You should read the following discussion and analysis in conjunction with our historical financial information, including the notes thereto included in the Accountants' Report set out in Appendix I to this document. You should read the entire Accountants' Report in Appendix I to this document and not rely merely on the information contained in this section. The Accountants' Report has been prepared in accordance with the IFRSs, which may differ in material aspects from generally accepted accounting principles in other jurisdictions.

Our historical results do not necessarily indicate results expected for any future periods. The following discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and financial performance that involve risks and uncertainties. These statements are based on our assumptions and analysis 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. However, whether actual outcomes and developments will meet our expectations and predictions depends on a number of risks and uncertainties. In evaluating our business, you should carefully consider the information provided in the sections headed "Forward-looking Statements" and "Risk Factors" in this document.

OVERVIEW

We are a global destination management service provider. We leverage digitalization and AI technologies in our operations, covering series and customized tours, experience travel services and enterprise overseas services. We are one of the few destination management service providers in China with global layout, full-category coverage and digital-driven operations, according to the F&S Report. We ranked third among all global travel destination management service providers, and first among travel destination management service providers serving Asian source markets, in each case in terms of revenue in 2025, according to the same source.

We experienced significant growth during the Track Record Period. Our revenue increased from RMB787.5 million in 2023 to RMB1,604.3 million in 2024, and further to RMB2,143.7 million in 2025. Our net profit for the year was RMB8.2 million, RMB49.2 million and RMB61.1 million in 2023, 2024 and 2025, respectively.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business, results of operations and financial condition are affected by a number of factors that influence the destination management and overseas travel service industry. These factors include general factors such as conditions in major destinations and source markets, general economic conditions and traveler preference, as well as company-specific factors, including the ability to expand our customer base, control our costs and operational expenses, and the management of seasonal impacts.

Conditions in major destinations and source markets

We generate a substantial majority of our revenue from destination management services across Europe, Asia and the Americas. Our business and financial performance depend significantly on travel conditions in our major destinations and source markets. Natural disasters, acts or threats of terrorism, wars, civil unrest, outbreaks of contagious diseases, travel advisories or other catastrophic events in any of these regions may reduce travelers' demand for our services and lead to booking cancellations, itinerary changes and additional costs to us, which may materially reduce our revenue from the affected destinations. Prolonged or repeated occurrences of such events may also impair our ability to operate effectively in or from the affected destinations, for example by disrupting our local supplier networks, forcing the temporary closure of our local offices, or preventing our operational staff from reaching the destinations they serve.

In addition, our results of operations vary with the relative attractiveness of individual destinations, which is influenced by factors such as exchange rates, cost and availability of accommodation and transportation, the ease of obtaining visas, and the overall appeal of a destination to travelers. Shifts in traveler preferences away from a destination in which we have a significant presence could reduce our revenue and profitability from that market.

General economic conditions and traveler preferences

Our results of operations depend materially on economic conditions and traveler preferences in our key source market for our customer base, including Chinese Mainland, other Asian regions, Europe and the Americas. Economic downturns, declines in disposable income and weakened consumer confidence in these regions reduce the demand for travel. Shifts in traveler preferences toward alternative travel formats also affect our service offering mix and pricing power. Our ability to anticipate and respond to these changes is critical to maintaining our revenue growth and market position. Failure to adapt our service offerings to evolving traveler preferences could result in a loss of market share to competitors and a decline in the return on our investments in new destinations and services.

In addition to these general factors, our results of operations are also affected by the following more company-specific factors:

Our ability to maintain and expand our customer base

Our results of operations depend on our ability to retain existing customers and acquire new ones. We serve a diverse customer base, primarily including (1) tour operators, (2) enterprise and institutional customers, and (3) individual travelers across Chinese Mainland, other Asian regions, Europe and the Americas. Our ability to maintain favorable and stable relationships with such customers is important to our financial performance. We focus on deepening our relationships through reliable service delivery, competitive pricing and responsive customer support. Expanding our customer base across geographies and segments also helps diversify our revenue streams and prevent concentration risk.

Our ability to control our cost of revenue

Our ability to control our cost of revenue is crucial to our financial performance and profitability. Our cost of revenue primarily consists of hotel costs, transportation costs, ticketing costs, catering costs, and tour guide costs. We recorded cost of revenue of RMB694.0 million, RMB1,390.2 million and RMB1,838.0 million for 2023, 2024 and 2025, respectively. We also incur costs related to exhibition construction, event production and logistics for our enterprise overseas services segment. These costs depend on the scale and nature of each project or tour, as well as our ability to negotiate favorable terms with suppliers. We typically source services from hotels, transport operators, restaurants, guides and other local vendors in each destination. Any material increase in these costs due to inflation, supplier price hikes, seasonal demand spikes or supply chain disruptions may reduce our gross margins if we cannot pass them on to our customers in a timely manner.

Our ability to control our operating expenses

Our profitability also depends on our ability to manage our operating expenses, which primarily comprise employee benefit expenses, selling and distribution costs, and administrative overheads. We incurred selling and distribution expenses of RMB49.0 million, RMB94.6 million and RMB135.3 million for 2023, 2024 and 2025, respectively. We incurred administrative expenses of RMB46.6 million, RMB64.1 million and RMB77.8 million for 2023, 2024 and 2025, respectively. We operate a global service network spanning over 25 countries, supported by over 40 offices worldwide, and a global workforce of over 800 employees. As we continue to expand our office network and service capabilities, we expect our operating expenses to increase. We must carefully balance cost control with investment in business development, marketing and talent retention. Failure to control our expenses effectively could negatively impact our net profit margin.

Our results of operations are subject to seasonality

Our results of operations are subject to seasonal fluctuations inherent to the travel industry. Demand for our destination management services typically peaks from May to October. Conversely, demand may be lower during off-peak seasons. This seasonality affects our revenue, cash flow and operating results across different periods within a financial year. As a result, our interim results may not proportionally reflect our full-year performance, and comparisons between different quarters may not be meaningful indicators of our long-term trends. Nevertheless, as we diversify our service offerings and expand our source markets and destination coverage, we believe that the impacts of seasonality to our business performance will gradually decline.

BASIS OF PREPARATION

The historical financial information has been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). Further details of the material accounting policy information are set out in Note 2 of the Accountants' Report in Appendix I to this document. The IASB has issued a number of new and revised 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 standards or interpretations that are not yet effective for the Track Record Period. The revised and new accounting standards and interpretations issued but not yet effective for the Track Record Period are set out in Note 28 of the Accountants' Report in Appendix I to this document.

MATERIAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

We have identified certain accounting policies that are material to the preparation of our consolidated financial statements. Some of our accounting policies involve subjective assumptions and estimates, as well as complex judgments relating to accounting items. In each case, the determination of these items requires management judgments based on information and financial data that may change in future periods. When reviewing our consolidated financial statements, you should consider (1) our selection of critical accounting policies, (2) the judgment and other uncertainties affecting the application of such policies, and (3) the sensitivity of reported results to changes in conditions and assumptions.

See Note 2 and Note 3 to the Accountants' Report for a detailed discussion of our material accounting policies, estimates, assumptions and judgments which are important for understanding our financial condition and results of operations.

RESULTS OF OPERATIONS

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

	Year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Revenue	787,502	100.0	1,604,251	100.0	2,143,666	100.0
Cost of revenue	(694,029)	(88.1)	(1,390,180)	(86.7)	(1,838,004)	(85.7)
Gross profit	**93,473**	**11.9**	**214,071**	**13.3**	**305,662**	**14.3**
Other net loss	(592)	(0.1)	(715)	0.0	(5,417)	(0.3)
Selling and distribution expenses	(48,985)	(6.2)	(94,589)	(5.9)	(135,275)	(6.3)
Administrative expenses	(46,590)	(5.9)	(64,076)	(4.0)	(77,780)	(3.6)
Reversal of impairment loss/(impairment losses) on trade and other receivables	20,593	2.6	856	0.1	(5,907)	(0.3)
Profit from operations	**17,899**	**2.3**	**55,547**	**3.5**	**81,283**	**3.8**
Finance costs	(8,442)	(1.1)	(15,703)	(1.0)	(9,669)	(0.5)
Profit before taxation	**9,457**	**1.2**	**39,844**	**2.5**	**71,614**	**3.3**
Income tax	(1,271)	(0.2)	9,357	0.6	(10,482)	(0.5)
Profit for the year	**8,186**	**1.0**	**49,201**	**3.1**	**61,132**	**2.9**

KEY COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenue

Revenue by service line

During the Track Record Period, we primarily generated revenue from the provision of (1) package tours, including series tours and customized tours; (2) experience travel services; and (3) enterprise overseas services. See "Business—Our Service Offerings." The following table sets forth our total revenue by service line for the periods indicated, both in absolute amount and as a percentage of our total revenue.

	Year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Package tours	688,068	87.3	1,471,766	91.7	1,975,732	92.2
– Series tours	*429,442*	*54.5*	*919,698*	*57.3*	*1,181,686*	*55.2*
– Customized tours	*258,626*	*32.8*	*552,068*	*34.4*	*794,046*	*37.0*
Experience travel services	30,834	3.9	48,781	3.0	71,981	3.4
Enterprise overseas services	64,195	8.2	83,352	5.2	95,293	4.4
Others(1)	4,405	0.6	352	0.1	660	0.0
Total	**787,502**	**100.0**	**1,604,251**	**100.0**	**2,143,666**	**100.0**

(1) Others primarily include hotel operation services.

Revenue by destination

During the Track Record Period, we primarily generated revenue from offering services to destinations including Europe, Asia and the Americas. The following table sets forth our total revenue by destination for the periods indicated, both in absolute amount and as a percentage of our total revenue.

	Year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Europe	714,759	90.8	1,466,516	91.4	1,906,393	88.9
Asia	35,584	4.5	79,883	5.0	145,979	6.8
Americas	28,596	3.6	36,874	2.3	36,477	1.7
Others(1)	8,563	1.1	20,978	1.3	54,817	2.6
Total	**787,502**	**100.0**	**1,604,251**	**100.0**	**2,143,666**	**100.0**

(1) Others primarily include Africa and Oceania.

Revenue by customer base

During the Track Record Period, we served a customer base across different regions, primarily including those from Chinese Mainland, other Asian markets, Europe and the Americas. The following table sets forth our total revenue by customer base for the periods indicated, both in absolute amount and as a percentage of our total revenue.

	Year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Chinese Mainland	432,421	54.9	1,078,033	67.2	1,392,930	65.0
Other Asian markets[(1)]	279,962	35.6	419,504	26.1	579,837	27.0
Europe	48,811	6.2	79,243	4.9	123,371	5.8
Americas	24,497	3.1	23,161	1.4	45,359	2.1
Others[(2)]	1,811	0.2	4,310	0.4	2,169	0.1
Total	**787,502**	**100.0**	**1,604,251**	**100.0**	**2,143,666**	**100.0**

(1) Other Asian markets primarily include Vietnam, Thailand, Singapore and Korea.

(2) Others primarily include Oceania and Africa.

Cost of Revenue

Our cost of revenue consisted of (1) hotel costs, (2) transportation costs, mainly representing costs of airfares and local coaches for package tours and experience travel services; (3) ticketing costs, mainly representing costs for purchasing scenic spot tickets, show tickets, and amusement park tickets for package tours and experience travel services; (4) catering costs, mainly representing expenses paid to restaurants for meals and food services across our service offerings; (5) tour guide costs; (6) labor costs, mainly representing employee benefits for our supply chain operations staff; (7) exhibition costs, mainly representing booth construction expenses for our enterprise overseas services; and (8) specialized experience costs, representing costs for specialized arrangements provided under our package tours and experience travel services. The following table sets forth a breakdown of our cost of revenue by nature, both in absolute amount and as a percentage of the total cost of revenue, for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Hotel costs	296,315	42.7	634,323	45.6	875,895	47.7
Transportation costs	160,740	23.2	337,934	24.3	426,017	23.2
Ticketing costs	49,715	7.2	88,706	6.4	130,982	7.1
Catering costs	53,473	7.7	87,731	6.3	127,720	6.9
Tour guide costs	30,843	4.4	66,227	4.8	81,053	4.4
Labor costs	19,843	2.9	31,323	2.3	39,482	2.1
Exhibition costs	19,921	2.9	37,037	2.7	36,752	2.0
Specialized experience costs	2,284	0.3	6,635	0.5	32,091	1.7
Others[(1)]	60,895	8.7	100,264	7.1	88,012	4.9
Total	**694,029**	**100.0**	**1,390,180**	**100.0**	**1,838,004**	**100.0**

(1) Others primarily include costs for visa processing and other miscellaneous costs.

Gross Profit and Gross Profit Margin

Our gross profit was RMB93.5 million, RMB214.1 million and RMB305.7 million for 2023, 2024 and 2025, respectively, representing a gross profit margin of 11.9%, 13.3% and 14.3% for the same periods, respectively. The following table sets forth our gross profit and gross profit margin by service line for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	(RMB)	*(%)*	*(RMB)*	*(%)*	*(RMB)*	*(%)*
	(RMB in thousands, except for percentages)					
Package tours	76,098	11.1	192,655	13.1	280,030	14.2
– Series tours	*34,486*	*8.0*	*97,189*	*10.6*	*134,962*	*11.4*
– Customized tours	*41,612*	*16.1*	*95,466*	*17.3*	*145,068*	*18.3*
Experience travel services	4,639	15.0	8,346	17.1	10,109	14.0
Enterprise overseas services	11,792	18.4	12,969	15.6	15,280	16.0
Others[(1)]	944	21.4	101	28.7	243	36.8
Total	**93,473**	**11.9**	**214,071**	**13.3**	**305,662**	**14.3**

(1) Others primarily include hotel operation services.

Other Net Loss

Our other loss primarily consisted of (1) government grants, mainly including subsidies received from the local government for our operational support, (2) interest income from bank deposits, (3) net (losses)/gains on disposal of property, plant and equipment, (4) net realized and unrealized loss on financial assets measured at FVPL, mainly representing (i) fair value gains of our wealth management products; and (ii) fair value changes of our investment in the equity interests; and (5) net foreign exchanges gains and losses, mainly in connection with transactions denominated in Euros and U.S. dollars. The following table sets forth a breakdown of our other net loss for the periods indicated.

	Year ended December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Government grants	228	219	298
Interest income from bank deposits	24	139	97
Net (losses)/gains on disposal of property, plant and equipment	(11)	14	19
Net realized and unrealized loss on financial assets measured at FVPL	(1,338)	(290)	(151)
Net foreign exchange gains/(losses)	2	(623)	(5,578)
Others	503	(174)	(102)
Total	**(592)**	**(715)**	**(5,417)**

Selling and Distribution Expenses

Our selling and distribution expenses primarily consisted of (1) employee benefit expenses, mainly representing salaries, wages and bonuses, social insurance contributions and housing provident funds for our sales personnel; (2) office and travel expenses for our sales personnel; (3) depreciation and amortization expense in connection with our sales and distribution premises; and (4) promotion expenses, mainly representing expenses for sales incentives for major customers and offline marketing events and activities. The following table sets forth a breakdown of our selling and distribution expenses by nature, both in absolute amount and as a percentage of our total selling and distribution expenses, for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Employee benefit expenses	36,973	75.5	71,649	75.7	104,378	77.2
Office and travel expenses	6,606	13.5	7,022	7.4	8,687	6.4
Depreciation and amortization expenses	1,462	3.0	5,629	6.0	7,345	5.4
Promotion expenses	923	1.9	3,957	4.2	5,928	4.4
Others(1)	3,021	6.1	6,332	6.7	8,937	6.6
Total	**48,985**	**100.0**	**94,589**	**100.0**	**135,275**	**100.0**

(1) Others primarily include professional consulting fees, and renovation, property management and utility expenses.

Administrative Expenses

Our administrative expenses primarily consisted of (1) employee benefit expenses, mainly representing salaries, wages and bonuses, social insurance contributions and housing provident funds for our administrative personnel; (2) professional consulting fees, mainly representing fees relating to legal, audit, human resources, and tax services; (3) depreciation and amortization expenses, in connection with office premises for our administrative personnel; (4) software and platform service fees, mainly representing expenses for financial- and human resources-related software systems in our operations; (5) travel expenses incurred by our administrative personnel; (6) service charges, mainly representing bank charges; and (7) office expenses. The following table sets forth a breakdown of our administrative expenses by nature, both in absolute amount and as a percentage of our total administrative expenses, for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*
	(RMB in thousands, except for percentages)					
Employee benefit expenses	25,718	55.2	41,620	65.0	46,592	59.9
Professional consulting fees	4,134	8.9	5,449	8.5	8,769	11.3
Depreciation and amortization expenses	3,625	7.8	3,783	5.9	5,187	6.7
Software and platform service fees	935	2.0	1,790	2.8	3,206	4.1
Travel expenses	2,130	4.6	2,813	4.4	3,301	4.2
Service charges	1,748	3.8	2,385	3.7	3,065	3.9
Office expenses	2,642	5.7	1,857	2.9	2,658	3.4
Others(1)	5,658	12.0	4,379	6.8	5,002	6.5
Total	**46,590**	**100.0**	**64,076**	**100.0**	**77,780**	**100.0**

(1) Others primarily include taxes and surcharges, staff training expenses, and routine maintenance costs.

Reversal of impairment loss/(Impairment losses) on trade and other receivables

We recorded a reversal of impairment losses on trade and other receivables of RMB20.6 million, RMB0.9 million in 2023 and 2024, respectively. We recorded impairment losses on trade and other receivables of RMB5.9 million in 2025.

Finance Costs

Finance costs consisted of interest expenses on bank loans, other borrowings, financial instruments issued to investors and lease liabilities. We incurred finance costs of RMB8.4 million, RMB15.7 million and RMB9.7 million for 2023, 2024 and 2025, respectively.

Income Tax

We recorded income tax expenses of RMB1.3 million and RMB10.5 million for 2023 and 2025, respectively, and income tax credit of RMB9.4 million in 2024. During the Track Record Period and up to the Latest Practicable Date, we had paid all relevant taxes when due and there were no matters in dispute or unresolved with the relevant tax authorities.

We are subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of our Group are domiciled and operate. The following description sets forth a summary of our major income tax exposures in relevant jurisdictions.

Chinese Mainland

Under the relevant PRC corporate income tax law and respective regulations, subsidiaries of our Company operating in the PRC within our Group are subject to corporate income tax at the statutory rate of 25% for the Track Record Period.

We are engaged in "the Encouraged Industries in the Western Region" and eligible for the preferential tax rate of 15% for Track Record Period. According to the PRC corporate income tax law and respective regulations, an entity qualified as high-technology enterprise is entitled to a preferential income tax rate of 15%.

Certain subsidiaries which meet the criteria for being qualified as small and micro enterprises are entitled to a preferential income tax rate of 5% during the Track Record Period. During the Track Record Period, an additional 100% of qualified research and development expenses incurred is allowed to be deducted from taxable income under the PRC income tax law and its relevant regulations.

Switzerland

Under the relevant Swiss corporate income tax law, subsidiaries of our Company operating in Switzerland are subject to corporate income tax at the rate of 16% for the Track Record Period.

Denmark

Under the relevant Danish corporate income tax law, subsidiaries of the Company operating in Denmark are subject to corporate income tax at the rate of 22% for the Track Record Period.

PERIOD TO PERIOD COMPARISON OF RESULTS OF OPERATIONS

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenue

Our revenue increased by 33.6% from RMB1,604.3 million for 2024 to RMB2,143.7 million for 2025, primarily due to increases in revenue from package tours and experience travel services.

- *Package tours*. Our revenue from package tours increased by 34.2% from RMB1,471.8 million in 2024 to RMB1,975.7 million in 2025, primarily due to (1) an increase in our series tours by 28.5% from RMB919.7 million in 2024 to RMB1,181.7 million in 2025, mainly driven by (i) the increase in the number of series tour customers from 442 in 2024 to 577 in 2025; (ii) the scaling of such services provided in certain existing destinations, such as Northern Europe, the Balkans and Eastern Europe; and (iii) expansion into new destinations, including Egypt; and (2) an increase in customized tours by 43.8% from RMB552.1 million in 2024 to RMB794.0 million in 2025, mainly driven by the increase in the number of customized tour customers from 1,101 in 2024 to 1,326 in 2025. Increases from both were largely driven by enhanced market recognition and customer demand for our services.

- *Experience travel services*. Our revenue from experience travel services increased by 47.5% from RMB48.8 million in 2024 to RMB72.0 million in 2025, primarily due to (1) the launch of new online stores on online sales channels including *Fliggy, Ctrip and Klook* for the sales of tickets under this business segment; and (2) the launch of new service offerings, such as Australian one-day tour service, both of which were largely driven by the increase in market demand for our experience travel services.

- *Enterprise overseas services*. Our revenue from enterprise overseas services increased by 14.3% from RMB83.4 million in 2024 to RMB95.3 million in 2025, primarily due to the increased revenue contribution from our MICE services, as we strategically increased promotions for such services.

Cost of revenue

Cost of revenue increased by 32.2% from RMB1,390.2 million for 2024 to RMB1,838.0 million for 2025, primarily due to (1) an increase in hotel costs from RMB634.3 million in 2024 to RMB875.9 million in 2025; (2) an increase in transportation costs from RMB337.9 million in 2024 to RMB426.0 million in 2025; (3) an increase in ticketing costs from RMB88.7 million in 2024 to RMB131.0 million in 2025, (4) an increase in catering costs from RMB87.7 million in 2024 to RMB127.7 million in 2025, and (5) an increase in tour guide costs from RMB66.2 million in 2024 to RMB81.1 million in 2025, generally in line with the growth of our revenue over the same periods.

Gross profit and gross profit margin

Our gross profit increased by 42.8% from RMB214.1 million for 2024 to RMB305.7 million for 2025, and our gross profit margin increased from 13.3% for 2024 to 14.3% for 2025.

- *Package tours*. Gross profit for our package tours increased by 45.4% from RMB192.7 million in 2024 to RMB280.0 million in 2025, primarily due to the increase in revenue from series and customized tours for the reasons discussed above. Gross profit margin for our series tours increased from 10.6% in 2024 to 11.4% in 2025 and gross profit margin for our customized tours increased from 17.3% in 2024 to 18.3% in 2025, both primarily attributable to our enhanced bargaining power with suppliers by negotiating favorable pricing terms with them after having achieved economies of scale and benefited from growth in the industry.

- *Experience travel services*. Gross profit for experience travel services increased by 21.7% from RMB8.3 million in 2024 to RMB10.1 million in 2025, primarily due to the increase in revenue for the reasons discussed above. Gross profit margin decreased from 17.1% in 2024 to 14.0% in 2025, primarily due to (1) intensified market competition, which exerted pressure on pricing; and (2) the rollout of certain new service offerings that were in their initial promotion stage, which had lower margins as we incurred higher costs for customer acquisition.

- *Enterprise overseas services*. Gross profit for enterprise overseas services increased by 17.7% from RMB13.0 million in 2024 to RMB15.3 million in 2025, primarily due to (1) an increase in revenue for this business segment as discussed above. Gross profit margin increased from 15.6% in 2024 to 16.0% in 2025, as we completed several projects with higher profit margins during the year.

Other net loss

Other net loss increased significantly from RMB0.7 million for 2024 to RMB5.4 million for 2025, primarily due to an increase in net foreign exchange losses from RMB0.6 million for 2024 to RMB5.6 million for 2025, mainly resulting from transactions denominated in Euros; partially offset by an increase in government grants from RMB0.2 million for 2024 to RMB0.3 million for 2025, as we received certain one-off government subsidies for our operating activities.

Selling and distribution expenses

Selling and distribution expenses increased by 43.0% from RMB94.6 million for 2024 to RMB135.3 million for 2025, primarily due to (1) the increase in our employee benefit expenses from RMB71.6 million for 2024 to RMB104.4 million for 2025, mainly due to the increase in headcount of our sales personnel to support our business expansion; (2) the increase in depreciation and amortization expenses from RMB5.6 million for 2024 to RMB7.3 million for 2025; and (3) the increase in promotion expenses from RMB4.0 million for 2024 to RMB5.9 million for 2025, mainly driven by our increased participation in offline industry exhibitions and customer engagement activities.

Administrative expenses

Administrative expenses increased by 21.4% from RMB64.1 million for 2024 to RMB77.8 million for 2025, primarily due to (1) an increase in professional consulting fees from RMB5.4 million for 2024 to RMB8.8 million for 2025, in connection with the establishment of new offices in various locations in Chinese Mainland and overseas, along with the related legal, audit, human resources, and tax services; (2) an increase in software and platform service fees from RMB1.8 million for 2024 to RMB3.2 million for 2025, mainly in connection with our growing needs for business and financial operational systems in line with expansion into new offices; and (3) an increase in employee benefit expenses from RMB41.6 million for 2024 to RMB46.6 million for 2025, in line with our headcount growth.

Income tax

We recorded income tax credit of RMB9.4 million for 2024, primarily because we recognized the previously unrecognized tax losses in 2024. We recorded income tax expense of RMB10.5 million for 2025, primarily due to the growth of taxable income, mainly driven by our revenue growth.

Profit for the year

As a result of the foregoing, our profit for the period increased by 24.2% from RMB49.2 million for 2024 to RMB61.1 million for 2025.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenue

Revenue increased significantly from RMB787.5 million for 2023 to RMB1,604.3 million for 2024, primarily due to increases in revenue from package tours, experience travel services, and enterprise overseas services.

- *Package tours*. Our revenue from package tours increased significantly from RMB688.1 million in 2023 to RMB1,471.8 million in 2024, primarily due to (1) a significant increase in our series tours from RMB429.4 million in 2023 to RMB919.7 million in 2024, mainly driven by the increase in the number of series tour customers from 298 in 2023 to 442 in 2024; and (2) an increase in customized tours significantly from RMB258.6 million in 2023 to RMB552.1 million in 2024, mainly driven by the increase in the number of customized tour customers from 644 in 2023 to 1,101 in 2024, both of which resulted from the rapid recovery and growth in demand for travel and related services following the continued recovery and normalization of the travel market in 2024.

- *Experience travel services*. Our revenue from experience travel services increased by 58.2% from RMB30.8 million in 2023 to RMB48.8 million in 2024, primarily due to the launch of new service offerings, such as local culinary tasting experiences and customized attraction guide tours.

- *Enterprise overseas services*. Our revenue from enterprise overseas services increased by 29.8% from RMB64.2 million in 2023 to RMB83.4 million in 2024, primarily due to the increase in our enterprise customers from 211 in 2023 to 257 in 2024, mainly driven by market demand.

Cost of revenue

Cost of revenue increased significantly from RMB694.0 million for 2023 to RMB1,390.2 million for 2024, primarily due to (1) an increase in hotel costs from RMB296.3 million in 2023 to RMB634.3 million in 2024; (2) an increase in transportation costs from RMB160.7 million in 2023 to RMB337.9 million in 2024; (3) an increase in ticketing costs from RMB49.7 million in 2023 to RMB88.7 million in 2024; (4) an increase in catering costs from RMB53.5 million in 2023 to RMB87.7 million in 2024, and (5) an increase in tour guide costs from RMB30.8 million in 2023 to RMB66.2 million in 2024, generally in line with the growth of our revenue over the same periods.

Gross profit and gross profit margin

Our gross profit increased significantly from RMB93.5 million for 2023 to RMB214.1 million for 2024. Gross profit margin increased from 11.9% in 2023 to 13.3% in 2024.

- *Package tours*. Gross profit for our package tours increased significantly from RMB76.1 million in 2023 to RMB192.7 million in 2024, primarily due to the increase in revenue from series and customized tours for the reasons discussed above. Gross profit margin for our series tours increased from 8.0% in 2023 to 10.6% in 2024, and gross profit margin for customized tours increased from 16.1% in 2023 to 17.3% in 2024, both were primarily driven by economies of scale following our business expansion and the continued recovery and normalization of the travel market in 2024.

- *Experience travel services*. Gross profit for experience travel services increased by 79.9% from RMB4.6 million in 2023 to RMB8.3 million in 2024, primarily due to the increase in revenue for the reasons discussed above. Gross profit margin increased from 15.0% in 2023 and 17.1% in 2024, primarily due to the increase in revenue and gross profit of our attraction and amusement ticketing component, which generally carries relatively higher margins.

- *Enterprise overseas services*. Gross profit for enterprise overseas services increased by 10.0% from RMB11.8 million in 2023 to RMB13.0 million in 2024, primarily due to the increase in revenue from enterprise overseas services for the reasons discussed above. Gross profit margin decreased from 18.4% in 2023 to 15.6% in 2024, primarily due to changes in the offering mix under this business segment, where the exhibition services contributed to a higher proportion of revenue, but carried relatively lower gross profit margins than other services.

Other net loss

Other net loss increased by 20.8% from RMB0.6 million for 2023 to RMB0.7 million for 2024, primarily due to an increase in net foreign exchange losses from gains of RMB2.0 thousand for 2023 to losses of RMB0.6 million for 2024, mainly resulting from transactions denominated in Euros.

Selling and distribution expenses

Selling and distribution expenses increased significantly from RMB49.0 million for 2023 to RMB94.6 million for 2024, primarily due to (1) an increase in our employee benefit expenses from RMB37.0 million for 2023 to RMB71.6 million for 2024, mainly due to the increase in headcount of our sales personnel to support our business expansion; (2) an increase in promotion expenses from RMB0.9 million for 2023 to RMB4.0 million for 2024, mainly driven by our increased participation in offline industry exhibitions and customer engagement activities; (3) an increase in depreciation and amortization from RMB1.5 million for 2023 to RMB5.6 million for 2024; and (4) an increase in our office and travel expenses from RMB6.6 million for 2023 to RMB7.0 million for 2024, mainly driven by higher expenses incurred by our sales personnel for business development, as well as additional operating expenses associated with the establishment and expansion of sales offices.

Administrative expenses

Administrative expenses increased by 37.5% from RMB46.6 million for 2023 to RMB64.1 million for 2024, primarily due to (1) an increase in employee benefit expenses from RMB25.7 million for 2023 to RMB41.6 million for 2024, mainly as a result of the increase in our headcount of our administrative personnel to support our growing operational needs; (2) an increase in travel expenses from RMB2.1 million for 2023 to RMB2.8 million for 2024, mainly driven by the increase in travels undertaken by our administrative personnel for development of suppliers and other external service providers; (3) an increase in professional consulting fees from RMB4.1 million for 2023 to RMB5.4 million for 2024, mainly in connection with our operational expansion; and (4) an increase in software and platform service fees from RMB0.9 million for 2023 to RMB1.8 million for 2024, mainly driven by software upgrades in response to our operational expansion; partially offset by a decrease in office expenses from RMB2.6 million for 2023 to RMB1.9 million for 2024.

Reversal of impairment loss/(impairment losses) on trade and other receivables

Reversal of impairment losses on trade and other receivables decreased significantly from RMB20.6 million for 2023 to RMB0.9 million for 2024, primarily because a larger amount of long-aged receivables was collected in 2023 than that in 2024.

Income tax

We recorded income tax expenses of RMB1.3 million for 2023 and income tax credit of RMB9.4 million for 2024, as we utilized the previously unrecognized tax losses in 2024.

Profit for the year

As a result of the foregoing, our profit for the period increased significantly from RMB8.2 million for 2023 to RMB49.2 million for 2024.

DISCUSSION OF MAJOR BALANCE SHEET ITEMS

The following table sets forth the selected items of our consolidated statements of financial position as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Non-current assets			
Property, plant and equipment	2,051	3,980	6,681
Right-of-use assets	15,115	23,416	29,376
Intangible assets	95	801	715
Deferred tax assets	–	10,787	4,768
Investments in associates	162	234	434
Total non-current assets	**17,423**	**39,218**	**41,974**
Total current assets	**197,053**	**297,365**	**486,422**
Total current liabilities	**386,302**	**227,106**	**340,200**
Net current (liabilities)/assets	**(189,249)**	**70,259**	**146,222**
Total assets less current liabilities	**(171,826)**	**109,477**	**188,196**
Non-current liabilities			
Bank loans and overdrafts	2,673	11,267	28,954
Lease liabilities	9,908	15,747	20,591
Total non-current liabilities	**12,581**	**27,014**	**49,545**
Net (liabilities)/assets	**(184,407)**	**82,463**	**138,651**
Capital and reserves			
Share capital	15,000	15,000	15,000
Reserves	(196,081)	70,069	121,800
Total (deficit)/equity attributable to equity shareholders of the Company	**(181,081)**	**85,069**	**136,800**
Non-controlling interest	**(3,326)**	**(2,606)**	**1,851**
Total (deficit)/equity	**(184,407)**	**82,463**	**138,651**

Current Assets and Current Liabilities

The following table sets forth our current assets, current liabilities and net current (liabilities)/assets as of the dates indicated.

	As of December 31,			As of May 31,
	2023	2024	2025	2026
	(RMB in thousands)			
				(unaudited)
Current assets				
Trade and other receivables	143,626	210,378	283,264	474,440
Financial assets measured at fair value through profit or loss ("FVPL")	2,803	12,513	2,362	2,041
Restricted deposits	1,111	3,719	4,972	4,972
Cash and cash equivalents	49,513	70,755	195,824	96,392
Total current assets	**197,053**	**297,365**	**486,422**	**577,845**
Current liabilities				
Trade and other payables	124,606	164,490	182,371	209,516
Financial instruments issued to investors	209,180	–	–	–
Contract liabilities	26,295	33,519	67,907	125,622
Bank loans and overdrafts	20,056	20,324	77,602	92,709
Lease liabilities	5,070	7,620	8,762	11,191
Current taxation	1,095	1,153	3,558	4,194
Total current liabilities	**386,302**	**227,106**	**340,200**	**443,232**
Net current (liabilities)/assets	**(189,249)**	**70,259**	**146,222**	**134,613**

Net current liabilities of RMB189.2 million as of December 31, 2023 turned into net current assets of RMB70.3 million as of December 31, 2024, primarily due to (1) the increase in our trade and other receivables, and (2) the decrease in financial instruments issued to investors. Net current assets further increased to RMB146.2 million as of December 31, 2025, primarily due to (1) the increase in our cash and cash equivalents, and (2) increase in trade and other receivables, partially offset by the increases in bank loans and overdrafts, contract liabilities, and trade and other payables. Our net current asset further decreased to RMB134.6 million as of May 31, 2026, primarily due to (1) the decrease in cash and cash equivalents, and (2) the increases in trade and other payables and contract liabilities, partially offset by the increase in trade and other receivables.

Assets

Property, plant and equipment

Our property, plant and equipment during the Track Record Period primarily consisted of (1) equipment and furniture, (2) vehicles, and (3) leasehold improvements. We had property, plant and equipment of RMB2.1 million, RMB4.0 million and RMB6.7 million as of December 31, 2023, 2024 and 2025, respectively. The following table sets forth the breakdown of the net book value for the components of our property, plant and equipment as of the dates indicated.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Equipment and furniture	1,599	2,013	1,931
Vehicles	203	829	966
Leasehold improvements	249	1,138	3,784
Total	**2,051**	**3,980**	**6,681**

Property, plant and equipment increased from RMB2.1 million as of December 31, 2023 to RMB4.0 million as of December 31, 2024, primarily due to (1) additions to leasehold improvements of RMB1.0 million for our office premises, (2) additions to vehicles of RMB1.1 million, and (3) additions to equipment and furniture of RMB1.6 million for purchases of additional computers and office equipment to meet our growing operational needs. Property, plant and equipment further increased to RMB6.7 million as of December 31, 2025, primarily due to further additions to leasehold improvements of RMB3.3 million for office premises.

Right-of-use assets

Our right-of-use assets primarily consisted of our interests in leased properties for offices. We had right-of-use assets of RMB15.1 million, RMB23.4 million and RMB29.4 million as of December 31, 2023, 2024 and 2025, respectively. Right-of-use assets increased from RMB15.1 million as of December 31, 2023 to RMB23.4 million as of December 31, 2024, primarily due to the additions of office premises in Thailand, Chengdu, Beijing, Seoul, Spain and United States to support our operational expansion, partially offset by depreciation. Right-of-use assets further increased to RMB29.4 million as of December 31, 2025, primarily due to the further additions of office premises in Chengdu, Beijing, Hong Kong, the Philippines, Greece and the United States to support our operational expansion, partially offset by depreciation.

Intangible assets

Our intangible assets primarily consisted of software in connection with our operations. We had intangible assets of RMB0.1 million, RMB0.8 million and RMB0.7 million as of December 31, 2023, 2024 and 2025, respectively. Intangible assets increased from RMB0.1 million as of December 31, 2023 to RMB0.8 million as of December 31, 2024, primarily attributable to the procurement and implementation costs of office software. Intangible assets decreased from RMB0.8 million to RMB0.7 million as of December 31, 2025, primarily due to amortization.

Deferred tax assets

Our deferred tax assets primarily arose from credit loss allowance, right-of-use assets, lease liabilities and unused tax losses. We had deferred tax assets of nil, RMB10.8 million and RMB4.8 million as of December 31, 2023, 2024 and 2025, respectively. Deferred tax assets increased from nil as of December 31, 2023 to RMB10.8 million as of December 31, 2024, primarily because we recognized the previously unrecognized tax losses in 2024. Deferred tax assets further decreased to RMB4.8 million as of December 31, 2025, primarily due to the decrease of cumulative tax losses from previous years.

Trade and other receivables

Our trade and other receivables mainly represented (1) trade receivables from our customers; (2) other receivables from suppliers and related parties, (3) prepayments, primarily for hotel, transportation and scenic operator services; and (4) VAT recoverable. The following table sets forth a breakdown of our trade and other receivables as of the dates indicated.

	As of December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Trade receivables	114,778	152,675	217,288
Less: loss allowance	(15,295)	(11,943)	(15,561)
Trade receivables, net	**99,483**	**140,732**	**201,727**
Other receivables	14,807	25,079	26,267
Less: loss allowance	(2,366)	(2,099)	(3,099)
Other receivables, net	**12,441**	**22,980**	**23,168**
Prepayments	29,636	42,992	50,790
Value Added Tax ("VAT") recoverable	2,066	3,674	7,579
Total	**143,626**	**210,378**	**283,264**

Trade and other receivables increased from RMB143.6 million as of December 31, 2023 to RMB210.4 million as of December 31, 2024, primarily due to (1) the increase in trade receivables, which was generally in line with the increase in revenue over the same year, (2) the increase in other receivables, due to higher deposits paid to suppliers; and (3) the increase in prepayments, mainly representing increased advance payments made to hotels, scenic area operators service providers due to business expansion. Trade and other receivables further increased to RMB283.3 million as of December 31, 2025, primarily due to (1) the increase in trade receivables, generally in line with the increase in revenue over the same year; and (2) the increase in prepayment, driven by increased procurement.

The credit period with our customers for sales on credit is generally up to 90 days. The following table sets forth the number of our trade receivables turnover days for the periods indicated.

	Year ended December 31,		
	2023	**2024**	**2025**
Trade receivables turnover days[(1)]	30	27	29

(1) Trade receivables turnover days were calculated based on the average of opening and closing balance of trade receivables, net of allowance for credit losses, for the relevant period, divided by the revenue for the same period, and multiplied by the number of days for that period (365 days for a given year).

The following table sets forth an aging analysis of our trade receivables, based on invoice date and net of loss allowance, as of the dates indicated.

	As of December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Within one year	97,621	138,834	190,624
One to two years	1,829	1,788	10,676
Two to three years	33	110	427
Total	**99,483**	**140,732**	**201,727**

As of May 31, 2026, approximately RMB176.8 million, or 88.0%, of our trade receivables as of December 31, 2025 had been settled.

Financial assets measured at FVPL

Our financial assets measured at FVPL during the Track Record Period primarily represented wealth management products issued by banks and equity securities listed in PRC. Financial assets measured at FVPL increased from RMB2.8 million as of December 31, 2023 to RMB12.5 million as of December 31, 2024, primarily due to our purchase of a wealth management product. Financial assets measured at FVPL decreased from RMB12.5 million as of December 31, 2024 to RMB2.4 million as of December 31, 2025, as a result of the redemption of wealth management products. For details of our financial assets at FVPL, see Note 14 to the Accountants' Report in Appendix I to this document.

Our investment policies

We have formulated investment management policies ("Investment Management Policies") to regulate the investing activities across our Group, effectively implement our investment strategies and strengthen the management and control of our investment funds. Our Securities and Legal Affairs Department is responsible for the centralized management of investment funds and for initiating the relevant internal approval procedures. We also maintain appropriate records and supporting documents for our investments and assess impairment in accordance with applicable accounting standards. For investments in short-term principal-protected wealth management products, our Finance Department initiates an application through our internal system, setting out the key terms of the proposed investment, including the product, term, expected annualized return, minimum subscription amount and product type. Such investments may only be made after approval by the officer responsible for fund management, with notice given to the head of our Strategic Investment Department. Our investments in wealth management products after the **[REDACTED]** will be subject to compliance with Chapter 14 of the Listing Rules.

Restricted deposits

Our restricted deposits primarily represented security deposits placed in accordance with regulatory requirements for the travel industry. Our restricted deposits increased from RMB1.1 million as of December 31, 2023 to RMB3.7 million as of December 31, 2024, mainly in connection with the increasing requirement from the government to place such deposits as travel activities normalized in 2024. Restricted deposits further increased to RMB5.0 million as of December 31, 2025, primarily resulting from additional security deposits in connection with our expanded business operations in Chengdu and Chongqing.

Cash and cash equivalents

Our cash and cash equivalents primarily consisted of cash at bank. As of December 31, 2023, 2024 and 2025, we had cash and cash equivalents of RMB49.5 million, RMB70.8 million and RMB195.8 million, respectively.

Liabilities

Trade and other payables

Our trade and other payables primarily represented (1) trade payables; (2) other borrowings; (3) other payables, mainly representing payables to other third-party professional consultancy service providers; (4) accrued payroll and benefits, primarily representing salaries and bonuses payable to employees, and (5) other tax payables. The following table sets forth a breakdown of our trade and other payables as of the dates indicated.

	As of December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Trade payables	58,941	87,618	102,266
Other borrowings	39,124	36,559	26,434
Other payables	11,292	6,836	11,414
Accrued payroll and benefits	13,541	29,678	36,740
Other tax payables	1,708	3,799	5,517
Total	**124,606**	**164,490**	**182,371**

Trade and other payables increased from RMB124.6 million as of December 31, 2023 to RMB164.5 million as of December 31, 2024, primarily due to (1) the increase in trade payables of RMB28.7 million, primarily due to the increase in procurement, in line with our business growth, (2) the increase in accrued payroll and benefits of RMB16.1 million, mainly driven by our increased employee headcount. Trade and other payables further increased to RMB182.4 million as of December 31, 2025, primarily due to (1) the further increase in trade payables of RMB14.6 million, primarily due to the increase in procurement, in line with our business growth, (2) the increase in accrued payroll and benefits of RMB7.1 million, mainly driven by our increased employee headcount; partially offset by the decrease in other borrowings of RMB10.1 million, primarily due to repayment.

Our suppliers may grant us credit period of up to 60 days. The following table sets forth an aging analysis of our trade payables, based on the invoice dates, as of the dates indicated.

	As of December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Within one year	51,621	82,354	93,122
One to two years	1,360	2,223	6,282
Two to three years	491	502	503
Over three years	5,469	2,539	2,359
Total	**58,941**	**87,618**	**102,266**

The following table sets forth the number of our trade payables turnover days for the periods indicated.

	Year ended December 31,		
	2023	2024	2025
Trade payable turnover days(1)	21	19	19

(1) Average turnover days of trade payables are equal to the average of the beginning and ending trade payable balances of a period divided by the sum of cost of revenue for that period and multiplied by the number of days in the relevant period (i.e., 365 days for a given year)

As of May 31, 2026, approximately RMB102.2 million, or 99.9%, of our trade payables as of December 31, 2025 had been settled.

Financial Instruments Issued to Investors

We had financial instruments issued to investors of RMB209.2 million, nil and nil as of December 31, 2023, 2024 and 2025, respectively. During the Track Record Period, we issued financial instruments to investors in which certain investors were granted the right to require our Company to redeem their paid-in capital for cash upon specified events. See Note 18 of the Accountants' Report in Appendix I to this document.

Contract Liabilities

Contract liabilities comprised advances received from customers. Our contract liabilities increased from RMB26.3 million as of December 31, 2023 to RMB33.5 million as of December 31, 2024, in line with our business growth. Contract liabilities further increased to RMB67.9 million as of December 31, 2025, primarily due to growth in transaction volume from small and medium-sized customers with advance payment arrangements.

As of May 31, 2026, all of our contract liabilities as of December 31, 2025, or RMB67.9 million, had been recognized as revenue.

Current Taxation

Current taxation is related to our corporate income tax. Our current taxation remained relatively stable at RMB1.1 million as of December 31, 2023 and RMB1.2 million as of December 31, 2024. Our current taxation increased to RMB3.6 million as of December 31, 2025, as a result of increases in our income.

LIQUIDITY AND CAPITAL RESOURCES

Sources of Liquidity and Working Capital

Our primary use of cash is to fund our working capital requirements. During the Track Record Period, we financed our capital expenditures and working capital requirements primarily through our existing cash, cash generated from our operations and bank borrowings. Going forward, we believe that our liquidity requirements will be satisfied with cash generated from our operations, net **[REDACTED]** from the **[REDACTED]**, and other debt and equity financing from time to time according to our needs. As of December 31, 2023, 2024 and 2025, and May 31, 2026, we had cash and cash equivalents of RMB49.4 million, RMB69.9 million, RMB191.1 million and RMB69.9 million, respectively. As of May 31, 2026, our committed but unutilized banking facilities were RMB54.0 million. Taking into account the financial resources available to us, including cash and cash equivalents and operating cash inflows, our Directors are of the view that we have sufficient working capital to meet our present requirements and for the next 12 months from the date of this document.

Cash Flows

The following table sets forth a summary of our cash flows for the periods indicated.

	Year ended December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Operating cash flows before movement of working capital	3,742	64,379	99,854
Changes in working capital	(20,067)	(12,727)	(28,664)
Cash (used in)/generated from operations	(16,325)	51,652	71,190
Income tax paid	(180)	(1,372)	(2,058)
Net cash (used in)/generated from operating activities	**(16,505)**	**50,280**	**69,132**
Net cash (used in)/generated from investing activities	**(1,254)**	**(14,504)**	**4,823**
Net cash generated from/(used in) financing activities	**35,154**	**(13,766)**	**40,546**
Net increase in cash and cash equivalents	17,395	22,010	114,501
Cash and cash equivalents at beginning of the year	**30,497**	**49,391**	**69,937**
Effects of foreign exchange rate changes	1,499	(1,464)	6,692
Cash and cash equivalents at end of the year	**49,391**	**69,937**	**191,130**

Net cash (used in)/generated from operating activities

In 2025, our net cash generated from operating activities was RMB69.1 million, primarily due to our profit before tax of RMB71.6 million, as adjusted by (1) certain non-cash and non-operating items, mainly including (i) depreciation of right-of-use assets of RMB9.8 million, (ii) finance costs of RMB9.7 million, (iii) impairment losses on trade and other receivables of RMB5.9 million, and (iv) net foreign exchange loss of RMB5.6 million, and (2) changes in working capital that positively affected our cash flows, mainly including (i) an increase in contract liabilities of RMB34.4 million, and (ii) an increase in trade and other payables of RMB17.0 million; partially offset by changes in working capital that negatively affected our cash flows, mainly including (i) an increase in trade and other receivables of RMB78.8 million, and (ii) an increase in restricted deposits of RMB1.3 million.

In 2024, our net cash generated from operating activities was RMB50.3 million, primarily due to our profit before tax of RMB39.8 million, as adjusted by (1) certain non-cash and non-operating items, mainly including (i) finance costs of RMB15.7 million, and (ii) depreciation of right-of-use assets of RMB7.6 million; and (2) changes in working capital that positively affected our cash flows, mainly including (i) an increase in trade and other payables of RMB48.6 million, and (ii) an increase in contract liabilities of RMB7.2 million; partially offset by increase in trade and other receivables of RMB65.9 million.

In 2023, our net cash used in operating activities was RMB16.5 million, primarily due to our profit before tax of RMB9.5 million, as adjusted by (1) certain non-cash and non-operating items, mainly including reversal of impairment losses on trade and other receivables of RMB20.6 million, and (2) changes in working capital that negatively affected our cash flows, mainly including increase in trade and other receivables of RMB83.1 million; partially offset by changes in working capital that positively affected our cash flows, mainly including increase in trade and other payables and increase in contract liabilities.

Net cash (used in)/generated from investing activities

In 2025, our net cash generated from investing activities was RMB4.8 million, primarily representing proceeds from disposal of financial assets at FVPL of RMB10.0 million; partially offset by payment for the purchase of property, plant and equipment and intangible assets of RMB5.3 million.

In 2024, our net cash used in investing activities was RMB14.5 million, primarily representing (1) payment for purchases of financial assets at FVPL of RMB10.0 million, and (2) payment for the purchase of property, plant and equipment and intangible assets of RMB4.5 million.

In 2023, our net cash used in investing activities was RMB1.3 million, primarily representing payment for the purchase of property, plant and equipment and intangible assets of RMB1.4 million; partially offset by cash receipts from disposal of property and equipment and intangible assets of RMB0.1 million.

Net cash generated from/(used in) financing activities

In 2025, our net cash generated from financing activities was RMB40.5 million, primarily due to (1) proceeds from new bank loans of RMB137.3 million, and (2) proceeds from other borrowings from individuals of RMB47.7 million; partially offset by (1) repayment of bank loans of RMB68.0 million, (2) repayments of other borrowings from individuals of RMB61.3 million, and (3) capital element of lease rentals paid of RMB9.8 million.

In 2024, our net cash used in financing activities was RMB13.8 million, primarily due to (1) repayment of bank loans of RMB209.8 million, and (2) repayments of other borrowings from individuals of RMB58.0 million; partially offset by (1) proceeds from new bank loans of RMB217.3 million, and (2) proceeds from other borrowings from individuals of RMB50.3 million.

In 2023, our net cash generated from financing activities was RMB35.2 million, primarily due to (1) proceeds from new bank loans of RMB44.2 million, and (2) proceeds from other borrowings from individuals of RMB47.6 million; partially offset by (1) repayments of bank loans of RMB25.3 million, and (2) repayments of other borrowings from individuals of RMB20.9 million.

CAPITAL EXPENDITURES AND COMMITMENTS

Capital Expenditures

Our capital expenditures during the Track Record Period were primarily related to purchases of property, plant and equipment and intangible assets. The following table sets forth our capital expenditures during the Track Record Period.

	Year ended December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Purchases of property, plant and equipment and intangible assets	1,362	4,539	5,254
Total	**1,362**	**4,539**	**5,254**

We expect to incur additional capital expenditure in 2026, primarily for the purchase of equipment and software. We plan to fund such planned capital expenditures through our existing cash and cash generated from our operating activities. After the **[REDACTED]**, we expect to finance our capital expenditure through a combination of existing cash, cash flows generated from our operating activities, bank borrowings and net **[REDACTED]** from the **[REDACTED]**. See "Future Plans and Use of **[REDACTED]**" for the portion of capital expenditures to be funded by the **[REDACTED]** from the **[REDACTED]**. We may adjust our capital expenditures for any given period according to our development plans or in light of market conditions, regulatory environment and other factors we believe to be appropriate.

Capital Commitments

As of December 31, 2023, 2024 and 2025, we did not have any significant contractual commitments.

INDEBTEDNESS

Our indebtedness during the Track Record Period consisted of (1) bank loans and overdrafts, and (2) lease liabilities. The following table sets forth the balances of our indebtedness items as of the dates indicated.

	As of December 31,			As of May 31,
	2023	2024	2025	2026
	(RMB in thousands)			
				(unaudited)
Current				
Bank loans and overdrafts	20,056	20,324	77,602	92,709
Lease liabilities	5,070	7,620	8,762	11,191
Other borrowings	39,124	36,559	26,434	44,815
Total current	**64,205**	**64,553**	**112,798**	**148,715**
Non-current				
Bank loans	2,673	11,267	28,954	27,672
Lease liabilities	9,908	15,747	20,591	25,290
Total non-current	**12,581**	**27,014**	**49,545**	**52,962**
Total indebtedness	**76,731**	**91,417**	**162,343**	**201,677**

Bank loans and overdrafts

Our bank loans and overdrafts primarily consisted of (1) secured bank loans, (2) unsecured bank overdrafts, (3) unsecured bank loans, and (4) guaranteed bank loans. We recorded bank loans and overdrafts of RMB22.7 million, RMB31.6 million and RMB106.6 million as of December 31, 2023, 2024 and 2025, respectively. As of December 31, 2023, 2024 and 2025, the guaranteed bank loans were guaranteed by Mr. Wang Wei, the controlling shareholder of our Company and carried an interest ranging from 1.50% – 8.50% per annum, 1.45% – 8.50% per annum, 0.25% – 8.50% per annum, respectively. Our Directors confirm that all guaranteed bank loans will be released prior to **[REDACTED]**. The following table sets forth the breakdown of our bank loans and overdrafts as of the dates indicated.

	As of December 31,			As of May 31,
	2023	2024	2025	2026
		(RMB in thousands)		
				(unaudited)
Secured bank loans	3,003	3,003	–	–
Unsecured bank overdrafts	122	818	4,694	284
Unsecured bank loans	–	–	169	194
Guaranteed bank loans	19,604	27,770	101,693	119,903
Total	**22,729**	**31,591**	**106,556**	**120,381**

During the Track Record Period, the effective interest rates of our bank loans and overdrafts carried effective interest rate ranged from 0% to 8.50%, 0% to 8.50% and 0% to 8.50%, per annum as of December 31, 2023, 2024 and 2025, respectively. For details of our borrowings, see Note 20 to the Accountants' Report in Appendix I to this document.

Our bank borrowing agreements contain standard terms, conditions that are customary for commercial bank loans. Our Directors confirm that we did not experience any difficulty in obtaining bank borrowings, default in payment of bank borrowings or breach of covenants during the Track Record Period and up to the Latest Practicable Date. Given our credit history and our current credit status, we believe that we will not encounter any major difficulties in obtaining additional bank borrowings in the future. As of the Latest Practicable Date, our bank facilities available for use were RMB205.3 million, and we had utilized RMB150.6 million, with RMB54.7 million committed but unutilized.

Lease liabilities

Our lease liabilities were primarily related to our offices. We recorded lease liabilities of RMB15.0 million, RMB23.4 million, RMB29.4 million and RMB36.5 million as of December 31, 2023, 2024 and 2025 and May 31, 2026, respectively.

Statement of Indebtedness

Saved as disclosed above, as of May 31, 2026, we had no bank loans, or any other loan capital issued and outstanding or agreed to be issued, bank overdrafts, borrowings or similar indebtedness, liabilities under acceptance (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchases, guarantees or other material contingent liabilities. Our Directors confirm that there had not been any material change in our indebtedness since May 31, 2026 and up to the Latest Practicable Date.

CONTINGENT LIABILITIES

During the Track Record Period and up to the Latest Practicable Date, we did not have any material contingent liabilities or guarantees.

[REDACTED]

We did not record **[REDACTED]** during the Track Record Period. We expect to incur a total of approximately RMB**[REDACTED]** million (HK$**[REDACTED]** million) of **[REDACTED]** in connection with the **[REDACTED]**, representing approximately **[REDACTED]**% of the **[REDACTED]** from the **[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]**, being the **[REDACTED]** of the indicative **[REDACTED]** range between HK$**[REDACTED]** and HK$**[REDACTED]**, and assuming that the **[REDACTED]** is not exercised), including (1) **[REDACTED]** commissions for all **[REDACTED]** of approximately RMB**[REDACTED]** million (HK$**[REDACTED]** million), and (2) non-**[REDACTED]** expenses of approximately RMB**[REDACTED]** million (HK$**[REDACTED]** million), which consist of (a) fees and expenses of legal advisors and reporting accountants of approximately RMB**[REDACTED]** million (HK$**[REDACTED]** million), and (b) other fees and expenses of approximately RMB**[REDACTED]** million (HK$**[REDACTED]** million). Approximately RMB**[REDACTED]** million of our **[REDACTED]** is expected to be charged to our consolidated statements of profit or loss, and approximately RMB**[REDACTED]** million is expected to be deducted from equity. The **[REDACTED]** above are the best estimate as of the Latest Practicable Date and for reference only. The actual amount may differ from this estimate.

KEY FINANCIAL RATIOS

	As of/for the year ended December 31,		
	2023	**2024**	**2025**
Gross profit margin	11.87%	13.34%	14.26%
Current ratio (times)[(1)]	0.51	1.31	1.43
ROA[(2)]	5.44%	17.86%	14.13%
ROE[(3)]	–	–	55.29%

(1) Current ratio is calculated based on current assets divided by current liabilities as of period end.

(2) Return on assets is calculated by dividing net profit for the year by the average balance of total assets (being the average of total assets at the beginning and the end of the relevant period).

(3) Return on equity is calculated by dividing net profit for the year by the average balance of total equity (being the average of total equity at the beginning and the end of the relevant period). ROE in 2023 and 2024 were not meaningful as we recorded deficit during these periods.

Analysis of Key Financial Ratios

Gross profit margin

See "—Period to Period Comparison of Results of Operations" for a discussion of the factors affecting our gross profit margin during the Track Record Period.

Current ratio

Our current ratio increased from 0.51 as of December 31, 2023 to 1.31 as of December 31, 2024, primarily due to (1) the decrease in our financial instruments issued to investors, and (2) the increase in cash and cash equivalents. Our current ratio further increased to 1.43 as of December 31, 2025, primarily due to the continued growth in our cash and cash equivalents. See "—Discussion of Major Balance Sheet Items" for a discussion of the factors affecting our current assets and current liabilities during the Track Record Period.

Return on assets and equity

Our return on assets increased from 5.4% in 2023 to 17.9% in 2024, primarily due to the significant increase in our profit for the year. Our return on assets slightly decreased to 14.1% in 2025, primarily due to the expansion of our total assets base, which outpaced the growth in our profitability. Our return on equity was 55.3% in 2025, primarily due to our turnaround to a net asset position and the continued growth in our profit for the year.

RELATED PARTY TRANSACTIONS

We enter into transactions with our related parties from time to time during our ordinary course of business and on terms of transactions similar to terms with other entities that are not related parties. Our related party transactions during the Track Record Period primarily included (1) short-term borrowings from and repayment of such borrowing and interest expense to certain shareholders and supervisor, and (2) procurement of services from an associate of our group. See Note 25 to the Accountants' Report in Appendix I to this document. Our Directors are of the view that each of the related party transactions was conducted in the ordinary and usual course of business and on normal commercial terms between the relevant parties and does not distort our Track Record Period results or make our historical results not reflective of future performance.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, we had not entered into any off-balance sheet transactions.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

Our principal financial instruments comprise bank loans and overdrafts, financial assets measured at FVPL, trade and other receivables and cash and cash equivalents. The main purpose of these financial instruments is to finance for our operations. We also have various other financial assets and liabilities which arise directly from our operations.

The main risks arising from our financial instruments are credit risk, liquidity risk, interest rate risk, foreign currency risk. Our Board of Directors reviews and agrees on policies for managing each of these risks, as summarized below. For details on each of the risks, see Note 24 to the Accountants' Report in Appendix I to this document.

DIVIDEND POLICY

We are a holding company incorporated under the laws of the PRC. We currently do not have any formal dividend policy or pre-determined dividend payout ratio. During the Track Record Period, we did not declare any dividends. PRC laws require that dividends be paid only out of our distributable profits. Distributable profits are our after-tax profits, less appropriations to statutory and other reserves that we are required to make. Pursuant to our Articles of Association, our Shareholders may declare dividends by cash and/or by stock in the future after taking into account our profitability, cash flow conditions, corporate development and capital needs. The declaration, payment and amount of any dividends shall be at the discretion of our Shareholders. Any declaration and payment as well as the amount of dividends will be subject to our Articles of Association, applicable PRC law and approval by our Shareholders. Our Shareholders in a general meeting may approve any declaration of dividends, which must not exceed the amount recommended by our Board. As advised by our PRC Legal Advisor, no dividend shall be declared or payable, unless we have profits and reserves lawfully available for distribution.

DISTRIBUTABLE RESERVES

As of December 31, 2025, we had no distributable reserves.

DISCLOSURE REQUIRED UNDER CHAPTER 13 OF THE LISTING RULES

Our Directors have confirmed that, as of the Latest Practicable Date, there are no circumstances which, had we been required to comply with Rules 13.13 to 13.19 in Chapter 13 of the Listing Rules, would have given rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the date of this document, there has been no material adverse change in our financial or trading position since December 31, 2025 (being the date on which the latest audited consolidated financial information of our Group was prepared) and there is no event since December 31, 2025 which would materially affect the information shown in our consolidated financial statements included in the Accountants' Report in Appendix I to this document.

UNAUDITED [REDACTED] ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

See Appendix II to this document for details of our unaudited **[REDACTED]** adjusted consolidated net tangible assets.