a reduction in depreciation of right-of-use assets.

Other Operating Expenses

Our other operating expenses decreased from approximately RMB13.0 million in 2024 to approximately RMB9.8 million in 2025, primarily due to the higher professional fees in 2024, which resulted from a change in some professional services providers; and the lower professional fees in 2025, as expenses related to new professional parties were capitalized during the year rather than fully expensed.

Finance Costs

Our financial costs increased slightly from approximately RMB0.7 million in 2024 to approximately RMB0.9 million in 2025, primarily due to interest expenses related to the Sci-Tech Bonds issued in 2025.

(Charge)/Reversal of Impairment Losses on Financial Assets, Net

Our net reversal of impairment losses on financial assets decreased from approximately RMB1.0 million in 2024 to approximately RMB0.1 million in 2025 primarily due to the fact that in 2024, the collection of long-aged receivables for which higher impairment provisions had previously been recognised.

Other Income

Our other income increased from approximately RMB0.4 million in 2024 to approximately RMB4.2 million in 2025, primarily due to an increase in government grant in 2025 following the government's approval of a grant upon verification of our Company's and our fund's local tax contributions in Hangzhou, as applied for by Hangzhou Shengyi in accordance with relevant local policies.

Other Gains/(Losses), Net

We recorded net other losses of approximately RMB6.3 million in 2024 as compared to net other gains of approximately RMB46.0 thousand in 2025, primarily due to the losses on disposal of subsidiaries arising from disposal of Changxing Jiacheng and Hainan Shengyi in 2024, whereas no such incident occurred in 2025.

Share of Results of Associates

Our share of results of associates changed from gains of approximately RMB0.3 million in 2024 to losses of approximately RMB2.3 million in 2025, primarily due to our share of losses of associates, Chongqing Shengying and Beijing Qimiao in 2025.

Income Tax Expense

Our income tax expenses increased from approximately RMB2.8 million in 2024 to approximately RMB9.7 million in 2025, primarily due to the growth in the private equity fund investment management business segment in 2025 compared to 2024, which was mainly driven by Hainan Jiacheng's rising profits, while it enjoys preferential high-tech tax rate.

Profit for the Year from Continuing Operations

As a result of the above, our profit increased from approximately RMB33.4 million in 2024 to approximately RMB38.5 million in 2025.

The Year Ended 31 December 2024 Compared with the Year Ended 31 December 2023

Revenue from Continuing Operations

Our total revenue decreased by 27.4% from RMB106.1 million in 2023 to RMB77.0 million in 2024, mainly due to the following changes:

— Our revenue generated from empowerment and incubation investment business decreased slightly from approximately RMB10.9 million in 2023 to approximately RMB10.4 million in 2024, primarily due to a decrease in software development services income following the strategic downsizing of this non-core business line.

— Our revenue generated from private equity fund investment management business decreased from approximately RMB95.2 million in 2023 to approximately RMB66.6 million in 2024, primarily due to (i) a decline in fund management service income from our fund of funds management business, as the fund of funds has not raised new funds in recent years and some existing funds have matured, ceasing to accrue or allocate fund management service income, as the lack of new fundraising directly curtails recurring fee income and (ii) carried interests from both fund of funds and direct investment funds have been declining, affected by a slowdown in exit activities in 2024 as compared to 2023.

Investment Gains or Losses, Net from Continuing Operations

We recorded net investment losses of RMB9.1 million in 2023 as compared to net investment gains of RMB28.4 million in 2024, mainly due to the following changes:

— Our net investment gains generated from empowerment and incubation investment business significantly increased from approximately RMB0.3 million in 2023 to approximately RMB5.8 million in 2024, primarily due to the recognition of fair value gains on financial assets measured at FVTPL, compared to fair value losses on such assets recorded in 2023. This improvement reflects the combined effects of more favourably market conditions affecting the valuation of underlying investees, the maturation of certain incubated projects that led to upward revaluations, and enhanced performance of direct investment holdings during the year

— We recorded net investment losses from private equity fund investment management business of approximately RMB9.4 million in 2023 as compared to net gains of approximately RMB22.6 million in 2024, primarily due to (i) an increase in fair value of financial assets at FVTPL following investments made with own capital in direct investment projects have developed favourably, with fair value rising year over year, supported by the rapid growth and maturation of certain investment projects, and (ii) a decline in fair value losses on interests in associates measured at fair value following the fair value losses in 2023 was driven by stock price declines in direct investment fund portfolios amid fundraising difficulties and A-share IPO slowdowns. In 2024, market conditions improved with better liquidity and IPO recovery, leading to a rebound in fair values and reduced losses compared to 2023.

Staff Costs

Our staff costs decreased from approximately RMB48.6 million in 2023 to approximately RMB44.5 million in 2024, primarily due to optimisation of labour structure and elimination of unnecessary roles.

Depreciation Expenses

Our depreciation expenses decreased from approximately RMB7.1 million in 2023 to approximately RMB6.2 million in 2024, primarily due a reduction in depreciation of right-of-use assets resulting from the early termination of leases in 2024.

Other Operating Expenses

Our other operating expenses decreased from approximately RMB16.2 million in 2023 to approximately RMB13.0 million in 2024, primarily due to a decrease in professional fees, travel expenses and entertainment expenses following a significant amount of work performed by professional services providers in 2023.

Finance Costs

Our financial costs decreased from approximately RMB2.2 million in 2023 to approximately RMB0.7 million in 2024, primarily due to the interest expense incurred on a loan obtained by GP from an offshore fund, which was recorded in 2023 but not repeated in 2024.

(Charge)/Reversal of Impairment Losses on Financial Assets, Net

We recorded net charge of impairment losses on financial assets of approximately RMB94.0 thousand in 2023 as compared to net reversal of impairment losses on financial assets of approximately RMB1.0 million in 2024, primarily due to the fact that in 2024, the collection of long-aged receivables for which higher impairment provisions had previously been recognised.

Other Income

Our other income decreased from approximately RMB1.0 million in 2023 to approximately RMB0.4 million in 2024, primarily due to (i) a decrease in interest income caused by a reduction in idle funds following the repayment of accounts payables in 2024, as well as (ii) a reduction in government grants attributable to the fact that Shengjing Digital no longer benefited from government subsidies for high-tech enterprises following the gradual scaling back of its business operations, which resulted in it no longer meeting the eligibility criteria for high-tech enterprise recognition.

Other Gains/(Losses), Net

We recorded net other gains of approximately RMB3.1 million in 2023 as compared to net other losses of approximately RMB6.3 million in 2024, primarily due to in 2023, (i) an increase in gains on disposal of subsidiaries following the disposal of Peakview Capital Management Co., and (ii) a decrease in gains on disposal of early lease termination and other modifications.

Share of Results of Associates

Our share of results of associates changed from losses of approximately RMB0.3 million in 2023 to gains of approximately RMB0.3 million in 2024, primarily due to our share of results of associate Chongqing Shengying changed from a loss in 2023 to a gain in 2024.

Income Tax Expense

Our income tax expenses decreased from approximately RMB4.7 million in 2023 to approximately RMB2.8 million in 2024, primarily due to a decrease in revenue from private equity fund investment management business in 2024 as compared to that of 2023.

Profit for the Year from Continuing Operations

As a result of the above, our profit increased from approximately RMB22.0 million in 2023 to approximately RMB33.4 million in 2024.

DISCUSSION OF CERTAIN SELECTED ITEMS FROM THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The table below sets forth selected information from our consolidated statements of financial position as of the dates indicated:

	As of 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment	5,535	4,501	1,039
Right-of-use assets	16,667	17,141	5,936
Goodwill	1,854	1,854	—
Other intangible assets	—	—	—
Interests in associates	233,897	169,542	195,116
Financial assets at fair value through profit or loss ("**FVTPL**")	104,823	160,912	191,456
Deferred tax assets	7,726	13,144	9,961
	370,502	367,094	403,508
CURRENT ASSETS			
Accounts receivables	25,920	12,700	15,286
Prepayments, deposits and other receivables	28,128	44,211	27,616
Inventories	6,886	8,639	—
Financial assets at FVTPL	18,766	16,559	18,012
Cash and cash equivalents	94,797	91,294	266,068
Income tax receivable	193	70	—
	174,690	173,473	326,982

	As of 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
CURRENT LIABILITIES			
Borrowings	—	46	—
Accounts payables	2,702	5,932	—
Other payables and accruals	70,122	24,022	7,386
Contract liabilities	6,060	4,236	3,470
Dividend payable to the then equity holders of the Company	—	4,266	620
Income tax payable	5,631	6,368	3,287
Lease liabilities	5,621	9,739	6,017
Bond payables due within one year	—	—	405
	90,136	54,609	21,185
NET CURRENT ASSETS	84,554	118,864	305,797
TOTAL ASSETS LESS CURRENT LIABILITIES	455,056	485,958	709,305
NON-CURRENT LIABILITIES			
Deferred tax liabilities	7,576	6,184	7,754
Contract liabilities	1,861	2,501	—
Lease liabilities	12,625	12,429	1,409
Financial liabilities at FVTPL	—	16,521	20,128
Bond payables due over one year	—	—	195,641
	22,062	37,635	224,932
NET ASSETS	432,994	448,323	484,373
CAPITAL AND RESERVES			
Paid-up/share capital	—	100,000	100,000
Reserves	416,423	332,325	384,043
Equity attributable to owners of the Company	416,423	432,325	484,043
Non-controlling interests	16,571	15,998	330
TOTAL EQUITY	432,994	448,323	484,373

Property, Plant and Equipment

Our property, plant and equipment consist of (i) leasehold improvement, (ii) furniture and equipment, (iii) motor vehicles. Our property, plant and equipment decreased from approximately RMB5.5 million as of 31 December 2023 to approximately RMB4.5 million as of 31 December 2024, primarily due to the disposal of a vehicle and some office furniture and electronic equipment. Our property, plant and equipment further decreased to approximately RMB1.0 million as of 31 December 2025, primarily due to the deconsolidation of the discontinued operations in 2025, whose assets are no longer included in the consolidation scope of the Group.

Right-of-Use Assets

Our right-of-use assets are primarily related to our leased office properties for our operation. Our right-of-use assets increased from approximately RMB16.7 million as of 31 December 2023 to approximately RMB17.1 million as of 31 December 2024, primarily due to new leases entered into or renewed following the business needs driven by the discontinued operations in 2024. Our right-of-use assets then decreased to approximately RMB5.9 million as of 31 December 2025, primarily due to the deconsolidation of the discontinued operations in 2025, whose right-of-use assets are no longer included in the consolidation scope of the Group.

Goodwill

Our goodwill arises from the acquisitions of Hangzhou Meilian and Shengjing Digital. Our goodwill remained stable at approximately RMB1.9 million in 2023 and 2024. Our goodwill decreased from RMB1.9 million as of 31 December 2024 to nil as of 31 December 2025, due to the deconsolidation of Hangzhou Meilian in 2025, against which the goodwill was originally recognised.

For details of goodwill, see Note 22 to the Accountants' Report in Appendix I to this document.

Interests in Associates

Our interests in associates consists of interests in associates measured using equity method and interests in associates measured at fair value. The interests in associates measured using equity method consists of our investments in Beijing Huachuang Jiacheng Investment Management Co., Ltd.* (北京華創嘉成投資管理有限公司), Chongqing Shengying, Beijing Xinaote Shengjing Equity Investment Fund Management Co., Ltd.* (北京新奧特盛景股權投資基金管理有限公司) ("**Beijing Xinaote**"), Nanjing Hongyuan Investment Management Co., Ltd.* (南京閎源投資管理有限公司) ("**Nanjing Hongyuan**") and Beijing Qimiao Emergence Gene Cell Industry Incubation Co., Ltd.* (北京奇妙湧現基因細胞產業孵化有限公司) ("**Beijing Qimiao**"). Interests in associates measured at fair value represent the Group's investments in certain associates that are investment funds managed by the Group. The Group has elected to measure these investments at fair value. The Group is able to exercise significant influence over the operating and financial policies of the aforementioned funds, as it manages the funds' day-to-day investment and disposition activities on their behalf in accordance with the respective articles of association of the funds.

We recorded interests in associates of approximately RMB233.9 million, RMB169.5 million and RMB195.1 million as of 31 December 2023, 2024 and 2025, respectively. Our interests in associates decreased from approximately RMB233.9 million as of 31 December 2023 to approximately RMB169.5 million as of 31 December 2024, primarily due to the disposal in 2024 of a subsidiary that held fund-of-funds investment interests. It then increased to approximately RMB195.1 million as of 31 December 2025, primarily due to new investments in direct investment fund interests held.

For details of our interests in associates, see Note 24 to the Accountants' Report in Appendix I to this document.

Financial Assets at FVTPL

Our financial assets at FVTPL represented (i) unlisted equity investments and (ii) listed equity investments. As of 31 December 2023 and 2024 and 2025, our financial assets at FVTPL were RMB123.6 million, RMB177.5 million and RMB209.5 million, respectively.

Our financial assets at FVTPL increased from RMB123.6 million as of 31 December 2023 to RMB177.5 million as of 31 December 2024, primarily due to (i) an increase arising from changes in consolidation scope following the inclusion of newly consolidated entities, (ii) new investments deployed during the year, and (iii) fair value appreciation driven by improved market conditions and underlying portfolio performance. Our financial assets at FVTPL further increased to RMB209.5 million as of 31 December 2025, resulting from (i) additional investments made during the year as we continued to deploy capital into selected direct investment opportunities, and (ii) fair value gains, primarily driven by improved market conditions, a recovery in IPO activity, and renewed primary market financing momentum, which positively revalued our existing portfolio holdings.

We have adopted investment and treasury policies and internal control measures to review and monitor our investment risks. Our investment decisions are made after due and careful consideration of a number of factors, including market and investment conditions, economic developments, investment cost, duration of investment and risks expected to be involved and the expected returns. Prior to making any material investments, we shall consult with respective technical, financial and legal advisors and the other designated members of our management. We believe that our relevant internal control and risk management measures are sufficient in terms of comprehensiveness, practicability and effectiveness. Our investments in financial assets at FVTPL will be subject to the compliance with Chapter 14 of the Listing Rules after the **[REDACTED]**.

For details of financial assets at FVTPL, see Note 25 to the Accountants' Report in Appendix I to this document.

Accounts Receivables

Our accounts receivables primarily comprise (i) accounts receivables from independent third partied in relation to our live streaming e-commerce business, mainly representing amounts due from customers for products or services provided in the ordinary course of business; and (ii) accounts receivables in relation to our private equity fund investment management business, representing the amount of fund management fees due from various structure entities. The following table sets forth the details of our accounts receivables as of the dates indicated:

	As of 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Gross amount	26,084	12,738	15,365
Less: Allowance for credit losses	(164)	(38)	(79)
Carrying amount	25,920	12,700	15,286

The payment terms are stipulated in relevant contracts. We generally grant the credit period ranging from 30 days to 60 days for the customers of our empowerment and incubation investment business. For empowerment and incubation investment business, before accepting any new customers, the Group assesses the potential customer's credit quality by investigating their historical credit record and defines credit limits by customer. Credit sales are made to customers with a satisfactory and trustworthy credit history. Credit limits attributed to customers are reviewed regularly. For our private equity fund investment management business, generally no credit period is allowed during the Track Record Period. The accounts receivables arising from this business primarily represent management fees due from funds whose underlying investments are accounted for as interests in associates measured at fair value. These receivables have arisen mainly because certain funds set aside insufficient amounts for future expenses in their early years, resulting in shortfalls that were recorded as payables. However, such funds have consistently demonstrated a track record of promptly settling these outstanding amounts upon receiving project exit proceeds. The management of the Group assessed the impairment individually by reference to the fair value of underlying investments held by the funds and concluded that the accounts receivables are recoverable and the risk of impairment is not expected to be high, limited amounts of ECL allowances had been recognised, accordingly, during the Track Record Period.

Our accounts receivables decreased from approximately RMB25.9 million as of 31 December 2023 to approximately RMB12.7 million as of 31 December 2024, primary due to collection of outstanding receivables of fund management service income and carried interest from prior year. Our accounts receivables increased to approximately RMB15.3 million as of 31 December 2025 primary due to fund management service income and carried interest recognised in 2025 that had not yet been collected by year end. Our Group does not hold any collateral or other credit enhancements over our accounts receivables balances. Accounts receivables are non-interest-bearing.

The following is an aging analysis of accounts receivables based on invoice dates as of the end of each reporting period:

	As of 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
0 to 90 days	24,980	8,712	10,778
91 to 180 days	79	277	–
181 to 365 days	229	593	137
1 to 2 years	796	2,374	1,307
Over 2 years	—	782	3,143
	26,084	12,738	15,365

The following table sets forth a summary of accounts receivables turnover days for the periods indicated:

	For the year ended 31 December		
	2023	**2024**	**2025**
Accounts receivables turnover days	30.0	32.8	35.1

Note:

(1) Accounts receivables turnover days is calculated as the arithmetic mean of the opening and closing balances of accounts receivables (after impairment) by our total revenue (including continuing and discontinued operations) in the respective year and multiplying by the number of days in the relevant year.

Our accounts receivables turnover days were approximately 30.0 days, 32.8 days and 35.1 days for the three years ended 31 December 2023, 2024, and 2025, respectively. Our accounts receivables turnover days remained relatively stable due to the timely settlement of outstanding receivables, predominantly representing carried interest payable by fund clients, subsequently fully settled by the following month.

As of 30 April 2026, RMB7.5 million of our accounts receivables outstanding as of 31 December 2025 were settled.

Prepayments, Deposits and Other Receivables

Our prepayments, deposits and other receivables primarily consist of (i) amounts due from related parties, (ii) advances to related parties, (iii) advances to shareholders of the Company, (iv) advances to independent third parties, (v) deposits to suppliers, (vi) prepayments, (vii) prepaid **[REDACTED]**, (viii) advances to staff and (ix) lease and other deposits. Our prepayments, deposits and other receivables increased from approximately RMB28.1 million as of 31 December 2023 to approximately RMB44.2 million as of 31 December 2024, which was primarily due to the disposal of subsidiaries in 2024 for which the share transfer consideration had not yet been collected in 2024. It then decreased to approximately RMB27.6 million as of 31 December 2025, which was primarily due to the said consideration of share transfer received in 2025.

The following table sets forth the details of our prepayments, deposits and other receivables as of the dates indicated:

	As of 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Amounts due from related parties	—	22,952	—
Advances to related parties	19,702	13,597	13,532
Advances to shareholders of the Company	6,463	56	—
Advances to independent third parties	2,389	3,109	4,719
Deposits to suppliers	2,261	1,689	176
Prepayments	3,315	4,269	1,052
Prepaid **[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Advances to staff	1,589	955	870
Lease and other deposits	1,315	2,026	8,817
Sundry receivables	411	152	160
Value added tax receivable	192	108	71
	40,582	53,837	36,574
Less: Allowance for credit losses			
— Amounts due from related parties	—	(290)	—
— Advances to related parties	(6,104)	(6,256)	(6,071)
— Advances to shareholders of the Company	(3,426)	(30)	—
— Advances to independent third parties	(1,256)	(1,261)	(1,621)
— Advances to staff	(260)	(399)	(299)
— Others	(1,408)	(1,390)	(967)
	(12,454)	(9,626)	(8,958)
	28,128	44,211	27,616

Inventories

Our inventory comprises merchandise. Our inventories increased from approximately RMB6.9 million as of 31 December 2023 to approximately RMB8.6 million as of 31 December 2024, primarily due to the discontinued operations increasing its sales of self-branded products in 2024. Our inventories decreased to nil as of 31 December 2025, primarily due to the deconsolidation of the discontinued operations, whose inventory balances were no longer included in the consolidation scope of the Group.

The following table sets forth a summary of inventories turnover days for the years indicated:

	For the year ended 31 December		
	2023	2024	2025
Inventories turnover days	102.8	136.7	155.7

Note:

(1) Inventories turnover days for a year equals the average of the opening and closing balance of inventories divided by cost of goods sold (including continuing and discontinued operations) for the same year and multiplied by the number of days in the relevant year.

Our inventories turnover days increased from 102.8 days in 2023 to 136.7 days in 2024 and further to 155.7 days in 2025, primarily due to our discontinued operations commenced sales of self-operated products at the end of 2022, with a relatively small inventory build-up at that time, resulting in a low calculated turnover days figure for 2023. In 2024, the business grew steadily, leading to an increase in inventory levels and correspondingly higher turnover days. In 2025, the business was deconsolidated, and with zero ending inventory, the cost of goods sold decreased by a greater margin than the average inventories balance, the turnover days increased.

As of 30 April 2026, we recorded no inventories due to deconsolidation of the discontinued operations, whose inventory balances were no longer included in the consolidation scope of the Group.

Cash and Cash Equivalents

Our cash and cash equivalents include bank demand deposits, cash, deposits with brokers and balances with a payment gateway provider for the purpose of meeting its short-term cash commitments, which carry interest at prevailing market interest rates.

Our cash and cash equivalents decreased from approximately RMB94.8 million as of 31 December 2023 to approximately RMB91.3 million as of 31 December 2024, primarily due to net cash outflows from financing activities (including payment of **[REDACTED]**, repayment of loans from independent third parties, repayment of advances from related parties, and principal portion of lease payments), partially offset by net cash generated from operating activities. It then increased to approximately RMB266.1 million as of 31 December 2025, primarily due to the issuance of Sci-Tech Bonds in 2025, which raised more net proceeds.

Accounts Payables

Our accounts payables represent the outstanding balance in respect of our purchase of merchandise for the operation of our discontinued operations. Our suppliers generally grant us a credit period ranging from 0 to 90 days.

Our accounts payables increased from approximately RMB2.7 million, as of 31 December 2023 to approximately RMB5.9 million as of 31 December 2024, primarily due to the discontinued operations increasing its sales of self-branded products in 2024, which led to a corresponding increase in accounts payables. It then decreased to nil as of 31 December 2025, primarily due to the deconsolidation of the discontinued operations, whose accounts payables balances were no longer included in the consolidation scope of the Group.

The table below sets forth an aging analysis of our accounts payables as of the dates indicated:

	As of 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
0 to 90 days	2,222	3,475	—
91 to 180 days	480	2,452	—
181 to 365 days	—	5	—
	2,702	5,932	—

The table below sets forth the accounts payables turnover days for the periods indicated:

	For the year ended 31 December		
	2023	2024	2025
Accounts payables turnover days	56.4	76.0	106.9

Note:

(1) Accounts payables turnover days is calculated as the arithmetic mean of the opening and closing balances of accounts payables by our total cost of goods sold (including continuing and discontinued operations) in the respective year and multiplying by the number of days in the relevant year.

Our accounts payables turnover days were approximately 56.4 days, 76.0 days and 106.9 days for the three years ended 31 December 2023, 2024, 2025, respectively. The increasing trend of our accounts payables turnover days during the Track Record Period was primarily due to payables arising from the discontinued operations, which commenced at end of 2022 and experienced significant growth in scale in 2024, leading to a corresponding increase in payables as at end of 2024. In 2025, the business was deconsolidated, and with zero ending payables, the cost of goods sold decreased by a greater margin than the average accounts payables balance, the turnover days increased.

As of 30 April 2026, we recorded no accounts payables due to deconsolidation of the discontinued operations, whose inventory balances were no longer included in the consolidation scope of the Group.

Other Payables and Accruals

Our other payables and accruals primarily consist of (i) amounts due to related parties, (ii) advances from related parties, (iii) non-income taxes payables, and (iv) staff welfare payables.

The following table sets forth the details of our other payables and accruals as of the dates indicated:

	As of 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Amounts due to related parties	—	10,246	—
Advances from related parties	60,319	3,001	2,927
Non-income taxes payables	2,631	4,109	1,198
Staff welfare payables	6,986	6,061	3,195
Deposits received from customers	40	32	32
Sundry payables	146	573	34
	70,122	24,022	7,386

Our other payables and accruals significantly decreased from approximately RMB70.1 million as of 31 December 2023 to approximately RMB24.0 million as of 31 December 2024, primarily due to the repayment of amounts due to Wanglian Keji. It further decreased to approximately RMB7.4 million as of 31 December 2025, primarily due to consideration payable for acquisition of Beijing Wanglian in 2024 and settlement of such consideration in 2025.

Contract Liabilities

Our contract liabilities mainly represent amounts received in advance in respect of (i) fund management service, (ii) training and consulting service and (iii) commission income and sales of goods.

Our contract liabilities decreased from approximately RMB7.9 million as of 31 December 2023 to approximately RMB6.7 million as of 31 December 2024, primarily due to several prepayments recorded in the empowerment and incubation investment business at the end of 2023 were paid in 2024. It further decreased to approximately RMB3.5 million as of 31 December 2025, primarily due to (i) the deconsolidation of the discontinued operations, whose contract liabilities were no longer included in the consolidation scope of the Group and (ii) the continued amortisation of fundraising service fees over time.

As at the 30 April 2026, approximately RMB0.5 million of our contract liabilities as of 31 December 2025 had been recognised as revenue.

Financial liabilities at FVTPL

Financial liabilities arising from the Group's consolidated structured entities are designated at FVTPL, as the Group has an obligation to pay the consolidated structured entities' other investors their respective share of the net assets value upon the respective maturity dates of the consolidated structured entities. As the respective maturity dates of the consolidated structured entities are over twelve months from the end of each reporting period, the financial liabilities at FVTPL are classified as non-current liabilities. We recorded financial liabilities at FVTPL of nil, RMB16.5 million and RMB20.1 million as of 31 December 2023, 2024 and 2025, respectively.

Our financial liabilities at FVTPL increased from nil as of 31 December 2023 to RMB16.5 million as of 31 December 2024 and further to RMB20.1 million as of 31 December 2025, primarily due to (i) acquisition of a structural entity, and (ii) an increase in total gains recognised in profit or loss representing the portion of net profits of consolidated structured entities attributable to non-controlling interests for the year.

LIQUIDITY AND CAPITAL RESOURCES

The following table sets forth our combined statements of cash flows for the periods indicated:

	For the year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Cash generated from/(used in) operations	3,937	77,714	(21,660)
Net cash (used in)/generated from operating activities	(12,833)	68,913	(33,911)
Net cash generated from/(used in) investing activities	10,499	(9,251)	29,353
Net cash (used in)/generated from financing activities	(65,896)	(63,165)	179,328
Net (decrease)/increase in cash and cash equivalents	(68,230)	(3,503)	174,770
Cash and cash equivalents at beginning of the year	162,998	94,797	91,294
Effect of foreign exchange rate changes, net	29	—	4
Cash and cash equivalents at end of the year	94,797	91,294	266,068

Net cash (used in)/generated from operating activities

During the Track Record Period, our cash inflow from operating activities was principally from fund management service income and carried interest from fund management, collections from the empowerment and incubation investment business segment and exits or stake reductions from direct investments and fund investment projects. Our cash outflow used in operating activities was primarily attributable to costs and expenses in relation to business operation.

For the year ended 31 December 2025, we had net cash used in operating activities of approximately RMB33.9 million. During the year, our operating cash inflows before working capital changes were RMB18.2 million. Our cash flow was negatively affected by working capital adjustments primarily including (i) increase in accounts receivables of RMB6.4 million, (ii) increase in prepayments, deposits and other receivables of RMB13.3 million and (iii) increase in interests in associates measured at fair value of RMB25.5 million, which was partially offset by (iv) increase in other payables and accruals of RMB0.6 million and (v) increase in contract liabilities of RMB3.3 million.

For the year ended 31 December 2024, we had net cash generated from operating activities of approximately RMB68.9 million. During the year, our operating cash inflows before working capital changes were RMB30.9 million. Our cash flow was positively affected by working capital adjustments primarily including (i) decrease in accounts receivables of RMB13.2 million, (ii) increase in accounts payables of RMB3.2 million and (iii) increase in other payables and accruals of RMB70.5 million, which was partially offset by (iv) increase in prepayments, deposits and other receivables of RMB19.3 million and (v) increase in financial assets at FVTPL of RMB13.7 million.

For the year ended 31 December 2023, we had net cash used in operating activities of approximately RMB12.8 million. During the year, our operating cash inflows before working capital changes were RMB62.0 million. Our cash flow was negatively affected by working capital adjustments primarily including (i) increase in accounts receivables of RMB19.1 million, (ii) increase in financial assets at FVTPL of RMB53.8 million and (iii) decrease in other payables and accruals of RMB47.0 million, which was partially offset by (iv) decrease in prepayments, deposits and other receivables of RMB47.7 million.

Net cash generated from/(used in) investing activities

During the Track Record Period, our cash inflow from investing activities was principally from proceeds from disposal of property, plant and equipment, dividend income from an associate and proceeds from disposal of associates. Our cash outflow used in investing activities was principally for purchase of wealth management products, acquisition of subsidiaries under common control, purchase of property, plant and equipment.

For the year ended 31 December 2025, our Group had net cash generated from investing activities of RMB29.4 million, primarily attributable to (i) proceeds of disposal of wealth management products of RMB187.6 million, (ii) net proceeds from disposal of subsidiaries of RMB29.7 million and (iii) dividend income from an associate of RMB5.3 million, which was partially offset by (iv) purchase of wealth management products of RMB187.2 million and (v) acquisition of subsidiaries under common control of RMB10.2 million.

For the year ended 31 December 2024, our Group had net cash used in investing activities of RMB9.3 million, primarily attributable to (i) purchase of wealth management products of RMB93.2 million, (ii) advances paid to related parties of RMB8.2 million, which was partially offset by (iii) proceeds of disposal of wealth management products of RMB93.9 million and (iv) repayment of advances to related parties of RMB9.2 million.

For the year ended 31 December 2023, our Group had net cash generated from investing activities of RMB10.5 million, primarily attributable to (i) proceeds of disposal of wealth management products of RMB218.4 million, (ii) proceeds from disposal of property, plant and equipment of RMB5.3 million, (iii) repayment of advances to related parties of RMB22.7 million, which was partially offset by (iv) purchase of wealth management products of RMB216.0 million and (v) advances paid to related parties of RMB16.5 million.

Net cash generated from/(used in) financing activities

During the Track Record Period, our cash inflow from financing activities was principally from capital contribution from non-controlling interests and net proceeds from issuance of bonds and advances received from related parties. Our cash outflow used in financing activities was principally for interest paid, acquisition of non-controlling interests, payment of **[REDACTED]**, repayment of advances from related parties and principal portion of lease payments.

For the year ended 31 December 2025, our Group had net cash flows generated from financing activities of RMB179.3 million, primarily attributable to (i) advances received from related parties of RMB9.2 million, and (ii) net proceeds from issuance of bonds of RMB195.6 million, which was partially offset by (iii) dividend paid to non-controlling interests of a subsidiary of RMB5.1 million, (iv) principal portion of lease payments of RMB9.3 million and (v) payment of **[REDACTED]** of RMB**[REDACTED]**.

For the year ended 31 December 2024, our Group had net cash flows used in financing activities of RMB63.2 million, primarily attributable to (i) dividend paid to the then equity holders now becoming shareholders of the Company of RMB4.7 million, (ii) principal portion of lease payments of RMB5.3 million, (iii) repayment of advances from related parties of RMB57.2 million and (iv) payment of **[REDACTED]** of RMB**[REDACTED]**, which was partially offset by (v) capital injection from the then equity holders now becoming shareholders of the Company of RMB5.0 million and (vi) advances received from related parties of RMB0.5 million.

For the year ended 31 December 2023, our Group had net cash flows used in financing activities of RMB65.9 million, primarily attributable to (i) repayment of loans from independent third parties of RMB6.5 million, (ii) principal portion of lease payments of RMB7.8 million, (iii) repayment of advances from related parties of RMB76.5 million, and (iv) payment of **[REDACTED]** of RMB**[REDACTED]**, which was partially offset by (v) capital contribution from non-controlling interests of RMB9.0 million and (vi) advances received from related parties of RMB19.7 million.

NET CURRENT ASSETS

	As of 31 December			As of 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
CURRENT ASSETS				
Accounts receivables	25,920	12,700	15,286	8,835
Prepayments, deposits and other receivables	28,128	44,211	27,616	28,349
Inventories	6,886	8,639	—	—
Financial assets at FVTPL	18,766	16,559	18,012	90,452
Cash and cash equivalents	94,797	91,294	266,068	112,596
Income tax receivable	193	70	—	—
TOTAL CURRENT ASSETS	174,690	173,473	326,982	240,232
CURRENT LIABILITIES				
Borrowings	—	46	—	—
Accounts payables	2,702	5,932	—	—
Other payables and accruals	70,122	24,022	7,386	9,564
Contract liabilities	6,060	4,236	3,470	3,228
Dividend payable to the then equity holders of the Company	—	4,266	620	—
Income tax payable	5,631	6,368	3,287	727
Lease liabilities	5,621	9,739	6,017	4,169
Bond payables due within one year	—	—	405	2,025
TOTAL CURRENT LIABILITIES	90,136	54,609	21,185	19,713
NET CURRENT ASSETS	84,554	118,864	305,797	220,519

We had net current assets positions as of 31 December 2023, 2024 and 2025 and 30 April 2026.

We recorded net current assets of RMB305.8 million as of 31 December 2025 as compared to net current assets of RMB220.5 million as of 30 April 2026, primarily due to (i) an increase in other payables and accruals, (ii) an increase in bond payables due within one year and (iii) a decrease in cash and cash equivalents, which was partially offset by (iv) an increase in financial assets at FVTPL.

Our net current assets increased from RMB118.9 million as of 31 December 2024 to RMB305.8 million as of 31 December 2025, primarily due to (i) an increase in cash and cash equivalents, (ii) a decrease in other payables and accruals and (iii) a decrease in accounts payables, which was partially offset by (iv) a decrease in prepayments, deposits and other receivables.

Our net current assets increased from RMB84.6 million as of 31 December 2023 to RMB118.9 million as of 31 December 2024, primarily due to (i) an increase in prepayments, deposits and other receivables, (ii) a decrease in other payables and accruals, (iii) a decrease in contract liabilities, which was partially offset by (iv) a decrease in accounts receivables and (v) an increase in dividend payable to the then equity holders of the Company.

WORKING CAPITAL SUFFICIENCY

Our Directors confirm that, taking into consideration of the financial resources presently available to us, which is primarily our internal resources and the estimated **[REDACTED]** from the **[REDACTED]**, we have sufficient working capital for our present requirements and for at least the next 12 months commencing from the date of this Document.

Taking into account our available financial resources as of 30 April 2026, including:

(i) unaudited cash and cash equivalents of approximately RMB112.6 million;

(ii) net current assets as of 31 December 2023, 2024 and 2025; and

(iii) the estimated **[REDACTED]** of approximately HK$**[REDACTED]** million after deducting the **[REDACTED]** and expenses payable by us in the **[REDACTED]**, assuming an **[REDACTED]** of HK$**[REDACTED]** per H Share.

Our Directors are not aware of any other factors that would have a material impact on our Group's liquidity. For more details on the funds necessary to meet our existing operations and to fund our future plans, please refer to the section headed "Future Plans and Use of **[REDACTED]**" in this Document.

INDEBTEDNESS

Our indebtedness mainly included lease liabilities and bond payables, during the Track Record Period and as of 30 April 2026. The following table sets forth a breakdown of our indebtedness as of the dates indicated:

	As of 31 December			As of 30 April
	2023	2024	2025	2026
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Current liabilities				
Lease liabilities	5,621	9,739	6,017	4,169
Bond payables due within one year	—	—	405	2,025
Non-current liabilities				
Lease liabilities	12,625	12,429	1,409	853
Bond payables due over one year	—	—	195,641	195,906

Lease liabilities

Our lease liabilities mainly represent the lease payment obligations during the lease terms in relation to our leased properties that are mainly used as our office premises. We recorded lease liabilities of RMB18.2 million, RMB22.2 million, RMB7.4 million and RMB5.0 million as of 31 December 2023, 2024 and 2025 and 30 April 2026, respectively.

Our lease liabilities increased from RMB18.2 million as of 31 December 2023 to RMB22.2 million as of 31 December 2024, primarily due to addition of certain leases.

Our lease liabilities then decreased to RMB7.4 million as of 31 December 2025, resulting from the deconsolidation of the discontinued operations, whose lease liabilities were no longer included in the consolidation scope of the Group. Our lease liabilities then decreased to RMB5.0 million as of 30 April 2026, resulting from the settlement of lease payments pursuant to the rental contract.

Bond payables due within/over one year

Our bond payables represented the unlisted corporate bonds issued by the Company's subsidiary, Shengjing Jiacheng, which are known as the Sci-Tech Bonds issued to the qualified investors in the PRC during 2025. According to the bond offering document, Shengjing Jiacheng has options to early redeem the bonds and to adjust the coupon rate by the end of 1 December 2030.

We recorded bond payables of nil, nil, RMB196.0 million and RMB197.9 million as of 31 December 2023, 2024 and 2025 and 30 April 2026, respectively.

Our bond payables increased from nil as of 31 December 2023 and 2024 to RMB196.0 million as of 31 December 2025, primarily due to the issuance of Sci-Tech Bonds in 2025.

Our bond payables increased from RMB196.0 million as of 31 December 2025 to RMB197.9 million as of 30 April 2026, primarily due to monthly accruals of interest payable under the effective interest method, which are settled at year-end.

CAPITAL EXPENDITURES

During the Track Record Period, our Group incurred capital expenditures of RMB3.0 million, RMB1.9 million and RMB0.3 million for the years ended 31 December 2023 and 2024 and 2025, respectively, majority of which are related to purchase of property, plant and equipment.

CONTRACTUAL AND CAPITAL COMMITMENTS

As of 31 December, 2023, 2024 and 2025, we had capital commitments of RMB12.7 million, RMB7.5 million and RMB20.9 million, respectively, primarily in connection with capital commitments in respect of (i) interests in associates measured using equity method and (ii) unconsolidated structured entities. The following table sets forth our capital commitments as of the date indicated:

	As of 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Capital commitments in respect of:			
— interests in associates measured using equity method	1,980	1,980	1,760
— unconsolidated structured entities	10,680	5,560	19,130
	12,660	7,540	20,890

CONTINGENT LIABILITIES

As of 30 April 2026, being the most recent practicable date for the purpose of the indebtedness statement, we did not have any material contingent liabilities.

Save as disclosed above, we did not have any bank and other loan, or any loan capital issued and outstanding or agreed to be issued, bank overdraft, borrowing or similar indebtedness, liabilities under acceptance (other than normal trade notes) or acceptance credits, debentures, mortgages, charges, hire purchases or finance lease commitments, guarantees or other material contingent liabilities as of the most recent practicable date for our indebtedness statement.

Our Directors confirm that there has not been any material change in our indebtedness since 30 April 2026 up to the Latest Practicable Date.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

During the Track Record Period, we did not have any material off-balance sheet arrangements or any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support for us. As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

MATERIAL RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time. Our Directors confirm that the related party transactions set out in note 40 to the Accountants' Report in Appendix I to this document were conducted in the ordinary course of business on arm's length basis and with reference to the normal commercial terms of each party. Our Directors also consider that our related party transactions during the Track Record Period would not affect our results during such year, and would not make our historical results not reflective of our future performance.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

The risks associated with these financial instruments include market, credit and liquidity risks.

Market risk

(i) Currency risk

The Group and the Company are exposed to currency risk which give rise to cash and bank deposits that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transaction relates. During the Track Record Period, the Group and the Company have minimal exposure to foreign currency risk as most of their business transactions, assets and liabilities are principally denominated in RMB.

(ii) Interest rate risk

The Group's and the Company's exposure to the risk of changes in market interest rates arises primarily from bank deposits with a floating interest rate. At the end of each year of the Track Record Period, the Group and the Company have no significant exposure to interest rate risk in relation to its variable-rate bank balances. The exposures to the interest rate risk are monitored on an ongoing basis.

The Group is exposed to fair value interest rate risk in relation to fixed-rate bond payables as disclosed in Note 35 to the Accountants' Report in Appendix I to this document.

(iii) Other price risk

The Group is exposed to equity price risk through its interests in associates measured at fair value, financial assets at FVTPL and financial liabilities at FVTPL held by the Group. The equity price risk of these financial assets and liabilities may arise due to changes in market price. The change may be caused by factors relating to the financial instrument itself or the issuer, and it may also be caused by market factors.

Credit risk

Credit risk refers to the risk that the Group's counterparty will default on its contractual obligations resulting in financial loss to the Group. At the end of each reporting period, the Group's and the Company's maximum exposure to credit risk, without taking into account any collateral held or other credit enhancements, represents the carrying amount of the Group's and the Company's recognised financial assets as stated in the Historical Financial Information. Such exposure will cause a financial loss to the Group and the Company due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group and the Company.

The carrying amount of the Group's and the Company's interests in associates measured at fair value and financial assets at FVTPL as disclosed in Note 24 and Note 25 to the Accountants' Report in Appendix I to this document best represents their respective maximum exposure to credit risk. The Group and the Company does not hold any collateral over these balances.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the directors of the Company, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

KEY FINANCIAL RATIOS

The following table sets forth our key financial ratios for the years as of the dates indicated:

	As of 31 December		
	2023	2024	2025
Return on assets(1)	4.9%	6.4%	7.1%
Return on equity(2)	6.2%	7.8%	10.7%
Current ratio(3)	1.9	3.2	15.4
Gearing ratio(4)	0.3	0.2	0.5

Notes:

(1) Return on assets is calculated based on the net profit for the year (including continuing and discontinued operations) divided by the ending balance of total assets and multiplied by 100%.

(2) Return on equity is calculated based on the net profit for the year (including continuing and discontinued operations) divided by the ending balance of total equity and multiplied by 100%.

(3) Current ratio equals to total current assets divided by the total current liabilities as of the respective year end.

(4) Gearing ratio equals to total debts divided by the total equity as of the respective year end.

DIVIDENDS

We declared dividends of RMB42,000, RMB9.0 million and nil for the years ended 31 December 2023, 2024 and 2025, respectively. We currently expect to retain all future earnings for use in the operation and expansion of our business, and do not have any dividend policy to declare or pay any dividends in the near future. Any declaration and payment as well as the amount of dividends will be subject to our Articles of Association and the PRC Company Law. The declaration and payment of any dividends in the future will be determined by our Board, in its discretion, and will depend on a number of factors, including our earnings, capital requirements, overall financial condition and contractual restrictions. Our Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distribution.

Pursuant to our Articles of Association, our Board may declare dividends in the future after taking into account our results of operations, financial condition, cash requirements and availability and other factors as it may deem relevant at such time. Since our Company and all of our major subsidiaries were established in the PRC, the future dividend payments of our Company will depend largely upon the availability of dividends received from our subsidiaries in the PRC, which were subject to the PRC laws. As confirmed by our PRC Legal Adviser, according to the PRC law, any future net profit that a PRC company makes will have to be first applied to make up for its historically accumulated losses, after which it will be obliged to allocate 10% of its net profit to its statutory common reserve fund until such fund has reached more than 50% of its registered capital. In addition, pursuant to article 6.5 of the Credit Enhancement Services Agreement of China Bond Insurance Co., Ltd. (《中債信用增進投資股份有限公司信用增進服務協議》) entered into between Beijing Jiacheng and China Bond Insurance Co., Ltd., during the term of the agreement (which shall remain in effect from the date of execution by both parties until all obligations and liabilities of both parties have been fully discharged), if Beijing Jiacheng intends to distribute dividends, and such dividends will, on an individual basis, result in a reduction in Beijing Jiacheng's net assets exceeding 10% of its most recent audited net assets, or a cumulative reduction exceeding 10% of its net assets (based on the most recent audited net assets as of the date of the first transaction resulting in a reduction in net assets) over a 24-month period, or even if the aforementioned thresholds are not met, when there is a material adverse effect on Beijing Jiacheng's operating revenue, net profit, cash flow or continued stable operations, Beijing Jiacheng must obtain the prior written consent of China Bond Insurance Co., Ltd. before distributing such dividends. Pursuant to article 4 of chapter 13 "Special Provisions Regarding the Risk-Sharing Instrument for Technology Innovation Bonds (科技創新債券風險分擔工具的特別約定)" of the "Document for the Private Placement of the Beijing Shengjing Jiacheng Investment Management Co., Ltd. 2025 First Phase Technology Innovation Bond (Risk Sharing Instrument) (《北京盛景嘉成投資管理有限公司2025年度第一期科技創新債券(分擔工具)定向募集説明書》)", during the term of the technology innovation bond, the annual dividend amount of Beijing Jiacheng shall not exceed 50% of the net profit for the previous year. It will therefore only be able to declare dividends after (i) all its historically accumulated losses have been made up for, and (ii) it has allocated sufficient net profit to our statutory common reserve fund as described above. There is no assurance that dividends of any amount will be declared to be distributed in any year.

DISTRIBUTABLE RESERVES

As of 31 December 2025, the Company did not have any distributable reserves.

[REDACTED]

[REDACTED] represent professional service fees, **[REDACTED]** commissions and other fees incurred in connection with the **[REDACTED]**. Assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]**, being the mid-point of the **[REDACTED]**, the total estimated **[REDACTED]** in connection with the **[REDACTED]** (including **[REDACTED]** commission) are estimated to be HK$**[REDACTED]** (representing approximately **[REDACTED]**% of the estimated **[REDACTED]** from the **[REDACTED]**). The **[REDACTED]** include (i) **[REDACTED]** commission of approximately HK$**[REDACTED]**, and (ii) **[REDACTED]** related expenses of approximately HK$**[REDACTED]**, which consist of fees and expenses of the legal advisers and reporting accountants of our Company of approximately HK$**[REDACTED]** and other fees and expenses of approximately HK$**[REDACTED]**.

UNAUDITED [REDACTED] STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

For details, see "Unaudited **[REDACTED]** Financial information" in Appendix II to this document.

NO MATERIAL ADVERSE CHANGE

Our Directors have confirmed, after due and careful consideration, that as of the date of this Document, there has been no material adverse change in our financial or **[REDACTED]** position or prospects of our Group since 31 December 2025, and there is no event since 31 December 2025 that would materially and adversely affect the information shown in the Accountants' Report set out in Appendix I to this Document.

DISCLOSURE UNDER RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors have confirmed that, as of the Latest Practicable Date, there was no circumstance that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.