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## **MAIYUE TECHNOLOGY LIMITED**

### **邁越科技股份有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2501)**

## **ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024**

The board (the “**Board**”) of directors (the “**Directors**”) of Maiyue Technology Limited (the “**Company**”) is pleased to announce the consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2024 (“**FY2024**”), together with the comparative figures for the year ended 31 December 2023 (“**FY2023**”), as follows:

### **FINANCIAL HIGHLIGHTS**

- Revenue of the Group increased from approximately RMB259.1 million for FY2023 to approximately RMB274.7 million for FY2024, representing an increase of approximately 6.0%.
- Gross profit of the Group decreased from approximately RMB85.4 million for FY2023 to approximately RMB68.6 million for FY2024, representing a decrease of approximately 19.7%. Gross profit margin of the Group decreased from approximately 33.0% for FY2023 to approximately 25.0% for FY2024, representing a decrease of approximately 8.0 percentage points.
- Profit for the year of the Group decreased from approximately RMB22.6 million for FY2023 to approximately RMB0.1 million for FY2024, representing a decrease of approximately 99.5%. Net profit margin of the Group decreased from approximately 8.7% for FY2023 to approximately 0.0% for FY2024, representing a decrease of approximately 8.7 percentage points.
- Basic earnings per share attributable to shareholders of the Company decreased from approximately RMB5.68 cents for FY2023 to approximately RMB0.09 cents for FY2024, representing a decrease of approximately 98.4%.
- As at 31 December 2024, cash and cash equivalents of the Group amounted to approximately RMB40.5 million (31 December 2023: approximately RMB47.8 million).
- The Board does not recommend the payment of any final dividend for FY2024.

# **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*for the year ended 31 December 2024*

*(Expressed in Renminbi (“RMB”))*

		<b>2024</b>	<b>2023</b>
	<i>Note</i>	<b><i>RMB’000</i></b>	<b><i>RMB’000</i></b>
<b>Revenue</b>	2	<b>274,722</b>	259,085
Cost of sales		<u><b>(206,149)</b></u>	<u>(173,645)</u>
<b>Gross profit</b>		<b>68,573</b>	85,440
Other income	3	<b>6,045</b>	5,731
Selling expenses		<b>(6,461)</b>	(7,108)
Administrative expenses		<b>(25,567)</b>	(41,713)
Research and development expenses		<b>(6,225)</b>	(6,025)
(Impairment loss)/reversal of impairment loss on trade receivables and contract assets		<u><b>(24,709)</b></u>	<u>1,257</u>
<b>Profit from operations</b>		<b>11,656</b>	37,582
Finance costs	4(a)	<b>(12,082)</b>	(10,484)
Share of (loss)/profit of joint ventures		<u><b>(1,331)</b></u>	<u>288</u>
<b>(Loss)/profit before taxation</b>	4	<b>(1,757)</b>	27,386
Income tax	5	<u><b>1,867</b></u>	<u>(4,739)</u>
<b>Profit for the year</b>		<b>110</b>	22,647
<b>Attributable to:</b>			
Equity shareholders of the Company		<b>433</b>	22,881
Non-controlling interests		<u><b>(323)</b></u>	<u>(234)</u>
<b>Profit for the year</b>		<u><b>110</b></u>	<u>22,647</u>
<b>Earnings per share</b>			
Basic and diluted ( <i>RMB cent</i> )	6	<u><b>0.09</b></u>	<u>5.68</u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME (CONTINUED)**

*for the year ended 31 December 2024*

*(Expressed in Renminbi (“RMB”))*

	2024 <i>RMB’000</i>	2023 <i>RMB’000</i>
<b>Profit for the year</b>	<u>110</u>	<u>22,647</u>
<b>Other comprehensive income for the year (after tax and reclassification adjustments)</b>		
<i>Items that will not be reclassified to profit or loss:</i>		
Equity investments at FVOCI – net movement in fair value reserves (non-recycling)	(118)	(959)
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of operations outside the Chinese Mainland	<u>497</u>	<u>(1,798)</u>
<b>Other comprehensive income for the year</b>	<u>379</u>	<u>(2,757)</u>
<b>Total comprehensive income for the year</b>	<u><u>489</u></u>	<u><u>19,890</u></u>
<b>Attributable to:</b>		
Equity shareholders of the Company	812	20,124
Non-controlling interests	<u>(323)</u>	<u>(234)</u>
<b>Total comprehensive income for the year</b>	<u><u>489</u></u>	<u><u>19,890</u></u>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

(Expressed in Renminbi)

		31 December 2024	31 December 2023
	Note	RMB'000	RMB'000
<b>Non-current assets</b>			
Property, plant and equipment		9,933	11,169
Intangible assets		15,808	13,762
Interests in joint ventures		2,383	2,117
Equity securities designated at fair value through other comprehensive income ("FVOCI")		38,882	38,999
Deferred tax assets		6,684	3,227
Other non-current assets		32,620	7,701
		<u>106,310</u>	<u>76,975</u>
<b>Current assets</b>			
Inventories		4,002	2,958
Contract assets		26,253	22,583
Trade and other receivables	7	513,090	449,799
Pledged bank deposits		881	9
Cash and cash equivalents		40,497	47,808
		<u>584,723</u>	<u>523,157</u>
<b>Current liabilities</b>			
Trade and other payables	8	144,640	89,623
Contract liabilities		1,351	622
Bank and other loans		222,364	135,543
Lease liabilities		441	1,272
Current taxation		1,455	3,738
		<u>370,251</u>	<u>230,798</u>
<b>Net current assets</b>		<u>214,472</u>	<u>292,359</u>
<b>Total assets less current liabilities</b>		<u>320,782</u>	<u>369,334</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)***as at 31 December 2024**(Expressed in Renminbi)*

	<i>Note</i>	<b>31 December 2024 RMB'000</b>	<b>31 December 2023 RMB'000</b>
<b>Non-current liabilities</b>			
Bank and other loans		—	47,596
Lease liabilities		<b>535</b>	215
Deferred revenue		<b>886</b>	2,810
		<b>1,421</b>	50,621
<b>NET ASSETS</b>		<b>319,361</b>	318,713
<b>CAPITAL AND RESERVES</b>			
Share capital	9(b)	<b>4,590</b>	4,590
Reserves		<b>313,605</b>	312,388
<b>Total equity attributable to equity shareholders of the Company</b>		<b>318,195</b>	316,978
<b>Non-controlling interests</b>		<b>1,166</b>	1,735
<b>TOTAL EQUITY</b>		<b>319,361</b>	318,713

## NOTES

*(Expressed in RMB unless otherwise indicated)*

### 1 MATERIAL ACCOUNTING POLICIES

#### (a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

#### (b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2024 comprise Maiyue Technology Limited (the “Company”) and its subsidiaries (together referred to as the “Group”) and the Group’s interest in a joint venture.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the investment in an equity security is stated at their fair value.

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

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

### (c) Changes in accounting policies

The Group has applied the following new and amended HKFRSs issued by the HKICPA to these financial statements for the current accounting period:

- Amendments to HKAS 1, Presentation of financial statements – Classification of liabilities as current or non-current (“2020 amendments”) and amendments to HKAS 1, Presentation of financial statements – Non-current liabilities with covenants (“2022 amendments”)
- Amendments to HKFRS 16, Leases – Lease liability in a sale and leaseback
- Amendments to HKAS 7, Statement of cash flows and HKFRS 7, Financial instruments: Disclosures – Supplier finance arrangements

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. The amended HKFRSs do not have a material impact on the Group’s financial statement.

## 2 REVENUE AND SEGMENT REPORTING

### (a) Revenue

The principal activities of the Group are the provision of integrated IT solution services, sales of hardware and software and providing warranty, upgrade, technical guidance and maintenance service for customers in the PRC. Further details regarding the Group’s principal activities are disclosed in Note 2(b).

#### (i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	2024 <i>RMB’000</i>	2023 <i>RMB’000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines		
– Revenue from provision of integrated IT solution services	187,060	141,094
– Revenue from hardware and software sales	73,749	75,655
– Revenue from provision of standalone IT services	13,913	42,336
	<u>274,722</u>	<u>259,085</u>

**(b) Segment reporting**

The Group manages its businesses by service lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segment.

- Provision of integrated IT solution services: the Group acts as an information solution provider under this segment, it includes primarily the design and implementation of the solution, sales of related software and hardware to customers, and follow-up maintenance.
- Sales of hardware and software: this segment includes solely the sales of hardware and the sales of self-developed software.
- Provision of standalone IT services: this segment includes primarily maintenance service, system upgrade and enhancement service, warranty service, software installation, data migration and technology consulting service.

*(i) Segment results*

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the cost of sales incurred by those segments. The measure used for reporting segment result is gross profit. Assistance provided by one segment to another, including sharing of assets and technical know-how, is not measured.

The Group's other operating expenses, such as staff costs, depreciation and other operation expenses, and assets and liabilities are not measured under individual segments. Accordingly, neither information on segment assets and liabilities nor information concerning interest income and interest expenses is presented.



Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the year is set out below.

	<b>Provision of integrated IT solution services RMB'000</b>	<b>Sales of hardware and software RMB'000</b>	<b>Provision of standalone IT services RMB'000</b>	<b>Total RMB'000</b>
<b>Year ended 31 December 2024</b>				
Revenue	187,060	73,749	13,913	274,722
Cost of sales	<u>(137,296)</u>	<u>(60,028)</u>	<u>(8,825)</u>	<u>(206,149)</u>
Gross profit	<u>49,764</u>	<u>13,721</u>	<u>5,088</u>	<u>68,573</u>
<b>Year ended 31 December 2023</b>				
Revenue	141,094	75,655	42,336	259,085
Cost of sales	<u>(85,166)</u>	<u>(61,893)</u>	<u>(26,586)</u>	<u>(173,645)</u>
Gross profit	<u>55,928</u>	<u>13,762</u>	<u>15,750</u>	<u>85,440</u>

(ii) *Geographic information*

The Group's revenue is generated in the PRC. The Group's operating assets are substantially situated in the PRC. Accordingly, no segment analysis based on geographical locations of the customers and assets is provided.

### 3 OTHER INCOME

	<b>2024 RMB'000</b>	<b>2023 RMB'000</b>
Interest income	960	1,781
Government grants ( <i>Note (i)</i> )	4,432	2,423
Net foreign exchange gain	60	827
Net gain/(loss) on disposal of property, plant and equipment	136	(3)
Net gain on disposals of assets and liabilities held for sale	—	676
Income from acquisition of a subsidiary	53	—
Others	<u>404</u>	<u>27</u>
	<u>6,045</u>	<u>5,731</u>

*Note:*

- (i) The government grants mainly represent awards from Guangxi government authorities and VAT refund upon collection.

#### 4 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

	2024 RMB'000	2023 RMB'000
<b>(a) Finance costs</b>		
Interest on bank and other loans	12,027	10,415
Interest on lease liabilities	55	69
	<u>12,082</u>	<u>10,484</u>
<b>(b) Staff costs</b>		
Salaries, wages and other benefits	24,002	27,762
Contributions to defined contribution retirement plan	1,351	1,484
	<u>25,353</u>	<u>29,246</u>
<b>(c) Other items</b>		
Amortisation of intangible assets	8,484	6,181
Depreciation		
– property, plant and equipment owned	1,037	1,032
– right-of-use assets	787	993
Impairment losses/(reversal)		
– contract assets	1,923	(376)
– trade and other receivables	22,786	(881)
	<u>24,709</u>	<u>(1,257)</u>
Auditors' remuneration		
– audit services	2,200	1,813
– initial public offering related services	–	2,196
– other services	–	112
	<u>2,200</u>	<u>4,121</u>
Cost of inventories	175,617	128,147
Listing expenses	–	15,070

## 5 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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

	2024 RMB'000	2023 RMB'000
<b>Current tax – PRC Corporate Income Tax</b>		
Provision for the year	1,590	3,856
Under-provision in prior years	—	419
	<u>1,590</u>	<u>4,275</u>
<b>Deferred tax – PRC Corporate Income Tax</b>		
Origination and reversal of temporary differences	(3,457)	464
	<u>(1,867)</u>	<u>4,739</u>

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

	2024 RMB'000	2023 RMB'000
(Loss)/profit before taxation	(1,757)	27,386
Notional tax on profit before taxation, calculated at the rates applicable to profits in the respective tax jurisdictions (Notes (i), (ii) and (iii))	219	10,348
Tax effect of PRC preferential tax treatments (Notes (iv) & (v))	(131)	(4,410)
Tax effect of additional deduction on research and development costs (Note (vi))	(2,181)	(1,818)
Tax effect of non-deductible expenses	221	192
Tax effect of tax losses not recognised	5	8
Under-provision in prior years	—	419
	<u>(1,867)</u>	<u>4,739</u>
Actual tax (credit)/expense	<u>(1,867)</u>	<u>4,739</u>

Notes:

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), the Group is not subject to any income tax in the Cayman Islands and BVI.
- (ii) For the years ended 31 December 2023 and 2024, no provision for Hong Kong Profits Tax has been made, as the subsidiary of the Group incorporated in Hong Kong did not have assessable profits which are subject to Hong Kong Profits Tax.

- (iii) The subsidiary of the Group established in the PRC is subject to PRC Corporate Income Tax rate at the statutory rate of 25%.
- (iv) The PRC Corporate Income Tax Law allows enterprises to apply for certificate of “High and New Technology Enterprise” (“HNTE”) which entitles the qualified companies to a preferential income tax rate of 15%, subject to fulfilment of the recognition criteria. Nanning Maiyue Software Company Limited (“Nanning Maiyue”) was qualified as a HNTE and entitled to a preferential income tax rate of 15% for the years ended 31 December 2024 and 2023.
- (v) According to the announcement [2020] No.23 from the Ministry of Finance, State Administration of Taxation and National Development and Reform Commission, enterprise which is located in the PRC western region and engaged in the national encouraged industries could apply to enjoy the preferential income tax rate of 15% before 31 December 2030. Guangxi Silunjie Information Technology Company Limited (“Guangxi Silunjie”) and Nanning Maiyue meet the above criteria and be entitled to a preferential income tax rate of 15% for the year.
- (vi) According to the relevant tax rules in the PRC, qualified research and development costs are allowed for bonus deduction for income tax purpose, as a result, an additional 100% of the qualified research and development costs could be deemed as deductible expenses for the years ended 31 December 2024 and 2023.
- (vii) According to the PRC Corporate Income Tax Law and its implementation regulations, dividends receivable by non-PRC corporate residents from PRC enterprises are subject to withholding tax at a rate of 10%, unless reduced by tax treaties or arrangements, for profits earned since 1 January 2008. In addition, under the Arrangement between the Chinese Mainland and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and its relevant regulations, a qualified Hong Kong tax resident will be liable for withholding tax at the rate of 5% for dividend income derived from the PRC if the Hong Kong tax resident is the “beneficial owner” and holds 25% or more of the equity interests of the PRC company.

The provision of the related deferred tax liabilities, if any, are based on the expected dividends to be distributed from these subsidiaries in the foreseeable future in respect of the profits generated since 1 January 2008. Deferred tax liabilities have not been recognised in respect of the tax that would be payable on the distribution of the retained profits as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that these profits will not be distributed in the foreseeable future.

## 6 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB433,000 (2023: RMB22,881,000) and the weighted average of 500,000,000 ordinary shares (2023: 403,082,000 shares after adjusting for the capitalisation issue) in issue during the year, calculated as follows:

	2024 '000	2023 '000
Issued ordinary shares at 1 January	500,000	10
Effect of capitalisation issue	—	374,990
Effect of issue of ordinary shares by initial public offering	—	28,082
	<u>500,000</u>	<u>403,082</u>
Weighted average number of ordinary shares at 31 December	<u>500,000</u>	<u>403,082</u>

There were no dilutive potential ordinary shares for the years ended 31 December 2024 and 2023, therefore the diluted earnings per share were the same as the basic earnings per share.

## 7 TRADE AND OTHER RECEIVABLES

	2024 RMB'000	2023 RMB'000
Trade receivables		
– third parties	470,967	339,030
– related parties	2,678	1,930
Less: loss allowance	<u>(40,386)</u>	<u>(17,600)</u>
	433,259	323,360
Amounts due from shareholders	25	15
Amounts due from other related parties	5,769	6,128
Other deposits, prepayments and receivables	<u>74,037</u>	<u>120,296</u>
	<u>513,090</u>	<u>449,799</u>

- (i) Trade receivables amounting to RMB8,842,000 (2023: RMB17,673,000) are expected to be recovered after more than one year. All of the other trade and other receivables are expected to be recovered or recognised as expense within one year.
- (ii) Trade receivables with gross carrying amount of RMB70,822,000 (2023: RMB78,395,000) were pledged as collateral for the Group's bank and other loans of RMB67,160,000 (2023: RMB63,588,000).

## Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the transaction date and after the recognition of impairment loss, are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current (not past due)	234,678	211,281
Less than 3 months past due	14,242	31,579
More than 3 months but less than 6 months past due	30,233	34,192
More than 6 months but less than 12 months past due	91,123	23,754
More than 1 year past due	62,983	22,554
	<u>433,259</u>	<u>323,360</u>

Trade receivables (other than retention money) are normally due within 30 days from the date of billing. During the year, some trade receivables (other than retention money) are due over one year upon completion of work, which are negotiated on a case-by-case basis with customers. Retention money is due within one to seven years upon the completion of work. Retention money is included in contract assets until the end of the retention period and is transferred into trade receivables when the rights become unconditional.

## 8 TRADE AND OTHER PAYABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade payables	75,387	43,551
Amounts due to joint ventures ( <i>Note (i)</i> )	4,800	860
Other payables and accruals	64,453	45,212
	<u>144,640</u>	<u>89,623</u>

*Notes:*

- (i) Amounts due to joint ventures includes the balances due to Shenzhen Chuangpeng Cloud Technology Co., Ltd. and Beijing Maiyue Yitu Technology Co., Ltd..
- (ii) As at 31 December 2024, trade payables amounting to RMB1,454,000 (2023: RMB1,703,000) are expected to be settled after more than one year. All of the other trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

As of the end of the reporting period, the ageing analysis of trade payables (which are included in trade and other payables), based on the invoice date/transaction date, is as follows:

	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
Within 1 year	<b>69,708</b>	38,765
Over 1 year but within 2 years	<b>5,771</b>	2,006
Over 2 years but within 5 years	<b>3,800</b>	2,592
Over 5 years	<b>258</b>	188
	<u><b>79,537</b></u>	<u>43,551</u>

## 9 CAPITAL AND DIVIDENDS

### (a) Dividends

- (i) Dividends payable to equity shareholders of the Company attributable for the year

The directors of the Company did not recommend the payment of any dividend for the year ended 31 December 2024 (2023: nil)

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

No dividends in respect of the previous financial year, approved and paid during the financial year ended 31 December 2024 and 2023.

### (b) Share capital

	<b>2024</b>		<b>2023</b>	
	<b>No. of shares</b> <b>(‘000)</b>	<b>Amount</b> <b>HK\$’000</b>	No. of shares (‘000)	Amount HK\$’000
Ordinary shares:				
In issue at 1 January	<b>500,000</b>	<b>5,000</b>	10	—*
Capitalisation issue	—	—	374,990	3,750
Issue of ordinary shares by initial public offering	—	—	125,000	1,250
	<u><b>500,000</b></u>	<u><b>5,000</b></u>	<u>500,000</u>	<u>5,000</u>
In issue at 31 December – fully paid	<b>500,000</b>	<b>5,000</b>	500,000	5,000
Authorised – par value HK\$0.01	<u><b>1,000,000</b></u>	<u><b>10,000</b></u>	<u>1,000,000</u>	<u>10,000</u>

\* The balances represent amounts less than HK\$500.

(i) Authorised share capital

Pursuant to the written resolution passed by the shareholders of the Company on 18 September 2023, the authorised share capital of the Company was increased from HK\$380,000 divided into 38,000,000 Shares to HK\$10,000,000 divided into 1,000,000,000 Shares by the creation of an additional 962,000,000 Shares with effect from the listing date.

(ii) Capitalisation issue

Pursuant to the written resolution passed by the shareholders of the Company on 18 September 2023, the capitalisation issue of an amount of HK\$3,750,000 standing to the credit of the share premium account of the Company and the appropriation of such amount to pay up in full at par 374,990,000 shares for allotment and issue to the existing shareholders with effect from the listing date.

(iii) Issue of ordinary shares by initial public offering

On 11 October 2023, the shares of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited, where 125,000,000 shares of HK\$0.01 each were issued and subscribed at a price of HK\$1.18 each. The Company received the net proceeds of HK\$130,046,000 (equivalent to approximately RMB119,380,000), after deducting all capitalized listing expenses. Out of the net proceeds from the listing, RMB1,148,000 and RMB118,232,000 were recorded in share capital and share premium accounts, respectively.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review

In FY2024, the Group has achieved major breakthroughs in technology deployment and product iteration. In order to deeply cultivate in the field of research and development, we set up a cloud computing research and development center in Shenzhen in February 2024, concentrating on cloud computing technology. Meanwhile, in July 2024, in order to enhance the Group's technological research and development strength in the field of artificial intelligence, the Group officially set up the Beijing Artificial Intelligence R&D center (北京人工智能研發中心), which focused on the lightweighting of large models, AI agent interaction and other cutting-edge direction, forming a synergistic and complementary technical matrix. In terms of products, we significantly improved our customers' operational efficiency by launching innovative applications such as AI agent Application Platform (AI智能體應用平台), AI Teaching Quality Evaluation and Analysis Platform (AI教學質量評價分析平台), AI Contract Management Platform (AI合同管理平台), etc., and comprehensively upgraded our existing products such as data centers and business centers to AI-driven systems.

In FY2024, the Group's revenue stood at approximately RMB274.7 million, representing a growth of 6.0% as compared to that for FY2023. The Group had an increase in demand from customers for the integrated IT solution services segment, while the Group recorded a decrease in revenue from hardware and/or software and standalone IT services segments for FY2024.

In terms of strategic cooperations, the Group signed cooperation agreements with a number of leading enterprises on the development of artificial intelligence computing power centers, marking our formal entry into a digital market with hundreds of billions of computational powers. By establishing a "software-hardware integration" computing power service system, we provide end-to-end support for government, university, and corporate clients from infrastructure to algorithm optimization. The Group has successfully implemented multiple regional-level projects.

In terms of qualification and honour, the Group was selected as a Demonstration Center for High-value Patent Cultivation in the Autonomous Region (自治區高價值專利培育示範中心), recognized as one of the Nanning Credit Rating A-class Enterprises, and ranked among the top ten in terms of comprehensive Internet strength in Guangxi for three consecutive years. The Group's products have been successively shortlisted in provincial government procurement catalogs of Guangxi, Qinghai, and other regions, demonstrating the official recognition of our domestic substitution capabilities.

## Financial Review

### *Revenue*

The following table sets forth the breakdown of revenue by business segments for FY2024 and the comparative figures for FY2023:

	<b>FY2024</b> <b>RMB'000</b>	<b>FY2023</b> <b>RMB'000</b>
– Integrated IT solutions services	<b>187,060</b>	141,094
– Sales of hardware and/or software	<b>73,749</b>	75,655
– Standalone IT services	<b>13,913</b>	42,336
	<b>274,722</b>	259,085

The Group's Revenue increased by approximately RMB15.6 million or 6.0% from approximately RMB259.1 million for FY2023 to approximately RMB274.7 million for FY2024. This increase was mainly attributable to the increase in revenue derived from the sales of integrated IT solutions services segments, as a result of the increase in demand from customers, which was partially offset by the decrease in revenue derived from the standalone IT services and sales of hardware and/or software segment, due to the decrease in demand from customers.

### *Cost of sales*

The cost of sales mainly comprises procurement costs for hardware and software, service costs for IT and supporting services, staff costs and others. The cost of sales increased by approximately RMB32.5 million or 18.7% from approximately RMB173.6 million for FY2023 to approximately RMB206.1 million for FY2024, which was higher than our revenue growth, resulting from the lower gross profit margin of certain projects undertaken due to different project requirements and circumstances.

### *Gross profit and gross profit margin*

The following table sets forth the breakdown of gross profit and gross profit margin by business segments for FY2024 and the comparative figures for FY2023:

	FY2024		FY2023	
	Gross profit <i>RMB'000</i>	Gross profit margin %	Gross profit <i>RMB'000</i>	Gross profit margin %
– Integrated IT solutions services	49,764	26.6	55,928	39.6
– Sales of hardware and/or software	13,721	18.6	13,762	18.2
– Standalone IT services	5,088	36.6	15,750	37.2
	<u>68,573</u>	<u>25.0</u>	<u>85,440</u>	<u>33.0</u>

The gross profit decreased by approximately RMB16.9 million or 19.7% from approximately RMB85.4 million for FY2023 to approximately RMB68.6 million for FY2024. The gross profit margin also decreased by approximately 8 percentage points from approximately 33.0% to approximately 25.0%. Such decrease was mainly due to the decrease in gross profit and gross profit margin from the integrated IT solutions services segment and standalone IT services segment, which was attributable to the lower gross profit margin of certain projects undertaken due to different project requirements and circumstances. Particularly, the number of integrated IT solutions projects with our self-developed products involved and projects under which the Group was directly engaged by end-users, both of which usually have higher gross profit margin, in FY2024 was smaller than that in FY2023, which thus led to a decrease in the gross profit margin.

### *Selling expenses*

The selling expenses mainly comprises of staff costs, tendering fees, warranty expenses and others. The selling expenses decreased by approximately RMB0.6 million or 9.1% from approximately RMB7.1 million for FY2023 to approximately RMB6.5 million for FY2024, which were generally in line with the increase in revenue of the Group during the year.

### *Administrative expenses*

The administrative expenses mainly comprises staff costs, listing expenses, depreciation and amortisation, travelling expenses, legal and professional fee and others. The administrative expenses decreased by approximately RMB16.1 million or 38.7% from approximately RMB41.7 million for FY2023 to approximately RMB25.6 million for FY2024, which was mainly due to the decrease in the listing expenses and the legal and professional fees incurred after the listing.

### *Research and development expenses*

The research and development expenses refers to the research and development expenditure expensed for the year, which mainly comprises staff costs, project development expenses, depreciation and amortisation and others. These expenses increased by approximately RMB0.2 million or 3.3% from approximately RMB6.0 million for FY2023 to approximately RMB6.2 million for FY2024, as a result of the Group's continuous investment in research and development.

### *(Impairment loss)/reversal of impairment loss on trade receivables and contract assets*

The Group assesses the recoverability of trade receivables and performs impairment analysis at each reporting date using a loss rate approach to measure expected credit losses. The loss rates are based on groupings of ageing. The Group develops loss rate statistics on the basis of actual loss experience over the recent past years. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, the Group writes off trade receivables when there is any information indicating that the customer is in severe financial difficulty and there is no realistic prospect of future recovery.

The impairment loss on trade receivables and contract assets of approximately RMB24.7 million was recognised for FY2024, as compared to the reversal of impairment loss on trade receivables and contract assets of RMB1.3 million recognised for FY2023. The impairment loss on trade receivables and contract assets was mainly due to the increase in long-aged trade receivables as a result of the extended payment period granted by the Group for certain projects and the delay in settlement of trade receivables due from certain customers for FY2024.

Nonetheless, the Group recorded trade receivable balance of approximately RMB433.3 million as at 31 December 2024 (31 December 2023: approximately RMB323.4 million). The increase in trade receivables balance was mainly due to (i) the increase in revenue for FY2024 and a significant portion of projects were merely completed around the 2024 year end and such trade receivables were not yet due as at 31 December 2024; (ii) the increase in long-aged trade receivables as a result of the extended payment period granted by the Group for certain projects and the delay in settlement of trade receivables due from certain customers for FY2024.

### *Finance costs*

The finance costs mainly consisted of interest expenses for bank and other loans and lease liabilities. The Group's finance costs increased by approximately RMB1.6 million or 15.2% from approximately RMB10.5 million for FY2023 to approximately RMB12.1 million for FY2024, which was mainly due to the increase in the average bank and other loan balances for the year.

### *Income tax credit*

The Group is subject to income tax on an entity basis for profit arising in or derived from the jurisdiction in which members of the Group domicile or operate.

The Group recognised income tax credit of approximately RMB1.9 million for FY2024 (FY2023: income tax expense approximately RMB4.7 million) mainly due to the recognition of deferred tax assets for credit loss allowances.

### *Profit for the year*

In light of the above factors, the Group's profit for the year decreased by approximately RMB22.5 million or 99.5% from approximately RMB22.6 million for FY2023 to approximately RMB0.1 million for FY2024.

The Board believes that the financial data and comparison analysis contained in this announcement could effectively demonstrate the financial performance and position of the Group for FY2024 and FY2023.

## **Outlook**

The Group will continue to unleash its growth momentum by focusing on its four strategic directions:

- (i) achieve in-depth insights in technology. We will increase our investment in computing networks, AI big models, and alternative domestic information technology application innovation enterprises, and launch a new generation of Smart Computing All-in-One Machine (智能算力一體機) to demonstrate our achievement in overcoming the bottleneck of high-consumption, low-latency computing power scheduling. The Smart Computing All-in-One Machine was selected as one of the first batches of Guangxi's artificial intelligence products, solicited by the Department of Industry and Information Technology of the Guangxi Autonomous Region (廣西自治區工業和信息化廳). The Group has officially launched an artificial intelligent platform in collaboration with Guilin University of Electronic Technology (桂林電子科技大學) in March 2025;
- (ii) initiate the construction of multi-industry AI corpus, provide high-quality data tagging service, and improve the closed loop of AI ecosystem;

- (iii) strengthen the integration of industry and education. Leveraging on its pioneering advantage in the field of intelligent education, the Group has established “AI+ Industry College” with a number of universities to drive a virtuous cycle between talent development and technology implementation;
- (iv) expand to the global market. Building on our established market dominance in Guangxi, we are expanding nationwide while targeting ASEAN markets through smart city solutions, education digitalization, and computing power services – creating synergistic development across domestic and ASEAN markets. In February 2025, the Company entered into a non-legally binding cooperation agreement (the “Cooperative Agreement”) with Vietnam Made Trading Technology Limited. Pursuant to the Cooperative Agreement, both parties intend to form a long-term and mutually beneficial partnership with a view to effectively integrate resources and competitive advantages in the area of cross-border AI cloud computing industry for the digital economies of Vietnam and China. The parties are committed to in-depth cooperation in the fields of e-sports and Internet access services through a long-term strategic partnership in AI cloud computing.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

Save for the reorganisation of the Group in preparation for the listing, there were no significant investments or material acquisitions and disposals of subsidiaries, associates and joint ventures during FY2024.

## **FOREIGN EXCHANGE RISK**

The Company conducts most of the businesses in RMB. Certain bank balances, other receivables and accruals and other payables of the Company are denominated in foreign currencies, including Hong Kong Dollar, and are exposed to foreign currency risk. The Company currently does not have a foreign currency hedging policy. The management will continue to monitor foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

## **EMPLOYEE AND REMUNERATION POLICY**

As at 31 December 2024, the Group employed approximately 180 employees. The Group offers comprehensive and competitive remuneration, retirement plans and benefit packages to its employees, and offers discretionary bonuses to its employees based on their performance. In addition, the Group regularly evaluates employee performance and rewards good performers with higher compensation or promotions. The Group is obligated to make contributions to the social insurance schemes for its employees in the PRC.

The Group adopts high standards and strict procedures in job market recruitments to meet its needs for different types of talents.

The Group provides regular and specialised trainings on the basis of the needs of employees in different departments. Employees can also improve their skills through provision of services for the Group’s customers and mutual learning among colleagues.

Emoluments of Directors are decided by the Board as recommended by the Remuneration Committee of the Company, having regard to the Group's operating results, individual performance and comparable market statistics.

## **CORPORATE GOVERNANCE**

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of the shareholders of the Company (the “**Shareholders**”), enhance corporate value and strengthen accountability.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

Except for the below, the Company has fully complied with all the code provisions of the Corporate Governance Code (the “**CG Code**”) set forth in Appendix C1 to the Rules Governing the listing of securities on The Stock Exchange of Hong Kong (the “**Listing Rules**”) during the period from 1 January 2024 to 31 December 2024.

Provision C.2.1 of the CG Code stipulates that the role of chairman and chief executive officer should be separated and should not be performed by the same individual. Mr. Li Changqing (“**Mr. Li**”) is the chairman and the chief executive officer of the Company. Since Mr. Li has been operating and managing the main operating subsidiaries of the Company since their incorporation and due to his familiarity with the operations of the Group, the Board is of the view that it is in the best interest of the Group to have Mr. Li taking up both roles for effective management and business development of the Group and Mr. Li will provide a strong and consistent leadership to the Group. This arrangement ensures a more effective and efficient overall strategic planning of the Group as this structure enables the Company to make and implement decisions promptly and effectively. Further, the Company has put in place an appropriate check-and-balance mechanism through the Board and the independent non-executive Directors. The independent non-executive Directors are able to retain independence of character and judgement and are able to express their views without any constraint. In addition, the Board also consists of other executive Directors, who are familiarised with the day-to-day business of the Company. The Company will consult the Board for any major decisions. Therefore, the Board considers that the balance of power and authority of the present arrangement with the Board and the independent non-executive Directors will not be impaired because such arrangement would not result in excessive concentration of power in one individual which could adversely affect the interest of minority Shareholders. As such, the deviation from provision C.2.1 of the CG Code is appropriate in such circumstance.

The Board will continue to review and consider splitting the roles of the chairman of the Board and the chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.



## COMPLIANCE WITH THE MODEL CODE

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. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code and the Company’s code of conduct regarding directors’ securities transactions during FY2024.

The Company has also established written guidelines no less exacting than the Model Code for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of such guidelines by the employees was noted by the Company.

## PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During FY2024 and up to the date of this announcement, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of listed securities of the Company.

## REVIEW OF ANNUAL RESULTS

The Audit Committee of the Company (the “**Audit Committee**”) has been established in compliance with Rules 3.21 and 3.22 of the Listing Rules with written terms of reference in compliance with the CG Code. The primary responsibilities of the Audit Committee are to review and monitor the financial reporting, risk management and internal control systems of the Company and to assist the Board to fulfill its responsibilities over the audit.

As of the date of this announcement, the Audit Committee comprises three independent non-executive Directors, namely, Mr. Lin Peigan, Mr. Hou Chang, Mr. Hu Zhongqiang, and Mr. Lin Peigan is the chairman of the Audit Committee.

The Audit Committee has reviewed and confirmed the accounting principles and policies adopted by the Group and discussed the auditing and financial reporting matters of the Group. The annual results of the Group for FY2024 have also been reviewed by the Audit Committee.

## SCOPE OF WORK OF THE AUDITOR

The financial figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for FY2024 as set out in this annual results announcement have been agreed by the Group’s auditor, KPMG, to the amounts set out in the Group’s audited consolidated financial statements for FY2024 as required under Rule 13.49(2) of the Listing Rules. The work performed by KPMG in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no opinion or assurance conclusion has been expressed by KPMG on this annual results announcement.



## **DIVIDENDS**

The Board does not recommend the payment of any final dividend for FY2024.

## **SUFFICIENCY OF PUBLIC FLOAT**

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, as at the date of this announcement, the Company has maintained a sufficient public float of the issued shares (i.e. at least 25% of the issued Shares in public hands) as required under the Listing Rules.

## **EVENTS AFTER THE REPORTING PERIOD**

There were no other significant events subsequent to the end of the reporting period and up to the date of this announcement which require adjustment to the financial statements or which are material to the understanding of the Group's current position.

## **ANNUAL GENERAL MEETING**

As of the date of this announcement, the Company had not fixed a date for its forthcoming annual general meeting. When such date is fixed, a circular containing the notice of annual general meeting, together with the proxy form and annual report of the Company for the year ended 31 December 2024, will be despatched to the Shareholders in due course.

## **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This annual results announcement has been published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.maiyuesoft.com](http://www.maiyuesoft.com)). The annual report of the Company will be published on the aforesaid websites of the Stock Exchange and the Company and will be despatched to the Shareholders in due course.

By Order of the Board  
**Maiyue Technology Limited**  
**Li Changqing**  
*Chairman*

Nanning, the People's Republic of China, 28 March 2025

*As at the date of this announcement, the Board comprises executive Directors, namely Mr. Li Changqing, Mr. Wang Yufei, Mr. Hui Chi Chung Nevin, Ms. Deng Caidie and Mr. Zhang Guangbai; and independent non-executive Directors, namely Mr. Hou Chang, Mr. Hu Zhongqiang and Mr. Lin Peigan.*