ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF SHENZHEN FORMS SYNTRON INFORMATION CO., LTD., CMB INTERNATIONAL CAPITAL LIMITED AND GUOSEN SECURITIES (HK) CAPITAL COMPANY LIMITED

Introduction

We report on the historical financial information of Shenzhen Forms Syntron Information Co., Ltd. (the "**Company**") and its subsidiaries (together, the "**Group**") set out on pages I-4 to I-[78], 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 and 31 March 2026 and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2026 (the "**Track Record Period**") including material accounting policy information and other explanatory information (together, the "**Historical Financial Information**"). The Historical Financial Information set out on pages I-4 to I-[78] 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 listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 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' Report 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' judgment, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 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 of the Company, as well as evaluating the overall presentation of the Historical Financial Information.

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

Opinion

In our opinion the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the Company's and the Group's financial position as at 31 December 2023, 2024 and 2025 and 31 March 2026 and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Review of Stub Period Comparative Financial Information

We have reviewed the stub period comparative financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the three months ended 31 March 2025 and other explanatory information (the "**Stub Period Comparative Financial Information**"). The directors of the Company are responsible for the preparation and presentation of the Stub Period Comparative Financial Information in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

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

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to note 13 to the Historical Financial Information which contains information about the dividends declared and paid by the Company in respect of the Track Record Period.

SHINEWING (HK) CPA Limited
Certified Public Accountants
Kwan Chi Fung
Practising Certificate Number: P06614

Hong Kong
[DATE]

HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

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

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the IFRS Accounting Standards issued by International Accounting Standards Board, and were audited by SHINEWING (HK) CPA Limited in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

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

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 December			Three months ended 31 March	
	Notes	2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue	6	730,434	740,376	631,068	131,574	156,332
Cost of sales		(509,580)	(495,411)	(392,573)	(77,231)	(108,936)
Gross profit		220,854	244,965	238,495	54,343	47,396
Other income, gains and losses, net	8	19,094	26,997	17,083	1,063	(4,137)
Selling and distribution expenses		(21,317)	(22,480)	(19,323)	(3,323)	(3,759)
Administrative expenses		(105,823)	(96,552)	(83,584)	(17,387)	(17,190)
Research and development expenses		(62,740)	(70,101)	(59,923)	(17,318)	(15,165)
Impairment losses on financial assets, contract assets and contract costs, net	11	(1,532)	(8,772)	(13,782)	(4,414)	2,826
Finance costs	9	(666)	(644)	(162)	(16)	(40)
Profit before tax		47,870	73,413	78,804	12,948	9,931
Income tax (expense) credit	10	(490)	(6,049)	(4,523)	(51)	680
Profit for the year/period	11	47,380	67,364	74,281	12,897	10,611
Profit for the year/period attributable to:						
— Owners of the Company		47,380	67,364	74,301	12,897	10,606
— Non-controlling interests		—	—	(20)	—	5
		47,380	67,364	74,281	12,897	10,611

		Year ended 31 December			Three months ended 31 March	
	Notes	2023	2024	2025	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Other comprehensive expense						
Items that will not be reclassified to profit or loss:						
Fair value change on equity instruments designated at fair value through other comprehensive income ("**FVTOCI**"), net of tax		(3,320)	(3,413)	(14,231)	(2,713)	(290)
		(3,320)	(3,413)	(14,231)	(2,713)	(290)
Item that may be reclassified to profit or loss:						
Exchange differences arising on translation of foreign operations		215	1,281	(4,648)	(360)	(978)
		215	1,281	(4,648)	(360)	(978)
Other comprehensive expense for the year/period		(3,105)	(2,132)	(18,879)	(3,073)	(1,268)
Total comprehensive income for the year/period		44,275	65,232	55,402	9,824	9,343)
Total comprehensive income for the year/period attributable to:						
— Owners of the Company		44,275	65,232	55,422	9,824	9,338
— Non-controlling interests		—	—	(20)	—	5
Total comprehensive income for the year/period		44,275	65,232	55,402	9,824	9,343
Earnings per share for profit attributable to owners of the Company *(RMB per share)*	14					
— Basic		0.09	0.13	0.14	0.02	0.02
— Diluted		0.09	0.13	0.14	0.02	0.02

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December			As at 31 March
	Notes	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets					
Property, plant and equipment	15	351,793	348,591	356,415	353,892
Right-of-use assets	16	37,611	30,516	23,149	21,886
Intangible assets	17	6,359	4,085	2,395	2,088
Equity instruments designated at FVTOCI	18	31,213	27,198	10,456	10,115
Deferred tax assets	19	11,316	12,410	15,142	16,675
Other non-current assets		116	25	6	151
Total non-current assets		438,408	422,825	407,563	404,807
Current assets					
Trade receivables	20	155,996	127,790	203,650	155,348
Contract assets	21	2,657	2,368	3,075	2,928
Contract costs	21	55,932	28,178	45,852	48,949
Other receivables, deposits and prepayments	22	12,688	18,450	29,143	39,707
Tax recoverable		5,655	1,345	1,376	1,375
Restricted bank deposits	23	79,833	82,046	4,383	4,008
Bank balances and cash	23	999,802	1,109,041	1,073,113	1,128,877
Total current assets		1,312,563	1,369,218	1,360,592	1,381,192
Current liabilities					
Trade and other payables	24	114,065	120,208	94,563	98,056
Contract liabilities	21	6,409	12,321	17,015	21,633
Tax liabilities		—	1,582	—	1
Lease liabilities	25	10,259	9,004	3,136	2,704
Total current liabilities		130,733	143,115	114,714	122,394
Net current assets		1,181,830	1,226,103	1,245,878	1,258,798
Total assets less current liabilities		1,620,238	1,648,928	1,653,441	1,663,605
Non-current liabilities					
Deferred tax liabilities	19	4,343	5,778	8,573	9,373
Lease liabilities	25	8,520	2,382	1,313	884
Total non-current liabilities		12,863	8,160	9,886	10,257
Net assets		1,607,375	1,640,768	1,643,555	1,653,348
Capital and reserves					
Share capital	26	530,649	530,649	530,649	530,649
Reserves	27	1,076,726	1,110,119	1,112,476	1,121,814
Equity attributable to owners of the Company		1,607,375	1,640,768	1,643,125	1,652,463
Non-controlling interests	1A	—	—	430	885
Total equity		1,607,375	1,640,768	1,643,555	1,653,348

STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

		As at 31 December			As at 31 March
	Notes	2023	2024	2025	2026
		RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets					
Property, plant and equipment	15	315,606	314,678	325,087	323,140
Right-of-use assets	16	34,253	25,985	21,375	20,381
Intangible assets	17	6,359	4,085	2,395	2,088
Investments in subsidiaries	1A	47,714	47,714	48,264	48,814
Equity instruments designated at FVTOCI	18	31,213	27,198	10,456	10,115
Deferred tax assets	19	13,196	14,681	20,342	21,875
Other non-current assets		116	25	6	—
Total non-current assets		448,457	434,366	427,925	426,413
Current assets					
Trade receivables	20	565,450	734,505	755,978	811,789
Contract assets	21	2,657	2,368	3,075	2,928
Contract costs	21	52,660	23,279	39,705	40,776
Other receivables, deposits and prepayments	22	59,216	67,011	51,000	61,475
Tax recoverable		4,517	1,345	1,303	1,303
Restricted bank balances	23	79,833	82,046	4,383	4,008
Bank balances and cash	23	530,413	435,572	421,736	370,342
Total current assets		1,294,746	1,346,126	1,277,180	1,292,621
Current liabilities					
Trade and other payables	24	94,213	106,511	89,524	98,643
Contract liabilities	21	2,997	6,886	4,367	3,804
Lease liabilities	25	7,814	5,024	2,361	1,901
Total current liabilities		105,024	118,421	96,252	104,348
Net current assets		1,189,722	1,227,705	1,180,928	1,188,273
Total assets less current liabilities		1,638,179	1,662,071	1,608,853	1,614,686
Non-current liabilities					
Lease liabilities	25	7,415	2,382	346	167
Total non-current liabilities		7,415	2,382	346	167
Net assets		1,630,764	1,659,689	1,608,507	1,614,519
Equity					
Share capital	26	530,649	530,649	530,649	530,649
Reserves	27	1,100,115	1,129,040	1,077,858	1,083,870
Total equity		1,630,764	1,659,689	1,608,507	1,614,519

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company						
	Share capital	Capital reserve	Fair value reserve (non-recycling)	Translation reserve	Statutory reserve	Retained profits	Total
	RMB'000	RMB'000 (Note 27(a))	RMB'000	RMB'000 (Note 27(b))	RMB'000 (Note27 (c))	RMB'000	RMB'000
At 1 January 2023	530,649	578,961	(45,442)	1,504	90,163	439,104	1,594,939
Profit for the year	—	—	—	—	—	47,380	47,380
Other comprehensive (expense) income for the year	—	—	(3,320)	215	—	—	(3,105)
Total comprehensive (expense) income for the year	—	—	(3,320)	215	—	47,380	44,275
Appropriation to statutory reserve	—	—	—	—	4,728	(4,728)	—
Dividends recognised as distribution	—	—	—	—	—	(31,839)	(31,839)
At 31 December 2023	530,649	578,961	(48,762)	1,719	94,891	449,917	1,607,375

	Attributable to owners of the Company						
	Share capital	Capital reserve	Fair value reserve (non-recycling)	Translation reserve	Statutory reserve	Retained profits	Total
	RMB'000	RMB'000 (Note 27(a))	RMB'000	RMB'000 (Note 27(b))	RMB'000 (Note 27(c))	RMB'000	RMB'000
At 1 January 2024	530,649	578,961	(48,762)	1,719	94,891	449,917	1,607,375
Profit for the year	—	—	—	—	—	67,364	67,364
Other comprehensive (expense) income for the year	—	—	(3,413)	1,281	—	—	(2,132)
Total comprehensive (expense) income for the year	—	—	(3,413)	1,281	—	67,364	65,232
Appropriation to statutory reserve	—	—	—	—	6,417	(6,417)	—
Dividends recognised as distribution	—	—	—	—	—	(31,839)	(31,839)
At 31 December 2024	530,649	578,961	(52,175)	3,000	101,308	479,025	1,640,768

	Attributable to owners of the Company								
	Share capital	Capital reserve	Fair value reserve (non-recycling)	Translation reserve	Statutory reserve	Retained profits	Total	Non-controlling interests	Total
	RMB'000	RMB'000 (Note 27(a))	RMB'000	RMB'000 (Note 27(b))	RMB'000 (Note 27(c))	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025	530,649	578,961	(52,175)	3,000	101,308	479,025	1,640,768	—	1,640,768
Profit (loss) for the year	—	—	—	—	—	74,301	74,301	(20)	74,281
Other comprehensive expense for the year	—	—	(14,231)	(4,648)	—	—	(18,879)	—	(18,879)
Total comprehensive (expense) income for the year	—	—	(14,231)	(4,648)	—	74,301	55,422	(20)	55,402
Appropriation to statutory reserve	—	—	—	—	1,611	(1,611)	—	—	—
Capital injection by a non-controlling interest of a subsidiary	—	—	—	—	—	—	—	450	450
Dividends recognised as distribution	—	—	—	—	—	(53,065)	(53,065)	—	(53,065)
At 31 December 2025	530,649	578,961	(66,406)	(1,648)	102,919	498,650	1,643,125	430	1,643,555

	Attributable to owners of the Company								
	Share capital	Capital reserve	Fair value reserve (non-recycling)	Translation reserve	Statutory reserve	Retained profits	Total	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2026	530,649	578,961	(66,406)	(1,648)	102,919	498,650	1,643,125	430	1,643,555
Profit for the period	—	—	—	—	—	10,606	10,606	5	10,611
Other comprehensive expense for the period	—	—	(290)	(978)	—	—	(1,268)	—	(1,268)
Total comprehensive (expense) income for the period	—	—	(290)	(978)	—	10,606	9,338	5	9,343
Capital injection by a non-controlling interest of a subsidiary	—	—	—	—	—	—	—	450	450
At 31 March 2026	530,649	578,961	(66,696)	(2,626)	102,919	509,256	1,652,463	885	1,653,348

	Attributable to owners of the Company						
	Share capital	Capital reserve	Fair value reserve (non-recycling)	Translation reserve	Statutory reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (audited)	530,649	578,961	(52,175)	3,000	101,308	479,025	1,640,768
Profit for the period	—	—	—	—	—	12,897	12,897
Other comprehensive expense for the period	—	—	(2,713)	(360)	—	—	(3,073)
Total comprehensive (expense) income for the period	—	—	(2,713)	(360)	—	12,897	9,824
At 31 March 2025 (unaudited)	530,649	578,961	(54,888)	2,640	101,308	491,922	1,650,592

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
OPERATING ACTIVITIES					
Profit before tax	47,870	73,413	78,804	12,948	9,931
Adjustments for:					
Depreciation of property, plant and equipment	17,722	17,704	16,951	4,345	3,396
Depreciation of right-of-use assets	14,090	13,065	7,455	2,921	1,191
Amortisation of intangible assets	3,278	2,362	1,803	466	322
Finance costs	666	644	162	16	40
Loss on disposal of property, plant and equipment	87	51	351	—	—
Gain on early termination of leases	—	—	(60)	—	—
Impairment losses recognised (reversed) for financial assets, contract assets and contract costs, net	1,532	8,772	13,782	4,414	(2,826)
Operating cash flows before movements in working capital	85,245	116,011	119,248	25,110	12,054
Decrease (increase) in trade receivables	39,961	28,601	(77,296)	(35,533)	56,197
Decrease (increase) in contract costs	32,159	18,588	(30,021)	(22,315)	(1,388)
(Increase) decrease in contract assets	(120)	292	(714)	55	148
Decrease (increase) in other receivables, deposits and prepayments	2,290	(5,766)	(1,920)	(2,989)	(3,220)
Increase (decrease) in trade and other payables	16,550	6,143	(25,645)	(14,092)	3,713
(Decrease) increase in contract liabilities	(2,031)	5,912	4,694	13,526	4,618
(Increase) decrease in restricted bank deposits	(43,025)	(2,213)	77,663	398	375
Cash generated from (used in) operations	131,029	167,568	66,009	(35,840)	72,497
Income taxes (paid) refunded	(3,918)	786	(3,562)	—	—
NET CASH FROM (USED IN) OPERATING ACTIVITIES	127,111	168,354	62,447	(35,840)	72,497
INVESTING ACTIVITIES					
Proceeds on disposal of property, plant and equipment	17	142	64	—	—
Purchases of property, plant and equipment	(5,144)	(14,279)	(25,023)	(2,973)	(1,667)
Purchases of intangible assets	(2,105)	(88)	(113)	—	(15)
NET CASH USED IN INVESTING ACTIVITIES	(7,232)	(14,225)	(25,072)	(2,973)	(1,682)

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
FINANCING ACTIVITIES					
Dividend paid	(31,839)	(31,839)	(53,065)	—	—
Capital elements of lease rentals paid	(12,127)	(13,276)	(7,003)	(2,421)	(980)
Interest elements of lease rentals paid	(666)	(644)	(162)	(16)	(40)
Prepaid **[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Capital injection by non-controlling interest of a subsidiary	—	—	450	—	450
NET CASH USED IN FINANCING ACTIVITIES	(44,632)	(45,759)	(68,545)	(2,437)	(7,934)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	75,247	108,370	(31,170)	(41,250)	62,881
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR/PERIOD	924,242	999,802	1,109,041	1,109,041	1,073,113
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	313	869	(4,758)	(521)	(7,117)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD	999,802	1,109,041	1,073,113	1,067,270	1,128,877

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Shenzhen Forms Syntron Information Co., Ltd. (the "**Company**") was established in the People's Republic of China (the "**PRC**") as a joint stock company with limited liability. The Company's A shares have been listed on Shenzhen Stock Exchange since 27 May 2015. The addresses of the registered office of the Company and principal places of business of the Company are the same as the registered office in the PRC and the headquarters in the PRC as stated in the section headed "Corporate Information" of the Document. In the opinion of the directors, during the Track Record Period and up to the date of this report, the Company is ultimately controlled by Mr. Chow Chi Kwan.

The Company and its subsidiaries are principally engaged in provision of fintech software development services, consultation services and system integration services.

The Company's major subsidiary is as follows:

Name	Place and date of incorporation/ establishment	Paid up issued share capital	Proportion of ownership interest attributable to the Company: As at 31 December 2023	2024	2025	As at 31 March 2026	As at the date of this report	Principal activities
Forms Syntron Information (HK) Limited 四方精創資訊(香港)有限公司 *(Note (a))*	Hong Kong 18 February 2009	HKD10,000,000	100%	100%	100%	100%	100%	Provision of fintech software development services, consultation services and system integration services

The above table lists the subsidiary of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Note:

(a) The statutory financial statements of this company during the years ended 31 December 2023 and 2024 prepared under Hong Kong Generally Accepted Accounting Principles were audited by Kaizen CPA Limited registered in the Hong Kong. No audited statutory report has been issued for the year ended 31 December 2025.

1A. INTERESTS IN SUBSIDIARIES

The Company

	As at 31 December 2023	2024	2025	As at 31 March 2026
	RMB'000	RMB'000	RMB'000	RMB'000
Interests in subsidiaries, at cost *(Note)*	47,714	47,714	48,264	48,814

Note: During the year ended 31 December 2025, the Company incorporated a subsidiary, Shenzhen Sifang Zhishu Technology Co., Ltd.* (深圳四方智數科技有限公司) ("**Forms Data AI**"), with 55% shareholding of Forms Data AI for consideration of RMB550,000 (During the three months ended 31 March 2026: RMB550,000), and the non-controlling interest of the subsidiary contributed RMB450,000 (During the three months ended 31 March 2026: RMB450,000) for 45% shareholding of the subsidiary.

* *English name for identification purpose only.*

2. BASIS OF PREPARATION

The Historical Financial Information has been prepared in accordance with IFRS Accounting Standards, which include all applicable individual IFRS Accounting Standards and Interpretations approved by the International Accounting Standards Board ("**IASB**"). All IFRS Accounting Standards that are effective for the accounting period beginning on 1 January 2025, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Track Record Period.

The material accounting policies that have been used in the preparation of this Historical Financial Information are summarised in note 4. These policies have been consistently applied to all the reporting periods presented in the Historical Financial Information, unless otherwise stated.

3. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not applied the following new and revised IFRS Accounting Standards, that have been issued but are not yet effective, in the Historical Financial Information. The Group intends to apply these new and revised IFRS Accounting Standards, if applicable, when they become effective:

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

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual periods beginning on or after 1 January 2027
3 Effective for annual periods beginning on or after 1 January 2029
4 Effective for annual periods beginning on or after a date to be determined

The Group is in the process of making an assessment of the impact of the above new and revised IFRS Accounting Standards upon initial application. So far, it has concluded that, except as described below, the adoption of other new and revised IFRS Accounting Standards will not have a material impact on the Group's financial position and financial performance in the foreseeable future.

IFRS 18 — Presentation and Disclosure in Financial Statements

IFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share are also made.

IFRS 18, and the consequential amendments to other IFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of IFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows and disclosures in the future financial statements.

The directors are currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the consolidated statement of profit or loss into the new categories will impact how operating profit is calculated and reported.

- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

  — management-defined performance measures;

  — a breakdown of the nature of expenses for line items presented by function in the operating category of the consolidated statement of profit or loss — this breakdown is only required for certain nature expenses; and

  — for the first annual period of application of IFRS 18, a reconciliation for each line item in the consolidated statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

- From a consolidated statement of cash flow perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The Historical Financial Information has been prepared on the historical cost basis except for equity instruments designated at FVTOCI that is measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the accounting policies set out below.

The material accounting policies are set out below.

Basis of consolidation

The Historical Financial Information incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and cease when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income of subsidiaries are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full on consolidation.

Revenue from contracts with customers

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price

- Step 4: Allocate the transaction price to the performance obligations in the contract

- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group recognised revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to customers.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or service.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer, excludes amounts collected on behalf of third parties, discounts and sales related taxes.

Contract assets and contract liabilities

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with IFRS 9 Financial Instruments. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

The Group recognised revenue from the following major sources:

- Fintech software development services

- Consultation services

- System integration services

Fintech software development services

Revenue generated from customised fintech software development services which contains software development and maintenance on banking technology services (including banking products portfolio, digital banking channel solutions and banking operations and data services) and financial infrastructure and fintech innovation services according to the requirements of customers, which is recognised i) at the point in time when control of the development achievement created from the customised fintech software development services is transferred to the customer, generally upon the customer's acceptance of the development achievement without unfulfilled obligation that will affect the customer's acceptance or ii) over time when the customer simultaneously receives and benefits from the service, which is to recognise revenue on the basis of monthly usage on our records, which are further adjusted by the usage agreed by customers or based on the maintenance service period. Intellectual property rights arising from customised fintech software development services belong to the customers.

Consultation services

The Group provides consultation services to its customers. The revenue generated from consultation services is recognised i) at the point in time when the performance obligation under the terms of a contract with the customer is satisfied, generally upon the acceptance of the service or ii) over time when the customer simultaneously receives and benefits from the service on the basis of monthly usage on our records, which are further adjusted by the usage agreed by customers or based on the consultation services period.

System integration services

Revenue generated from the system integration services is recognised at the point in time when the performance obligation under the terms of a contract with the customer is satisfied, generally upon the acceptance of the products.

Other income

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

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

Contract costs

The Group incurs costs (including labour costs, software development and maintenance consumables and others) to fulfil a contract in its services contracts. The Group first assesses whether these costs qualify for recognition as an asset in terms of other relevant standards, failing which it recognised an asset for these costs only if they meet all of the following criteria:

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

The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate.

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Leasing

Definition of a lease

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

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

At the commencement date, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The lease liabilities are presented as a separate line in the consolidated statements of financial position.

The lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liabilities (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. They are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group presents right-of-use assets as a separate line in the consolidated statements of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

The Group as lessor

The Group enters into lease agreements as a lessor with respect to its investment properties. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the Historical Financial Information, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during that period, in which case, the exchange rates prevailing at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Retirement benefits costs and termination benefits

Payments to defined contribution plans, state-managed retirement benefit schemes and Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statements of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 requirements to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

Current and deferred tax are recognised in profit or loss. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property, plant and equipment other than construction in progress are stated in the consolidated statements of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Ownership interests in leasehold land and buildings

When the Group makes payments for ownership interests of properties which include both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of-use assets" in the consolidated statements of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Depreciation is recognised so as to allocate the cost of items of property, plant and equipment (other than construction in progress) less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including cost of testing whether the related assets are functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

Internally-generated intangible assets — research and development expenditure

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible asset is reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Impairment on property, plant and equipment, right-of-use assets and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its plant and equipment, right-of-use assets and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of plant and equipment, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating unit, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately in profit or loss.

Cash and cash equivalents

In the consolidated statements of financial position, bank balances and cash comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purpose of the consolidated statements of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less accumulated impairment loss in the statement of financial position of the Company.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statements of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15 Revenue from Contracts with Customers. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, FVTOCI and fair value through profit or loss ("**FVTPL**").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

Financial assets at amortised cost (debt instruments)

The Group measures financial assets subsequently at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding the expected credit losses ("**ECL**"), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

The Group's debt instruments are classified and measured subsequently at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve (non-recycling). The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends from investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'other income, gains and losses, net' line item in profit or loss.

Impairment of financial assets and other items subject to impairment assessment under IFRS 9 Financial Instruments

The Group always recognises lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets and other items are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group measures the loss allowance equal to 12-month ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken in to account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

- significant deterioration in external market indicators of credit risk for a particular debtor, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- an actual or expected significant deterioration in the operating results of the debtor;

- significant increases in credit risk on other financial instruments of the same debtor;

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) the debt instrument has a low risk of default, ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;

- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recognised at the proceeds received, net of direct **[REDACTED]**.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Fair value measurement

When measuring fair value except for the Group's leasing transactions, net realisable value of inventories and value in use of property, plant and equipment, right-of-use assets, and intangible assets for the purpose of impairment assessment, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follow:

Level 1 — Fair value measurements are those derived from quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the directors of the Company are required to make estimates about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the Historical Financial Information. The estimates are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going 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.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Provision of ECL for financial assets at amortised cost and contract assets

The Group calculates ECL for trade receivables, contract assets, other receivables and deposits, restricted bank balances and cash and cash equivalent under IFRS 9. The provision rates are based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. Details of the key assumptions and inputs used are set out in Note 29(b). Changes in these assumptions and estimation could materially affect the assessment and it may be necessary to make additional loss allowance in future periods.

Impairment assessment of non-financial assets and contract costs

Non-financial assets and contract costs are reviewed for impairment, whenever events or changes in circumstances that may cause the carrying amounts of the assets to exceed their recoverable amounts. The recoverable amount of an asset or a cash generating unit is determined as the higher of their unit's fair value less cost of disposal and its value-in-use which requires the use of assumptions and estimates.

6. REVENUE

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

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Types of goods or services					
Fintech software development services					
Banking technology services					
— Banking product portfolio	361,755	343,839	251,346	50,326	64,031
— Digital banking channel solutions	146,789	146,221	138,572	33,322	35,099
— Banking operations and data services	124,069	135,391	95,242	16,895	22,109
Financial infrastructure and fintech innovation services	67,306	94,970	119,918	26,430	31,249
Consultation services	29,987	19,487	24,046	4,601	3,561
System integration services	528	468	1,944	—	283
Revenue from contracts with customers	730,434	740,376	631,068	131,574	156,332
Timing of revenue recognition					
Over time	627,189	631,233	541,549	118,310	136,790
At a point of time	103,245	109,143	89,519	13,264	19,542
Total revenue from contracts with customers	730,434	740,376	631,068	131,574	156,332

Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period and the expected timing of recognition are, as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Within 1 year	50,471	76,439	84,574	60,998	94,834
1–2 years	8,675	9,415	19,060	33,264	4,534
2–3 years	12	1,158	299	2,360	2,237
Over 3 years	9	738	—	692	763
Total	59,167	87,750	103,933	97,314	102,368

7. SEGMENT INFORMATION

The directors of the Company, being the chief operating decision makers, review the Group's internal reporting in order to assess performance and allocate resource. The Group is principally engaged in the provision of fintech software development services, consultation services and system integration services. Information reported to the chief operating decision makers, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available.

Geographical information

The Group's operations and location of non-current assets are in Chinese Mainland and overseas. Information about the Group's revenue from external customers is presented based on location of the customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

Revenue from the external customers, based on the location of its customers, are as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Geographical region					
Chinese Mainland	285,368	293,863	122,396	16,913	28,908
Overseas	445,066	446,513	508,672	114,661	127,424
Total	730,434	740,376	631,068	131,574	156,332

Non-current assets based on their locations are as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Geographical region				
Chinese Mainland	388,983	379,371	378,035	374,328
Overseas	6,896	3,846	3,930	3,689
Total	395,879	383,217	381,965	378,017

Note: Non-current assets excluded financial instruments and deferred tax assets.

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group during the Track Record Period are as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Customer A	300,352	314,154	332,824	73,226	81,005
Customer B *(Note)*	242,522	247,065	91,130	N/A*	19,148
Customer C	N/A*	84,812	94,709	22,737	23,010

* *The corresponding revenue did not exceed 10% of total revenue of the Group during the Track Record Period.*

Note: The customer is a group consolidating the transaction amounts of entities within such group.

8. OTHER INCOME, GAINS AND LOSSES, NET

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Exchange gains (losses), net	3,504	5,441	(9,996)	(7,351)	(7,170)
Bank interest income	9,844	18,848	24,429	6,931	3,355
Government grants *(Note)*	5,063	2,765	5,620	697	22
Others	683	(57)	(2,970)	786	(344)
Total	19,094	26,997	17,083	1,063	(4,137)

Note:

During the years ended 31 December 2023, 2024, 2025 and the three months ended 31 March 2025 and 2026, government grants of approximately RMB5,063,000, RMB2,765,000, RMB5,620,000, RMB697,000 and RMB22,000 respectively represented unconditional cash payments granted by government authorities. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

9. FINANCE COSTS

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Interests on lease liabilities	666	644	162	16	40

10. INCOME TAX EXPENSE

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Current tax-The PRC and other jurisdictions					
— Charge for the year	214	2,440	1,943	557	1
Under-provision in prior years	62	2,666	6	—	—
Deferred tax (credit) charge *(note 19)*	214	943	2,574	(506)	(681)
Total	490	6,049	4,523	51	(680)

The PRC

The income tax provision of certain PRC entities of the Group has been calculated at the statutory tax rate of 25% on the estimated assessable profits during the Track Record Period, based on the existing legislation, interpretations and practices in respect thereof.

The Company was eligible for a preferential income tax rate of 15% for a qualification of "High and New Technology Enterprise" during the Track Record Period and the three months ended 31 March 2025.

According to the relevant laws and regulations promulgated by the State Council of the People's Republic of China that was effective from 2008 onwards, enterprises engaging in research and development activities were entitled to claim 150% of their research and development expenses so incurred as tax deductible expenses when determining their assessable profits for that year. The State Taxation Administration of The People's Republic of China ("**STA**") further announced in March 2021 that manufacturing enterprises engaging in research and development activities would entitle to claim 200% of their research and development expenses as Additional Deduction since 1 January 2021. The STA further announced in March 2023 that eligible enterprises would entitle to claim 200% of their research and development expenses as Additional Deduction since 1 January 2023. The Group has made its best estimate for the Additional Deduction to be claimed for the Group's entities in ascertaining their assessable profits during the Track Record Period and the three months ended 31 March 2025.

Hong Kong and other jurisdictions

For subsidiaries incorporated in Hong Kong, under the two-tiered profits tax rates regime, the first HK$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. For the Track Record Period, Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other entities of the Group in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The income tax expense for the Track Record Period and the three months ended 31 March 2025 can be reconciled to the profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Profit before tax	47,870	73,413	78,804	12,948	9,931
Tax at the domestic income tax rate of 15%	7,180	11,012	11,821	1,942	1,490
Tax effect of different tax rates of subsidiaries	339	1,517	480	123	527
Tax effect of non-deductible expenses	360	1,392	3,872	942	32
Tax effect of non-taxable income	(169)	(1,984)	(3,585)	(906)	(2,212)
Tax effect of deductible temporary differences and tax losses not recognised	1,784	1,871	1,858	510	1,710
Utilisation of tax losses previously not recognised	(183)	(46)	(1,183)	(12)	—
Under-provision in prior years	62	2,666	6	—	—
Additional deduction for qualified research and development expenses	(8,883)	(10,379)	(8,746)	(2,548)	(2,227)
Income tax expense (credit)	490	6,049	4,523	51	(680)

11. PROFIT FOR THE YEAR/PERIOD

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Profit before tax has been arrived at after charging/(crediting):					
Directors' and supervisors' emoluments *(Note 12)*	9,417	7,627	6,676	1,380	1,123
Other staffs' salaries	552,095	543,045	428,648	91,551	115,214
Other staffs' retirement benefit scheme contributions	50,896	50,345	54,741	8,682	14,800
Total other staff costs	602,991	593,390	483,389	100,233	130,014
Auditor's remuneration	807	1,699	321	—	—
[REDACTED]	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Depreciation of property, plant and equipment	17,722	17,704	16,951	4,345	3,396
Depreciation of right-of-use assets	14,090	13,065	7,455	2,921	1,191
Amortisation of intangible assets	3,278	2,362	1,803	466	322
Loss on disposal of property, plant and equipment	87	51	351	—	—
Gain on early termination of leases	—	—	(60)	—	—
Impairment losses recognised (reversed) on financial assets, contract assets and contract costs, net					
— Trade receivables	1,589	(395)	1,436	1,024	(1,136)
— Other receivables	(41)	4	(8)	2	20
— Contract assets	(16)	(3)	7	(1)	(1)
— Contract costs	—	9,166	12,347	3,389	(1,709)
	1,532	8,772	13,782	4,414	(2,826)

12. DIRECTORS' AND SUPERVISORS' EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES

(a) Directors' and supervisors' emoluments

Details of the emoluments paid to the directors and supervisors of the Company during the Track Record Period and the three months ended 31 March 2025 disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance are as follows:

	Fees	Salaries and allowances	Performance related bonus	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the year ended 31 December 2023					
Executive directors:					
Chow Chi Kwan (Chief executive)	—	1,546	1,170	16	2,732
Li Lam	—	1,546	1,215	16	2,777
Teng Hsiu Shen	—	—	—	—	—
Chan Wing Fat	—	1,374	360	16	1,750
Independent non-executive directors:					
Yeung Sze Fei	120	—	—	—	120
So Chit Fung	120	—	—	—	120
Mak Wing Cheong	120	—	—	—	120
Supervisors:					
Huang Kai Bing	—	396	280	64	740
Zhao Hai Yang	—	384	38	46	468
Deng Yu Gui	—	432	107	51	590
	360	5,678	3,170	209	9,417

	Fees	Salaries and allowances	Performance related bonus	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the year ended 31 December 2024					
Executive directors:					
Chow Chi Kwan (Chief executive)	—	1,595	1,205	16	2,816
Li Lam *(Note (i))*	—	257	—	2	259
Teng Hsiu Shen *(Note (i))*	—	—	—	—	—
Chan Wing Fat	—	1,418	542	16	1,976
Ho Man *(Note (iv))*	207	—	—	—	207
Independent non-executive directors:					
Yeung Sze Fei *(Note (ii))*	16	—	—	—	16
So Chit Fung *(Note (ii))*	16	—	—	—	16
Mak Wing Cheong *(Note (ii))*	16	—	—	—	16
Zhang Li *(Note (v))*	—	104	—	—	104
Ku Ka Yung *(Note (v))*	104	—	—	—	104
Supervisors:					
Huang Kai Bing	—	411	220	65	696
Zhao Hai Yang	—	386	250	46	682
Deng Yu Gui	—	433	250	52	735
	359	4,604	2,467	197	7,627

	Fees	Salaries and allowances	Performance related bonus	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the year ended 31 December 2025					
Executive directors:					
Chow Chi Kwan (Chief executive)	—	1,603	1,211	16	2,830
Chan Wing Fat	—	1,425	458	16	1,899
Ho Man	240	—	—	—	240
Huang Kai Bing *(Note (iv))*	—	116	195	20	331
Independent non-executive directors:					
Zhang Li	—	120	—	—	120
Ku Ka Yung	120	—	—	—	120
Chan Ka Po Rachel *(Note (v))*	34	—	—	—	34
Supervisors:					
Huang Kai Bing *(Note (iii))*	—	305	25	51	381
Zhao Hai Yang *(Note (iii))*	—	278	23	38	339
Deng Yu Gui *(Note (iii))*	—	314	26	42	382
	394	4,161	1,938	183	6,676

	Fees	Salaries and allowances	Performance related bonus	Retirement benefit scheme contributions	Total
	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)	RMB'000 (Unaudited)
For the three months ended 31 March 2025					
Executive directors:					
Chow Chi Kwan (Chief executive)	—	404	50	4	458
Chan Wing Fat	—	359	45	4	408
Ho Man	60	—	—	—	60
Independent non-executive directors:					
Zhang Li	—	30	—	—	30
Ku Ka Yung	30	—	—	—	30
Supervisors:					
Huang Kai Bing *(Note (iii))*	—	106	13	18	137
Zhao Hai Yang *(Note (iii))*	—	97	12	12	121
Deng Yu Gui *(Note (iii))*	—	109	14	13	136
	90	1,105	134	51	1,380

	Fees	Salaries and allowances	Performance related bonus	Retirement benefit scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
For the three months ended 31 March 2026					
Executive directors:					
Chow Chi Kwan (Chief executive)	—	390	49	4	443
Chan Wing Fat	—	346	43	4	393
Ho Man	60	—	—	—	60
Huang Kai Bing	—	106	13	18	137
Independent non-executive directors:					
Zhang Li	—	30	—	—	30
Ku Ka Yung	30	—	—	—	30
Chan Ka Po Rachel *(Note (v))*	30	—	—	—	30
	120	872	105	26	1,123

Notes:

(i) Li Lam and Teng Hsiu Shen resigned as executive directors of the Company on 19 February 2024.

(ii) Yeung Sze Fei, So Chit Fung and Mak Wing Cheong resigned as independent non-executive directors of the Company on 19 February 2024.

(iii) Huang Kai Bing, Zhao Hai Yang and Deng Yu Gui resigned as supervisors of the Company on 19 September 2025.

(iv) Ho Man and Huang Kai Bing were appointed as executive directors of the Company on 19 February 2024 and 19 September 2025 respectively.

(v) Zhang Li and Ku Ka Yung were appointed as independent non-executive directors of the Company on 19 February 2024. Chan Ka Po Rachel was appointed as an independent non-executive director of the Company on 19 September 2025.

Performance related bonuses are determined based on the Group's performance and performance of the relevant individual within the Group.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

The independent non-executive directors' emoluments shown above were mainly for their services as independent non-executive directors of the Company.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the Track Record Period and the three months ended 31 March 2025.

(b) Five highest paid employees

The five highest paid individuals of the Group included 3, 2, 2, 2 and 2 directors whose emoluments for the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2025 and 2026, respectively are included in the disclosure above. The remuneration of the remaining 2, 3, 3, 3 and 3 individuals during the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2025 and 2026, respectively were as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries and other allowances	1,671	2,733	3,192	1,150	1,085
Performance related bonuses	2,200	3,179	2,311	48	45
Retirement benefit scheme contributions	149	167	187	12	12
	4,020	6,079	5,690	1,210	1,142

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	No. of employees	No. of employees	No. of employees	No. of employees (Unaudited)	No. of employees
Nil to HKD1,000,000	—	—	—	3	3
HKD2,000,001 to HKD2,500,000	2	2	3	—	—
HKD2,500,001 to HKD3,000,000	—	1	—	—	—
	2	3	3	3	3

During the Track Record Period and the three months ended 31 March 2025, no emolument was paid by the Group to any of the directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

13. DIVIDENDS

The dividends declared and paid by the Company during the Track Record Period were as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Dividends declared by the Company	31,839	31,839	53,065	—	—

On 12 May 2023, the Company's shareholders approved the 2022 profit distribution plan at an annual general meeting, pursuant to which an aggregate amount of approximately RMB31,839,000 (inclusive of tax) was subsequently paid in May 2023 to the shareholders of the Company on the record date for determining the shareholders' entitlement to the 2022 profit distribution plan, which amounted to a dividend of RMB0.6 (inclusive of tax) for every 10 shares of the Company.

On 23 May 2024, the Company's shareholders approved the 2023 profit distribution plan at an annual general meeting, pursuant to which an aggregate amount of approximately RMB31,839,000 (inclusive of tax) were subsequently paid in June 2024 to the shareholders of the Company on the record date for determining the shareholders' entitlement to the 2023 profit distribution plan, which amounted to a dividend of RMB0.6 (inclusive of tax) for every 10 shares of the Company.

On 23 May 2025, the Company's shareholders approved the 2024 profit distribution plan at an annual general meeting, pursuant to which an aggregate amount of approximately RMB53,065,000 (inclusive of tax) were subsequently paid in June 2025 to the shareholders of the Company on the record date for determining the shareholders' entitlement to the 2024 profit distribution plan, which amounted to a dividend of RMB1.0 (inclusive of tax) for every 10 shares of the Company.

On 24 April 2026, the Company's shareholders approved the 2025 profit distribution plan at an annual general meeting, pursuant to which an aggregate amount of approximately RMB31,839,000 (inclusive of tax) were subsequently paid in May 2026 to the shareholders of the Company on the record date for determining the shareholders' entitlement to the 2025 profit distribution plan, which amounted to a dividend of RMB0.6 (inclusive of tax) for every 10 shares of the Company.

14. EARNINGS PER SHARE

The calculations of the basic and diluted earnings per share are based on:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Earnings					
Profit for the year/period attributable to owners of the Company for the purpose of basic and diluted earnings per share	47,380	67,364	74,301	12,897	10,606
Number of shares	'000	'000	'000	'000	'000
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	530,649	530,649	530,649	530,649	530,649

Basic earnings per share is calculated by dividing the profit for the year/period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the Track Record Period and the three months ended 31 March 2025.

The diluted earnings per share is equivalent to the basic earnings per share as there were no dilutive potential ordinary shares outstanding for the Track Record Period and the three months ended 31 March 2025.

15. PROPERTY, PLANT AND EQUIPMENT

The Group

	Buildings	Equipment	Motor vehicles	Furniture and fixtures	Construction in progress	Leasehold improvement	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
COST							
At 1 January 2023	350,679	62,052	5,485	3,922	8,524	12,199	442,861
Additions	—	3,062	19	2	—	4,526	7,609
Disposals	—	(834)	—	(39)	—	(626)	(1,499)
At 31 December 2023	350,679	64,280	5,504	3,885	8,524	16,099	448,971
Additions	920	9,797	702	7	—	2,944	14,370
Disposals	—	(1,134)	(697)	(68)	—	(2,934)	(4,833)
Exchange adjustment	—	293	30	2	—	—	325
At 31 December 2024	351,599	73,236	5,539	3,826	8,524	16,109	458,833
Additions	20,207	4,694	—	—	—	141	25,042
Disposals	—	(3,031)	—	(1)	—	(8,256)	(11,288)
Exchange adjustment	—	185	(35)	(2)	—	—	148
At 31 December 2025	371,806	75,084	5,504	3,823	8,524	7,994	472,735
Additions	—	1,107	—	—	—	314	1,421
Disposals	—	—	—	—	—	(1,062)	(1,062)
Exchange adjustment	—	(515)	(31)	(2)	—	—	(548)
At 31 March 2026	371,806	75,676	5,473	3,821	8,524	7,246	472,546
DEPRECIATION							
At 1 January 2023	26,430	42,206	2,548	3,299	—	6,204	80,687
Provided for the year	7,867	5,374	868	156	—	3,457	17,722
Written-off upon disposals	—	(743)	—	(26)	—	(626)	(1,395)
Exchange adjustment	—	148	15	1	—	—	164
At 31 December 2023	34,297	46,985	3,431	3,430	—	9,035	97,178
Provided for the year	7,884	5,542	865	42	—	3,371	17,704
Written-off upon disposals	—	(1,018)	(627)	(61)	—	(2,934)	(4,640)
At 31 December 2024	42,181	51,509	3,669	3,411	—	9,472	110,242
Provided for the year	8,030	5,218	677	14	—	3,012	16,951
Written-off upon disposal	—	(2,616)	—	(1)	—	(8,256)	(10,873)
At 31 December 2025	50,211	54,111	4,346	3,424	—	4,228	116,320
Provided for the period	2,103	709	81	—	—	503	3,396
Written-off upon disposals	—	—	—	—	—	(1,062)	(1,062)
At 31 March 2026	52,314	54,820	4,427	3,424	—	3,669	118,654
CARRYING VALUES							
At 31 December 2023	316,382	17,295	2,073	455	8,524	7,064	351,793
At 31 December 2024	309,418	21,727	1,870	415	8,524	6,637	348,591
At 31 December 2025	321,595	20,973	1,158	399	8,524	3,766	356,415
At 31 March 2026	319,492	20,856	1,046	397	8,524	3,577	353,892

The Company

	Buildings	Equipment	Motor vehicles	Furniture and fixtures	Construction in progress	Leasehold improvement	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
COST							
At 1 January 2023	320,179	49,660	4,136	3,795	8,524	9,803	396,097
Additions	—	2,665	—	—	—	829	3,494
Disposals	—	(818)	—	(17)	—	(626)	(1,461)
At 31 December 2023	320,179	51,507	4,136	3,778	8,524	10,006	398,130
Additions	—	9,693	—	6	—	2,944	12,643
Disposals	—	(1,126)	—	(68)	—	(2,934)	(4,128)
At 31 December 2024	320,179	60,074	4,136	3,716	8,524	10,016	406,645
Additions	20,207	4,680	—	—	—	141	25,028
Disposals	—	(2,700)	—	—	—	(5,854)	(8,554)
At 31 December 2025	340,386	62,054	4,136	3,716	8,524	4,303	423,119
Additions	—	1,090	—	—	—	313	1,403
Disposals	—	—	—	—	—	(1,062)	(1,062)
At 31 March 2026	340,386	63,144	4,136	3,716	8,524	3,554	423,460
DEPRECIATION							
At 1 January 2023	25,388	35,554	1,527	3,228	—	4,651	70,348
Provided for the year	6,825	3,273	745	139	—	2,570	13,552
Written-off upon disposals	—	(735)	—	(15)	—	(626)	(1,376)
At 31 December 2023	32,213	38,092	2,272	3,352	—	6,595	82,524
Provided for the year	6,825	3,355	745	28	—	2,499	13,452
Written-off upon disposals	—	(1,014)	—	(61)	—	(2,934)	(4,009)
At 31 December 2024	39,038	40,433	3,017	3,319	—	6,160	91,967
Provided for the year	6,952	4,615	570	12	—	2,200	14,349
Written-off upon disposals	—	(2,430)	—	—	—	(5,854)	(8,284)
At 31 December 2025	45,990	42,618	3,587	3,331	—	2,506	98,032
Provided for the period	1,833	1,131	68	—	—	318	3,350
Written-off upon disposals	—	—	—	—	—	(1,062)	(1,062)
At 31 March 2026	47,823	43,749	3,655	3,331	—	1,762	100,320
CARRYING VALUES							
At 31 December 2023	287,966	13,415	1,864	426	8,524	3,411	315,606
At 31 December 2024	281,141	19,641	1,119	397	8,524	3,856	314,678
At 31 December 2025	294,396	19,436	549	385	8,524	1,797	325,087
At 31 March 2026	292,563	19,395	481	385	8,524	1,792	323,140

The estimated useful lives of items of property, plant and equipment are as follows:

	Useful lives
Buildings	42.5 years
Equipment	5 years
Motor vehicles	5 years
Furniture and fixtures	5 years
Leasehold improvement	Over the term of lease, or 1–5 years

16. RIGHT-OF-USE ASSETS

The Group as a lessee

The Group has lease contracts for various items of properties. Leases of properties generally have lease terms from 24 months to 36 months.

Land use rights are all located in the PRC with a lease period of 50 years when granted.

The Group

	Land use right	Buildings	Total
	RMB'000	RMB'000	RMB'000
COST			
At 1 January 2023	26,038	34,731	60,769
Additions	—	12,129	12,129
Write-off upon termination of lease	—	(14,066)	(14,066)
Exchange adjustment	—	66	66
At 31 December 2023	26,038	32,860	58,898
Additions	—	5,883	5,883
Write-off upon termination of lease	—	(9,245)	(9,245)
Exchange adjustment	—	87	87
At 31 December 2024	26,038	29,585	55,623
Additions	—	2,976	2,976
Write-off upon early termination of leases	—	(20,258)	(20,258)
Exchange adjustment	—	(38)	(38)
At 31 December 2025	26,038	12,265	38,303
Exchange adjustment	—	(72)	(72)
At 31 March 2026	26,038	12,193	38,231
DEPRECIATION			
At 1 January 2023	5,977	15,286	21,263
Provided for the year	521	13,569	14,090
Eliminated on termination of lease	—	(14,066)	(14,066)
At 31 December 2023	6,498	14,789	21,287
Provided for the year	521	12,544	13,065
Eliminated on termination of lease	—	(9,245)	(9,245)
At 31 December 2024	7,019	18,088	25,107
Provided for the year	521	6,934	7,455
Eliminated on early termination of leases	—	(17,408)	(17,408)
At 31 December 2025	7,540	7,614	15,154
Provided for the period	130	1,061	1,191
At 31 March 2026	7,670	8,675	16,345
CARRYING VALUES			
At 31 December 2023	19,540	18,071	37,611
At 31 December 2024	19,019	11,497	30,516
At 31 December 2025	18,498	4,651	23,149
At 31 March 2026	18,368	3,518	21,886

During the year ended 31 December 2025, the Group early terminated lease contracts, the respective right-of-use assets and lease liabilities of approximately RMB2,850,000 and RMB2,910,000 were derecognised accordingly, resulting in gain on early termination of leases of approximately RMB60,000 recognised on profit or loss.

The Company as a lessee

The Company has lease contracts for various items of properties. Leases of properties generally have lease terms from 24 months to 36 months.

Land use rights are all located in the PRC with a lease period of 50 years when granted.

The Company

	Land use right	Buildings	Total
	RMB'000	RMB'000	RMB'000
COST			
At 1 January 2023	26,038	23,701	49,739
Additions	—	9,075	9,075
Write-off upon termination of lease	—	(9,589)	(9,589)
At 31 December 2023	26,038	23,187	49,225
Write-off upon termination of lease	—	(3,445)	(3,445)
At 31 December 2024	26,038	19,742	45,780
Additions	—	997	997
Write-off upon early termination of lease	—	(10,453)	(10,453)
At 31 December 2025 and 31 March 2026	26,038	10,286	36,324
DEPRECIATION			
At 1 January 2023	5,977	9,748	15,725
Provided for the year	521	8,315	8,836
Eliminated on termination of lease	—	(9,589)	(9,589)
At 31 December 2023	6,498	8,474	14,972
Provided for the year	521	7,747	8,268
Eliminated on termination of lease	—	(3,445)	(3,445)
At 31 December 2024	7,019	12,776	19,795
Provided for the year	521	5,030	5,551
Eliminated on early termination of lease	—	(10,397)	(10,397)
At 31 December 2025	7,540	7,409	14,949
Provided for the period	130	864	994
At 31 March 2026	7,670	8,273	15,943
CARRYING VALUES			
At 31 December 2023	19,540	14,713	34,253
At 31 December 2024	19,019	6,966	25,985
At 31 December 2025	18,498	2,877	21,375
At 31 March 2026	18,368	2,013	20,381

17. INTANGIBLE ASSETS

The Group and the Company

	Software
	RMB'000
COST	
At 1 January 2023	20,708
Additions	2,105
At 31 December 2023	22,813
Additions	88
At 31 December 2024	22,901
Additions	113
At 31 December 2025	23,014
Additions	15
At 31 March 2026	23,029
AMORTISATION AND IMPAIRMENT	
At 1 January 2023	13,176
Provided for the year	3,278
At 31 December 2023	16,454
Provided for the year	2,362
At 31 December 2024	18,816
Provided for the year	1,803
At 31 December 2025	20,619
Provided for the period	322
At 31 March 2026	20,941
CARRYING VALUES	
At 31 December 2023	6,359
At 31 December 2024	4,085
At 31 December 2025	2,395
At 31 March 2026	2,088

The useful lives of software are 5 years.

18. EQUITY INSTRUMENTS DESIGNATED AT FVTOCI

The Group and the Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Unlisted equity instruments	31,213	27,198	10,456	10,115

Equity instruments designated at FVTOCI represent the Group's equity interest in unlisted entities established in the PRC. The management of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run. For the details of fair value measurement of the above equity instruments, please refer to note 29(c).

19. DEFERRED TAXATION

The Group

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

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deferred tax assets	11,316	12,410	15,142	16,675
Deferred tax liabilities	(4,343)	(5,778)	(8,573)	(9,373)
	6,973	6,632	6,569	7,302

The Company

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

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deferred tax assets	13,196	14,681	20,342	21,875
Deferred tax liabilities	—	—	—	—
	13,196	14,681	20,342	21,875

The Group

The deferred tax assets/(liabilities) recognised by the Group and movements thereon during the Track Record Period are as follows:

	Tax losses	Impairment on assets	Fair value change	Property, plant and equipment	Right-of-use assets	Provision on estimated liabilities	Lease liabilities	Undistributable profits of subsidiaries	Unrealised profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	943	827	8,019	(89)	(2,262)	913	2,245	(4,101)	106	6,601
(Charge)/credit to profit or loss for the year	(324)	310	—	18	31	—	65	(242)	(72)	(214)
Credit to reserves	—	—	586	—	—	—	—	—	—	586
At 31 December 2023	619	1,137	8,605	(71)	(2,231)	913	2,310	(4,343)	34	6,973
(Charge)/credit to profit or loss for the year	(619)	1,106	—	18	1,015	—	(1,057)	(1,405)	(1)	(943)
Credit to reserves	—	—	602	—	—	—	—	—	—	602
At 31 December 2024	—	2,243	9,207	(53)	(1,216)	913	1,253	(5,748)	33	6,632
Credit/(charge) to profit or loss for the year	—	1,241	—	18	785	(913)	(847)	(2,825)	(33)	(2,574)
Credit to reserves	—	—	2,511	—	—	—	—	—	—	2,511
At 31 December 2025	—	3,484	11,718	(35)	(431)	—	406	(8,573)	—	6,569
Credit/(charge) to profit or loss for the period	1,707	(264)	—	4	130	—	(96)	(800)	—	681
Credit to reserves	—	—	51	—	—	—	—	—	—	51
Exchange realignment	—	1	—	—	—	—	—	—	—	1
At 31 March 2026	1,707	3,221	11,769	(31)	(301)	—	310	(9,373)	—	7,302

The Company

The deferred tax assets/(liabilities) recognised by the Company and movements thereon during the Track Record Period are as follows:

	Tax losses	Impairment on assets	Fair value change	Property, plant and equipment	Right-of-use assets	Provision on estimated liabilities	Lease liabilities	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	943	826	8,019	(89)	(2,093)	913	2,107	10,626
(Charge)/credit to profit or loss for the year	(324)	2,226	—	18	(114)	—	178	1,984
Credit to reserves	—	—	586	—	—	—	—	586
At 31 December 2023	619	3,052	8,605	(71)	(2,207)	913	2,285	13,196
(Charge)/credit to profit or loss for the year	(619)	1,496	—	18	1,162	—	(1,174)	883
Credit to reserves	—	—	602	—	—	—	—	602
At 31 December 2024	—	4,548	9,207	(53)	(1,045)	913	1,111	14,681
Credit/(charge) to profit or loss for the year	—	4,136	—	18	614	(913)	(705)	3,150
Credit to reserves	—	—	2,511	—	—	—	—	2,511
At 31 December 2025	—	8,684	11,718	(35)	(431)	—	406	20,342
Credit/(charge) to profit or loss for the period	1,707	(265)	—	4	132	—	(96)	1,482
Credit to reserves	—	—	51	—	—	—	—	51
At 31 March 2026	1,707	8,419	11,769	(31)	(299)	—	310	21,875

The Group

At the end of each of the Track Record Period, the Group has unused tax losses available for offset against future profits and deductible temporary differences, no deferred tax asset has been recognised due to the unpredictability of future profit streams as below:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deductible temporary differences	10	10	—	16

The unrecognised tax losses will expire in the following years:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
2024	2,181	—	—	—
2025	2,401	2,401	—	—
2026	39,324	22,233	20,753	—
2027	23,805	23,313	16,960	16,960
2028	12,577	12,499	6,096	6,096
2029	—	12,560	5,859	5,859
2030	—	—	5,173	5,173
2031 and beyond	6,629	—	—	2,837
	86,917	73,006	54,841	36,925

The Company

At the end of each of the Track Record Period, the Company does not have any unused tax losses and deductible temporary differences.

20. TRADE RECEIVABLES

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables	164,150	135,542	210,772	161,335
Less: Expected credit losses	(8,154)	(7,752)	(7,122)	(5,987)
	155,996	127,790	203,650	155,348

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the gross amount of trade receivables arising from contracts with customers amounted to approximately RMB164,150,000, RMB135,542,000, RMB210,772,000 and RMB161,335,000 respectively.

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables	572,970	741,453	775,648	831,664
Less: Expected credit losses	(7,520)	(6,948)	(19,670)	(19,875)
	565,450	734,505	755,978	811,789

As at 31 December 2023, 2024 and 2025 and 31 March 2026, the gross amount of trade receivables arising from contracts with customers amounted to approximately RMB572,970,000, RMB741,453,000, RMB775,648,000 and RMB831,664,000 respectively.

Included in the Company's trade receivables are amounts due from subsidiaries of approximately RMB440,501,000, RMB646,093,000, RMB752,617,000 and RMB791,504,000 as at 31 December 2023, 2024 and 2025 and 31 March 2026 respectively, which are unsecured, non-interest bearing and repayable on demand.

(a) The Group generally allows credit period within 3 months, depending on the specific payment terms in each contract. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

The Group

The following is an analysis of trade receivables by age, net of allowance for credit losses, presented based on the date of revenue recognition as at 31 December 2023, 2024 and 2025 and 31 March 2026:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	137,402	122,235	202,819	154,609
1 to 2 years	11,701	3,504	556	517
2 to 3 years	6,893	2,051	275	222
	155,996	127,790	203,650	155,348

The Company

The following is an analysis of trade receivables by age, net of allowance for credit losses, presented based on the date of revenue recognition as at 31 December 2023, 2024 and 2025 and 31 March 2026:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	551,227	728,950	755,147	811,050
1 to 2 years	7,330	3,504	556	517
2 to 3 years	6,893	2,051	275	222
	565,450	734,505	755,978	811,789

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques or significant assumptions made during the Track Record Period.

The Group

The Group recognised lifetime ECL for trade receivables based on individually significant customer or the ageing of customers collectively that are not individually significant as follows:

	Weighted average expected loss rate	Gross carrying amount	Loss allowance
As at 31 December 2023		**RMB'000**	**RMB'000**
Within 1 year	2%	139,816	2,414
1 to 2 years	7%	12,592	891
2 to 3 years	24%	9,085	2,192
More than 3 years	100%	1,743	1,743
		163,236	7,240
Individually assessed	100%	914	914
		164,150	8,154

	Weighted average expected loss rate	Gross carrying amount	Loss allowance
As at 31 December 2024		**RMB'000**	**RMB'000**
Within 1 year	2%	124,695	2,460
1 to 2 years	12%	3,999	495
2 to 3 years	26%	2,765	714
More than 3 years	100%	3,169	3,169
		134,628	6,838
Individually assessed	100%	914	914
		135,542	7,752

	Weighted average expected loss rate	Gross carrying amount	Loss allowance
As at 31 December 2025		**RMB'000**	**RMB'000**
Within 1 year	2%	206,830	4,011
1 to 2 years	11%	626	70
2 to 3 years	29%	388	113
More than 3 years	100%	2,539	2,539
		210,383	6,733
Individually assessed	100%	389	389
		210,772	7,122

As at 31 March 2026	Weighted average expected loss rate	Gross carrying amount RMB'000	Loss allowance RMB'000
Within 1 year	2%	157,511	2,902
1 to 2 years	11%	582	65
2 to 3 years	29%	314	92
More than 3 years	100%	2,539	2,539
		160,946	5,598
Individually assessed	100%	389	389
		161,335	5,987

The Company

As at 31 December 2023	Weighted average expected loss rate	Gross carrying amount RMB'000	Loss allowance RMB'000
Within 1 year	0%	553,096	1,869
1 to 2 years	10%	8,132	802
2 to 3 years	24%	9,085	2,192
More than 3 years	100%	1,743	1,743
		572,056	6,606
Individually assessed	100%	914	914
		572,970	7,520

As at 31 December 2024	Weighted average expected loss rate	Gross carrying amount RMB'000	Loss allowance RMB'000
Within 1 year	0%	730,606	1,656
1 to 2 years	12%	3,999	495
2 to 3 years	26%	2,765	714
More than 3 years	100%	3,169	3,169
		740,539	6,034
Individually assessed	100%	914	914
		741,453	6,948

As at 31 December 2025	Weighted average expected loss rate	Gross carrying amount	Loss allowance
		RMB'000	RMB'000
Within 1 year	0%	739,100	256
1 to 2 years	11%	626	70
2 to 3 years	29%	388	113
More than 3 years	100%	2,539	2,539
		742,653	2,978
Individually assessed	51%	32,995	16,692
		775,648	19,670

As at 31 March 2026	Weighted average expected loss rate	Gross carrying amount	Loss allowance
		RMB'000	RMB'000
Within 1 year	0%	795,150	487
1 to 2 years	11%	582	65
2 to 3 years	29%	314	92
More than 3 years	100%	2,539	2,539
		798,585	3,183
Individually assessed	50%	33,079	16,692
		831,664	19,875

(b) The movements in the allowance for impairment of trade receivables are set out below:

The Group

	Year ended 31 December			Three months ended 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	7,260	8,154	7,752	7,122
Impairment losses recognised (reversed)	1,589	(395)	1,436	(1,136)
Exchange realignment	—	—	—	1
Write-off	(695)	(7)	(2,066)	—
At the end of the year/period	8,154	7,752	7,122	5,987

The Company

	Year ended 31 December			Three months ended 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	5,424	7,520	6,948	19,670
Impairment losses recognised (reversed)	2,791	(565)	14,788	205
Write-off	(695)	(7)	(2,066)	—
At the end of the year/period	7,520	6,948	19,670	19,875

21. CONTRACT COSTS, CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract costs

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Cost to fulfil contract	55,932	28,178	45,852	48,949

During the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025 and 2026, contract costs of approximately RMB65,887,000, RMB44,518,000, RMB18,884,000, RMB4,722,000 and RMB16,473,000 respectively are recognised in profit or loss. During the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025, impairment losses on contract costs of approximately nil, RMB9,166,000, RMB12,347,000 and RMB3,389,000 respectively are recognised and charged to profit or loss. During the three months ended 31 March 2026, reversals of impairment losses of contract assets of approximately RMB1,709,000 were recognised.

At the end of each reporting period, an impairment loss of contract costs is recognized when the carrying amount of the related contract costs exceeds the net amount of: (i) the remaining consideration expected to be received for the related goods or services, less (ii) any directly related costs that have not yet been recognized as expenses.

The impairment losses of contract costs during the Track Record Period were primarily due to: (i) cost overruns caused by factors such as scope changes or underestimation of project costs. Such underestimation may result from information gaps at the time of bidding, the complexity of project requirements, changes in labour costs, or project delays and the additional resources required due to external uncertainties; and (ii) strategic considerations, including projects pursued to maintain existing customer relationships or to explore new business opportunities where short-term profitability was intentionally subordinated to longer-term commercial objectives.

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Cost to fulfil contract	52,660	23,279	39,705	40,776

(b) Contract assets

The Group and the Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Provision of:				
— Fintech software development services	2,651	2,368	3,075	2,928
— System integration services	6	—	—	—
	2,657	2,368	3,075	2,928

The Group's contracts include payment schedules which require stage payments over the project period once milestones are reached. The Group typically agrees to one year retention period for 10% of the contract value. This amount is included in contract assets until the end of the retention period as the Group's entitlement to this final payment is conditional on the Group's work satisfactorily passing inspection. As at 31 December 2023, 2024 and 2025 and 31 March 2026, included in contract assets of RMB381,000, RMB288,000, RMB472,000 and RMB472,000, respectively, were expected to be recovered after more than one year.

During the year ended 31 December 2025, an impairment loss on contract assets of approximately RMB7,000 was recognised. During the years ended 31 December 2023 and 2024 and the three months ended 31 March 2025 and 2026, reversals of impairment losses of contract assets of approximately RMB16,000, RMB3,000, RMB1,000 and RMB1,000, respectively, were recognised.

(c) Contract liabilities

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Provision of:				
— Fintech software development services	6,409	11,765	15,001	20,551
— Consultation services	—	556	2,014	1,082
	6,409	12,321	17,015	21,633

Contract liabilities include unsatisfied performance obligation for provision of fintech software development services, and consultation services.

Revenue recognised during the years ended 31 December 2023, 2024 and 2025 and three months ended 31 March 2025 and 2026 that were included in the contract liabilities at the beginning of the year/period are approximately RMB6,824,000, RMB5,086,000, RMB10,549,000, RMB3,336,000 and RMB3,008,000 respectively. There was no revenue recognised in the current year/period that related to performance obligations that were satisfied in prior year/period.

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Provision of:				
Fintech software development services	2,997	6,886	2,486	2,849
Consultation services	—	—	1,881	955
	2,997	6,886	4,367	3,804

22. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deposits and advances to staff	5,099	5,453	4,608	6,588
Deductible value-added tax	37	51	774	1,296
Interest receivable	6,271	8,988	11,475	12,904
Prepayments	1,332	4,013	3,980	3,757
Prepaid **[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
	12,739	18,505	29,190	39,774
Less: Expected credit losses	(51)	(55)	(47)	(67)
	12,688	18,450	29,143	39,707
Analysed for reporting purposes as:				
— Current assets	12,688	18,450	29,143	39,707

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Deposits and advances to staff	3,363	3,698	3,425	5,444
Deductible value-added tax	29	15	—	429
Interest receivable	6,271	7,863	10,700	11,605
Prepayments	791	1,159	1,345	1,611
Prepaid **[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**	**[REDACTED]**
Amounts due from subsidiaries *(note)*	51,564	59,670	35,575	35,579
	62,018	72,405	59,398	69,897
Less: Expected credit losses	(2,802)	(5,394)	(8,398)	(8,422)
	59,216	67,011	51,000	61,475

Note: Amounts due from subsidiaries were unsecured, interest-free and repayable on demand.

Details of impairment assessment are set out in Note 29(b).

23. RESTRICTED BANK DEPOSITS /BANK BALANCES AND CASH

The bank balances and cash and restricted bank deposits are denominated in the following currencies:

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Denominated in RMB	859,957	924,262	801,220	984,779
Denominated in United States Dollar (USD)	1,067	1,088	2	30
Denominated in Hong Kong Dollar (HKD)	173,879	220,782	242,257	116,061
Denominated in Thai Baht (THB)	44,732	44,955	34,017	32,015
	1,079,635	1,191,087	1,077,496	1,132,885

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Denominated in RMB	610,245	517,618	335,792	374,348
Denominated in HKD	1	—	90,327	2
	610,246	517,618	426,119	374,350

The RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximate to their fair values.

As at the end of each of the Track Record Period, the internal credit rating of restricted deposits and cash and cash equivalents was regarded as the grade of performing. The Group has assessed that the credit risk of the restricted deposits and cash and cash equivalents and considered its credit risks have not increased significantly since initial recognition. The Group has measured the impairment based on the 12-month ECL, and has assessed that the expected credit losses are immaterial.

24. TRADE AND OTHER PAYABLES

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	2,939	1,385	42	45
Other taxes payables	3,266	8,435	2,831	2,683
Payroll and welfare payables	98,030	97,771	88,420	92,662
Other payables	9,830	12,617	3,270	2,666
	114,065	120,208	94,563	98,056

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	2,931	1,392	45	45
Amounts due to subsidiaries *(Note)*	—	462	7,071	13,901
Other taxes payables	3,197	8,396	2,818	2,669
Payroll and welfare payables	80,374	85,266	77,459	81,069
Other payables	7,711	10,995	2,131	959
	94,213	106,511	89,524	98,643

Note: Amounts due to subsidiaries were unsecured, interest-free and repayable on demand.

The trade payables are non-interest-bearing and are normally settled within 1 year. The fair value of trade payables approximates to their carrying amount.

The following is an aged analysis of trade payables presented based on the date of service provided and date of goods acceptance at the end of each reporting period.

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within one year	2,919	1,297	27	30
Over 1 years	20	88	15	15
	2,939	1,385	42	45

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Within one year	2,912	1,305	30	30
Over 1 years	19	87	15	15
	2,931	1,392	45	45

25. LEASE LIABILITIES

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Lease liabilities payable:				
Within one year	10,259	9,004	3,136	2,704
Within a period of more than one year but not more than two years	6,139	2,382	1,029	688
Within a period of more than two years but not more than three years	2,381	—	284	196
Total	18,779	11,386	4,449	3,588
Less: Amount due for settlement with 12 months shown under current liabilities	(10,259)	(9,004)	(3,136)	(2,704)
Amount due for settlement after 12 months shown under non-current liabilities	8,520	2,382	1,313	884

The weighted average incremental borrowing rates applied to lease liabilities range from 3.13% to 4.25% per annum during the Track Record Period.

(a) Amounts recognised in profit or loss

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Depreciation expense on right-of-use assets	14,090	13,065	7,455	2,921	1,191
Interests on lease liabilities	666	644	162	16	40

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Lease liabilities payable:				
Within one year	7,814	5,024	2,361	1,901
Within a period of more than one year but not more than two years	5,034	2,382	346	167
Within a period of more than two years but not more than three years	2,381	—	—	—
Total	15,229	7,406	2,707	2,068
Less: Amount due for settlement with 12 months shown under current liabilities	(7,814)	(5,024)	(2,361)	(1,901)
Amount due for settlement after 12 months shown under non-current liabilities	7,415	2,382	346	167

26. SHARE CAPITAL

	Number of shares	Share capital
		RMB'000
A shares of RMB 1 each		
As at 1 January 2023, 31 December 2023, 2024 and 2025 and 31 March 2026	530,649,275	530,649

The holders of shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings of the Company. All ordinary shares rank equally with regard to the Company's residual net assets.

27. RESERVES

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

(a) Capital reserve

Capital reserve mainly represents the difference between the cost of acquisition and the non-controlling interests acquired in the case of acquisition of additional non-controlling interests of subsidiaries, or the difference between the proceeds from disposal and the non-controlling interests disposed of in the case of disposal of partial equity interests in subsidiaries to non-controlling shareholders without loss of control. Details of the movements in the capital reserve are set out in the consolidated statements of changes in equity.

(b) Translation reserve

Translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

(c) Statutory reserve

In accordance with the PRC Company Law and the articles of association of the subsidiaries established in the PRC, the Group is required to appropriate 10% of its net profit after tax, as determined under the Chinese Accounting Standards, to the statutory surplus reserve until the reserve balance reaches 50% of its registered capital. Subject to certain restrictions set out in the relevant PRC regulations and in the articles of association of the subsidiaries established in the PRC, the statutory surplus reserve may be used either to offset losses, or to be converted to share capital provided that the balance after such conversion is not less than 25% of the registered capital of the Group. The reserve cannot be used for purposes other than those for which it is created and is not distributable as cash dividends.

The Company

	Capital reserve	Fair value reserve (non-recycling)	Statutory reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	580,915	(45,442)	90,163	462,356	1,087,992
Profit for the year	—	—	—	47,282	47,282
Other comprehensive expense for the year	—	(3,320)	—	—	(3,320)
Total comprehensive (expense) income for the year	—	(3,320)	—	47,282	43,962
Appropriation to statutory reserve	—	—	4,728	(4,728)	—
Dividends recognised as distribution	—	—	—	(31,839)	(31,839)
At 31 December 2023	580,915	(48,762)	94,891	473,071	1,100,115

The Company

	Other reserves	Fair value reserve (non-recycling)	Statutory reserve	Retained profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	580,915	(48,762)	94,891	473,071	1,100,115
Profit for the year	—	—	—	64,177	64,177
Other comprehensive expense for the year	—	(3,413)	—	—	(3,413)
Total comprehensive (expense) income for the year	—	(3,413)	—	64,177	60,764
Appropriation to statutory reserve	—	—	6,417	(6,417)	—
Dividends recognised as distribution	—	—	—	(31,839)	(31,839)
At 31 December 2024	580,915	(52,175)	101,308	498,992	1,129,040
Profit for the year	—	—	—	16,114	16,114
Other comprehensive expense for the year	—	(14,231)	—	—	(14,231)
Total comprehensive (expense) income for the year	—	(14,231)	—	16,114	1,883
Appropriation to statutory reserve	—	—	1,611	(1,611)	—
Dividends recognised as distribution	—	—	—	(53,065)	(53,065)
At 31 December 2025	580,915	(66,406)	102,919	460,430	1,077,858
Profit for the period	—	—	—	6,302	6,302
Other comprehensive expense for the period	—	(290)	—	—	(290)
Total comprehensive (expense) income for the period	—	(290)	—	6,302	6,012
At 31 March 2026	580,915	(66,696)	102,919	466,732	1,083,870

28. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debts, net of cash and cash equivalents and restricted bank deposits, and equity attributable to owners of the Company, comprising share capital and reserves.

The management of the Group reviews the capital structure periodically. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital and balance its overall capital structure through the payment of dividends, new share issues and share buy-back as well as the issue of new debts or the redemption of existing debts.

The asset-liability ratios at the end of each of the Relevant Periods are as follows:

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Total assets	1,750,971	1,792,043	1,768,155	1,785,999
Total liabilities	143,596	151,275	124,600	132,651
Asset-liability ratio*	8.20%	8.44%	7.05%	7.43%

* The asset-liability ratio is calculated by dividing total liabilities by total assets.

29. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The Group

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets				
Financial assets at amortised cost (including cash and cash equivalents)	1,246,950	1,333,263	1,297,182	1,307,658
Equity instruments designated at FVTOCI	31,213	27,198	10,456	10,115
	1,278,163	1,360,461	1,307,638	1,317,773
Financial liabilities				
At amortised cost	12,769	14,002	3,312	2,711

The Company

	As at 31 December			As at 31 March
	2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets				
Financial assets at amortised cost (including cash and cash equivalents)	1,234,092	1,317,960	1,223,399	1,230,345
Equity instruments designated at FVTOCI	31,213	27,198	10,456	10,115
	1,265,305	1,345,158	1,233,855	1,240,460
Financial liabilities				
At amortised cost	10,642	12,849	9,247	14,905

(b) Financial risk management objectives and policies

The Group's and the Company's major financial instruments include equity instruments designated at FVTOCI, trade receivables, other receivables and deposits, restricted bank deposits, bank balances and cash and trade and other payables. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk and foreign currency risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below.

The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Interest rate risk

The Group and the Company are exposed to cash flow interest rate risk related primarily to its variable-rate restricted bank deposits and bank balances.

Sensitivity analysis

The Group and the Company currently do not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated. It is the Group's and the Company's policy to keep its deposits at floating rate of interests so as to minimise the fair value interest rate risk. The management of the Group and the Company considered that the exposure to cash flow in interest rate risk in relation to restricted bank deposits and bank balances are minimal and no sensitivity analysis is presented accordingly.

(ii) Foreign currency risk

The Group and the Company currently do not have a foreign exchange hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise.

Credit risk and impairment assessment

In order to minimise the credit risk of trade receivables and contract assets, the management of the Group and the Company has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group and the Company review the expected credit losses on these balances individually and/or collectively at the end of the reporting period to ensure that adequate impairment losses are made for ECL. In addition, the Group and the Company perform impairment assessment under ECL model in accordance with IFRS 9 on trade balances individually or based on provision matrix. For trade receivables and contract assets, the Group has applied the simplified approach under IFRS 9 to measure the loss allowance at lifetime ECL. The Group's lifetime ECL provided for trade receivables and contract assets are in aggregate of approximately RMB1,573,000, RMB1,443,000 and RMB1,023,000 (life-time not credit-impaired) for the years ended 31 December 2023 and 2025 and the three months ended 31 March 2025, respectively, and the Group's lifetime ECL reversed for trade receivables and contract assets are in aggregate of approximately RMB398,000 and RMB1,137,000 for the year ended 31 December 2024 and the three months ended 31 March 2026, respectively, based on historical credit loss experience adjusted by forward-looking estimates without undue cost or effort.

The credit risk of other receivables and deposits are managed through an internal process. The credit quality of each counterparty is investigated before an advance is made. The Group and the Company also actively monitor the outstanding amounts owed by each debtor and identifies any credit risks in a timely manner in order to reduce the risk of a credit related loss. The Group and the Company perform impairment assessment under ECL model in accordance with IFRS 9 on these outstanding balances.

For other receivables and deposits, the Group and the Company measure the loss allowance at 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group and the Company recognise lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in likelihood or risk of a default occurring since initial recognition. Certain other receivables and deposits had significant increase in credit risk since initial recognition. The balances are monitored on an ongoing basis and the Group's and the Company's exposure to credit risk is not significant since the Group and the Company only trade with creditworthy third parties, and the Group and the Company do not require any collateral from other debtors.

The 12m ECL on the other receivables and deposits are considered as insignificant during the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2025 and 2026 as the counterparties involved are considered with limited credit risk and the ECL involved is not material. For details of provision for ECL on other receivables and deposits, please refer to Note 22.

The credit risk on liquid funds is low because the counterparties are banks with high credit ratings assigned by international credit-rating agencies or state-owned banks in the PRC. The management of the Company consider the probability of default is negligible on the basis of high credit-rating issuers during the Track Record Period and the three months ended 31 March 2025.

There has been no significant changes to estimation techniques or assumptions made during the Track Record Period and the three months ended 31 March 2025..

The concentration of credit risk in respect of trade receivables is minimal, as the Group has a large number of customers. The management of the Company continue to monitor and assess the financial status of the counterparties, and they believe the exposure to credit risk on these balances is not significant as the counterparties are of good financial position.

Liquidity risk

In the management of the liquidity risk, the Group and the Company monitor and maintain a level of bank balance and cash deemed adequate by the management to finance the Group's and the Company's operations and mitigate the effects of fluctuations in cash flows.

The following tables detail the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities and lease liabilities. For non-derivative financial liabilities and lease liabilities, the tables have been drawn up based on the undiscounted cash flows of financial liabilities and lease liabilities based on the earliest date on which the Group and the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

The Group

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2023					
Trade and other payables	12,769	—	—	12,769	12,769
Lease liabilities	10,801	6,334	2,419	19,554	18,779

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2024					
Trade and other payables	14,002	—	—	14,002	14,002
Lease liabilities	9,294	2,419	—	11,713	11,386

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2025					
Trade and other payables	3,312	—	—	3,312	3,312
Lease liabilities	3,236	1,055	289	4,580	4,449

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 March 2026					
Trade and other payables	2,711	—	—	2,711	2,711
Lease liabilities	2,774	705	199	3,678	3,588

The Company

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2023					
Trade and other payables	10,642	—	—	10,642	10,642
Lease liabilities	8,273	5,214	2,418	15,905	15,229

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2024					
Trade and other payables	12,849	—	—	12,849	12,849
Lease liabilities	5,204	2,419	—	7,623	7,406

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2025					
Trade and other payables	9,247	—	—	9,247	9,247
Lease liabilities	2,416	353	—	2,769	2,707

	On demand or within 1 year	1–2 years	2–5 years	Total	Carrying amount
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 31 March 2026					
Trade and other payables	14,905	—	—	14,905	14,905
Lease liabilities	1,934	170	—	2,104	2,068

(c) Fair value measurement of financial instruments

The Group and the Company

Some of the Group's and the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (level 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

Financial instruments	As at 31 December			As at 31 March	Fair value hierarchy	Valuation techniques and key inputs	Range			
							As at 31 December			As at 31 March
	2023	2024	2025	2026			2023	2024	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000						
Equity instruments designated at FVTOCI — unlisted equity investments	31,213	27,198	10,456	10,115	Level 3	Market comparable companies — Price-to-book ratio *(note (i) and (ii))*	From 0.47 to 4.30 times	From 0.56 to 5.22 times	From 0.56 to 8.56 times	From 0.56 to 8.56 times

Notes:

(i) The higher the price-to-book ratio, the higher the fair value.

(ii) Should the price-to-book be increased/decreased by 10% the fair value of unlisted equity investment would be increased/decreased by approximately RMB3,121,000, RMB2,720,000, RMB1,046,000 and RMB1,012,000 as at 31 December 2023, 2024 and 2025 and 31 March 2026, respectively.

The Group and the Company

The following table presents the reconciliation of Level 3 measurements of financial assets throughout the Track Record Period:

	Equity instruments designated at FVTOCI-unlisted equity investments
	RMB'000
At 1 January 2023	35,119
Fair value loss during the year	(3,906)
At 31 December 2023	31,213
Fair value loss during the year	(4,015)
At 31 December 2024	27,198
Fair value loss during the year	(16,742)
At 31 December 2025	10,456
Fair value loss during the period	(341)
At 31 March 2026	10,115

Except for equity instruments designated at FVTOCI, the management of the Group considers that the carrying amounts of the other financial assets and financial liabilities of the Group and the Company recorded at amortised costs in the financial statements approximate their fair values at the end of each reporting period.

The fair values of financial assets and financial liabilities (other than equity instruments designated at FVTOCI) of the Group and the Company are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

30. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major non-cash transactions

During the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2025, the Group entered into new lease agreements and recognised right-of-use assets for buildings of approximately RMB12,129,000, RMB5,883,000, RMB2,976,000 and RMB840,000 and lease liabilities for buildings of approximately RMB12,129,000, RMB5,883,000, RMB2,976,000 and RMB840,000, respectively.

(b) Changes in liabilities arising from financing activities

	Lease liabilities
	RMB'000
At 1 January 2023	18,777
Cash flows used in financing activities	(12,793)
Finance cost for the year	666
Non-cash changes	12,129
At 31 December 2023	18,779
Cash flows used in financing activities	(13,920)
Finance cost for the year	644
Non-cash changes	5,883
At 31 December 2024	11,386
Cash flows used in financing activities	(7,165)
Finance cost for the year	162
Non-cash changes	66
At 31 December 2025	4,449
Cash flows used in financing activities	(1,020)
Finance cost for the period	40
Non-cash changes	119
At 31 March 2026	3,588
At 1 January 2025	11,386
Cash flows used in financing activities	(2,437)
Finance cost for the period	16
Non-cash changes	(2,027)
At 31 March 2025 (Unaudited)	6,938

(c) Total cash outflow for leases:

The total cash outflow for leases included in the consolidated statements of cash flows is as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Within financing activities	12,793	13,920	7,165	2,437	1,020

31. CONTINGENT LIABILITIES

At the end of each of the Track Record Period, the Group and the Company did not have any significant contingent liabilities.

32. RETIREMENT BENEFITS PLANS

According to the relevant laws and regulations in the PRC, the Company's PRC subsidiaries are required to participate in a defined contribution retirement scheme administrated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as agreed by local municipal government to the scheme to fund the retirement benefits of the employees. The principal obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

The Group also operates a Mandatory Provident Fund Scheme for all qualified employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustee. The Group contributes 5% of relevant payroll costs, capped at HK$1,500 per month, to the MPF Scheme, in which the contribution is matched with that made by the employee.

The Group also operates a number of defined contribution schemes in other overseas jurisdictions. Arrangements for these staff retirement benefits vary from country to country and are made in accordance with local regulations and custom.

The Group recognised the retirement benefit contributions of approximately RMB51,105,000, RMB50,542,000, RMB54,924,000, RMB8,733,000 and RMB14,826,000 for the years ended 31 December 2023, 2024 and 2025 and the three months ended 31 March 2025 and 2026, respectively.

33. RELATED PARTY TRANSACTIONS

(a) The remuneration of key management personnel during the Track Record Period and the three months ended 31 March 2025, is as follows:

	Year ended 31 December			Three months ended 31 March	
	2023	2024	2025	2025	2026
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries and other allowances	6,038	4,963	4,555	1,195	992
Performance related bonuses	3,170	2,467	1,938	134	105
Retirement benefit scheme contributions	209	197	183	51	26
	9,417	7,627	6,676	1,380	1,123

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

34. COMMITMENTS

At the end of each of the Track Record Periods, the Group did not have any significant contractual commitments.

35. SUBSEQUENT EVENTS

On 9 April 2026, the Group entered into a sale and purchase agreement to acquire properties for own use for an aggregate consideration of HK$66,100,000 (equivalent to approximately RMB57,717,000), and the acquisition was completed in May 2026.

On 24 April 2026, the Company's shareholders approved the 2025 profit distribution plan at an annual general meeting, pursuant to which an aggregate amount of approximately RMB31,839,000 (inclusive of tax) were subsequently paid in May 2026 to the shareholders of the Company on the record date for determining the shareholders' entitlement to the 2025 profit distribution plan, which amounted to a dividend of RMB0.6 (inclusive of tax) for every 10 shares of the Company.

Except for the above, there are no other significant subsequent events have occurred since 31 March 2026 and up to the date of this report.

36. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company, the Group or any of the companies now comprising the Group in respect of any period subsequent to 31 March 2026.