车市科技
CHESHI TECH

AI X Tech Inc.
車 市 科 技 有 限 公 司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1490)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2024

The board (the "**Board**") of directors (the "**Directors**") of AI X Tech Inc. (the "**Company**") is pleased to announce the consolidated annual results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended December 31, 2024 (the "**Reporting Period**") together with the comparative figures for the year ended December 31, 2023 as set out below.

FINANCIAL SUMMARY

	Year ended December 31,		
	2024	2023	Changes
	RMB'000	*RMB'000*	*%*
Revenue	**151,851**	155,358	(2.3)
Gross profit	**85,850**	121,784	(29.5)
Profit for the year attributable to owners of the parent	**2,692**	42,884	(93.7)
Adjusted net profit[1]	**2,314**	41,413	(94.4)

(1) Adjusted net profit is defined as profit for the year adjusted by adding back or excluding share-based compensation expenses which represent the expense on Post-IPO RSU Scheme.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	Notes	**2024**	2023
		RMB'000	*RMB'000*
Revenue	*4*	**151,851**	155,358
Cost of sales		**(66,001)**	(33,574)
Gross profit		**85,850**	121,784
Other income and gains	*4*	**19,256**	19,055
Selling and distribution expenses		**(61,710)**	(59,390)
Administrative expenses		**(23,870)**	(25,927)
Research and development expenses		**(11,868)**	(11,044)
(Impairment losses)/reversal of impairment losses on financial and contract assets		**(3,954)**	4,985
Finance costs		**(230)**	(226)
Other expenses		**(64)**	(6,717)
PROFIT BEFORE TAX	*5*	**3,410**	42,520
Income tax expense	*6*	**(1,096)**	(1,113)
PROFIT FOR THE YEAR		**2,314**	41,407
Attributable to:			
Owners of the parent		**2,692**	42,884
Non-controlling interests		**(378)**	(1,477)
		2,314	41,407
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic	*8*	**RMB0.002**	RMB0.040
Diluted	*8*	**RMB0.002**	RMB0.040

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	2024	2023
	RMB'000	*RMB'000*
PROFIT FOR THE YEAR	**2,314**	41,407
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investments designated at fair value through other comprehensive income:		
Change in fair value	**36**	(81)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	**36**	(81)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**36**	(81)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**2,350**	41,326
Attributable to:		
Owners of the parent	**2,728**	42,803
Non-controlling interests	**(378)**	(1,477)
	2,350	41,326

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	**31 December 2024** ***RMB'000***	31 December 2023 *RMB'000*
NON-CURRENT ASSETS			
Property and equipment		**5,160**	6,178
Other intangible assets		**889**	1,868
Goodwill		**6,153**	6,153
Right-of-use assets		**3,360**	2,892
Financial assets at fair value through profit or loss	*12*	**25,571**	24,998
Equity investments designated at fair value through other comprehensive income	*9*	**184**	148
Long-term prepayments, deposits and other receivables		**3,142**	250
Deferred tax assets		**1,660**	2,283
Time deposits with original maturity of over one year		**20,581**	10,216
Total non-current assets		**66,700**	54,986
CURRENT ASSETS			
Inventories		**–**	514
Trade and bills receivables	*11*	**86,616**	94,172
Contract assets		**2,349**	4,609
Contract costs		**64**	1,033
Financial assets at fair value through profit or loss	*12*	**10,240**	10,061
Debt investments at fair value through other comprehensive income	*10*	**11,071**	1,580
Prepayments, deposits and other receivables		**27,080**	16,415
Income tax recoverable		**4,142**	3,322
Time deposits		**205,386**	53,027
Cash and cash equivalents		**209,104**	369,880
Total current assets		**556,052**	554,613
CURRENT LIABILITIES			
Trade and bills payables	*13*	**20,911**	10,005
Contract liabilities		**7,092**	6,232
Other payables and accruals	*14*	**42,727**	43,450
A loan from a shareholder	*15*	**–**	2,495
Lease liabilities		**1,477**	1,295
Tax payable		**11,959**	12,070
Total current liabilities		**84,166**	75,547
NET CURRENT ASSETS		**471,886**	479,066
TOTAL ASSETS LESS CURRENT LIABILITIES		**538,586**	534,052

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 December 2024

	Notes	**31 December 2024 *RMB'000***	31 December 2023 *RMB'000*
NON-CURRENT LIABILITIES			
Lease liabilities		**1,560**	1,512
A loan from a shareholder	*15*	**2,584**	–
Deferred tax liabilities		**571**	605
Total non-current liabilities		**4,715**	2,117
NET ASSETS		**533,871**	531,935
EQUITY			
Equity attributable to owners of the parent			
Share capital		**840**	840
Treasury shares		**(23,977)**	(23,563)
Reserves		**560,552**	557,824
		537,415	535,101
Non-controlling interests		**(3,544)**	(3,166)
Total equity		**533,871**	531,935

1. CORPORATE AND GROUP INFORMATION

AI X TECH INC. (the "Company", formerly known as "Cheshi Technology Inc.") was incorporated in the Cayman Islands on 22 November 2018 as an exempted company with limited liability under the Companies Act (Cap. 22, Act 3 of 1961 as consolidated and revised) of the Cayman Islands. The registered address of the Company is Sertus Chambers, Governors Square, Suite #5-204, 23 Lime Tree Bay Avenue, P.O. Box 2547, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company and its subsidiaries (collectively referred to as the "Group") are principally engaged in the advertising service of automobiles in the People's Republic of China (the "PRC") (the "Business"). The ultimate holding company of the Company is Cheshi Holdings Inc. (formerly named "X Technology Group Inc.") and the ultimate controlling party of the Group is Mr. Xu Chong ("Mr. Xu").

The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 15 January 2021.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) issued by the International Accounting Standards Board ("IASB") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, equity investments designated at fair value through other comprehensive income and debt investments at fair value through other comprehensive income, which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

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

(b) rights arising from other contractual arrangements; and

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

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

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

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

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

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised IFRSs for the first time for the current year's financial statements.

Amendments to IFRS 16	*Liability in a Sale and Leaseback*
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current* (the "2020 Amendments")
Amendments to IAS 1	*Non-current Liabilities with Covenants* (the "2022 Amendments")
Amendments to IFRS 7 and IAS 7	*Supplier finance arrangements*

The nature and the impact of the revised IFRSs that are applicable to the Group are described below:

(a) Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

(b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the chief operating decision maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company who make strategic decisions. The information reported to the CODM, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented. Revenue from external customers for each product and service is disclosed in note 5 to the financial statements.

Geographical information

During the reporting period, the Group operated within one location because all of its revenues were generated in Mainland China and all of its long-term assets/capital expenditures were located/incurred in Mainland China. Accordingly, no further geographical segment information is presented.

Information about a major customer

Revenue from a customer which amounted to more than 10% of the Group's revenue for the year ended 31 December 2024 is set out below:

	2024	2023
	RMB'000	*RMB'000*
Customer A (Integrated marketing service)	**32,546**	NA*
Customer B (Online advertising service)	**NA***	18,246

* The corresponding revenue of the customer is not disclosed as the revenue individually did not account for 10% or more of the Group's revenue for the years ended 31 December 2024 and 31 December 2023.

4. REVENUE, OTHER INCOME AND GAINS

Revenue from contracts with customers

(a) Disaggregated revenue information

For the year ended 31 December 2024

Revenue streams	**Online advertising services**	**Integrated marketing services**	**Mobility business**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***
Timing of revenue recognition				
Sales of automobiles	**–**	**–**	**145**	**145**
Services transferred at a point in time	**–**	**32,546**	**–**	**32,546**
Services transferred over time	**119,160**	**–**	**–**	**119,160**
Total	**119,160**	**32,546**	**145**	**151,851**

For the year ended 31 December 2023

Revenue streams	Online advertising services *RMB'000*	Integrated marketing services *RMB'000*	Mobility business *RMB'000*	Total *RMB'000*
Timing of revenue recognition				
Services transferred at a point in time	–	–	–	–
Services transferred over time	155,358	–	–	155,358
Total	155,358	–	–	155,358

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2024 ***RMB'000***	2023 *RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Online advertising services	**6,232**	7,166

	2024 ***RMB'000***	2023 *RMB'000*
Revenue recognised that from performance obligations satisfied in previous periods:		
Online advertising services not previous recognised due to constraints on variable consideration	**828**	1,070

(b) Performance obligations

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

Online advertising services

Online advertising service income is recognised when the advertisements are published over the stated period of display on its own online platform, other linked online portals, or mobile applications. The payment is generally due within 30 to 180 days from the date of billing.

Mobility business

The performance obligation is satisfied upon delivery of the automobiles and customers are usually required to pay in advance. The payment is generally due within 30 days from the date of billing.

Integrated marketing services

Integrated marketing service income is recognised when the service has been completed and the acceptance inspection by the customer has been passed. The payment is generally due within 90 days from the date of billing.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2024	2023
	RMB'000	*RMB'000*
Within one year	**7,562**	6,383

All the amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year and related to online advertising. The amounts disclosed above do not include variable consideration which is constrained.

	2024	2023
	RMB'000	*RMB'000*
Other income		
Interest income	**13,018**	12,699
Government grants*	**400**	1,038
Super deduction for input VAT	**–**	563
Others	**176**	1,848
Total other income	**13,594**	16,148
Gains		
Foreign exchange gains, net	**3,680**	2,907
Fair value gains, net:		
Financial assets at fair value through profit or loss	**1,982**	–
Total gains	**5,662**	2,907
Total other income and gains	**19,256**	19,055

* The amount represents government grants from local government authorities in the PRC. There were no unfulfilled conditions and other contingencies relating to these grants.

5. PROFIT BEFORE TAX

The Group's profit before tax from continuing operations is arrived at after charging/(crediting):

	Notes	**2024**	2023
		RMB'000	*RMB'000*
Cost of inventories sold		**1,293**	–
Cost of services provided		**64,708**	33,574
Employee benefit expense (including directors' and chief executive's remuneration)			
Wages and salaries		**43,732**	41,132
Pension scheme contributions		**3,270**	3,326
Share-based compensation expense		**–**	6
Total		**47,002**	44,464
Loss on disposal of items of property, plant and equipment		**390**	–
Depreciation of property, plant and equipment		**1,871**	1,616
Depreciation of right-of-use assets		**1,741**	1,093
Amortisation of intangible assets		**979**	1,016
Research and development costs:			
Current year expenditure		**4,095**	3,701
Lease payments not included in the measurement of lease liabilities		**305**	122
Foreign exchange differences, net		**(3,680)**	(2,907)
Impairment of prepayments and other receivables*		**–**	2,000
Impairment/(reversal of impairment) of trade receivables and contract assets:			
Impairment/(reversal of impairment) of trade receivables	*11*	**3,958**	(4,799)
Reversal of impairment of contract assets		**(4)**	(186)
Total		**3,954**	(4,985)
Fair value losses*/(gains), net:			
Financial assets at fair value through profit or loss		**(1,982)**	4,483
Bank interest income		**(13,018)**	(12,699)
Auditor's remuneration		**1,509**	1,792

* The provision of impairment of prepayments and other receivables, and fair value losses of financial assets at fair value through profit or loss are included in "other expenses" in the consolidated statement of profit or loss.

6. INCOME TAX

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

(a) Cayman Islands

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly is not subject to income tax.

(b) British Virgin Islands

The Group's entities incorporated in British Virgin Islands are not subject to tax on income or capital gains.

(c) Hong Kong

Hong Kong profits tax has been provided at the rate of 16.5% (2023: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (2023: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2023: 8.25%) and the remaining assessable profits are taxed at 16.5% (2023: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

(d) PRC corporate income tax ("CIT")

A subsidiary of the Group, Congshu Beijing Technology Company Limited in the PRC has obtained the approval from the in-charge tax authority in the PRC as a High-New Technology Enterprise as defined under the New Enterprise Income Tax Law. Such entity is entitled to a reduced preferential enterprise income tax ("EIT") rate at 15% ("HNTE Preferential Tax Rate") for a 3-year period from October 2023 to October 2026. Accordingly, it was subject to the HNTE Preferential Tax Rate at 15% for the year ended 31 December 2024 (2023: 15%).

A subsidiary of the Group, Beihai Congshu Advertising Media Company Limited is entitled to a reduced corporate income tax rate of 15% as an enterprise engaged in encouraged industries in the Western region. Additionally, the subsidiary is also exempt from the 40% local share of corporate income tax for five years, starting from the year in which the income is generated for the first time. Accordingly, the subsidiary was subject to a corporate income tax rate of 15%*(1-40%)=9% for the year ended 31 December 2024 (2023: 9%).

Pursuant to the PRC EIT Law and the respective regulations, the other PRC subsidiaries were subject to a reduced corporate income tax rate of 5% as Small and Micro Enterprises for the year ended 31 December 2024.

	2024 ***RMB'000***	2023 *RMB'000*
Current – the PRC		
Charge for the year	**2,288**	4,230
Overprovision in prior years	**(1,781)**	(2,992)
Deferred	**589**	(125)
Total tax charge for the year	**1,096**	1,113

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates are as follows:

	2024		2023	
	RMB'000	*%*	*RMB'000*	*%*
Profit before tax	**3,410**		42,520	
Tax at the statutory tax rate	**852**	**25**	10,630	25
Lower tax rates enacted by local authorities	**(625)**	**(18)**	(6,213)	(15)
Adjustments in respect of current tax in prior years	**(1,781)**	**(52)**	(2,992)	(7)
Additional deduction of research and development expenses	**(1,102)**	**(32)**	(1,155)	(3)
Income not subject to tax	**(394)**	**(12)**	(1,326)	(3)
Tax losses not recognised	**4,005**	**117**	2,040	5
Expenses not deductible for tax	**141**	**4**	129	–
Tax charge at the Group's effective rate	**1,096**	**32**	1,113	3

7. DIVIDENDS

The board of directors of the Company does not recommend the payment of any final dividend for the year ended 31 December 2024 (2023: Nil).

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,110,278,066 (2023: 1,111,192,000) outstanding during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2024 and 2023.

The calculations of basic earnings per share are based on:

	2024	2023
	RMB'000	*RMB'000*
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	**2,692**	42,884

	Number of shares	
	2024	2023
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	**1,110,278,066**	1,111,192,000

9. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2024	2023
	RMB'000	*RMB'000*
Leikewo (Beijing) Technology Limited	**184**	148

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

10. DEBT INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2024	2023
	RMB'000	*RMB'000*
Bills receivables	**11,071**	1,580

Bills receivable are with a maturity period of within six months. As at 31 December 2024, the loss allowance was assessed to be minimal.

11. TRADE AND BILLS RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
Trade receivables	**82,155**	94,172
Bills receivables	**4,461**	–
Total	**86,616**	94,172

The Group's trading terms with its customers are mainly on credit. The credit period is generally 180 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade and bills receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the recognition date of gross trade receivables and net of loss allowance, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 30 days	**34,583**	23,552
31 to 90 days	**12,561**	23,337
91 days to 180 days	**14,207**	25,377
181 to 365 days	**17,725**	19,164
Over 1 year	**19,282**	14,987
	98,358	106,417
Impairment	**(16,203)**	(12,245)
	82,155	94,172

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

	2024	2023
	RMB'000	*RMB'000*
At beginning of year	**12,245**	17,044
Impairment losses/(reversal of impairment losses) *(note 5)*	**3,958**	(4,799)
At end of year	**16,203**	12,245

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

31 December 2024	**Amount**	**Expected credit loss rate**	**Expected credit losses**
	RMB'000		***RMB'000***
Trade receivables aged:			
Within 30 days	**34,583**	**0.76%**	**263**
31 to 90 days	**12,561**	**1.07%**	**134**
91 days to 180 days	**14,207**	**1.88%**	**267**
181 to 365 days	**17,725**	**11.70%**	**2,073**
Over 1 year	**19,282**	**69.84%**	**13,466**
	98,358	**16.47%**	**16,203**

31 December 2023	Amount	Expected credit loss rate	Expected credit losses
	RMB'000		*RMB'000*
Trade receivables aged:			
Within 30 days	23,552	1.21%	286
31 to 90 days	23,337	1.28%	299
91 days to 180 days	25,377	1.90%	483
181 to 365 days	19,164	3.17%	607
Over 1 year	14,987	70.53%	10,570
Total	106,417	11.51%	12,245

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 *RMB'000*	2023 *RMB'000*
Non-current portion		
Unlisted investment funds		
– Level 3 investment *(note (a))*	**25,571**	24,998
	25,571	24,998
Current portion		
Unlisted investment funds		
– Level 2 investment *(note (b))*	**10,240**	10,061
	10,240	10,061
Total	**35,811**	35,059

(a) The Group has made an investment in a private equity fund in the PRC with a fair value of RMB25,571 as at 31 December 2024 (2023: RMB24,998,000). The fair value is within Level 3 of the fair value hierarchy. During the year ended 31 December 2024, a fair value gain of RMB573,000 (2023: a fair value loss of RMB5,188,000) was recognised in profit or loss.

(b) The Group has made an investment in a private fund which is registered in the PRC and in the Cayman Islands with fair values of RMB10,240,000 as at 31 December 2024 (2023: RMB10,061,000). The fair value is within Level 2 of the fair value hierarchy. During the year ended 31 December 2024, a fair value gain of RMB179,000 (2023: RMB209,000) was recognised in profit or loss.

During the year, the following gain or loss was recognised in profit or loss:

	2024 *RMB'000*	2023 *RMB'000*
Net fair value (gain)/loss on financial assets at fair value through profit or loss	**(1,982)**	4,483

13. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	2024 *RMB'000*	2023 *RMB'000*
Within 3 months	**6,142**	3,414
3 months to 6 months	**14,769**	6,591
Total	**20,911**	10,005

Bills payables are with a maturity period of within six months.

14. OTHER PAYABLES AND ACCRUALS

	2024	2023
	RMB'000	*RMB'000*
Other tax payables	**14,257**	13,101
Salaries and welfare payables	**5,368**	9,448
Information technology service fees payable	**4,746**	7,227
Agency fee and labor wage	**2,521**	5,368
Rebate payables	**6,073**	3,596
Payable to other suppliers	**2,653**	2,138
Others	**7,091**	2,572
Total	**42,727**	43,450

Other payables are non-interest-bearing and have an average term of three months.

15. A LOAN FROM A SHAREHOLDER

On 10 September 2021, a minority shareholder of a subsidiary of the Group has granted a loan of RMB12,740,000 to the subsidiary, in proportion to its equity interest in this subsidiary. The minority shareholder is a company owned by Mr. Xu. The loan was unsecured, at an interest rate of 6% per annum, denominated in RMB and was originally repayable in three years from the drawdown date on 10 September 2021. As of 8 September 2024, the Group has repaid the principal amount of RMB10,600,000. The maturity date of the remaining principal of RMB2,140,000 has been extended to 9 September 2026 with interest waived for the remaining period. As of 31 December 2024, the remaining principal was RMB2,140,000.

The carrying amount of the loan from a shareholder is repayable:

	2024	2023
	RMB'000	*RMB'000*
Analysed into:		
Within one year or on demand	**–**	2,495
In the second year	**2,584**	–
Total	**2,584**	2,495

MANAGEMENT DISCUSSION AND ANALYSIS

Market Overview

In 2024, China's automotive industry showed the dual characteristics of "structural recovery and deepening competition" driven by policy support and technological innovation. Although the macroeconomic recovery has led to the restoration of consumer confidence, the normalization of the industry price war has led to continued pressure on the profit margin. According to the forecast data from the China Association of Automobile Manufacturers, the production and sales of passenger vehicles in China in the whole year of 2024 are expected to reach 31.5 million and 31.3 million, up 4.3% and 4.0% year-on-year, and the growth rate is significantly slower than that in 2023.

Under the dual drive of policy and the market, the new energy vehicle industry would remain as the core growth point in 2024. With production and sales both exceeding 12 million units, the market penetration rate of new energy vehicles climbing to more than 35%, and the trend of intelligent (L3 level automatic driving technology accelerates the landing) and high-end had been further strengthened. At the same time, in 2024, China's automobile export volume continued to lead the world, with annual exports exceeding 5.5 million units, an increase of more than 12.0%, of which Southeast Asia, Europe and the Middle East contributed in the main increase.

China's automobile advertising market is accelerating its migration to online, and the overall scale is expected to exceed RMB100 billion in 2024, with online advertising penetration rate exceeding 50% for the first time. With the popularization of smart cabins and the increase of the online rate of used cars transactions, the penetration rate of online automobile advertising in China is expected to reach 58.6% in 2025. AI technology and content ecological restructuring promote industry change, and technology empowerment, data closed-loop and global traffic operation will become the core competitiveness of vertical media platforms.

Group Overview

Founded in September 2015, the Group has always been deeply engaged in the automotive vertical field, and has become a leading automotive information and digital marketing service provider in China, committed to providing high-quality full-scene marketing solutions for its automotive industry chain business partners and end users through the trinity model of "content + technology + ecology". Automotive information is produced and distributed by the Group's in-house creative team on its own platforms (including the Group's PC website, personal PC website and mobile applications) and a network of platforms covering more than 1,000 business partners. The Group builds a global content ecology, and by relying on original professional information and precise distribution capabilities driven by intelligent algorithms, continues to attract high-value user traffic, enabling customers such as OEM and distributors to achieve advertising reach with product effectiveness, thus consolidating the Group's market position in the automotive vertical media advertising industry. After the Group's shares were listed on the Main Board of the Stock Exchange in January 2020, the Company entered the Hong Kong capital market and significantly enhanced its capital strength and brand influence, injecting momentum into business innovation and strategic upgrading.

The Group officially changed its English name to AI X Tech Inc. in February 2025, demonstrating the Group's strategic determination and initiatives to comprehensively upgrade its AI-driven technology platform. Facing structural changes in the industry, the Group focuses on "intelligent technology empowerment and ecological value reconstruction" and accelerates three core strategies: 1) AI technology breakthrough: increase intelligent advertising matching system and virtual interactive tools to improve advertising conversion efficiency and user experience; 2) Content matrix deepening: expand short video, live broadcast and new energy vertical content to create an immersive consumption decision-making scene; and 3) Sinking market collaboration: through digital SaaS tools and regional service networks, deeply link sinking market partner platform networks to activate incremental markets. The Group is accelerating its transformation into the core engine of intelligent automotive industry, and seizing the growth opportunities in the era of intelligent mobility with technological breakthroughs and ecological coordination.

Business Overview

For the year ended December 31, 2024, the Group's revenue was approximately RMB151.9 million, a decrease of approximately 2.3% compared to approximately RMB155.4 million for the same period in 2023, mainly due to increased competition in the automotive market and the adjustment of advertisers' advertising strategies, resulting in a decrease in the Group's online advertising revenue compared to the same period. Among them, for the year ended December 31, 2024, the Group's online advertising service revenue was approximately RMB119.2 million, a decrease of approximately 23.3% compared to the same period in 2023.

Gross profit for the year ended December 31, 2024 was approximately RMB85.9 million, a decrease of approximately 29.5% compared to approximately RMB121.8 million for the same period in 2023. For the year ended December 31, 2024, the Group's net profit was approximately RMB2.3 million, a decrease of approximately 94.4% compared to the same period in 2023, mainly due to the Group's strategic transformation period focusing on platform technology upgrading and ecological restructuring, short-term investment surge, increased self-developed AI platform and virtual interaction technology research and development. Deepen the construction of content matrix such as short video and live broadcast, and optimize user experience. Although short-term profitability is under pressure, in the long run, advertising conversion efficiency can be improved and user decision-making links shortened, and energy can be stored to seize the intelligent circuit and consolidate the leadership position in the vertical field.

Significant milestones in the Group's business for the year ended 31 December 2024 are set out below:

(1) The Group continued to consolidate its leading position in the vertical field and build ecological barriers to the global content

During the year ended December 31, 2024, the Group continued to deepen its "technology + content" dual-engine strategy, further expanding its user scale advantage and consolidating its leading position in the automotive vertical media advertising industry through synergistic upgrading of content ecology and distribution efficiency. Through the upgrade of the full-scene content matrix to build a full-domain content system covering professional evaluation, new automobile resources, user co-creation and short video matrix, relying on intelligent distribution technology to achieve "one creation, thousands of domain reach", accurately covering the head platform and long tail traffic port, conserving resources for contract renewal with OEMs by focusing on new energy vehicle models and low-end markets through raising stakes in the self-media and short video strategy. At the same time, the Group upgraded its strategic marketing system in 2024 to enhance the Group's precision marketing efficiency and industry competitiveness.

(2) The Group independently developed AIGC technology engine, reshaping intelligent marketing service ecology with AI technology application

The Group will fully implement the self-developed AIGC product "AI X" in 2024. The core capabilities of the company's self-developed products include: diversified content generation, intelligent distribution, accurate control efficiency and data closed-loop empowerment. Through massive account matrix and automated content generation technology, the Company strives to build a "creative - production - distribution - transformation" full-link AI marketing solution for the automotive industry. The "AI X" distribution system will be fully in operation in 2025, promoting the Group's transformation from a "vertical media service provider" to an "AI+ ecological marketing technology platform".

(3) The Group has entered into cooperation with Xinhua News Agency

In March 2024, the Group reached cooperation with the Xinhua News Agency client to set up an automotive industry column on the Xinhua News Agency client, and reached an agreement on communication and communication cooperation in the automotive industry. The Company gives full play to the industry deep cultivation and market customer advantages of the "online car market", and jointly establish a regular exchange mechanism with Xinhua News Agency, release cutting-edge industry information, and jointly convey the development story of the automobile industry.

Outlook

In 2025, the Group will continue to deepen the dual-engine model of "technology + content" with the core strategy of "AI driven and ecological global transition", focusing on technological paradigm innovation and industrial value chain reconstruction, such development measures include:

(1) Reshaping vertical media ecosystem leadership: from PGC to AI+UGC+PGC co-evolution

Based on the "AI X" intelligent engine, the Group plans to build a three-dimensional content matrix of "professional evaluation + user co-creation + AI-assisted creation", launch the AI creation partner plan to enable we-media creators to generate videos and other content with one click, deepen data interoperability with platforms such as Douyin, Kuaishou and XiaoHongshu, and realize the full link automation of "content – distribution – transformation". Thus expand the geographical coverage and user base, improve the quality of vertical content service and industry ecological influence.

(2) Increase the Group's investment in AI research and development, build an AI native strategy base, and drive the global intelligent transition

The Group will comprehensively deepen the construction of AI technology base, take generative AI as the core engine, and promote the technology architecture from tool empowerment to "decision center + ecological collaboration". By reconstructing the underlying algorithm model and data closed-loop system, three core modules of intelligent creation, intelligent distribution and intelligent attribution are realized. Relying on AI to launch a user-customized tool chain, deepen vertical industry solutions, form a deep collaborative network of "technology symbiosis, data sharing, and value co-creation", so as to strategically upgrade the marketing system, deeply bind core customers, and comprehensively reshape the automotive marketing value chain.

(3) Seek opportunities for forward-looking ecological mergers and acquisitions, strategic cooperation, etc

The Group will focus on the trend of intelligent and ecological change in the global automotive industry, increase investment in technology research and development and ecological content construction, and seek to achieve a "technology-scenario-data" closed loop through strategic cooperation, ecological mergers and acquisitions. The consideration of seeking suitable target is: (i) the core technology provided can form an intelligent interactive technology cluster with the existing technology direction of the Group, which will have a helping effect on the upgrading of the Group's marketing system; (ii) the new energy vertical ecology has certain precise user traffic, so as to enrich the Group's business scene entrance; and (iii) having sound financial position.

FINANCIAL REVIEW

During the Reporting Period, the Group's total revenue was approximately RMB151.9 million, representing a decrease of approximately RMB3.5 million, or approximately 2.3%, from approximately RMB155.4 million for the year ended December 31, 2023. The decrease in revenue was mainly due to the increased competition in the automotive market and the adjustment of advertisers' advertising strategies, the Group's online advertising business revenue decreased compared to the same period in 2023.

The table below sets forth a breakdown of revenue by our revenue streams, shown in actual amounts and as a percentage of total revenue for the years indicated:

	Year ended December 31,				
	2024		2023		year-on-year
	RMB'000	*%*	*RMB'000*	*%*	*% change*
Online advertising services	**119,160**	**78.5**	155,358	100.0	(23.3)
Mobility business	**145**	**0.1**	–	–	NA
– Sales of automobiles	**145**	**0.1**	–	–	NA
Integrated marketing service	**32,546**	**21.4**	–	–	NA
Total	**151,851**	**100%**	155,358	100.0	(2.3)

Cost of sales

During the Reporting Period, the Group's cost of principal operations increased by approximately RMB32.4 million or 96.6% to approximately RMB66.0 million (for the year ended December 31, 2023: approximately RMB33.6 million). The increase in the cost of principal operations was due to the Group's continuous optimization of the advertising structure and the promotion of we-media channels in order to promote the digital transformation strategy, the stage cost of upfront investment in the upgrading of the strategic marketing system has increased, and such capital expenditure will improve the precision marketing capability and efficiency in the next five years.

Gross profit and gross profit margin

As a result of the above, gross profit decreased by approximately RMB35.9 million or approximately 29.5% from approximately RMB121.8 million for the year ended December 31, 2023 to approximately RMB85.9 million for the year ended December 31, 2024. Gross profit margin decreased from approximately 78.4% for the year ended December 31, 2023 to approximately 56.5% for the year ended December 31, 2024. The decrease in gross profit margin was due to the Group's active implementation of the structural profit quality upgrading strategy, in order to focus on the long-term value track and achieve the deep binding of strategic customers. At the same time, the pre-investment of the technology AI platform led to a decrease in gross profit margin.

Other income and gains

Other income and gains of the Group increased by approximately RMB0.2 million or approximately 1.1% from approximately RMB19.1 million for the year ended December 31, 2023 to approximately RMB19.3 million for the year ended December 31, 2024 which is mainly comprised of (i) foreign exchange gains, net of approximately RMB3.7 million which represents the exchange gain on the Group's foreign currency deposits due to appreciation of the US dollar; (ii) interest income of approximately RMB13.0 million which represents interest income from time deposits due to the rise in US dollar interest rates; (iii) government grant of approximately RMB0.4 million due to the cultural industry development guidance subsidy from the Publicity Department and other government subsidies; (iv) fair value gains of approximately RMB2.0 million; and (v) others of approximately RMB0.2 million which represents individual income tax refund.

Selling and distribution expenses

During the Reporting Period, the Group's selling and distribution expenses amounted to approximately RMB61.7 million, representing an increase of approximately RMB2.3 million, or approximately 3.9% from approximately RMB59.4 million for the year ended December 31, 2023, mainly due to the upgrading of the Group's strategic marketing system, the promotion and marketing expenses of online advertising services increased.

Administrative expenses

During the Reporting Period, the Group's administrative expenses amounted to approximately RMB23.9 million, representing a decrease of approximately RMB2.0 million, or approximately 7.7%, from approximately RMB25.9 million for the year ended December 31, 2023, mainly due to the streamlining and optimization of the Company's organizational structure.

Research and development expenses

During the Reporting Period, the Group's research and development expenses amounted to approximately RMB11.9 million, representing an increase of approximately RMB0.8 million or approximately 7.5% from approximately RMB11.0 million for the year ended December 31, 2023, mainly due to the Company's increased investment in AI business research and development and the iterative upgrade of existing technology products.

(Impairment losses)/reversal of impairment losses on financial and contract assets

During the Reporting Period, the Group's impairment losses on trade receivables and contract assets credit amounted to approximately RMB4.0 million, representing a decrease of approximately 179% (reversal of impairment losses on financial and contract assets for the year ended December 31, 2023: approximately RMB5.0 million). The decrease was mainly due to the increase in the balance of long-aged accounts receivable in the current year compared to the previous year, resulting in an increase in the provision of bad debts.

Finance costs

During the Reporting Period, the Group's finance costs were approximately RMB0.2 million (for the year ended December 31, 2023: RMB0.2 million).

Other expenses

During the Reporting Period, the Group recorded other expenses amounting to approximately RMB0 (less than RMB0.1 million) (for the year ended December 31, 2023: RMB6.7 million), representing a decrease of approximately RMB6.7 million or approximately 99.0% for the year ended December 31, 2023, mainly representing the increase in the fair value of the invested funds.

Income Tax expense

During the Reporting Period, the Group's income tax expense amounted to approximately RMB1.1 million (income tax expense for the year ended December 31, 2023: approximately RMB1.1 million).

Profit for the year

During the Reporting Period, profit for the year was approximately RMB2.3 million (for the year ended December 31, 2023: approximately RMB41.4 million) representing a decrease of approximately RMB39.1 million, or 94.4% as compared with the year ended December 31, 2023 due to the focus on platform technology upgrading and ecological restructuring during the Group's strategic transformation period, short-term investment surged, increased the research and development of self-developed AI platform and virtual interaction technology, deepened the construction of short video, live broadcast and other content matrix, and optimized user experience. Although short-term profitability is under pressure, in the long run, advertising conversion efficiency can be improved and user decision-making links shortened, and energy can be stored to seize the intelligent circuit and consolidate the leadership position in the vertical field.

Other Financial Information (Non-IFRSs measures): Adjusted net profit

To supplement the Group's consolidated results which are prepared and presented in accordance with IFRSs, the Company utilized non-IFRSs adjusted net profit ("**Adjusted Net Profit**") as an additional financial measure. Adjusted Net Profit is defined as profit for the year, as adjusted by adding back share-based compensation expenses which represent the expense on Post-IPO RSU Scheme.

Adjusted Net Profit is not required by, or presented in accordance with, IFRSs. The Company believes that the presentation of non-IFRSs measures when shown in conjunction with the corresponding IFRSs measures provides useful information to investors and management regarding financial and business trends in relation to their financial condition and results of operations, by eliminating any potential impact of items that the Group's management does not consider to be indicative of the Group's operating performance. The Company also believes that the non-IFRSs measures are appropriate for evaluating the Group's operating performance. However, the use of this particular non-IFRSs measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, the Group's results of operations or financial conditions as reported under IFRSs. In addition, this non-IFRSs financial measure may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures used by other companies.

The following tables set forth reconciliations of the Group's non-IFRSs measures for the years ended December 31, 2024 and 2023 to the nearest measures prepared in accordance with IFRSs.

	For the year ended December 31,				
	2024	**% of total revenue**	2023	% of total revenue	year-on-year % change
	RMB'000	*%*	*RMB'000*	*%*	*%*
Profit for the year	**2,314**	**1.5**	41,407	26.7	(94.4)
Add back:					
Share-based compensation expenses	**–**	**–**	6	0.0	(100)
Non-IFRSs measure adjusted net profit	**2,314**	**1.5**	41,413	26.7	(94.4)

Liquidity and financial resources and capital structure

As at December 31, 2024, the Group had current assets of approximately RMB556.1 million (December 31, 2023: approximately RMB554.6 million), representing an increase of approximately RMB1.5 million or 0.3%, mainly due to increase of prepayments.

The Group had current liabilities of approximately RMB84.2 million as at December 31, 2024 (December 31, 2023: approximately RMB75.5 million), representing an increase of approximately RMB8.7 million or 11.4%, mainly due to increase of cost of sales resulting in increase of trade and bills payables. The current ratio was 6.6 at December 31, 2024 as compared with 7.3 at December 31, 2023.

As of December 31, 2024, the Group's cash and cash equivalents amounted to approximately RMB209.1 million which is mainly funded from the net cash flows generated from operating activities (e.g. collection of accounts receivables). As at December 31, 2024, the Group did not have bank borrowings (December 31, 2023: Nil). The Group's gearing ratio (gearing ratio is defined as the ratio of total liabilities to total equity) is 16.6% (December 31, 2023: 14.6%). The Group monitors and maintains cash and cash equivalents to a level that management believes to be sufficient to meet the Group's operating needs.

The Shares have been listed on the Stock Exchange since the Listing Date. There has been no change in the capital structure of the Company since the Listing Date. The capital of the Company comprises ordinary shares.

Capital expenditure

The Group's capital expenditures mainly included property, plant and equipment and intangible assets. Capital expenditures for the year ended December 31, 2024 and 2023 are set out below:

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Property, plant and equipment	**1,243**	3,378
Intangible assets	**–**	61

Exposure to Fluctuations in Foreign Exchange Rates

The Group's business operations are mainly conducted in the PRC with most of the transactions settled in RMB, being the Group's functional currency. The Board considers that the Group's business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities of the Group that are denominated in currencies other than the respective functional currencies of the Group's entities.

During the Reporting Period, the Group neither took part in any derivatives activities nor entered into any hedging activities in respect of foreign exchange risk.

Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies. Substantial amounts of the Group's cash and cash equivalent are held in major financial institutions located in the PRC. The Group seeks to maintain strict control over its outstanding receivables and the senior management of the Company reviews and assesses the creditworthiness of the Group's existing customers on an ongoing basis. To manage liquidity risk, the Group monitors its exposure to a shortage of funds by considering the maturity of both its financial liabilities and financial assets and projected cash flows from operations. Cash and cash equivalents of the Group are mainly denominated in RMB.

Pledge of Assets

As of December 31, 2024, the Group did not pledge any assets as collateral for bank borrowings or any other financing activities (December 31, 2023: Nil).

Significant Investment, Material Acquisitions and Disposals of Subsidiaries and Capital Assets and Other Material Event During the Reporting Period

The financial assets that we invested mainly include investments in unlisted investment funds and wealth management products. The Board confirmed that the transactions in these financial assets whether on a standalone or on an aggregate basis during the Reporting Period did not constitute notifiable transactions under Chapter 14 of the Listing Rules.

On October 13, 2021, Changxing Weinet Congyue Equity Investment Partnership (L.P.)* (長興微網樅躍股權投資合夥企業(有限合夥)) ("**Weinet Fund**") (as limited partner), Wang Yuanshu (a natural person as limited partner) and Gongqingcheng Taoyuan Investment Management Co., Ltd.* (共青城韜遠投資管理有限公司) (now known as Shanghai Xintong Boda Private Equity Fund Management Co., Ltd.* (上海新瞳博達私募基金管理有限公司)) ("**Taoyuan Investment**") (as general partner) entered into a partnership agreement in respect of Gongqingcheng Ruibo Equity Investment Partnership (L.P.)* (共青城鋭博股權投資合夥企業(有限合夥)) (the "**Ruibo Fund**"), pursuant to which Weinet Fund agreed to subscribe for the limited partnership interests in the Ruibo Fund, for a capital commitment of RMB30 million, representing 59.99% of the registered capital of the Ruibo Fund as of December 31, 2024. Such fund is managed by Taoyuan Investment with a view to making equity or quasi-equity investments into private equity projects.

For details, please refer to the announcements of the Company dated May 12, 2021, October 13, 2021 and November 16, 2021.

For the year ended December 31, 2024, the Group had the following significant investment:

	Percentage of interest held		**Investment costs**		**Gain recognized in other income and gains**	**Fair value**	
	As of December 31, 2024	As of December 31, 2023	**As of December 31, 2024**	As of December 31, 2023		**As of December 31, 2024**	As of December 31, 2023
	%	*%*	***RMB'000***	*RMB'000*	*RMB'000*	***RMB'000***	*RMB'000*
Ruibo Fund	**58.79**	58.79	**30,000**	30,000	573	**25,571**	24,998

As of December 31, 2024, the percentage to total assets value of the Company remained unchanged at approximately 4%.

Save as disclosed above, there were no other significant investments held, nor were there material acquisitions or disposals of subsidiaries, associates and joint ventures, during the Reporting Period. Apart from those disclosed in this announcement, there was no plan authorized by the Board for other material investments or addition of capital assets at the date of this announcement.

Contingent Liabilities

As of December 31, 2024, the Group did not have any material contingent liabilities (2023: Nil).

Employees and Remuneration Policies

As of December 31, 2024, we had 81 full-time employees, most of whom were based in China. As of December 31, 2024, the Group's employee benefit and expenses amounted to approximately RMB47 million (including salary, wages, and bonuses, pension costs and other social security costs, housing benefits, other employee benefits and share-based compensation). The number of employees employed by the Group may change from time to time as required and employee emoluments are determined with reference to market conditions and the performance, qualifications and experience of individual employees.

We have established effective employee performance evaluation system and employee incentive schemes to correlate the remuneration of our employees with their overall performance and contribution to the business operation results, and have established a merit-based remuneration awards system. On September 30, 2021, the Company adopted the Post-IPO RSU Scheme, pursuant to which a scheme custodian will purchase Shares out of a contributed amount settled or contributed by the Company and such Shares will be held on trust in accordance with the term of the Post-IPO RSU Scheme. The purpose of the Post-IPO RSU Scheme is to drive performance within the Group by focusing on core key performance indicators that align with the Group's overall performance, to engage, attract and retain skilled and experienced personnel, and to motivate them to strive for the future development and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company. For details, please refer to the announcement of the Company dated September 30, 2021. In addition, the Company adopted a pre-IPO restricted share unit scheme and a restricted share award scheme on June 25, 2019. Employees are promoted not only in terms of position and seniority, but also in terms of professional qualifications.

EVENT SUBSEQUENT TO THE REPORTING PERIOD

Change of Company English Name

A special resolution in relation to the change of company English name was passed by the Shareholders at the extraordinary general meeting of the Company held on January 22, 2025. The certificate of incorporation on change of name was issued by the Registry of Companies of the Cayman Islands on February 6, 2025 certifying the change of the English name of the Company from "Cheshi Technology Inc." to "AI X Tech Inc.". The certificate of registration of alteration of name of registered non-Hong Kong Company was issued by the Registrar of Companies in Hong Kong on February 21, 2025 confirming the registration of the new English name of the Company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The Chinese name of the Company remains unchanged.

Save as disclosed above, the Group is not aware of any significant events that could have a material impact on our operating and financial performance after the year ended December 31, 2024 and up to the date of this announcement.

DIVIDEND

The Company did not recommend any payment of dividends for the year ended December 31, 2024 (2023: Nil).

ANNUAL GENERAL MEETING

The AGM will be held on May 22, 2025. A notice convening the AGM will be published on April 28, 2025 and despatched to Shareholders in due course in the manner prescribed by the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from May 19, 2025 to May 22, 2025, both days inclusive, in order to determine the identity of the shareholders of the Company who are entitled to attend the AGM, during which period no share transfers will be registered. To be eligible to attend the AGM, all transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m on May 16, 2025.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules as its own code of corporate governance.

During the Reporting Period and up to the date of this announcement, the Company has complied with all applicable code provisions under the CG Code and adopted most of the best practices set out therein except for the deviation from code provision C.2.1.

Code provision C.2.1 stipulates that the roles of Chairman and chief executive should be separated and should not be performed by the same individual. The roles of Chairman and CEO are both performed by Mr. XU Chong ("**Mr. XU**"). Given that Mr. XU is one of our founders who has provided strategic guidance and leadership throughout the development of the Group's business, our Board believes that vesting the roles of both Chairman and CEO in Mr. XU has the benefit of ensuring consistent leadership within our Group, and providing more effective and efficient overall strategic planning and management oversight for our Group. The Board considers that Mr. XU's dual role at this stage is conducive to maintaining the continuity of the Company's policies and the operation efficiency and stability of the Company, which is appropriate and in the best interest of the Company.

The Directors will review the corporate governance policies and compliance with the CG Code each financial year and apply the "comply or explain" principle in the corporate governance report which will be included in the annual reports.

The Directors have a balanced mix of experience and industry background, including but not limited to experience in the corporate finance, marketing, human resources, business advisory and accounting industries. The three independent non-executive Directors who have different industry backgrounds, represent more than one-third of the Board members.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors' securities transactions since the Listing Date. Having made a specific enquiry with the Directors, all of the Directors confirmed that he/she has complied with the required standards as set out in the Model Code during the Reporting Period and up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

In September 2021, the Company has appointed Kastle Limited, an independent third party, as the new custodian of the Post-IPO RSU Scheme to repurchase shares to be held by the trust as restricted share units for employee share award. The share repurchase was approved by the board of directors. During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any listed securities of the Company (including sale of treasury shares). As at December 31, 2024, no restricted share units were granted during the Reporting Period and up to the date of this announcement.

As at December 31, 2024, there is no treasury shares (as defined under the Listing Rules) held by the Company.

AUDIT COMMITTEE

The Board has established an audit committee (the "**Audit Committee**"), which comprises three independent non-executive Directors, namely, Mr. NG Jack Ho Wan (Chairman), Mr. XU Xiangyang and Mr. Sun Yong. The Audit Committee has also adopted written terms of reference which clearly set out its duties and obligations (the terms of reference are available on the websites of the Company and the Stock Exchange).

The Audit Committee has reviewed the applicable accounting principles, standards and practices adopted by the Group as well as the consolidated financial statements of the Group for the year ended December 31, 2024 and the disclosure in this announcement.

SCOPE OF WORK OF AUDITOR

The figures in respect of the Group's consolidated statement of financial position as at December 31, 2024, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended December 31, 2024 as set out in the preliminary announcement have been agreed by the Company's auditor, Ernst & Young, to the amounts set out in the Company's draft consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently, no opinion or assurance conclusion has been expressed by Ernst & Young on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUCEMENT AND 2024 ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.cheshi.com. The annual report of the Company for the Reporting Period containing all the information required by the Listing Rules will be despatched to the Shareholders upon request and published on the respective websites of the Stock Exchange and the Company in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to thank the management members and staff of the Group for their hard work in the past year. I would also like to give my sincere gratitude to our Shareholders, partners and stakeholders for their continued support, and hope to receive their continued support in the future.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings:

"AGM"	the forthcoming annual general meeting of the Company to be held on May 22, 2025
"AI"	artificial intelligence
"Auditor"	Ernst & Young
"Board" or "Board of Directors"	board of directors of the Company
"CEO"	chief executive officer of the Company
"Chairman"	chairman of the Board
"China" or "PRC"	the People's Republic of China, unless otherwise stated, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan of China herein
"Company" or "our Company" or "the Company"	AI X Tech Inc., an exempted company incorporated in the Cayman Islands on November 22, 2018 with limited liability and listed on the Stock Exchange on January 15, 2021 (Stock code: 1490)
"Director(s)"	director(s) of the Company
"Group", "our Group", "the Group", "we", "us", or "our"	the Company and its subsidiaries, or where the context refers to any time prior to the Company becoming the holding company of its present subsidiaries, the present subsidiaries of the Company and the businesses operated by such subsidiaries or their predecessors (as the case may be)
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IFRSs"	International Financial Reporting Standards
"Listing"	listing of the Shares on the Main Board of the Stock Exchange

"Listing Date"	January 15, 2021, the date on which the Shares of the Company were listed on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"PGC"	professionally-generated content
"Post-IPO RSU Scheme"	the post-IPO RSU scheme approved and conditionally adopted by the Board on September 30, 2021
"RMB"	Renminbi, the lawful currency of the PRC
"Reporting Period"	the year ended December 31, 2024
"SaaS"	software as a service, a cloud-based software licensing and delivery model in which software and associated data are centrally hosted
"Share(s)"	ordinary share(s) in the issued capital of the Company with nominal value of US$0.0001 each
"Shareholder(s)"	holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"UGC"	User Generated Content
"%"	per cent

By order of the Board
AI X Tech Inc.
XU Chong
Chairman, Chief Executive Officer and Executive Director

Beijing, the PRC, March 27, 2025

As at the date of this announcement, the Board comprises Mr. XU Chong, Mr. LIU Lei, Mr. LIN Yuqi and Ms. Zhang Nan as the executive Directors; and Mr. XU Xiangyang, Mr. Sun Yong and Mr. Ng Jack Ho Wan as the independent non-executive Directors.

* *For identification purposes only*