The following is the text of a report set out on pages I-1 to I-67, received from the Company's reporting accountants, KPMG, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.

KPMG

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF HISEAS INTERNATIONAL TOURISM GROUP AND DONGXING SECURITIES (HONG KONG) COMPANY LIMITED

Introduction

We report on the historical financial information of Hiseas International Tourism Group (四川遠海國際旅行社股份有限公司) (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-3 to I-67, which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2023, 2024 and 2025, the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated cash flow statements for each of the years ended 31 December 2023, 2024 and 2025 (the "**Track Record Period**"), and material accounting policy information and other explanatory information (together, the "**Historical Financial Information**"). The Historical Financial Information set out on pages I-3 to I-67 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [•] (the "**Document**") in connection with the initial **[REDACTED]** of **[REDACTED]** of the Company on the **[REDACTED]** of **[REDACTED]**.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in note 1 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

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

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in note 1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

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

Opinion

In our opinion, the Historical Financial Information gives, for the purpose of the accountants' report, a true and fair view of the Company's and the Group's financial position as at 31 December 2023, 2024 and 2025 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in note 1 to the Historical Financial Information.

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

Adjustments

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

Dividends

We refer to note 23(d) to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Track Record Period.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
[REDACTED]

HISTORICAL FINANCIAL INFORMATION

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

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by KPMG under separate terms of engagement with the Company in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*(Expressed in Renminbi ("**RMB**"))*

		Year ended 31 December		
		2023	**2024**	**2025**
	Note	*RMB'000*	*RMB'000*	*RMB'000*
Revenue	4	787,502	1,604,251	2,143,666
Cost of revenue		(694,029)	(1,390,180)	(1,838,004)
Gross profit		93,473	214,071	305,662
Other net loss	5	(592)	(715)	(5,417)
Selling and distribution expenses		(48,985)	(94,589)	(135,275)
Administrative expenses		(46,590)	(64,076)	(77,780)
Reversal of impairment loss/(impairment losses) on trade and other receivables		20,593	856	(5,907)
Profit from operations		17,899	55,547	81,283
Finance costs	6(a)	(8,442)	(15,703)	(9,669)
Profit before taxation	6	9,457	39,844	71,614
Income tax	7	(1,271)	9,357	(10,482)
Profit for the year		8,186	49,201	61,132

		Year ended 31 December		
		2023	2024	2025
	Note	*RMB'000*	*RMB'000*	*RMB'000*
Attributable to:				
Equity shareholders of the Company		8,873	49,098	56,370
Non-controlling interests		(687)	103	4,762
Profit for the year		8,186	49,201	61,132
Other comprehensive income for the year				
Item that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of financial statements of overseas subsidiaries		1,305	1,973	(3,984)
Other comprehensive income for the year		1,305	1,973	(3,984)
Total comprehensive income for the year		9,491	51,174	57,148
Attributable to:				
Equity shareholders of the Company		10,087	50,454	52,645
Non-controlling interests		(596)	720	4,503
		9,491	51,174	57,148
Earnings per share	10			
Basic and diluted *(RMB)*		0.59	3.27	3.76

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in RMB)

		As at 31 December		
		2023	**2024**	**2025**
	Note	*RMB'000*	*RMB'000*	*RMB'000*
Non-current assets				
Property, plant and equipment	11	2,051	3,980	6,681
Right-of-use assets	12	15,115	23,416	29,376
Intangible assets		95	801	715
Deferred tax assets	22(b)	–	10,787	4,768
Investment in associates		162	234	434
		17,423	39,218	41,974
Current assets				
Trade and other receivables	15	143,626	210,378	283,264
Financial assets measured at fair value through profit or loss ("**FVPL**")	14	2,803	12,513	2,362
Restricted deposits	16	1,111	3,719	4,972
Cash and cash equivalents	16	49,513	70,755	195,824
		197,053	297,365	486,422
Current liabilities				
Trade and other payables	17	124,606	164,490	182,371
Financial instruments issued to investors	18	209,180	–	–
Contract liabilities	19	26,295	33,519	67,907
Bank loans and overdrafts	20	20,056	20,324	77,602
Lease liabilities	21	5,070	7,620	8,762
Current taxation	22(a)	1,095	1,153	3,558
		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**

		As at 31 December		
		2023	**2024**	**2025**
	Note	*RMB'000*	*RMB'000*	*RMB'000*
Non-current liabilities				
Bank loans	20	2,673	11,267	28,954
Lease liabilities	21	9,908	15,747	20,591
		12,581	27,014	49,545
NET (LIABILITIES)/ASSETS		(184,407)	82,463	138,651
CAPITAL AND RESERVES				
Share capital	23(b)	15,000	15,000	15,000
Reserves	23(c)	(196,081)	70,069	121,800
Total (deficit)/equity attributable to equity shareholders of the Company		(181,081)	85,069	136,800
Non-controlling interests		(3,326)	(2,606)	1,851
TOTAL (DEFICIT)/EQUITY		(184,407)	82,463	138,651

The accompanying notes form part of the Historical Financial Information.

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

(Expressed in RMB)

		As at 31 December		
		2023	**2024**	**2025**
	Note	*RMB'000*	*RMB'000*	*RMB'000*
Non-current assets				
Property, plant and equipment	11	1,024	1,469	1,052
Right-of-use assets	12	9,409	11,651	10,753
Intangible assets		73	362	167
Investment in subsidiaries	13	9,455	9,544	10,155
Deferred tax assets		–	6,160	2,147
		19,961	29,186	24,274
Current assets				
Trade and other receivables	15	198,628	238,746	358,168
Financial assets measured at FVPL	14	2,803	12,513	2,362
Restricted deposits	16	20	2,770	4,320
Cash and cash equivalents	16	17,291	13,461	75,169
		218,742	267,490	440,019
Current liabilities				
Trade and other payables	17	93,091	105,308	177,079
Financial instruments issued to investors	18	209,180	–	–
Contract liabilities	19	6,685	12,244	18,882
Bank loans and overdrafts	20	19,232	18,548	71,630
Lease liabilities	21	3,181	4,193	3,305
		331,369	140,293	270,896
Net current (liabilities)/assets		(112,627)	127,197	169,123
Total assets less current liabilities		(92,666)	156,383	193,397

		As at 31 December		
		2023	**2024**	**2025**
	Note	*RMB'000*	*RMB'000*	*RMB'000*
Non-current liabilities				
Bank loans and overdrafts	20	–	9,250	27,473
Lease liabilities	21	5,971	7,112	7,028
		5,971	16,362	34,501
NET (LIABILITIES)/ASSETS		(98,637)	140,021	158,896
CAPITAL AND RESERVES				
Share capital	23(b)	15,000	15,000	15,000
Reserves	23(c)	(113,637)	125,021	143,896
TOTAL (DEFICIT)/EQUITY		(98,637)	140,021	158,896

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Expressed in RMB)

	Attributable to equity shareholders of the Company							
	Share capital	Capital reserves	PRC statutory reserves	Exchange reserves	Accumulated losses	Total	Non-controlling interests	Total deficit
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2023	15,000	52,049	5,196	255	(263,668)	(191,168)	(2,730)	(193,898)
Changes in equity for 2023:								
Profit/(loss) for the year	–	–	–	–	8,873	8,873	(687)	8,186
Exchange differences on translation of financial statements of overseas subsidiaries	–	–	–	1,214	–	1,214	91	1,305
Total comprehensive income for the year	–	–	–	1,214	8,873	10,087	(596)	9,491
Balance at 31 December 2023	15,000	52,049	5,196	1,469	(254,795)	(181,081)	(3,326)	(184,407)

The accompanying notes form part of the Historical Financial Information.

		Attributable to equity shareholders of the Company							
		Share capital	**Capital reserves**	**PRC statutory reserves**	**Exchange reserves**	**Accumulated losses**	**Total**	**Non-controlling interests**	**Total (deficit)/ equity**
	Note	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2024		15,000	52,049	5,196	1,469	(254,795)	(181,081)	(3,326)	(184,407)
Changes in equity for 2024:									
Profit for the year		–	–	–	–	49,098	49,098	103	49,201
Exchange differences on translation of financial statements of overseas subsidiaries		–	–	–	1,356	–	1,356	617	1,973
Total comprehensive income for the year		–	–	–	1,356	49,098	50,454	720	51,174
Reclassification of financial liabilities recognised for preferential rights issued to investors to equity	18	–	215,696	–	–	–	215,696	–	215,696
Balance at 31 December 2024		15,000	267,745	5,196	2,825	(205,697)	85,069	(2,606)	82,463

The accompanying notes form part of the Historical Financial Information.

	Attributable to equity shareholders of the Company							
	Share capital	Capital reserves	PRC statutory reserves	Exchange reserves	Accumulated losses	Total	Non-controlling interests	Total equity
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2025	15,000	267,745	5,196	2,825	(205,697)	85,069	(2,606)	82,463
Changes in equity for 2025:								
Profit for the year	–	–	–	–	56,370	56,370	4,762	61,132
Exchange differences on translation of financial statements of overseas subsidiaries	–	–	–	(3,725)	–	(3,725)	(259)	(3,984)
Total comprehensive income for the year	–	–	–	(3,725)	56,370	52,645	4,503	57,148
Acquisition of non-controlling interests of a subsidiary	–	(914)	–	–	–	(914)	(46)	(960)
Balance at 31 December 2025	15,000	266,831	5,196	(900)	(149,327)	136,800	1,851	138,651

The accompanying notes form part of the Historical Financial Information.

CONSOLIDATED CASH FLOW STATEMENTS

(Expressed in RMB)

		Year ended 31 December		
		2023	**2024**	**2025**
	Note	*RMB'000*	*RMB'000*	*RMB'000*
Operating activities				
Cash (used in)/generated from operations	16(b)	(16,325)	51,652	71,190
Income tax paid	22(a)	(180)	(1,372)	(2,058)
Net cash (used in)/generated from operating activities		(16,505)	50,280	69,132
Investing activities				
Payment for the purchase of property, plant and equipment and intangible assets		(1,362)	(4,539)	(5,254)
Cash receipts from disposal of property and equipment and intangible assets		108	35	66
Payment for purchases of financial assets measured at FVPL		–	(10,000)	–
Proceeds from maturity of financial assets measured at FVPL		–	–	10,011
Net cash (used in)/generated from investing activities		(1,254)	(14,504)	4,823
Financing activities				
Proceeds from new bank loans	16(c)	44,177	217,274	137,301
Repayments of bank loans	16(c)	(25,298)	(209,750)	(68,029)
Capital element of lease rentals paid	16(c)	(4,623)	(7,461)	(9,789)
Interest element of lease rentals paid	16(c)	(538)	(875)	(1,129)
Proceeds from other borrowings	16(c)	47,619	50,317	47,701
Repayments of other borrowings	16(c)	(20,891)	(58,075)	(61,344)
Payment for dividends	23(d)	–	(2,718)	–
Payment for acquisition of non-controlling interests of a subsidiary		–	–	(960)
Interest paid	16(c)	(5,292)	(2,478)	(3,205)
Net cash generated from/(used in) financing activities		35,154	(13,766)	40,546

		Year ended 31 December		
		2023	**2024**	**2025**
	Note	*RMB'000*	*RMB'000*	*RMB'000*
Net increase in cash and cash equivalent		17,395	22,010	114,501
Cash and cash equivalents at the beginning of the year	16(a)	30,497	49,391	69,937
Effect of foreign exchange rate changes		1,499	(1,464)	6,692
Cash and cash equivalents at the end of the year	16(a)	49,391	69,937	191,130

The accompanying notes form part of the Historical Financial Information.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

(Expressed in thousands of RMB, unless otherwise stated)

1 BASIS OF PREPARATION AND PRESENTATION OF THE HISTORICAL FINANCIAL INFORMATION

(a) General information

Hiseas International Tourism Group (四川遠海國際旅行社股份有限公司) (the "**Company**") was incorporated in the People's Republic of China (the "**PRC**") on 4 June 2007 as a limited liability company. On 30 July 2018, the Company was converted from a limited company into a company limited by shares under the Companies Law of the PRC.

The Company and its subsidiaries (together as "**the Group**") are principally engaged in the provision of destination management services, comprising travel destination management services and enterprise overseas services.

The Company's financial statements prepared in accordance with Accounting Standards for Business Enterprises and other relevant accounting standards and regulations ("**PRC GAAP**") issued by the Ministry of Finance of the PRC were audited by RSM China CPA LLP 容誠會計師事務所(特殊普通合夥) for the year ended 31 December 2023 and were audited by Chengdu Sanxinhaitong United. C.P.A. Partnership 成都三鑫海通聯合會計師事務所(普通合夥) for the years ended 31 December 2024 and 2025.

(b) Subsidiaries

As at 31 December 2023, 2024 and 2025 and the date of this report, the Company has interests in the following principal subsidiaries, all of which are private companies:

			Effective interest held by the Group				
			As at 31 December			As at the date of this report	
Company Name	**Place and date of incorporation/ registration and place of operations**	**Issued and paid up share capital**	**2023**	**2024**	**2025**		**Principal activities**
Hiseas International GmbH (Switzerland)[(iii)]	Switzerland 3 May 2011	CHF21,000	100%	100%	100%	100%	Tourism and travel related services
Chengdu Weihong Technology Co., Ltd. 成都威鴻科技有限公司[(i)(ii)]	The PRC 27 October 2015	RMB1,000,000	100%	100%	100%	100%	Technology development and consulting services
Nordis Travel ApS[(iii)]	Denmark 11 December 2017	DKK 50,000	60%	60%	60%	60%	Tour operator and related business

Notes:

(i) The official name of this company is in Chinese. The English translation of the company names is for identification only. This company was limited liability company under the law of the PRC. No audited financial statements have been prepared for this entity for the Track Record Period.

(ii) The financial statements of this entity for the years ended 31 December 2023, 2024 prepared in accordance with the PRC GAAP were audited by Chengdu Zhengyixin Certified Public Accountants (General Partnership) 成都正益信會計師事務所(普通合夥). No audited financial statements for this entity for the year ended 31 December 2025 was prepared.

(iii) No audited financial statements have been prepared for these subsidiaries for Track Record Period.

All subsidiaries of the Company have adopted 31 December as their financial year end date.

(c) Basis of preparation

The Historical Financial Information has been prepared in accordance with all applicable 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.

The IASB has issued a number of new and revised IFRS Accounting Standards. For the purpose of preparing the Historical Financial Information, the Group has adopted all applicable new and revised IFRS Accounting Standards consistently throughout the Track Record Period, except for any new standards or interpretations that are not yet effective for the accounting period ended 31 December 2025. The revised and new accounting standards and interpretations issued but not yet effective for the accounting period ended 31 December are set out in note 28.

The Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The accounting policies set out below have been applied consistently to all periods presented in the Historical Financial Information.

The Historical Financial Information is presented in RMB, rounded to the nearest thousand ("**RMB'000**"), unless otherwise indicated.

2 MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of measurement

The measurement basis used in the preparation of the Historical Financial Information is the historical cost basis, except that the following assets are stated at their fair value as explained in the accounting policies set out below:

– Financial assets measured at FVPL (see note 2(e)).

(b) Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements made by management in the application of IFRS Accounting Standards that have significant effect on the Historical Financial Information and major sources of estimation uncertainty are discussed in note 3.

(c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

For each business combination, the Group can elect to measure any non-controlling interests ("**NCI**") either at fair value or at the NCI's proportionate share of the subsidiary's net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the company. NCI in the results of the Group is presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the equity shareholders of the company.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(i)), unless it is classified as held for sale (or included in a disposal Group classified as held for sale).

(d) Associates

An associate is an entity in which the Group or the company has significant influence, but not control or joint control, over the financial and operating policies.

An interest in an associate is accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequently, the consolidated financial statements include the group's share of the profit or loss and other comprehensive income ("**OCI**") of those investees, until the date on which significant influence ceases.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate, after applying the ECL model to such other long-term interests where applicable (see note 2(i)(i)).

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

(e) Other investments in securities

The Group's policies for investments in securities, other than investments in subsidiaries are set out below.

Investments in securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss (FVPL) for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 24(e). These investments are subsequently accounted for as follows, depending on their classification.

(i) Non-equity investments

Non-equity investments are classified into one of the following measurement categories:

– amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Expected credit losses, interest income calculated using the effective interest method (see note 2(t)(ii)) are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

– FVOCI – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses are recognised in profit or loss and computed in the same manner as if the financial asset was measured at amortised cost. The difference between the fair value and the amortised cost is recognised in other comprehensive income ("**OCI**"). When the investment is derecognised, the amount accumulated in OCI is recycled from equity to profit or loss.

– FVPL if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(ii) Equity investments

An investment in equity securities is classified as FVPL, unless the investment is not held for trading purposes and on initial recognition the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in OCI. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. If such election is made for a particular investment, at the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings and not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income (see note 2(t)(ii)).

(f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(i)(ii)).

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components).

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

Depreciation is calculated to write off the cost of items of other property and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

– Equipment and furniture	3 to 5 years
– Vehicles	10 years
– Leasehold improvements	2 to 10 years

Depreciation methods, useful life and residual values are reviewed annually and adjusted if appropriate.

(g) Intangible assets

(i) Software

Acquired computer software are capitalised on the basis of the costs incurred to acquire and bring the specific software into usage. These costs are amortised using the straight-line method over their estimated useful lives. Costs associated with maintaining computer software programs are recognised as expense as incurred. The estimated useful life and amortisation method are reviewed annually, with the effect of any changes in estimate being accounted for on a prospective basis.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, if any, and is generally recognised in profit or loss.

The estimated useful lives are as follows:

–	Software	5 to 10 years

Amortisation methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

Intangible assets not yet available for use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

(h) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see note 2(i)(ii)).

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in debt securities carried at amortised cost (see note 2(e)(i)). Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("**lease modification**") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the principal portion of contractual payments that are due to be settled within twelve months after the reporting period.

(i) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognises a loss allowance for expected credit losses ("**ECLs**") on financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables and restricted deposits).

Other financial assets measured at fair value are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using the following rates if the effect is material:

– fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;

– variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are measured on either of the following bases:

– 12-month ECLs: these are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and

– lifetime ECLs: these are the ECLs that result from all possible default events over the expected lives of the items to which the ECL model applies.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

– financial instruments that are determined to have low credit risk at the reporting date; and

– other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the group's historical experience and informed credit assessment, that includes forward-looking information.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

– significant financial difficulties of the debtor;

– a breach of contract, such as a default or being more than 90 days past due;

– the restructuring of a loan or advance by the group on terms that the group would not consider otherwise;

– it is probable that the debtor will enter bankruptcy or other financial reorganisation; or

– the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the asset becomes 3 years past due or when the Group otherwise determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("**CGU**"s).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the resulting carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Segment reporting

Operating segments, and the amounts of each segment item reported in the Historical Financial Information, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

(k) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see note 2(t)). A contract liability is also recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such latter cases, a corresponding receivable is also recognised (see note 2(l)).

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(t)(ii)).

(l) Trade and other receivables

A receivable is recognised when the group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost using the effective interest method and including an allowance for credit losses (see note 2(i)(i)).

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institution, and other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement. Cash and cash equivalents are assessed for ECL (see note 2(i)(i)).

(n) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(o) Redemption liabilities

A contract that contains an obligation to purchase the Company's equity instruments for cash or another financial asset gives rise to a financial liability for the redemption amount, even if the Company's obligations to purchase is conditional on the counterparty exercising a right to redeem. The redemption liability is measured at the highest redemption amount (on a present value basis) the Company could be required to pay from time to time. Any change in the carrying amount of the redemption liability arising from the remeasurement of the redemption amount is recognised in profit or loss. The then carrying amount of the redemption liability is reclassified to equity upon a termination of the counterparty's redemption right.

(p) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with note 2(t)(ii).

(q) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Share-based payments

The grant-date fair value of equity-settled share-based payments granted to employees is measured using the binomial lattice model. The amount is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service conditions at the vesting date. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

(r) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

– temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

– temporary differences related to investment in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

– those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(s) Provisions and contingent liabilities

Generally, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(t) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods or the provision of services in the ordinary course of the Group's business.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Revenue from contracts with customers

Provision of destination management services

The Group acts as a principal in the provision of travel destination management services, mainly including the package tours. The revenue is recorded on the gross basis and is recognised over time because the service is simultaneously received and consumed by the customer when the Group performs.

(ii) Revenue from other sources and other income

(a) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discount estimated future cash receipts through expected life of the financial assets to the gross carrying amount of the financial asset. For financial assets measured at amortised cost are not credit-impaired, the effective interest rate is applied to the gross carrying amounts of the asset. For credit impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amounts net of loss allowance) of the asset (see note 2(i)(i)).

(b) Government grants

Government grants are recognised in the consolidated statements of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them.

Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are recognised initially as deferred income and amortised to profit or loss as other income over the useful life of the asset.

(u) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into Hong Kong dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Hong Kong dollars at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the exchange reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the NCI shall be derecognised, but shall not be reclassified to profit or loss. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(v) Research and development expenses

Research and development expenses comprise all expenses that are directly attributable to research and development activities or that can be allocated on a reasonable basis to such activities. Research and development expenses are recognised as expenses in the period in which they are incurred.

(w) Borrowing costs

Borrowing costs that are directly attributable to the construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(x) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

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

(ii) has significant influence over the Group; or

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

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

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

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

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

Judgements and estimations used in preparation of the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Note 24 contains information about the assumption and their risk factors relating to financial instruments. Other key sources of significant estimation uncertainty are as follows:

(a) Recognition of deferred tax assets

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

(b) Expected credit losses for trade and other receivables

Expected credit losses for trade and other receivables are determined based on assumptions about risk of default and expected credit loss rates. The Group adjusts judgement in making the assumption and selecting inputs for computing such impairment loss, broadly based on the available customers' historical data, existing market conditions including forward looking estimates at the end of each reporting periods.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

(i) Disaggregation of revenue

Revenue from contracts with customers by major services lines is as follows.

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15			
Travel destination management services			
– Package tours	688,068	1,471,766	1,975,732
– Experience travel	30,834	48,781	71,981
Enterprise overseas services	64,195	83,352	95,293
Others	4,405	352	660
	787,502	1,604,251	2,143,666

The Group's customer base is diversified and transactions with one of its customers has exceeded 10% of the Group's revenues for each of the years ended 31 December 2023, 2024 and 2025. Revenues from sales to the customer amounted to approximately RMB91,755,000, RMB230,118,000 and RMB264,516,000 for the years ended 31 December 2023, 2024 and 2025 respectively. Details of concentrations of credit risk arising from customers are set out in note 24(a).

The Group applies the practical expedient in paragraph 121 of IFRS 15 of not disclosing the transaction price allocated to the remaining performance obligation as the original expected duration of substantially all the contracts of the Group are within one year or less.

(b) Segment reporting

(i) Segment information

The Group manages its businesses as a whole by the most senior executive management for the purposes of resource allocation and performance assessment. The Group's chief operating decision maker is the chief executive officer of the Group who reviews the Group's consolidated results of operations in assessing performance of and making decisions about allocations to this segment.

Accordingly, no reportable segment information is presented.

(ii) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, right-of-use assets and intangible assets ("**specified non-current assets**"). The geographical location of customers is based on the location at which the customers are registered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, right-of-use assets and the location of the operation to which they are allocated, in the case of intangible assets and other non-current assets.

Revenue from external customers

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Chinese Mainland	432,421	1,078,033	1,392,930
Other Asian markets	279,962	419,504	579,837
Europe	48,811	79,243	123,371
Americas	24,497	23,161	45,359
Others	1,811	4,310	2,169
	787,502	1,604,251	2,143,666

Specified non-current assets

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Chinese Mainland	11,731	15,353	13,492
Other Asian markets	752	544	4,381
Europe	4,468	10,191	16,958
Americas	211	936	1,364
Others	99	1,173	577
	17,261	28,197	36,772

5 OTHER NET LOSS

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest income from bank deposits	24	139	97
Government grants(i)	228	219	298
Net realised and unrealised loss on financial assets measured at FVPL	(1,338)	(290)	(151)
Net (loss)/gain on disposal of property, plant and equipment	(11)	14	19
Net foreign exchange gain/(loss)	2	(623)	(5,578)
Others	503	(174)	(102)
	(592)	(715)	(5,417)

Note:

(i) Government grants mainly represented subsidy income received from various government organisations to support the operation of the Group. There are no unfulfilled conditions attaching to these government grants.

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

(a) Finance costs

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Interest on bank loans *(note 20)*	1,999	3,120	5,022
Interest on other borrowings *(note 17)*	3,906	5,193	3,518
Interest on financial instruments issued to investors *(note 18)*	2,000	6,515	–
Interest on lease liabilities *(note 21)*	537	875	1,129
	8,442	15,703	9,669

(b) Staff costs (including directors' and supervisors' emoluments)

		Year ended 31 December		
		2023	2024	2025
	Note	*RMB'000*	*RMB'000*	*RMB'000*
Salaries, wages, bonuses and other benefits		65,096	127,463	156,528
Contributions to defined contribution retirement plans	(i)	4,361	7,634	10,800
		69,457	135,097	167,328

(i) Pursuant to the relevant labour rules and regulations in the PRC, the Company and its subsidiaries in the PRC participate in defined contribution retirement benefit schemes (the "**Schemes**") organized by the local government authorities whereby the Company and its subsidiaries in the PRC are required to make contributions to the Schemes based on certain percentages of the eligible employee's salaries. The local government authorities are responsible for the entire pension obligations payable to the retired employees.

The subsidiaries of the Company operating in Switzerland, Denmark and other jurisdictions maintain government mandated programs to cover their employees for pension, death and disability. Employer and employee contributions are made based on various percentages of salaries and wages that vary based on employee age and other factors.

The Group has no other material obligation for payment of other retirement benefits beyond the above contributions.

(c) Other items

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Amortisation cost of intangible assets	22	200	650
Depreciation charge			
– property, plant and equipment *(note 11)*	646	1,656	2,084
– right-of-use assets *(note 12)*	4,419	7,556	9,798

7 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(a) Taxation in the consolidated statements of profit or loss and other comprehensive income represents:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Current tax – Overseas	1,203	1,384	4,422
Current tax – PRC tax	68	46	41
Deferred tax	–	(10,787)	6,019
Total	1,271	(9,357)	10,482

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

		Year ended 31 December		
		2023	**2024**	**2025**
	Note	*RMB'000*	*RMB'000*	*RMB'000*
Profit before taxation		9,457	39,844	71,614
Notional tax on profit before taxation, calculated at the rates applicable to profits in the countries concerned	(i)	1,784	7,584	14,666
Effect of preferential income tax rates	(ii)	(873)	(1,169)	(1,808)
Tax effect of non-deductible expenses		1,160	1,449	113
Tax effect of deductible temporary difference and tax losses not recognised		(2,706)	(7,977)	(4,420)
Utilisation of tax losses from not recognised deferred tax in previous years		2,044	1,833	2,311
Tax effect of recognition of previously unrecognised tax losses		–	(10,794)	–
Additional deduction for qualified research and development expenses	(iii)	(138)	(283)	(380)
Actual tax expense		1,271	(9,357)	10,482

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

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

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.

Taxation for other overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries during the Track Record Period unless otherwise specified below.

(ii) The Company is 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.

(iii) 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.

8 DIRECTORS' AND SUPERVISORS' EMOLUMENTS

Directors' and supervisors' emoluments are as follows:

	Year ended 31 December 2023				
	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors					
Mr. Wang Wei (王威)	–	382	130	33	545
Mr. Huang Zheng (黃征) (resigned in March 2023)	–	72	15	5	92
Mr. Ma Qingshan (馬青山) (appointed in March 2023)	–	387	130	30	547
Non-Executive Directors					
Mr. Zhao Ke (趙科)	–	–	–	–	–
Dr. Shi Xin (史新)	–	–	–	–	–
Independent Non-Executive Directors					
Dr. Li Xinjian (厲新建)	72	–	–	–	72
Supervisors					
Ms. Mei Qiaoyan (梅巧艷)	–	142	20	8	170
Ms. Wang Jun (王珺)	–	246	356	22	624
Ms. Chen Qiutong (陳秋彤)	–	233	84	30	347
Mr. Ma Jianjie (馬健傑)	–	–	–	–	–
Mr. Yi Yu (易宇)	–	–	–	–	–
	72	1,462	735	128	2,397

	Year ended 31 December 2024				
	Directors' fees	**Salaries, allowances and benefits in kind**	**Discretionary bonuses**	**Retirement scheme contributions**	**Total**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors					
Mr. Wang Wei (王威)	–	395	177	33	605
Mr. Ma Qingshan (馬青山)	–	414	128	30	572
Non-Executive Directors					
Mr. Zhao Ke (趙科)	–	–	–	–	–
Dr. Shi Xin (史新)	–	–	–	–	–
Independent Non-Executive Directors					
Dr. Li Xinjian (厲新建)	72	–	–	–	72
Supervisors					
Ms. Mei Qiaoyan (梅巧艷)	–	143	18	9	170
Ms. Wang Jun (王珺)	–	276	117	30	423
Ms. Chen Qiutong (陳秋彤)	–	261	79	24	364
Mr. Ma Jianjie (馬健傑)	–	–	–	–	–
Mr. Yi Yu (易宇) (resigned in January 2024)	–	–	–	–	–
Ms. Gao Wenjing (高文婧) (appointed in January 2024)	–	–	–	–	–
	72	1,489	519	126	2,206

	Year ended 31 December 2025				
	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Executive Directors					
Mr. Wang Wei (王威)	–	507	452	33	992
Mr. Ma Qingshan (馬青山)	–	416	246	30	692
Non-Executive Directors					
Mr. Zhao Ke (趙科)	–	–	–	–	–
Dr. Shi Xin (史新)	–	–	–	–	–
Independent Non-Executive Directors					
Dr. Li Xinjian (厲新建)	72	–	–	–	72
Supervisors					
Ms. Mei Qiaoyan (梅巧艷)	–	143	18	9	170
Ms. Wang Jun (王珺)	–	277	66	30	373
Ms. Chen Qiutong (陳秋彤)	–	268	49	25	342
Mr. Ma Jianjie (馬健傑)	–	–	–	–	–
Ms. Gao Wenjing (高文婧)	–	–	–	–	–
	72	1,611	831	127	2,641

During the Track Record Period, Ms. Chen Qiutong resigned as a supervisor and was appointed as an executive director on June 26, 2026. Mr. Shi Yan and Ms. Wang Fei were appointed as independent non-executive directors on June 26, 2026.

During the Track Record Period, no emoluments were paid by the Group to the director as an inducement to join or upon joining the Group or as compensation for loss of office. No director of the Group waived or agreed to waive any emoluments during the Track Record Period.

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three, nil and one are directors or supervisors whose emoluments are disclosed in note 8 for the Track Record Period. The aggregate of the emoluments in respect of the remaining highest paid individuals, are as follows:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Salaries and other emoluments	780	1,334	812
Discretionary bonuses	719	2,328	3,207
Retirement scheme contributions	53	87	48
	1,552	3,749	4,067

The emoluments of the individuals who are non-directors or supervisors and who are amongst the five highest paid individuals of the Group are within the following bands:

	Year ended 31 December		
	2023	**2024**	**2025**
	Number of individuals	*Number of individuals*	*Number of individuals*
Nil – HKD1,000,000	2	5	3
HKD1,000,001 – HKD1,500,000	–	–	1

10 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the following profit attributable to equity shareholders of the Company and the weighted average number of ordinary shares of 15,000,000 shares in issue during the years ended 31 December 2023, 2024 and 2025.

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Profit attributable to equity shareholders of the Company	8,873	49,098	56,370

(b) Diluted earnings per share

The Group had no dilutive potential ordinary shares in issue during the years ended 31 December 2023, 2024 and 2025. Accordingly, diluted earnings per share were the same as basic earnings per share.

11 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amount

The Group

	Equipment and furniture	Vehicles	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Cost:				
At 1 January 2023	2,362	442	405	3,209
Additions	1,309	35	–	1,344
Disposals	(579)	–	–	(579)
Exchange adjustment	49	27	–	76
At 31 December 2023 and 1 January 2024	3,141	504	405	4,050
Additions	1,561	1,056	1,003	3,620
Disposals	(359)	–	–	(359)
Exchange adjustment	(27)	15	(19)	(31)
At 31 December 2024 and 1 January 2025	4,316	1,575	1,389	7,280
Additions	850	490	3,343	4,683
Disposals	(479)	(179)	–	(658)
Exchange adjustment	73	40	96	209
At 31 December 2025	4,760	1,926	4,828	11,514
Accumulated depreciation				
At 1 January 2023	(1,559)	(219)	–	(1,778)
Charge for the year	(423)	(67)	(156)	(646)
Disposals	467	–	–	467
Exchange adjustment	(27)	(15)	–	(42)
At 31 December 2023 and 1 January 2024	(1,542)	(301)	(156)	(1,999)
Charge for the year	(1,126)	(435)	(95)	(1,656)
Disposals	351	–	–	351
Exchange adjustment	14	(10)	*	4
At 31 December 2024 and January 2025	(2,303)	(746)	(251)	(3,300)
Charge for the year	(918)	(380)	(786)	(2,084)
Disposals	433	179	–	612
Exchange adjustment	(41)	(13)	(7)	(61)
At 31 December 2025	(2,829)	(960)	(1,044)	(4,833)
Net book value:				
At 31 December 2025	1,931	966	3,784	6,681
At 31 December 2024	2,013	829	1,138	3,980
At 31 December 2023	1,599	203	249	2,051

The Company

	Equipment and furniture	Leasehold improvements	Total
	RMB'000	*RMB'000*	*RMB'000*
Cost:			
At 1 January 2023	1,433	–	1,433
Additions	900	–	900
Disposals	(42)	–	(42)
At 31 December 2023 and 1 January 2024	2,291	–	2,291
Additions	965	117	1,082
Disposals	(310)	–	(310)
At 31 December 2024 and 1 January 2025	2,946	117	3,063
Additions	255	–	255
Disposals	(118)	–	(118)
At 31 December 2025	3,083	117	3,200
Accumulated depreciation			
At 1 January 2023	(1,050)	–	(1,050)
Charge for the year	(248)	–	(248)
Disposals	31	–	31
At 31 December 2023 and 1 January 2024	(1,267)	–	(1,267)
Charge for the year	(613)	(23)	(636)
Disposals	309	–	309
At 31 December 2024 and 1 January 2025	(1,571)	(23)	(1,594)
Charge for the year	(623)	(42)	(665)
Disposals	111	–	111
At 31 December 2025	(2,083)	(65)	(2,148)
Net book value:			
At 31 December 2025	1,000	52	1,052
At 31 December 2024	1,375	94	1,469
At 31 December 2023	1,024	–	1,024

* Amount less than RMB500.

12 RIGHT-OF-USE ASSETS

(a) The reconciliation of the carrying amounts of right-of-use assets by class of underlying asset is as follows:

The Group

	Properties leased for own use
	RMB'000
Cost:	
At 1 January 2023	13,872
Additions	9,423
Exchange adjustments	235
At 31 December 2023 and 1 January 2024	23,530
Additions	16,090
Disposals	(682)
Exchange adjustments	(313)
At 31 December 2024 and 1 January 2025	38,625
Additions	15,168
Disposals	(2,229)
Exchange adjustments	879
At 31 December 2025	52,443
Accumulated depreciation:	
At 1 January 2023	(3,935)
Charge for the year	(4,419)
Exchange adjustments	(61)
At 31 December 2023 and 1 January 2024	(8,415)
Charge for the year	(7,556)
Disposals	682
Exchange adjustments	80
At 31 December 2024 and 1 January 2025	(15,209)
Charge for the year	(9,798)
Disposals	2,229
Exchange adjustments	(289)
At 31 December 2025	(23,067)
Net book value:	
At 31 December 2025	29,376
At 31 December 2024	23,416
At 31 December 2023	15,115

The Company

	Properties leased for own use
	RMB'000
Cost:	
At 1 January 2023	9,580
Additions	5,935
At 31 December 2023 and 1 January 2024	15,515
Additions	6,414
At 31 December 2024 and 1 January 2025	21,929
Additions	3,840
Disposals	(671)
At 31 December 2025	25,098
Accumulated depreciation:	
At 1 January 2023	(3,246)
Charge for the year	(2,860)
At 31 December 2023 and 1 January 2024	(6,106)
Charge for the year	(4,172)
At 31 December 2024 and 1 January 2025	(10,278)
Charge for the year	(4,738)
Disposals	671
At 31 December 2025	(14,345)
Net book value:	
At 31 December 2025	10,753
At 31 December 2024	11,651
At 31 December 2023	9,409

Properties leased for own use

The Group has obtained the right to use properties through lease agreements. The leases typically run for an initial period of 1 to 5 years. Some leases include an option to renew the lease for an additional period after the end of the contract term. None of the leases includes variable lease payments.

(b) The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Depreciation charge of right-of-use assets	4,419	7,556	9,798
Interest on lease liabilities *(note 6(a))*	537	875	1,129
Expense relating to short-term leases	816	1,212	688

The additions to right-of-use assets during the Track Record Period included the capitalised lease payments payable under new tenancy agreements.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in notes 16(c) and 21, respectively.

13 INVESTMENT IN SUBSIDIARIES

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Beijing Yuanhai Zhixing Education Technology Co., Ltd. 北京遠海智行教育科技有限公司	5,290	5,290	5,290
Chengdu Weihong Technology Co., Ltd. 成都威鴻科技有限公司	1,000	1,000	1,000
Hiseas Europe Sarl	896	896	896
Guizhou Yuanhai Zhixing Travel Agency Co., Ltd. 貴州遠海智行旅行社有限公司	800	800	800
Hiseas International (HongKong) Limited	–	9	620
Chengdu Youhaiyou Information Technology Co., Ltd. 成都遊海遊信息科技有限公司	510	510	510
Others	959	1,039	1,039
	9,455	9,544	10,155

The following table lists out the information relating to Nordis Travel ApS, the only subsidiary of the Group which has a material NCI. The summarised financial information presented below represents the amounts before any inter-company elimination.

	Nordis Travel ApS		
	As at 31 December/Year ended 31 December		
	2023	**2024**	**2025**
Interests held by non-controlling interests	40%	40%	40%
Profit allocated to non-controlling interests during the year	1,378	1,976	8,407
Other comprehensive income allocated to non-controlling interests during the year	24	(92)	376
Balance of non-controlling interests at the end of the year	1,324	3,208	11,991
Current assets	17,635	24,928	83,355
Non-current assets	869	2,972	2,697
Total assets	18,504	27,900	86,052
Current liabilities	(14,630)	(17,564)	(54,378)
Non-current liabilities	(564)	(2,316)	(1,696)
Total liabilities	(15,194)	(19,880)	(56,074)
Revenue	112,403	192,515	272,913
Net profit	3,445	4,940	21,017
Total comprehensive income	3,445	4,940	21,017
Net cash inflow from operating activities	1,958	7,214	19,307

14 FINANCIAL ASSETS MEASURED AT FVPL

The Group and the Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Wealth management products issued by banks	–	10,000	–
Equity securities listed in PRC	2,803	2,513	2,362
	2,803	12,513	2,362

The analysis on the fair value measurement of the above financial assets is disclosed in note 24(e).

15 TRADE AND OTHER RECEIVABLES

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	114,778	152,675	217,288
Less: losses allowance *(note 24(a))*	(15,295)	(11,943)	(15,561)
Trade receivables, net	99,483	140,732	201,727
Other receivables	14,807	25,079	26,267
Less: losses 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
	143,626	210,378	283,264

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Trade receivables	53,095	62,560	92,975
Less: losses allowance *(note 24(a))*	(5,936)	(5,031)	(5,667)
Trade receivables, net	47,159	57,529	87,308
Other receivables			
– subsidiaries	143,978	156,739	259,360
– others	1,090	13,342	4,916
Less: losses allowance	(1,544)	(1,293)	(795)
Other receivables, net	143,524	168,788	263,481
Prepayments	7,944	11,474	5,927
Value Added Tax ("**VAT**") recoverable	1	955	1,452
	198,628	238,746	358,168

All of the trade and other receivables are expected to be recovered or recognised as expense within one year.

Non-trade related amounts due from subsidiaries are interest-free, unsecured and have no fixed terms of payment.

Ageing analysis

As at the end of each reporting period, the ageing analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year (inclusive)	97,621	138,834	190,624
1 to 2 years (inclusive)	1,829	1,788	10,676
2 to 3 years (inclusive)	33	110	427
	99,483	140,732	201,727

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year (inclusive)	47,089	56,349	76,348
1 to 2 years (inclusive)	11	1,180	10,496
2 to 3 years (inclusive)	59	–	464
	47,159	57,529	87,308

Trade receivables are due within 90 days for customers from the date of invoice.

Further details on the Group's credit policy and credit risk arising from trade receivables are set out in note 24(a).

16 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Cash and bank balance	50,624	74,474	200,796
Less: restricted deposits[i]	(1,111)	(3,719)	(4,972)
Cash and cash equivalents in the consolidated statement of financial position	49,513	70,755	195,824
Bank overdrafts *(note 20)*	(122)	(818)	(4,694)
Cash and cash equivalents in the consolidated cash flow statements	49,391	69,937	191,130

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Cash and bank balance	17,311	16,231	79,489
Less: restricted deposits	(20)	(2,770)	(4,320)
	17,291	13,461	75,169

(i) Restricted deposits represent deposits for traveling business in the PRC as required by regulatory authorities.

(b) Reconciliation of profit before taxation to cash generated from operations:

		Year ended 31 December		
		2023	**2024**	**2025**
	Note	*RMB'000*	*RMB'000*	*RMB'000*
Profit before taxation		9,457	39,844	71,614
Adjustments for:				
Depreciation of property and equipment	6(c)	646	1,656	2,084
Amortisation of intangible assets	6(c)	22	200	650
Depreciation of right-of-use assets	6(c)	4,419	7,556	9,798
(Reversal of impairment loss)/impairment losses on trade and other receivables		(20,593)	(856)	5,907
Finance costs	6(a)	8,442	15,703	9,669
Net loss/(gain) on disposal of property, plant and equipment	5	11	(14)	(19)
Net realised and unrealised loss on financial assets measured at FVPL	5	1,338	290	151

		Year ended 31 December		
		2023	**2024**	**2025**
	Note	*RMB'000*	*RMB'000*	*RMB'000*
Changes in working capital:				
Increase in trade and other receivables		(83,113)	(65,897)	(78,792)
Increase in restricted deposits		(846)	(2,608)	(1,253)
Increase in trade and other payables		52,033	48,554	16,993
Increase in contract liabilities		11,859	7,224	34,388
Cash (used in)/generated from operations		(16,325)	51,652	71,190

(c) Reconciliation of liabilities arising from financing activities

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

		Bank loans	**Lease liabilities**	**Other borrowings**	**Total**
	Note	*RMB'000 (note 20)*	*RMB'000 (note 21)*	*RMB'000 (note 17)*	*RMB'000*
At 1 January 2023		7,021	9,999	8,490	25,510
Changes from financing cash flows:					
Proceeds from new bank loans		44,177	–	–	44,177
Repayments of bank loans		(25,298)	–	–	(25,298)
Capital element of lease rentals paid		–	(4,623)	–	(4,623)
Interest element of lease rentals paid		–	(538)	–	(538)
Proceeds from other borrowings		–	–	47,619	47,619
Repayments of other borrowings		–	–	(20,891)	(20,891)
Interest paid		(5,292)	–	–	(5,292)
Total changes from financing cash flows		13,587	(5,161)	26,728	35,154
Exchange adjustments		–	180	–	180
Other changes:					
Increase in lease liabilities from entering into new leases during the year		–	9,423	–	9,423
Financial costs	6(a)	1,999	537	3,906	6,442
Total other charges		1,999	9,960	3,906	15,865
At 31 December 2023		22,607	14,978	39,124	76,709

	Note	Bank loans	Lease liabilities	Other borrowings	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
		(note 20)	*(note 21)*	*(note 17)*	
At 1 January 2024		22,607	14,978	39,124	76,709
Changes from financing cash flows:					
Proceeds from new bank loans		217,274	–	–	217,274
Repayments of bank loans		(209,750)	–	–	(209,750)
Capital element of lease rentals paid		–	(7,461)	–	(7,461)
Interest element of lease rentals paid		–	(875)	–	(875)
Proceeds from other borrowings		–	–	50,317	50,317
Repayments of other borrowings		–	–	(58,075)	(58,075)
Interest paid		(2,478)	–	–	(2,478)
Total changes from financing cash flows		5,046	(8,336)	(7,758)	(11,048)
Exchange adjustments		1	(240)	–	(239)
Other changes:					
Increase in lease liabilities from entering into new leases during the year		–	16,090	–	16,090
Financial costs	6(a)	3,120	875	5,193	9,188
Total other charges		3,120	16,965	5,193	25,278
At 31 December 2024		30,774	23,367	36,559	90,700

	Note	Bank loans	Lease liabilities	Other borrowings	Total
		RMB'000 *(note 20)*	*RMB'000* *(note 21)*	*RMB'000* *(note 17)*	*RMB'000*
At 1 January 2025		30,774	23,367	36,559	90,700
Changes from financing cash flows:					
Proceeds from new bank loans		137,301	–	–	137,301
Repayments of bank loans		(68,029)	–	–	(68,029)
Capital element of lease rentals paid		–	(9,789)	–	(9,789)
Interest element of lease rentals paid		–	(1,129)	–	(1,129)
Proceeds from other borrowings from individuals		–	–	47,701	47,701
Repayments of other borrowings from individuals		–	–	(61,344)	(61,344)
Interest paid		(3,205)	–	–	(3,205)
Total changes from financing cash flows		66,067	(10,918)	(13,643)	41,506
Exchange adjustments		(1)	607	–	606
Other changes:					
Increase in lease liabilities from entering into new leases during the year		–	15,168	–	15,168
Financial costs	6(a)	5,022	1,129	3,518	9,669
Total other charges		5,022	16,297	3,518	24,837
At 31 December 2025		101,862	29,353	26,434	157,649

(d) Total cash outflows for leases

Amounts included in the consolidated cash flow statements for leases comprise the following:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within operating cash flows	816	1,212	688
Within financing cash flows	5,161	8,336	10,918
	5,977	9,548	11,606

17 TRADE AND OTHER PAYABLES

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
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
	124,606	164,490	182,371

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Trade payables	32,653	30,567	136,699
Other borrowings	39,124	36,559	4,006
Other payables	8,739	11,210	3,644
Accrued payroll and benefits	11,437	24,520	31,237
Other tax payables	1,138	2,452	1,493
	93,091	105,308	177,079

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

Other borrowings included amounts due to individuals which were interest-bearing at 10.00%–12.00%, 8.00%–12.00% and 10.00%, as at 31 December 2023, 2024 and 2025, respectively and have terms of payment within one year.

As at the end of each reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	51,621	82,354	93,122
1 to 2 years	1,360	2,223	6,282
2 to 3 years	491	502	503
More than 3 years	5,469	2,539	2,359
	58,941	87,618	102,266

The Company

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	27,895	27,032	133,834
1 to 2 years	789	1,412	907
2 to 3 years	451	356	307
More than 3 years	3,518	1,767	1,651
	32,653	30,567	136,699

18 FINANCIAL INSTRUMENTS ISSUED TO INVESTORS

From 2017 to 2019, the Company completed several rounds of financing by issuing its registered capital. Pursuant to the investment agreements (the "**Investment Agreements**") entered between the Company and the investors (the "**Preferential Investors**"), the Preferential Investors were granted certain preferential rights, and their key terms are summarised as follows:

Liquidation preference

In the event of any liquidation or dissolution of the Company, the Preferential Investors shall be entitled to receive a distribution of all assets and funds of the Company legally available for distribution at the higher of (i) the original issue price plus a simple interest at 10% per annum for the period from the original investment date to the liquidation date and (ii) a pro-rata share of the Company's net assets at the liquidation date (the "**Priority Liquidation Amount**"). After the Priority Liquidation Amount is paid off, the remaining assets of the Company shall be distributed among the remaining shareholders, i.e. the founding shareholders on a pro-rata basis.

Redemption rights

Certain Preferential Investors shall have the right to require the controlling shareholder and/or the Company to purchase all or part of the shares of the Company held by them, upon the occurrence of certain redemption events, including but not limited to:

(i) a qualified **[REDACTED]** of the Company does not consummate within the agreed time frame; and

(ii) the Company or the controlling shareholder have materially breached any term of the transaction documents.

The redemption price of each share shall be the original issue price plus a simple interest at 10% per annum for the period from the original investment date to the redemption date, minus any paid dividends.

Upon the occurrence of any of the deemed liquidation events, such as a merger, reorganization, acquisition, or other similar transaction or series of transactions that result in the change of control of the Company, the Preferential Investors shall be entitled to a distribution of the Company's assets (calculated at the Company's equity value at the date of the deemed liquidation event) at the Priority Liquidation Amount. The Preferential Investors shall cease to hold the shares after such distribution.

Performance guarantee

The Company shall compensate certain Preferential Investors when it fails to meet a predetermined target of net profit in given financial years before the Track Record Period. As at 1 January and 31 December 2023, compensation of RMB17,311,000 was payable by the Company upon the investors' request.

Termination of preferential rights

On 3 June 2024, the Company, the Company's Controlling Shareholders and the Preferential Investors entered into a termination agreement agreeing that the above preferential rights (including the liquidation preference, redemption rights, and performance guarantee) granted by the Company to the Preferential Investors have been terminated. Upon signing the termination agreement, the redemption liabilities and the performance guarantee compensation payables were reclassed to equity as the requirements for derecognition of the liabilities were met.

The movements of the financial instruments issued to investors recognised during the Track Record Period are set out below:

The Group and the Company

	Year ended at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
At beginning of the year	207,180	209,180	–
Interest on financial instruments issued to investors	2,000	6,515	–
Reclassification of redemption liability to equity	–	(215,695)	–
At ending of the year	209,180	–	–

Preferential rights granted by the Controlling Shareholders

In connection with the pre-**[REDACTED]** investments, certain Preferential Investors had been granted certain customary preferential rights against the Controlling Shareholders including, among others, redemption rights.

After the termination of preferential rights, the directors of the Company have confirmed that (i) the Company does not have any obligation to fulfil the abovementioned special rights granted by the Controlling Shareholders, including the redemption rights; and (ii) the Company has not provided any guarantee for the abovementioned preferential rights granted by the Controlling Shareholders in the event of a default by the Controlling Shareholders. Accordingly, after the termination of preferential rights, no financial liability has been recorded in the Historical Financial Information with respect to these preferential rights granted to the Preferential Investors by the Controlling Shareholders.

19 CONTRACT LIABILITIES

The Group

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Balance at beginning of the year	14,435	26,295	33,519
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(14,435)	(26,295)	(33,519)
Increase in contract liabilities as a result of receipts in advance	26,295	33,519	67,907
Balance at end of the year	26,295	33,519	67,907

The Company

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Balance at beginning of the year	2,662	6,685	12,244
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(2,662)	(6,685)	(12,244)
Increase in contract liabilities as a result of receipts in advance	6,685	12,244	18,882
Balance at end of the year	6,685	12,244	18,882

All of the contract liabilities are expected to be recognised as revenue within one year.

20 BANK LOANS AND OVERDRAFTS

At the end of each reporting period, the bank loans and overdrafts were secured as follows:

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Secured bank loans	3,003	3,003	–
Unsecured bank overdrafts *(note 16)*	122	818	4,694
Unsecured bank loans	–	–	169
Guaranteed bank loans	19,604	27,770	101,693
	22,729	31,591	106,556

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Secured bank loans	3,003	3,003	–
Unsecured bank overdrafts *(note 16)*	–	14	10
Guaranteed bank loans	16,229	24,781	99,093
	19,232	27,798	99,103

(i) Secured bank loans

As at 31 December 2023, 2024 and 2025, the secured bank loans carried an interest rate at 4.2% per annum, 4.2% per annum, and nil per annum, respectively.

(ii) Unsecured bank overdrafts

As at 31 December 2023, 2024 and 2025, unsecured bank overdrafts were interest-free.

(iii) Unsecured bank loans

As at 31 December 2025, unsecured bank loans carried an interest at 3.19% per annum.

(iv) Guaranteed bank loans

As at 31 December 2023, 2024 and 2025, the guaranteed bank loans were guaranteed by Mr. Wang Wei, the controlling shareholder of the 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. All the guarantees of the bank loans will be released before/upon **[REDACTED]**.

(v) Bank loans and overdrafts at the end of reporting periods were repayable as follows:

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year or on demand	20,056	20,324	77,602
After 1 year but within 2 years	–	1,675	28,688
After 2 years but within 5 years	2,673	9,592	266
	22,729	31,591	106,556

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year or on demand	19,232	18,548	71,630
After 1 year but within 2 years	–	–	27,473
After 2 years but within 5 years	–	9,250	–
	19,232	27,798	99,103

21 LEASE LIABILITIES

As at the end of each reporting period, the Group's lease liabilities were repayable as follows:

The Group

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	5,070	7,620	8,762
After 1 year but within 2 years	4,469	5,728	8,652
After 2 years but within 5 years	5,439	10,019	11,939
	9,908	15,747	20,591
	14,978	23,367	29,353

The Company

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Within 1 year	3,181	4,193	3,305
After 1 year but within 2 years	2,973	2,577	3,684
After 2 years but within 5 years	2,998	4,535	3,344
	5,971	7,112	7,028
	9,152	11,305	10,333

22 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(a) Current taxation in the consolidated statements of financial position:

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
At the beginning of the year	4	1,095	1,153
Provision for income tax for the year	1,289	1,430	4,463
Income tax paid	(198)	(1,372)	(2,058)
At the end of the year	1,095	1,153	3,558

(b) Deferred tax assets and liabilities recognised:

(i) Movement of each component of deferred tax assets and liabilities

The components of deferred tax assets/(liabilities) recognised in the consolidated statements of financial position and the movements during the year are as follows:

	Credit loss allowance	Right-of-use assets	Lease Liabilities	Unused tax losses	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
At 1 January 2023	–	(1,491)	1,491	–	–
Credit/(charged) to profit or loss	–	(776)	776	–	–
At 31 December 2023 and 1 January 2024	–	(2,267)	2,267	–	–
Credit/(charged) to profit or loss	2,012	(1,245)	1,238	8,782	10,787
At 31 December 2024 and 1 January 2025	2,012	(3,512)	3,505	8,782	10,787
Credit/(charged) to profit or loss	70	(894)	897	(6,092)	(6,019)
At 31 December 2025	2,082	(4,406)	4,402	2,690	4,768

(ii) Reconciliation to the consolidated statements of financial position

	At 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Net deferred tax asset recognised in the consolidated statements of financial position	–	10,787	4,768

(c) Deferred tax assets not recognised

In accordance with accounting policy set out in note 2(r), pursuant to the relevant laws and regulations, the unrecognized tax losses of the Company and the Group's subsidiaries at the end of each reporting period are RMB136,483,000, RMB41,739,000 and RMB53,190,000, respectively.

All the tax losses of the Group's PRC subsidiary, Chengdu Weihong Technology Co., Ltd. with certificate of the High Technology Enterprise, can be carried forward for a maximum period of ten years pursuant to Notice No.76 issued by the Ministry of Finance and the State Administration of Taxation of the PRC on 11 July, 2018, since the PRC entity obtained its certificate of the High Technology Enterprise on 9 October, 2021 and 8 December, 2025, respectively.

The tax losses of other PRC subsidiaries can be carried forward for a maximum period of five years.

All the tax losses of the Group's overseas subsidiaries can be carried forward for a period beyond three years, The tax losses of Switzerland subsidiary can be carried forward for a maximum period of seven years. The tax losses of Spain and Belgium subsidiaries do not expire under current tax legislation.

23 CAPITAL AND RESERVES

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statements of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of each reporting period are set out below.

The Company

	Note	Share capital	Capital reserves	PRC statutory reserves	Accumulated losses	Total
		RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2023		15,000	52,049	5,196	(182,104)	(109,859)
Changes in equity for 2023:						
Profit for the year		–	–	–	11,222	11,222
Balance at 31 December 2023 and 1 January 2024		15,000	52,049	5,196	(170,882)	(98,637)
Changes in equity for 2024:						
Profit for the year		–	–	–	22,962	22,962
Reclassification of financial liabilities recognised for preferential rights issued to investors to equity	18	–	215,696	–	–	215,696
Balance at 31 December 2024 and 1 January 2025		15,000	267,745	5,196	(147,920)	140,021
Changes in equity for 2025:						
Profit for the year		–	–	–	18,875	18,875
Balance at 31 December 2025		15,000	267,745	5,196	(129,045)	158,896

(b) Share capital

As at 31 December 2023, 2024 and 2025, the Company has 15,000,000 ordinary shares issued with par value of RMB1 for each share. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(c) Nature and purpose of reserves

(i) Capital reserves

The capital reserves comprise the following:

– the difference between the consideration and the par value of the issued shares of the Company;

– Between 2017 and 2019, the Company and certain independent investors entered into investment agreements, pursuant to which, the investors subscribed for the Company's paid-in capital. The investors would have the right but not the obligation to request the Company to purchase all or part of the shares of the Company held by the investors, upon the occurrence of the specified redemption triggering events. The Company recognised financial liabilities for its obligation to buy back the shares. In June 2024, the Group's obligation under the investor's preferential rights were terminated, accordingly the Group reclassified all of the financial liabilities recognised for the investor's preferential rights into equity.

(ii) PRC statutory reserves

According to the PRC Company Law, the PRC entities within the Group are required to transfer 10% of their profit after taxation (after offsetting the losses in the previous years), as determined under the PRC Accounting Regulations, to the statutory reserves until the reserve balance reaches 50% of their registered capital.

The transfer to this reserve must be made before distribution of a dividend to shareholders.

Statutory reserves fund can be used to cover previous years' losses, if any, and may be converted into share capital by the issue of new shares to shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

(d) Dividends

On 18 December 2024 and 25 December 2024, the Company paid cash dividends of RMB2,718,000 which was declared in 2019 to shareholders.

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and service commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position and makes adjustments to the capital structure in light of changes in economic conditions.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirement.

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity and interest rate risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from cash and cash equivalents and restricted deposits are limited because the counterparties are banks, Alipay and WeChat Pay for which the Group considers having low credit risk.

The Group does not provide any other guarantees which would expose the Group to credit risk.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. As at 31 December 2023, 2024 and 2025, 16%, 12%, 12% and 40%, 31%, 36% of the total trade receivables were due from the Group's largest debtor and the five largest debtors.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within [90] days for customers from the date of invoice. Normally, the Group does not obtain collaterals from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix and based on past due status.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2023, 2024 and 2025:

The Group

	As at 31 December 2023			As at 31 December 2024			As at 31 December 2025		
	Expected loss rate	**Gross carrying amount of trade receivables**	**Loss allowance**	**Expected loss rate**	**Gross carrying amount of trade receivables**	**Loss allowance**	**Expected loss rate**	**Gross carrying amount of trade receivables**	**Loss allowance**
	%	*RMB'000*	*RMB'000*	*%*	*RMB'000*	*RMB'000*	*%*	*RMB'000*	*RMB'000*
Within 6 months	0.8%	91,283	(760)	0.1%	130,810	(71)	0.1%	175,430	(208)
6 months-1 year	7.6%	7,684	(586)	8.1%	8,806	(711)	14.8%	18,073	(2,671)
1–2 years	33.0%	2,728	(899)	16.0%	2,129	(341)	16.0%	12,716	(2,040)
2–3 years	77.2%	148	(115)	63.7%	305	(195)	51.9%	888	(461)
More than 3 years	100.0%	12,935	(12,935)	100.0%	10,625	(10,625)	100.0%	10,181	(10,181)
		114,778	(15,295)		152,675	(11,943)		217,288	(15,561)

Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the trade receivables.

Movement in the loss allowance account in respect of trade receivables of the Group during the years ended 31 December 2023, 2024 and 2025 is as follows:

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
At 1 January	37,546	15,295	11,943
Impairment loss (reversed)/recognised	(22,251)	(3,352)	3,618
At 31 December	15,295	11,943	15,561

(b) Liquidity risk

The following tables show the remaining contractual maturities at the end of each reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

	31 December 2023 Contractual undiscounted cash outflow				
	Within 1 year or on demand	**More than 1 year but less than 2 years**	**More than 2 years but less than 5 years**	**Total**	**Carrying amount**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans and overdrafts *(note 20)*	20,421	88	2,706	23,215	22,729
Trade and other payables *(note 17)*	126,818	–	–	126,818	124,606
Financial instruments issued to investors *(note 18)*	215,695	–	–	215,695	209,180
Lease liabilities *(note 21)*	5,547	4,761	5,635	15,943	14,978
	368,481	4,849	8,341	381,671	371,493

	31 December 2024 Contractual undiscounted cash outflow				
	Within 1 year or on demand	**More than 1 year but less than 2 years**	**More than 2 years but less than 5 years**	**Total**	**Carrying amount**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans and overdrafts *(note 20)*	21,196	2,114	9,756	33,066	31,591
Trade and other payables *(note 17)*	165,939	–	–	165,939	164,490
Lease liabilities *(note 21)*	8,381	6,223	10,389	24,993	23,367
	195,516	8,337	20,145	223,998	219,448

	31 December 2025 Contractual undiscounted cash outflow				
	Within 1 year or on demand	**More than 1 year but less than 2 years**	**More than 2 years but less than 5 years**	**Total**	**Carrying amount**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Bank loans and overdrafts *(note 20)*	80,188	29,143	298	109,629	106,556
Trade and other payables *(note 17)*	183,482	–	–	183,482	182,371
Lease liabilities *(note 21)*	9,730	9,269	12,383	31,382	29,353
	273,400	38,412	12,681	324,493	318,280

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from cash at banks, restricted deposits, bank loans and lease liabilities. Financial assets and liabilities issued at variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. The Group's interest rate profile as monitored by management is set out in (i) below.

(i) Interest rate profile

The following table details the interest rate profile of the Group's financial assets and liabilities at the end of the reporting period.

	As at 31 December					
	2023		2024		2025	
	Effective Interest rate %	RMB'000	Effective Interest rate %	RMB'000	Effective Interest rate %	RMB'000
Fixed rate instruments:						
Restricted deposits	1.65%	1,111	1.10%	3,719	0.95%	4,972
Lease liabilities	4.00%	(14,978)	4.00%	(23,367)	4.00%	(29,353)
Bank loans	1.50%–6.50%	(22,607)	1.50%–8.50%	(30,774)	0.25%–8.50%	(101,862)
Trade and other payables	10.00%–12.00%	(39,124)	8.00%–12.00%	(36,559)	10.00%	(26,434)
Financial instruments issued to investors	10.00%	(209,180)	nil	–	nil	–
		(284,778)		(86,981)		(152,677)
Variable rate instruments:						
Cash at banks	0.01%–0.20%	49,513	0.01%–0.20%	70,755	0.01%–0.10%	195,824
		49,513		70,755		195,824

(ii) Sensitivity analysis

The sensitivity analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year.

If interest rates had been 100 basis points higher and all other risk variables remained constant, the Group's profit for the years ended 31 December 2023, 2024 and 2025 would increase by RMB495,000, RMB708,000 and RMB1,958,000, respectively. Furthermore, the accumulated losses as at 31 December 2023, 2024 and 2025 would increase by RMB495,000, RMB708,000 and RMB1,958,000.

If interest rates had been 100 basis points lower and all other risk variables remained constant, there would be an equal and opposite impact.

(d) Currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily Swiss Franc, Euros, Chinese Yuan, United States Dollars and Great Britain Pounds.

Most of the Group's borrowings are denominated in the functional currency of the entity taking out the loan or, in the case of group entities whose functional currency is RMB, in RMB. Given this, management does not expect that there will be any significant currency risk associated with the Group's borrowings.

(i) Exposure to currency risk

The following table details the group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rate at the year end date. Differences resulting from the translation of the financial statements of foreign operations into the group's presentation currency are excluded.

	Exposure to foreign currencies (expressed in RMB)					
	2023					
	Swiss Franc	Euros	Renminbi	United States Dollars	Great Britain Pounds	Others
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	345	1,688	53	1,260	5,210	3,026
Trade and other receivables	967	752	10,319	2,791	909	2,925
Bank loans and overdrafts	(3,156)	–	–	–	–	–
Trade and other payables	(24)	(4,101)	(527)	(318)	(856)	(3,771)
Net exposure arising from recognised assets and liabilities	(1,868)	(1,661)	9,845	3,733	5,263	2,180

	Exposure to foreign currencies (expressed in RMB)					
	2024					
	Swiss Franc	Euros	Renminbi	United States Dollars	Great Britain Pounds	Others
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	450	9,271	81	1,117	5,036	3,446
Trade and other receivables	991	9,414	3,319	1,915	2,412	733
Bank loans and overdrafts	(2,347)	–	–	–	–	–
Trade and other payables	(2,193)	(16,224)	(237)	(1,205)	(4,212)	(7,688)
Net exposure arising from recognised assets and liabilities	(3,099)	2,461	3,163	1,827	3,236	(3,509)

	Exposure to foreign currencies (expressed in RMB)					
	2025					
	Swiss Franc	Euros	Renminbi	United States Dollars	Great Britain Pounds	Others
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cash and cash equivalents	377	30,481	521	5,959	9,799	3,892
Trade and other receivables	3,764	20,621	15,601	7,023	10,551	494
Bank loans and overdrafts	(1,780)	–	–	–	(260)	–
Trade and other payables	(2,477)	(114,667)	(5,383)	(3,878)	(3,535)	(35,150)
Net exposure arising from recognised assets and liabilities	(116)	(63,565)	10,739	9,104	16,555	(30,764)

(i) Sensitivity analysis

The following table indicates the instantaneous change in the group's profit after tax and accumulated losses that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

	2023			2024			2025		
	Increase/ (decrease) in foreign exchange rates	Effect on profit after tax	Effect on accumulated losses	Increase/ (decrease) in foreign exchange rates	Effect on profit after tax	Effect on accumulated losses	Increase/ (decrease) in foreign exchange rates	Effect on profit after tax	Effect on accumulated losses
		RMB'000	*RMB'000*		*RMB'000*	*RMB'000*		*RMB'000*	*RMB'000*
Swiss Franc	10%	(187)	(187)	10%	(310)	(310)	10%	(12)	(12)
	-10%	187	187	-10%	310	310	-10%	12	12
Euros	10%	(166)	(166)	10%	246	246	10%	(6,357)	(6,357)
	-10%	166	166	-10%	(246)	(246)	-10%	6,357	6,357
Renminbi	10%	984	984	10%	316	316	10%	1,074	1,074
	-10%	(984)	(984)	-10%	(316)	(316)	-10%	(1,074)	(1,074)
United States Dollars	10%	373	373	10%	183	183	10%	910	910
	-10%	(373)	(373)	-10%	(183)	(183)	-10%	(910)	(910)
Great Britain Pounds	10%	526	526	10%	324	324	10%	1,656	1,656
	-10%	(526)	(526)	-10%	(324)	(324)	-10%	(1,656)	(1,656)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the group entities' profit after tax and equity measured in the respective functional currencies, and then translated into Renminbi at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation.

(e) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

IFRS 13, Fair value measurement categorises fair value measurements into a three-level hierarchy. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2 valuations: Fair value measured using Level 2 inputs i.e., observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available;
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The following table presents the Group's financial assets that are measured at fair value at the end of each reporting period:

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Level 1			
Equity securities listed in PRC	2,803	2,513	2,362
Level 3			
Wealth management products issued by banks	–	10,000	–

Information about Level 3 fair value measurements

	Valuation techniques	**Significant unobservable inputs**
Wealth management products issued by banks	Discount cash flow method	Interest return rate

During the years ended 31 December 2023, 2024 and 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The movements during the reporting period in the balance of these Level 3 financial assets of the Group at fair value through profit or loss are as follows:

	As at 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Financial assets measured at FVPL			
At 1 January	–	–	10,000
Payment for purchases	–	10,000	–
Changes in fair value recognized in profit or loss during the year	–	*	11
Redemption	–	–	(10,011)
At 31 December	–	10,000	–

* Amount less than RMB500.

(ii) ***Fair value of financial assets and liabilities carried at other than fair value***

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 31 December 2023, 2024 and 2025.

25 MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel emoluments

Emoluments for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 8, is as follows:

	Year ended 31 December		
	2023	2024	2025
	RMB'000	*RMB'000*	*RMB'000*
Short-term employee benefits	3,313	4,689	5,779
Post-employment benefits	160	234	235
	3,473	4,923	6,014

Total emoluments are included in "staff costs" (see note 6(b)).

(b) Identify of related parties

Name of party	Relationship with the Group
Mr. Wang Wei (王威)	Ultimate controlling shareholder
Ms. Liu Jihong (劉季紅)	Shareholder
Ms. Chen Qiutong (陳秋彤)	Supervisor
Hiseas International Co.,Ltd.	Associate

(c) Material related party transactions

	Year ended 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Non-Trade related:			
Short-term borrowings	21,019	4,500	–
Repayment of short-term borrowings	–	32,651	4,559
Interest expense on borrowings	1,758	2,440	59
Trade related:			
Procurement of services	4,670	3,241	4,512

(d) Balances with related parties

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
Trade related:			
Amount due from related parties:	1,898	5,699	304
Amount due to related parties:	–	–	237
Non-Trade related:			
Amounts due to related parties	30,211	4,500	–

(e) Guarantee provided by related parties

As at 31 December 2023, 2024 and 2025, the bank loans of RMB19,575,000, RMB20,740,000 and RMB91,540,000 of the Company were guaranteed by Mr. Wang Wei, the Group's ultimate controlling shareholder. [Such guarantees provided to our Group for bank borrowings will be released upon the **[REDACTED]**.]

26 ULTIMATE CONTROLLING PARTY

As at 31 December 2025, the directors consider the ultimate controlling party to be Mr. Wang Wei.

27 SUBSEQUENT EVENT

The Group did not have any material subsequent event after 31 December 2025 and up to the date of this report.

28 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS

Up to the date of issue of this report, the IASB has issued a number of new or amended standards, which are not yet effective for the accounting period beginning on 1 January 2025 and which have not been adopted in the Historical Financial Information, including:

	Effective for accounting periods beginning on or after
Amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: disclosures – Contracts referencing nature-dependent electricity	1 January 2026
Amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments	1 January 2026
Annual improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18, Presentation and disclosure in financial statements	1 January 2027
IFRS 19, Subsidiaries without public accountability: disclosures	1 January 2027
IAS 21, Translation to a hyperinflationary presentation currency	1 January 2027
IFRS 20 Regulatory Assets and Regulatory Liabilities	1 January 2029
Amendments to IFRS 10 and IAS 28, Sale or contribution of assets between an investor and its associate or joint venture	To be determined

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far, the Group has concluded that the adoption of them is unlikely to have a significant impact on the Group's financial statements except for the following:

IFRS 18, Presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 Presentation of financial statements and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss and other comprehensive income, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18. IFRS18 will impact the presentation of financial statements and is not expected to have significant impact on the financial performance and positions of the Group.

SUBSEQUENT FINANCIAL STATEMENTS

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