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This summary aims to give you an overview of the information contained in this prospectus. Because this is a summary, it does not contain all the information that may be important to you. You should read this prospectus in its entirety, including our financial statements and the accompanying notes, before you decide to invest in the Offer Shares. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in “Risk Factors”. You should read that section carefully before you decide to invest in the Offer Shares. Various expressions used in this summary are defined in “Definitions” and “Glossary of Technical Terms”.

OVERVIEW

We are an integrated IT solutions services provider in the education and government IT solutions markets in Guangxi with an operating history of over 20 years. According to the F&S Report, we had a market share of 1.3% and 0.08% in the education IT solutions market and the government IT solutions market in Guangxi, respectively, in terms of revenue in 2022.

We have completed more than 300 projects of different scales across majority of the cities in Guangxi during the Track Record Period. For the years ended 31 December 2020, 2021 and 2022 and the four months ended 30 April 2023, our revenue generated from services provided to customers in the education sector accounted for 82.8%, 57.2%, 81.3% and 83.8% of our total revenue, respectively.

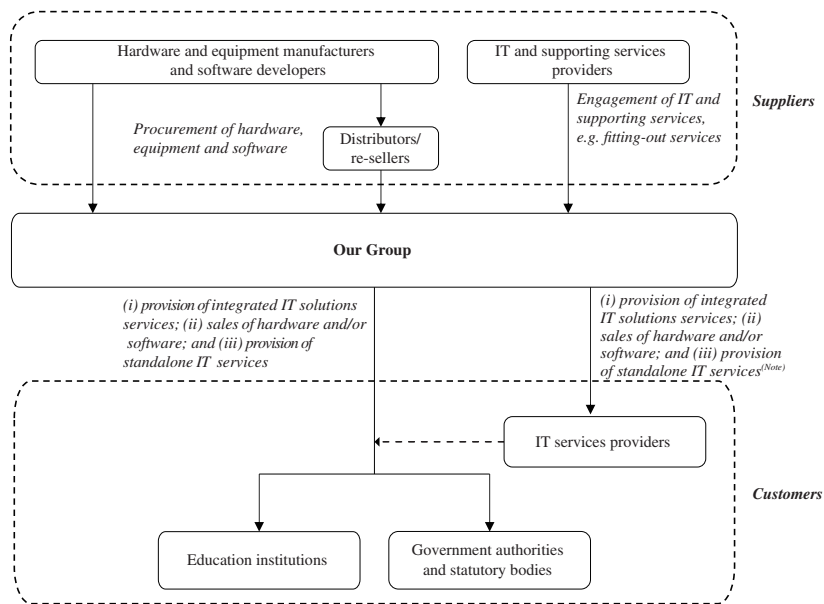
In 2018, leveraging our in-depth local industry knowledge and experience and in view of the business opportunities in the government IT solutions market emerging from favourable policies and regulations implemented by the PRC Government, we extended our provision of customised integrated IT solutions services to customers in the government sector through replicating our operation model in the education sector, with an aim to assist customers in the government sector in relation to digitalised government development. For the years ended 31 December 2020, 2021 and 2022 and the four months ended 30 April 2023, our revenue generated from services provided to customers in the government sector accounted for 11.5%, 31.6%, 3.7% and 2.4% of our total revenue, respectively. We consider the expansion to the government sector as diversification of our business operation. Therefore, going forward, we intend to continue to place strategic focus on the provision of customised integrated IT solutions services to customers in the education sector, whilst we will pursue and diversify our business by providing customised integrated IT solutions services to customers in the government sector, when any suitable business opportunities arises.

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We experience seasonal fluctuations in our operation. In particular, a majority of our revenue derived from integrated IT solutions services is recognised upon the user acceptance tests are passed, which are carried out and normally completed in the fourth quarter of the year. We also recorded net losses for the four months ended 30 April 2022 and 2023 which was primarily due to seasonality effect of our business operation. See “— Seasonality” in this section below for further details.

OUR BUSINESS MODEL

We are an integrated IT solutions services provider. The following diagram illustrates our business model:



Note: Other IT services providers may (i) assign us all or part of their project works by engaging us for the provision of integrated IT solutions services; or (ii) purchase hardware and software, and standalone IT services from us.

OUR SERVICES

During the Track Record Period, our services can be categorised into three segments, namely (i) integrated IT solutions services; (ii) sales of hardware and/or software; and (iii) standalone IT services. We have been focusing on the provision of customised integrated IT solutions services according to the specific requirements of our customers. Our customised integrated IT solutions services include (i) design of integrated IT solutions accommodating the specific requirements of our customers; (ii) development of solution-based application systems and sourcing of suitable hardware, software and equipment; (iii) implementation of integrated IT solutions including construction, integration and upgrade of IT infrastructure and systems; and/or (iv) provision of technical and maintenance supporting services. For the years ended 31 December 2020, 2021 and

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2022 and the four months ended 30 April 2023, a majority of our revenue was generated from the provision of integrated IT solutions services, which accounted for 91.5%, 83.9%, 81.6% and 57.6% of our total revenue, respectively.

As a result of our research and development capabilities, since 2015, we have developed a comprehensive portfolio of product offerings involving application of advanced technologies such as big data analytics (e.g. Maiyue Big Data Analysis Platform (邁越大數據分析平台), Maiyue Data Diagnosis Platform (邁越信息化診改平台)), IoT, cloud computing (e.g. Chuangpeng Cloud Desktop Virtualisation System (創鵬雲桌面虛擬化系統)) and AI (e.g. Maiyue One-stop Web Office Automation System (邁越一站式網上辦事大廳系統)), to complement our integrated IT solutions services. Our self-developed products are fully developed in-house based on our internal research and development, and are not modified versions of other pre-existing third-party's software. Depending on the circumstance and requirement of each project, we may offer our self-developed products in our integrated IT solutions services. For the years ended 31 December 2020, 2021 and 2022 and the four months ended 30 April 2023, our revenue generated from integrated IT solutions projects with our self-developed products involved amounted to RMB22.2 million, RMB37.6 million, RMB26.9 million and RMB0.4 million, respectively, representing 11.7%, 22.2%, 13.5% and 7.6% of our revenue of our integrated IT solutions projects for the corresponding years/period.

Upon requests of our customers, we occasionally source and procure hardware and/or software for our customers from our suppliers or sell our self-developed software to our customers on a standalone basis. We may advise our customers on the selection of hardware and software, based on their existing IT infrastructure and system specifications and requirements. The typical IT hardware and software products we sold during the Track Record Period included (i) computers and accessories, servers and network switches; and (ii) software for training, data collection and analytics, data storage and network access management.

Our customers may also engage us for standalone IT services following their purchase of our integrated IT solutions and the warranty periods thereof to optimise system performance and identify and resolve errors and defects. Our standalone IT services generally involve the provision of maintenance and/or support services on our customers' IT system based on customers' needs.

OUR COMPETITIVE STRENGTHS

Our Directors believe that the following competitive strengths have contributed to our success to date and will continue to promote our expansion:

- we are an integrated IT solutions services provider with an established operating history in the education and government IT solutions markets in Guangxi;

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- we are equipped with capability in providing integrated IT solutions services which are customised to the distinctive needs of our customers;
- we possess research and development capability to enhance the variety and functions of our product offerings to complement our integrated IT solutions services; and
- we have an experienced and professional management team with a proven track record in the operation of our business.

OUR BUSINESS STRATEGIES

In order to achieve sustainable growth and enhance our presence as an integrated IT solutions services provider, we intend to pursue the following business strategies:

- strengthen our market position and further expand our customer base through continued investments in new projects;
- strengthen our research and development capabilities in product development;
- recruit talents to explore future business opportunities and enhance our competitiveness;
- upgrade our own IT infrastructure to achieve operational efficiency; and
- enhance our brand recognition and awareness.

OUR CUSTOMERS

During the Track Record Period, we were engaged by either end users, such as education institutions and government authorities, or other IT services providers, depending on the available business opportunities at the material time. The IT services providers may (i) assign us all or part of their project works to the end users by engaging us for the provision of integrated IT solutions services; or (ii) purchase hardware and software, and standalone IT services from us. For the years ended 31 December 2020, 2021 and 2022 and the four months ended 30 April 2023, our revenue generated from services provided to end users accounted for 57.3%, 49.4%, 77.4% and 68.4% of our total revenue, respectively; and our revenue generated from services provided to IT services providers accounted for 42.7%, 50.6%, 22.6% and 31.6% of our total revenue, respectively.

For the years ended 31 December 2020, 2021 and 2022 and the four months ended 30 April 2023, our five largest customers in each year/period during the Track Record Period in aggregate accounted for 53.2%, 47.3%, 53.7% and 87.4% of our total revenue, respectively; and our largest customer in each year/period during the Track Record Period accounted for 24.4%, 23.2%, 34.4% and 51.3% of our total revenue, respectively. In particular, our largest customer for each of the

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years ended 31 December 2020 and 2021 was Digital Guangxi, which is our related party, while our largest customer for each of the year ended 31 December 2022 and the four months ended 30 April 2023 were independent third parties. See “Business — Our Customers” for further details.

OUR SUPPLIERS

During the Track Record Period, our suppliers mainly comprise (i) hardware and equipment manufacturers or distributors, or software developers; and (ii) IT and supporting services providers, which provide IT and supporting services such as fitting-out services. For the years ended 31 December 2020, 2021 and 2022 and the four months ended 30 April 2023, our five largest suppliers in each year/period during the Track Record Period in aggregate accounted for 45.3%, 36.3%, 44.5% and 55.0% of our total purchase, respectively, and our largest supplier in each year/period during the Track Record Period accounted for 17.0%, 16.9%, 25.8% and 26.6% of our total purchase, respectively. See “Business — Our Suppliers” for further details.

SEASONALITY

We experience seasonal fluctuations in our operation. During the Track Record Period, our customers were mainly education institutions, and many of which were primarily financed by government funds. These customers usually adopt a pre-approval management system and centralised procurement system, with annual budget and procurement plan formulated and design of tendering scheme carried out at the beginning of each year, followed by tendering process starting from the second quarter of the year. For integrated IT solutions services provided to education institutions, as our project executions generally involving installation of hardware and data transfer in various campuses may disrupt the normal operation of the education institutions, project execution generally starts around the summer breaks of education institutions in the third quarter of the year to minimise such disruption and our projects are normally completed within approximately one to three month(s). After the project execution are completed, user acceptance tests are carried out and normally completed in the fourth quarter of the year.

Since a majority of our revenue derived from integrated IT solutions services is recognised upon the user acceptance tests are passed and a majority of our revenue was derived from integrated IT solutions services during the Track Record Period, a majority of our revenue is recognised during the fourth quarter of the year. For the years ended 31 December 2020, 2021 and 2022, 57.0%, 58.0% and 56.3% of our total revenue was recognised during the fourth quarter of the year, respectively. According to the F&S Report, such seasonal fluctuations are in line with the market practice in the education IT solutions market and it is not uncommon for market players in the PRC of similar business nature to recognise more of their revenue in the fourth quarter of the year.

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As a result of such seasonality effect, given that a substantial number of projects would normally be completed in the fourth quarter of the preceding year, while the projects for the upcoming year would normally be awarded in the second half of the year, the outstanding contract value of our integrated IT solutions services projects as at 30 April is relatively smaller as compared with the total revenue to be recognised throughout the year.

Our cash flow was also affected by such seasonality effect during the Track Record Period. We generally receive payment from customers after user acceptance tests of the projects and incur cash payment upfront throughout project execution, such as for the procurement of hardware, equipment and software, service costs for IT and supporting services and staff costs. As project execution starts from the third quarter of the year and the user acceptance tests are carried out in the fourth quarter of the corresponding year, we normally record net cash outflow from operating activities during the first three quarters of the year. For the four months ended 30 April 2022 and 2023, we had net cash outflow from operating activities of RMB24.4 million and RMB31.6 million, respectively.

Our Directors are also of the view that the substantially larger trade receivables turnover days for the four months ended 30 April 2023 was largely affected by seasonality effect, as the amount of revenue recognised for the first four months is insignificant as compared with the full year.

Accordingly, various aspects of our results of operations, including revenue, trade receivables, working capital and operating cashflow, are exposed to the seasonal fluctuations in demand for our services. See “Risk factors — Our business operations may be affected by seasonality” in this prospectus for details of the risks associated with the seasonality effect.

COMPETITIVE LANDSCAPE

According to the F&S Report, both the education and government IT solutions markets are subsets of the overall IT solutions market with market share of 11.7% and 9.9% within the overall IT solutions market in the PRC, respectively, in terms of revenue in 2022. Education IT solutions generally include sales of hardware equipment, provision of software services, provision of integrated IT solutions services and provision of content service. The education IT solutions markets in Guangxi are highly fragmented approximately 1,000 players, respectively, among which there were less than 500 integrated IT solutions services providers. The government IT solutions markets in Guangxi are also fragmented with around 300 players, respectively.

RISK FACTORS

Our business is subject to numerous risks and there are risks relating to an investment in the Offer Shares. A summary of certain of these risk factors is set forth below. This summary should be read together with “Risk Factors” in its entirety. Any of the following developments may have a material and adverse effect on our business, financial condition, results of operations and prospects: (i) there is no assurance that our customers will make payment to us on time and in full and we are therefore subject to credit risks; (ii) we may occasionally grant our customers longer

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payment periods which may bring us higher level of credit risks; (iii) our business operations may be affected by seasonality; (iv) our revenue is mainly derived from projects which are non-recurring in nature and failure to secure tender contracts would affect our operations and financial results; (v) we may not be able to keep pace with the rapid changes in market demands or technological advancements; (vi) changes in government policies and/or government funds would affect the demand of our services and products and create uncertainty as to our future revenue streams; (vii) we may encounter cost overruns or delays in our integrated IT solutions projects; and (viii) we recorded net losses for the four months ended 30 April 2022 and 2023.

SELECTED KEY FINANCIAL AND OPERATIONAL DATA

The following tables set forth, for the years/periods indicated, selected financial and operating data from our consolidated financial information. See the Accountants' Report in Appendix I to this prospectus for further details on the financial information.

Summary of Results of Operations

	Years ended 31 December			Four months ended 30 April	
	2020	2021	2022	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				(Unaudited)	
Revenue	207,074	201,742	243,255	7,996	8,641
Cost of sales	(131,701)	(102,863)	(138,624)	(6,682)	(6,988)
Gross profit	75,373	98,879	104,631	1,314	1,653
Profit/(loss) for the year/period	39,438	46,283	49,056	(19,742)	(16,884)
Total comprehensive income for the year/period	39,438	46,400	48,120	(20,087)	(16,725)
Attributable to:					
Equity shareholders					
of the Company	39,438	46,095	47,838	(19,847)	(16,517)
Non-controlling interests	—	305	282	(240)	(208)
Total comprehensive income for the year/period	39,438	46,400	48,120	(20,087)	(16,725)

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Revenue

The following table sets forth a breakdown of our revenue by (i) business segment; (ii) type of customers; and (iii) industry sector of end users, respectively for the years/periods indicated:

	Years ended 31 December						Four months ended 30 April			
	2020		2021		2022		2022		2023	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
	(Unaudited)									
<i>By business segment</i>										
Integrated IT solutions										
services	189,485	91.5	169,337	83.9	198,491	81.6	1,690	21.1	4,976	57.6
Sales of hardware and/or										
software	12,225	5.9	26,834	13.3	40,980	16.8	5,662	70.8	2,924	33.8
Standalone IT services	5,364	2.6	5,571	2.8	3,784	1.6	644	8.1	741	8.6
Total	207,074	100.0	201,742	100.0	243,255	100.0	7,996	100.0	8,641	100.0
<i>By type of customers</i>										
End users	118,632	57.3	99,662	49.4	188,333	77.4	2,275	28.5	5,914	68.4
IT services providers	88,442	42.7	102,080	50.6	54,922	22.6	5,721	71.5	2,727	31.6
Total	207,074	100.0	201,742	100.0	243,255	100.0	7,996	100.0	8,641	100.0
<i>By industry sector of end users</i>										
Education	171,558	82.8	115,340	57.2	197,667	81.3	2,061	25.8	7,245	83.8
Government	23,907	11.5	63,832	31.6	8,998	3.7	361	4.5	201	2.4
Others ⁽¹⁾	11,609	5.7	22,570	11.2	36,590	15.0	5,574	69.7	1,195	13.8
Total	207,074	100.0	201,742	100.0	243,255	100.0	7,996	100.0	8,641	100.0

Note:

- (1) Others generally refer to IT services providers, corporate customers and individual customers who purchase hardware and/or software, and standalone IT services from us and do not specify the end users of the products or services.

By business segment

The decrease in our revenue from integrated IT solutions services for the year ended 31 December 2021 was mainly due to our increased resources devoted in the projects under the Digital Guangxi Tripartite Agreements, resulting in a larger portion of revenue recognised from the Digital Guangxi Tripartite Agreements which was recognised on net basis as we were regarded as an agent in the contracts in accordance with accounting policies, while majority of our revenue during the Track Record Period was recognised on gross basis. The revenue from integrated IT

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solutions services increased during the year ended 31 December 2022 was mainly attributable to a smaller portion of revenue recognised from the Digital Guangxi Tripartite Agreements which was recognised on net basis and the increase in market size of the education IT solutions industry in Guangxi, resulting in an increase in number and contract value of integrated IT solutions projects available and awarded to us during the year ended 31 December 2022. The revenue from integrated IT solutions services increased by 194.1% from RMB1.7 million for the four months ended 30 April 2022 to RMB5.0 million for the four months ended 30 April 2023, mainly because we secured a new project in late 2022 from a customer in the education sector being an end user who contributed revenue of RMB4.4 million for the period (“**Project U**”).

Our revenue from sales of hardware and/or software continuously increased during the three years ended 31 December 2022, which was incidental to our increased market presence as a result of the business expansion in our integrated IT solutions services business, which is our main business, and our continuous marketing effort under the expanding market backdrop. As a result, we have secured orders from new customers in 2021 and 2022 for sales of hardware and/or software. In particular, the increase in our revenue from sales of hardware and/or software for the year ended 31 December 2021 was also due to (i) the expansion of distribution channel to industry related online procurement platforms for the sales of hardware; and (ii) the increase in sales of self-developed software during the year, as a result of our continuous research and development effort. Our revenue from sales of hardware and/or software decreased by 49.1% from RMB5.7 million for the four months ended 30 April 2022 to RMB2.9 million for the four months ended 30 April 2023, primarily due to the absence of contracts with contract sum of over RMB2.0 million in the four months ended 30 April 2023, as opposed to there being two contracts with such contract sum for the corresponding period in the preceding year.

By industry sector of end users

We recorded relatively low revenue contribution from the education sector for the year ended 31 December 2021, which was mainly due to the decreased number of projects tendered and accepted during the year as a result of the devotion of our significant resource in the increased workload in the government sector during the year which was led by the business opportunities given by Digital Guangxi arisen at the material time, which contributed 23.2% of our total revenue for the year ended 31 December 2021. For the four months ended 30 April 2023, our revenue contribution from education sector increased as compared to the same period in 2022, primarily because of Project U as mentioned above.

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Gross profit and gross profit margin

The following table sets forth a breakdown of our gross profit and gross profit margin by (i) business segment; (ii) type of customers; and (iii) industry sector of end users, respectively for the years/periods indicated:

	Years ended 31 December						Four months ended 30 April			
	2020		2021		2022		2022		2023	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
(Unaudited)										
<i>By business segment</i>										
Integrated IT solutions services	69,130	36.5	84,121	49.7	94,775	47.7	549	32.5	846	17.0
Sales of hardware and/or software	1,901	15.6	10,382	38.7	7,346	17.9	331	5.8	252	8.6
Standalone IT services	4,342	80.9	4,376	78.5	2,510	66.3	434	67.4	555	74.9
Total	75,373	36.4	98,879	49.0	104,631	43.0	1,314	16.4	1,653	19.1
<i>By type of customers</i>										
End users	50,025	42.2	44,215	44.4	87,094	46.2	904	39.7	1,256	21.2
IT services providers	25,348	28.7	54,664	53.6	17,537	31.9	410	7.2	397	14.6
Total	75,373	36.4	98,879	49.0	104,631	43.0	1,314	16.4	1,653	19.1
<i>By industry sector of end users</i>										
Education	57,195	33.3	54,606	47.3	91,337	46.2	720	34.9	1,339	18.5
Government	13,446	56.2	34,304	53.7	4,354	48.4	316	87.5	158	78.6
Others	4,732	40.8	9,969	44.2	8,940	24.4	278	5.0	156	13.1
Total	75,373	36.4	98,879	49.0	104,631	43.0	1,314	16.4	1,653	19.1

By business segment

Our gross profit margin for integrated IT solutions services increased from 36.5% for the year ended 31 December 2020 to 49.7% for the year ended 31 December 2021, which was mainly attributable to (i) revenue of RMB5.1 million, out of the revenue of RMB13.3 million, from the Digital Guangxi Tripartite Agreements, was recognised on net basis after deducting the relevant software supplier cost which resulted in a higher gross profit margin of 95.8% recognised for the year; and (ii) our effort in pursuing additional integrated IT solutions projects incorporating our self-developed software with higher gross profit margin of 78.5% as we were able to reduce the procurement costs incurred in purchasing software from third parties. The decrease in gross profit

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margin by 15.5 percentage points from 32.5% for the four months ended 30 April 2022 to 17.0% for the four months ended 30 April 2023 was primarily owing to the seasonality effect of our business operation and the lower gross profit margin of 9.1% derived from Project U. Our Directors considered that the project was not technically complicated and it mainly involved the sales and installation of hardware with transparent selling price in the market, rather than the involvement of our self-developed products.

Our gross profit margin for sales of hardware and/or software was relatively higher at 38.7% for the year ended 31 December 2021, which was mainly attributable to an increase in sales of self-developed software and provision of ancillary installation services to customers, both of which rendered a higher profitability, during the year. Our gross profit margin for sales of hardware and/or software for the four months ended 30 April 2022 was lower mainly because the two contracts secured from a new customer in late 2021 and 2022 which contributed a majority of the segment revenue for the four months ended 30 April 2022 did not require ancillary installation services. Our gross profit margin for sales of hardware and/or software for the four months ended 30 April 2023 was lower than the gross profit margin for the year ended 31 December 2022, mainly because of (i) the decrease in revenue contribution from sales of self-developed software; and (ii) our lower bargaining power in price negotiation for the major sales of third-party products for the four months ended 30 April 2023 having considered our capacity and the business opportunities available at the material time.

Our gross profit margin for standalone IT services decreased from 78.5% for the year ended 31 December 2021 to 66.3% for the year ended 31 December 2022, which was mainly attributable to more contracts requiring stationed staff, and the resultant increase in staff cost incurred in our standalone IT services for the year ended 31 December 2022. The increase in gross profit margin by 7.5 percentage points from 67.4% for the four months ended 30 April 2022 to 74.9% for the four months ended 30 April 2023 was primarily owing to the decrease in the staff cost incurred in respect of stationed staff for providing standalone IT services for the four months ended 30 April 2023.

Due to the seasonality effect of our business operation, we recorded relatively insignificant revenue and gross profit for the first four months of the year and thus the revenue and gross profit derived from a particular project or contract e.g. Project U could contribute a substantial portion of our revenue and gross profit for the period.

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By type of customers

Our gross profit margin for sales to IT services providers was relatively higher at 53.6% for the year ended 31 December 2021 as compared with 2020 and 2022, which was mainly attributable to the higher gross profit margin derived from the Digital Guangxi Tripartite Agreements and sales of self-developed software. For the four months ended 30 April 2023, the decrease in our gross profit margin for sales to end users as compared with four months ended 30 April 2022 was mainly due to Project U, while the increase in gross profit margin for IT services providers was mainly due to increase in gross profit margin for sales of hardware and/or software. See “— By business segment” above for details.

Profit for the year/period

Our profit for the year amounted to RMB39.4 million, RMB46.3 million, and RMB49.1 million for the years ended 31 December 2020 and 2021 and 2022, respectively. Our net profit margin were 19.0%, 22.9% and 20.2% for the corresponding years. We recorded loss of RMB19.7 million and RMB16.9 million for the four months ended 30 April 2022 and 2023, respectively.

Our net profit increased by 17.5% from RMB39.4 million for the year ended 31 December 2020 to RMB46.3 million for the year ended 31 December 2021, primarily due to the increase in gross profit of RMB23.5 million, partially offset by (i) the increase in selling expenses of RMB3.3 million which was mainly attributable to the increase in staff costs of selling personnel; (ii) the increase in administrative expenses of RMB6.0 million which was mainly attributable to the increase in Listing expenses and increase in staff costs of administrative personnel; (iii) the increase in finance costs of RMB2.7 million; and (iv) the increase in income tax expense of RMB3.1 million.

Our net profit increased by 6.0% from RMB46.3 million for the year ended 31 December 2021 to RMB49.1 million for the year ended 31 December 2022, primarily due to the increase in gross profit of RMB5.8 million.

We recorded net losses for the four months ended 30 April 2022 and 2023 was primarily due to seasonality effect. The decrease in net loss for the four months ended 30 April 2023 as compared with the corresponding period in 2022 was mainly due to the decrease in research and development expenses and administrative expenses.

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Summary of Consolidated Statements of Financial Position

	As at 31 December			As at 30 April
	2020	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Non-current assets	56,773	119,777	32,216	76,106
Current assets	217,926	294,403	449,995	290,162
Current liabilities	135,723	228,864	228,708	125,874
Net current assets	82,203	65,539	221,287	164,288
Total assets less current liabilities	138,976	185,316	253,503	240,394
Non-current liabilities	55,435	53,993	74,060	77,676
Net assets	83,541	131,323	179,443	162,718
Non-controlling interests	—	1,687	1,969	1,761

Our net current assets decreased from RMB82.2 million as at 31 December 2020 to RMB65.5 million as at 31 December 2021, which was mainly due to (i) the increase in trade and other payables of RMB64.9 million; and (ii) the increase in bank and other loans of RMB36.1 million, partially offset by the increase in trade and other receivables of RMB84.0 million. Our net current assets increased to RMB221.3 million as at 31 December 2022, which was mainly due to (i) the increase in non-current assets classified as held for sale of RMB96.2 million; and (ii) the decrease in trade and other payables of RMB74.5 million; (iii) the increase in trade and other receivables of RMB26.4 million; (iv) the increase in contract assets of RMB14.8 million; and (v) the increase in cash and cash equivalents of RMB13.4 million, partially offset by (i) the increase in liabilities directly associated with non-current assets classified as held for sale of RMB58.9 million; and (ii) the increase in bank and other loans of RMB17.5 million. Our net current assets decreased to RMB164.3 million as at 30 April 2023, which was mainly due to (i) the decrease in non-current assets classified as held for sale of RMB96.2 million; and (ii) the decrease in cash and cash equivalents of RMB58.7 million, partially offset by (i) the decrease in liabilities directly associated with non-current assets classified as held for sale of RMB58.9 million; (ii) the decrease in bank and other loans of RMB24.1 million; and (iii) the decrease in trade and other payables of RMB17.6 million.

Our net assets increased from RMB83.5 million as at 31 December 2020 to RMB131.3 million as at 31 December 2021, mainly due to (i) profit generated for the year of RMB46.3 million; and (ii) acquisition of a subsidiary, namely, Shuguang Maiyue, with non-controlling interests of RMB1.4 million. Our net assets further increased to RMB179.4 million as at 31 December 2022, mainly owing to profit generated for the year of RMB49.1 million, partially offset by exchange differences in translation of financial statements of operations outside the mainland China of RMB0.9 million. Our net assets decreased to RMB162.7 million as at 30 April 2023, mainly owing to loss for the period of RMB16.9 million.

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Summary of Consolidated Cash Flow Statements

	Years ended 31 December			Four months ended 30 April	
	2020	2021	2022	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				(Unaudited)	
Net cash generated from/(used in) operating activities	5,497	6,675	10,114	(24,377)	(31,645)
Net cash used in investing activities	(26,509)	(17,993)	(17,921)	(1,235)	(2,017)
Net cash generated from/(used in) financing activities	40,590	4,358	21,252	(15,964)	(25,075)
Net increase/(decrease) in cash and cash equivalents	19,578	(6,960)	13,445	(41,576)	(58,737)
Cash and cash equivalents at the beginning of the year/period . .	36,538	56,116	49,156	49,156	62,601
Effect of foreign exchange rate changes	—	—*	—*	(36)	—*
Cash and cash equivalents at the end of the year/period . .	<u>56,116</u>	<u>49,156</u>	<u>62,601</u>	<u>7,544</u>	<u>3,864</u>

* This balance represents any amount of less than RMB500.

For the year ended 31 December 2020, we had profit before taxation of RMB44.8 million and net cash generated from operating activities of RMB5.5 million. The difference was mainly due to the increase in trade and other receivables of RMB61.8 million, partially offset by the increase in trade and other payables of RMB13.1 million. For the year ended 31 December 2021, we had profit before taxation of RMB54.8 million and net cash generated from operating activities of RMB6.7 million. The difference was mainly due to the increase in trade and other receivables of RMB78.9 million, partially offset by the increase in trade and other payables of RMB22.6 million. For the year ended 31 December 2022, we had profit before taxation of RMB56.2 million and net cash generated from operating activities of RMB10.1 million. The difference was mainly due to (i) the increase in trade and other receivables of RMB32.5 million mainly as a result of the increase in prepayment made to the suppliers for the purchase of software and hardware products for a potential project to be tendered in 2023 and prepayment for the research and development purposes; (ii) the increase in contract assets of RMB12.9 million as a result of the projects of certain new customers completed in 2022 but with billing milestones not having been reached by the end of 2022; and (iii) the decrease in trade and other payables of RMB12.5 million mainly as a result of settlement of trade payables. For the four months ended 30 April 2023, we had loss

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before taxation of RMB19.9 million and net cash used in operating activities of RMB31.6 million. The difference was mainly due to (i) the decrease in trade and other payables of RMB19.3 million as a result of settlement of our trade payables; and (ii) the increase in inventories of RMB4.1 million as a result of the increase in the number of our ongoing projects which have not reached the stage of user acceptance test.

Our Directors confirm that, taking into consideration the financial resources presently available to us, which is primarily our internal resources, bank borrowings and the estimated net proceeds from the Global Offering, we have sufficient working capital for our present requirements and for at least the next 12 months commencing from the date of this prospectus.

Key Financial Ratios

	Years ended 31 December			Four months ended 30 April
	2020	2021	2022	2023
Net profit/(loss) margin	19.0%	22.9%	20.2%	(195.4)%
Return on equity	47.2%	35.2%	27.3%	(10.4)%
Return on total assets	14.4%	11.2%	10.2%	(4.6)%
Interest coverage	9.1 times	7.7 times	7.3 times	(5.7) times
Current ratio	1.6 times	1.3 times	2.0 times	2.3 times
Quick ratio	1.6 times	1.3 times	1.9 times	2.2 times
Debt asset ratio	34.7%	29.3%	32.9%	37.5%
Gearing ratio	114.2%	92.4%	88.3%	84.4%
Net debt to equity ratio	47.0%	54.9%	51.9%	81.2%

See “Financial Information — Key Financial Ratios” for further details of the formulae of the financial ratios.

OUR CONTROLLING SHAREHOLDERS

Immediately following completion of the Capitalisation Issue and the Global Offering (without taking into account our Shares which may be issued pursuant to the exercise of the Over-allotment Option and any Shares to be issued upon the exercise of any options which may be granted under the Share Option Scheme), Mr. Li, Mr. Wang, Ms. Deng, Mr. Zhang and Deep Blue Ocean will be our Controlling Shareholders collectively and beneficially interested in an aggregate of 61.2% of our issued share capital. Hence, Mr. Li, Mr. Wang, Ms. Deng, Mr. Zhang and Deep Blue Ocean will be our Controlling Shareholders and will comprise a group of Controlling Shareholders within the meaning of the Listing Rules. There is no competition between the business of our Controlling Shareholders and our businesses. Our Directors believe that our Group

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is capable of carrying out its businesses independently of our Controlling Shareholders and their associates. See “History, Reorganisation and Corporate Structure” for further details of the shareholding structure of our Company.

PRE-IPO INVESTMENTS

Pursuant to the share purchase agreements all dated 10 February 2021, Mr. Ye (through Canwest Profits), Mr. Chan (through Million Oak) and Mr. Chua acquired 800 Shares, 750 Shares and 290 Shares from Deep Blue Ocean, representing 8.0%, 7.5% and 2.9% of the then issued share capital of our Company, at a consideration of HK\$8.0 million, HK\$7.5 million and HK\$2.9 million, respectively, based on arm’s length negotiations after taking into consideration the business valuation of our Company, the timing of the investment and the prospect of our business. The share purchase agreements were entered into to ratify the verbal agreements made between Mr. Li, Mr. Wang, Ms. Deng and Mr. Zhang and (i) Mr. Ye in September 2017; and (ii) Mr. Chan and Mr. Chua in January 2018, and the settlement of the consideration completed by Mr. Ye, Mr. Chan and Mr. Chua on 7 May 2019, 15 January 2019 and 23 May 2019, respectively. The terms of the share purchase agreements imposed a six-month lock-up obligation over the shareholding interests of our Company held by each of the Pre-IPO Investors through the Pre-IPO Investments.

Immediately following the Reorganisation and completion of the Capitalisation Issue and the Global Offering (without taking into account our Shares which may be issued pursuant to the exercise of the Over-allotment Option and any Shares to be issued upon the exercise of any options which may be granted under the Share Option Scheme), Mr. Ye (through Canwest Profits), Mr. Chan (through Million Oak) and Mr. Chua will hold 6.0%, 5.625% and 2.175% of the issued share capital of our Company, respectively. See “History, Reorganisation and Corporate Structure — Pre-IPO Investments” for further details.

LEGAL PROCEEDINGS AND NON-COMPLIANCE INCIDENT

As advised by our PRC Legal Advisers and confirmed by our Directors, during the Track Record Period and up to the Latest Practicable Date, our Group had all material requisite licences, approvals and permits required for our operation in the PRC.

As at the Latest Practicable Date, no member of our Group or our Directors was involved in any litigation, claim or administrative proceedings of material importance, and no litigation, claim or administrative proceedings of material importance is known to our Directors to be pending or threatened against any member of our Group or our Directors. During the Track Record Period, we experienced a non-compliance incident in relation to the failure to make social insurance and housing provident fund contributions in full in the PRC. See “Business — Legal Proceedings and Non-compliance Incident” for further details. Save as disclosed in “Business — Legal Proceedings

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and Non-compliance Incident”, our PRC Legal Advisers advised that we have been in compliance with the applicable PRC laws and regulations relating to our business operations in all material respects during the Track Record Period.

OUTBREAK OF COVID-19

In view of the outbreak of COVID-19, we suspended our business operations for approximately two weeks in February 2020 as required by the Guangxi governments. Despite the temporary suspension of our business operations, we gradually resumed our operations on 17 February 2020. We also experienced delay in projects caused by temporary suspension of school work and postponement of start date of the spring semester in 2020. As a result, we recorded a decline in our revenue for the four months ended 30 April 2020 when compared with our revenue for the corresponding period in 2019.

During the first half of 2022, there were resurgences of COVID-19 outbreak in relation to Omicron virus variant from time to time in multiple cities in the PRC, which led to the re-imposition of certain quarantine and restrictive measures by the local governments, including the lockdown of major cities such as Shanghai. Travel restrictions and quarantine measures have also been imposed by relevant government authorities in Guangxi, the region in which our major business operations principally take place. As a result, the market sentiment was inevitably affected, and we experienced a decrease in the number of projects tendered which led to a decrease in our revenue generated from the provision of integrated IT solutions services for the four months ended 30 April 2022.

However, due to the inherent seasonality of our business, where tendering process and project execution start from the second quarter and third quarter of the year, respectively, our Directors consider that our business operations was relatively less affected by the resurgences of COVID-19 outbreak in relation to Omicron virus variant as the travel restrictions and quarantine measures in Guangxi have been lessened during the years.

Save for the above, our Directors considered that, up to the Latest Practicable Date, we had not experienced any significant delay in projects, nor had we experienced any material delay or impediment of our research and development, due to the outbreak of COVID-19. In addition, our Directors are of the view that no material adverse effect was caused by the outbreak of COVID-19 on our financial condition. According to the F&S Report, the outbreak of COVID-19 did not result in any decrease in the overall budget for the education IT solutions market in the PRC.

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Besides, in response to the COVID-19 pandemic, the Group enjoyed exemption of social insurance contributions from February 2020 to December 2020 in the PRC. The aggregate reduction in social insurance contribution for the year ended 31 December 2020 is estimated to be RMB1.3 million. Such social insurance exemption is non-recurring in nature. We have also received one-off government subsidy, the amount of which is immaterial to our financial conditions.

Based on the above, our Directors confirm that the outbreak of COVID-19 does not have any material adverse effect on our continuing business operation, financial condition and sustainability.

RECENT DEVELOPMENT AND MATERIAL ADVERSE CHANGE

Subsequent to the Track Record Period and up to the Latest Practicable Date, we have made continuous effort in obtaining additional contracts. As a result of the effort made, as at the Latest Practicable Date, we have secured projects/works that we have completed or expect to complete during the year ending 31 December 2023 with corresponding contract value (excluding VAT) of RMB89.6 million, RMB47.3 million and RMB8.7 million for integrated IT solutions, sales of hardware and/or software and provision of standalone IT services, respectively. In particular, as at the Latest Practicable Date, we had (i) 22 ongoing integrated IT solutions projects with outstanding contract value (excluding VAT) of RMB76.2 million; (ii) contracts for sales of hardware and/or software with outstanding contract value (excluding VAT) of RMB40.3 million; and (iii) contracts for provision of standalone IT services with outstanding contract value (excluding VAT) of RMB9.1 million. See “Business — Our Services — Integrated IT solutions services — Our ongoing projects” for further details of our ongoing integrated IT solutions projects as at the Latest Practicable Date.

For the eight months ending 31 December 2023, our Group expects to incur additional Listing expenses of RMB13.2 million (equivalent to HK\$14.9 million) which will be charged to profit or loss. As a result of the expected increase in Listing expenses, our Group expects a decrease in forecast profit for the year ending 31 December 2023.

Save as disclosed above, our Directors confirm that after the Track Record Period and up to the date of this prospectus, there has been no material adverse change in the financial or trading position or prospects of our Group since 30 April 2023 (being the date to which the latest audited consolidated financial statements of our Group were prepared), and there is no event since 30 April 2023 which would materially affect the information shown in the Accountants’ Report set out in Appendix I to this prospectus.

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CONFIRMATION OF FILING BY THE CSRC

On 17 February 2023, the CSRC promulgated Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (《境內企業境外發行證券和上市管理試行辦法》) (the “**Trial Measures**”) and five supporting guidelines (together, the “**New Regulations**”), which became effective on 31 March 2023. On the same day, the CSRC also issued the Notice on Administration for the Filing of Overseas Offering and Listing by Domestic Companies (《關於境內企業境外發行上市備案管理安排的通知》) (the “**Notice**”). The New Regulations will comprehensively improve and reform the existing regulatory regime for overseas offering and listing of the PRC domestic companies’ securities and will regulate both direct and indirect overseas offering and listing of PRC domestic companies’ securities by adopting a filing-based regulatory regime.

Pursuant to the New Regulations and Notice, PRC domestic companies that seek to offer and list securities in overseas markets, either in direct or indirect means, are required to fulfil the filing procedure with the CSRC and report relevant information. According to our PRC Legal Advisers, we are subject to the filing procedure and reporting with the CSRC according to the New Regulations and Notice.

On 19 July 2023, the CSRC issued the Notice of Filing on the Overseas Offering and Listing of Maiyue Technology Limited to our Company, which confirmed the filing information of the Company’s overseas securities offering submitted to them. As advised by our PRC Legal Advisers, we have completed the relevant filings for the application of Listing and overseas offering, and no other approval from the CSRC is required to be obtained before the Listing. See “Regulatory Overview — VIII. Regulations Relating to Overseas Securities Offering and Listing by Domestic Companies” for further details.

USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately HK\$96.3 million (equivalent to RMB86.0 million) from the Global Offering, after deducting the underwriting commissions and other estimated expenses payable by us in connection with the Global Offering, assuming that the Over-allotment Option is not exercised and assuming an Offer Price of HK\$1.225 per Share, being the mid-point of the indicative Offer Price range. We intend to use such net proceeds from the Global Offering for the purposes and in the amounts set forth below:

- approximately 20.9%, or HK\$20.1 million (equivalent to RMB17.9 million), of the net proceeds from the Global Offering will be used to fund our capital needs and cash flow for our new projects as part of our expansion strategy;
- approximately 27.8%, or HK\$26.8 million (equivalent to RMB23.9 million), of the net proceeds from the Global Offering will be used to establish and strengthen our research and development centres and recruit additional research and development staff to strengthen our research and development capabilities;

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- approximately 9.1%, or HK\$8.8 million (equivalent to RMB7.9 million), of the net proceeds from the Global Offering will be used to recruit additional staff in our sales and marketing team, project management team and technical team in support of our business expansion;
- approximately 11.8%, or HK\$11.4 million (equivalent to RMB10.2 million), of the net proceeds from the Global Offering will be used to upgrade our IT infrastructure including upgrading and optimising our existing IT infrastructure to enable us to effectively monitor and control our operations and setting up interactive information kiosks;
- approximately 20.4%, or HK\$19.6 million (equivalent to RMB17.5 million), of the net proceeds from the Global Offering will be used to optimise our capital structure and improve our liquidity profile by repaying part of our bank borrowings; and
- the remaining balance of approximately 10.0%, or HK\$9.6 million (equivalent to RMB8.6 million), of the net proceeds from the Global Offering will be used for working capital and general corporate purposes.

To the extent that the net proceeds from the Global Offering are not immediately applied to the above purposes, we will only deposit such net proceeds into short-term interest-bearing bank deposits with licensed banks (as defined under the SFO or other applicable laws and regulations in the PRC).

STATISTICS OF GLOBAL OFFERING

	Based on an Offer Price of HK\$1.05 per Share	Based on an Offer Price of HK\$1.40 per Share
Market capitalisation at Listing (<i>Note 1</i>) . . .	HK\$525.0 million	HK\$700.0 million
Unaudited pro forma adjusted net tangible assets of the Group attributable to equity shareholders of the Company per Share (<i>Note 2</i>)	HK\$0.53	HK\$0.62

Notes:

- (1) The calculation of market capitalisation is based on each indicative Offer Price and 500,000,000 Shares in issue immediately following completion of the Capitalisation Issue and the Global Offering but takes no account of any Shares which may fall to be issued upon the exercise of the Over-allotment Option or any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme or any Shares which may be allotted, issued or repurchased by our Company pursuant to the general mandates for the allotment and issue or repurchase of Shares referred to in “Statutory and General Information — A. Further Information about our Group — 3. Written resolutions of our Shareholders to be passed on 18 September 2023” in Appendix IV to this prospectus.

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- (2) The unaudited pro forma adjusted net tangible assets of our Group attributable to equity shareholders of our Company per Share is arrived at after the adjustments referred to in “A. Unaudited Pro Forma Statement of Adjusted Net Tangible Assets” in Appendix II to this prospectus and on the basis of 500,000,000 Shares in issue immediately following completion of the Capitalisation Issue and the Global Offering, assuming that the Capitalisation Issue and the Global Offering have been completed on 30 April 2023, but does not take into account of any Shares that may be issued upon exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme. For illustrative purpose, the unaudited pro forma adjusted net tangible assets of our Group attributable to equity shareholders of our Company per share are converted from Renminbi into Hong Kong dollar at exchange rate of HK\$1.12 to RMB1. No representation is made that the Hong Kong dollar amounts have been, could have been, or may be converted to Renminbi, or vice versa, at the rate of any other rates at all.

LISTING EXPENSES

Assuming an Offer Price of HK\$1.225 per Share, being the mid-point of the indicative Offer Price range of HK\$1.05 to HK\$1.40 per Share, the total estimated Listing expenses in connection with the Global Offering (including underwriting commission for all Offer Shares) was RMB50.7 million (equivalent to HK\$56.8 million), representing approximately 37.1% of the estimated gross proceeds from the Global Offering if the Over-allotment Option is not exercised.

For the years ended 31 December 2019, 2020, 2021 and 2022 and the four months ended 30 April 2023, Listing expenses of RMB1.1 million, RMB3.9 million, RMB8.5 million, RMB6.2 million and RMB2.6 million (equivalent to HK\$1.2 million, HK\$4.4 million, HK\$9.5 million, HK\$6.9 million and HK\$2.9 million) respectively, were charged to our profit or loss, while RMB0.4 million, RMB1.3 million, RMB2.6 million, RMB1.9 million and RMB0.7 million (equivalent to HK\$0.4 million, HK\$1.5 million, HK\$2.9 million, HK\$2.1 million and HK\$0.8 million), respectively, are directly attributable to the issuance of Shares and is expected to be accounted for as a deduction from equity upon completion of the Listing. For the eight months ending 31 December 2023, we expect to incur additional Listing expenses of RMB21.5 million (equivalent to HK\$24.2 million), of which an estimated amount of RMB13.2 million (equivalent to HK\$14.9 million) will be charged to profit or loss and RMB8.3 million (equivalent to HK\$9.3 million), being directly attributable to the issuance of Shares, will be accounted for as a deduction from equity upon successful Listing under relevant accounting standards.

The Listing expenses consist of (i) underwriting-related expenses, including underwriting commission, of RMB5.5 million (equivalent to HK\$6.2 million); and (ii) non-underwriting related expenses of RMB45.2 million (equivalent to HK\$50.6 million), including (a) fees and expenses of legal advisers and Reporting Accountants of RMB25.6 million (equivalent to HK\$28.6 million); and (b) other fees and expenses of RMB19.6 million (equivalent to HK\$22.0 million).

The Listing expenses above are the best estimate as at the Latest Practicable Date and for reference only and the actual amount may differ from this estimate.

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DIVIDENDS AND DIVIDEND POLICY

No dividends were paid or declared by our Company or any of its subsidiaries during the Track Record Period and up to the date of this prospectus. We do not have any fixed dividend policy or pre-determined dividend payout ratio. The declaration of dividends is subject to the discretion of our Board. Any declaration of final dividend by our Company shall also be subject to the approval of our Shareholders in a Shareholders' meeting. Our Directors may recommend a payment of dividends in the future after taking into account our operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions, capital expenditure and future development requirements, shareholders' interests and other factors which they may deem relevant at such time. Any declaration and payment as well as the amount of the dividends will be subject to constitutional documents, any applicable laws and regulations, including the Cayman Companies Act. Historical dividend distributions are not indicative of our future dividend distribution. Any distributable profits that are not distributed in any given year will be retained and available for distribution in subsequent years. To the extent profits are distributed as dividends, such portion of profits will not be available to be reinvested in our operations.