
APPENDIX I

ACCOUNTANTS’ REPORT

ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF TIANJU DIHE (SUZHOU) TECHNOLOGY CO., LTD. AND CITIC SECURITIES (HONG KONG) LIMITED

Introduction

We report on the historical financial information of Tianju Dihe (Suzhou) Technology Co., Ltd. (the “**Company**”) and its subsidiaries (together the “**Group**”) set out on pages I-4 to I-75, which comprises the consolidated statements of financial position as of December 31, 2021, 2022 and 2023 and the statements of financial position of the Company as of December 31, 2021, 2022 and 2023, the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the years ended December 31, 2021, 2022 and 2023 (the “**Track Record Period**”) and material accounting policy information and other explanatory information (together the “**Historical Financial Information**”). The Historical Financial Information set out on pages I-4 to I-75 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [REDACTED] (the “**Document**”) in connection with the initial [REDACTED] of shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Directors’ Responsibility For The Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting Accountants’ Responsibility

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

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgment, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information in order

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to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, as well as evaluating the overall presentation of the Historical Financial Information.

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

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the Group's financial position as of December 31, 2021, 2022 and 2023, the Company's financial position as of December 31, 2021, 2022 and 2023, and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation set out in Note 2 to the Historical Financial Information.

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REPORT ON MATTERS UNDER THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED AND THE COMPANIES (WINDING UP AND MISCELLANEOUS PROVISIONS) ORDINANCE

Adjustments

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

Dividends

We refer to Note 12 to the Historical Financial Information which contains information about dividends declared and paid by the Company in respect of the Track Record Period.

BDO Limited

Certified Public Accountants

Practising Certificate no.

Hong Kong

[REDACTED]

HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

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

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with IFRS Accounting standards (“**IFRSs**”) issued by International Accounting Standards Board (“**IASB**”) and were audited by BDO Limited in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the “**Underlying Financial Statements**”).

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

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CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Year ended December 31,		
		2021 RMB'000	2022 RMB'000	2023 RMB'000
REVENUE	7	260,011	328,936	441,083
Cost of sales		(170,099)	(221,382)	(316,431)
Gross profit		89,912	107,554	124,652
Other income and other gains, net	8	16,903	11,019	10,704
Selling and distribution expenses		(15,449)	(14,378)	(12,530)
Research and development costs		(16,875)	(26,345)	(24,250)
Administrative and other expenses		(20,490)	(32,025)	(27,518)
Impairment loss on financial and contract assets, net	10	(418)	(1,068)	(9,915)
Finance costs	9	(154)	(1)	(1,014)
[REDACTED] expenses		[REDACTED]	[REDACTED]	[REDACTED]
PROFIT BEFORE TAX	10	53,429	44,756	37,775
Income tax expense	11	(7,463)	(3,472)	(2,714)
PROFIT FOR THE YEAR		45,966	41,284	35,061
OTHER COMPREHENSIVE INCOME/(EXPENSE)				
Item that may be subsequently reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of foreign operations		(251)	853	224
Item that will not be reclassified to profit or loss:				
Changes in fair value of financial assets at fair value through other comprehensive income (“FVOCI”), net of tax		32,242	(10,740)	(12,265)
OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR, NET OF TAX		31,991	(9,887)	(12,041)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		77,957	31,397	23,020
Profit/(loss) for the year attributable to:				
Owners of the Company		46,011	41,249	34,751
Non-controlling interests		(45)	35	310
		45,966	41,284	35,061
Total comprehensive income/(expenses) for the year attributable to:				
Owners of the Company		78,002	31,362	22,710
Non-controlling interests		(45)	35	310
		77,957	31,397	23,020
Earnings per share (RMB) attributable to owners of the Company				
Basic and diluted	13	1.02	0.91	0.77

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	<i>Notes</i>	As of December 31,		
		2021	2022	2023
		<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	15	212,781	233,972	223,466
Intangible assets	17	118	109	100
Financial assets at FVOCI	20	88,189	75,954	61,700
Financial assets at fair value through profit or loss (“FVTPL”)	25	–	–	5,245
Prepayments	22	36	5	40
Deferred tax assets	18	556	620	545
Total non-current assets		<u>301,680</u>	<u>310,660</u>	<u>291,096</u>
Current assets				
Inventories	19	21,533	12,454	20,850
Financial assets at FVTPL	25	103,066	35,155	–
Trade receivables	21	91,203	123,973	175,077
Prepayments, deposits and other receivables	22	20,321	59,466	78,743
Contract assets	23	1,117	3,994	1,865
Cash and cash equivalents	24	182,287	168,470	124,417
Time deposits	24	–	30,000	80,000
Tax recoverable		–	–	11
Total current assets		<u>419,527</u>	<u>433,512</u>	<u>480,963</u>
Current liabilities				
Trade payables	26	37,450	36,672	61,491
Other payables and accruals	27	23,113	39,474	19,816
Contract liabilities	23	51,440	29,692	29,802
Lease liabilities	28	–	43	–
Repurchase liabilities	41	–	–	23,013
Income tax payable		2,947	2,008	3,984
Total current liabilities		<u>114,950</u>	<u>107,889</u>	<u>138,106</u>
Net current assets		<u>304,577</u>	<u>325,623</u>	<u>342,857</u>

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	<i>Notes</i>	As of December 31,		
		2021	2022	2023
		<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>606,257</u>	<u>636,283</u>	<u>633,953</u>
Non-current liabilities				
Lease liabilities	28	–	22	–
Deferred tax liabilities	18	<u>11,134</u>	<u>9,306</u>	<u>5,536</u>
Total non-current liabilities		<u>11,134</u>	<u>9,328</u>	<u>5,536</u>
Net assets		<u><u>595,123</u></u>	<u><u>626,955</u></u>	<u><u>628,417</u></u>
EQUITY				
Equity attributable to owners of the Company				
Share capital	29	45,300	45,300	45,300
Reserves	30	<u>550,215</u>	<u>582,012</u>	<u>583,164</u>
		595,515	627,312	628,464
Non-controlling interests	31	<u>(392)</u>	<u>(357)</u>	<u>(47)</u>
TOTAL EQUITY		<u><u>595,123</u></u>	<u><u>626,955</u></u>	<u><u>628,417</u></u>

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STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	<i>Notes</i>	As of December 31,		
		2021	2022	2023
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	15	211,580	232,922	222,556
Investments in subsidiaries	16	100,062	104,321	106,393
Intangible assets	17	118	109	100
Financial assets at FVOCI	20	85,882	74,819	61,176
Financial assets at FVTPL	25	–	–	5,245
Total non-current assets		<u>397,642</u>	<u>412,171</u>	<u>395,470</u>
Current assets				
Inventories	19	21,265	10,388	20,424
Financial assets at FVTPL	25	–	25,155	–
Trade receivables	21	89,479	117,105	168,481
Prepayments, deposits and other receivables	22	11,224	36,409	44,593
Amounts due from subsidiaries	32	130,015	21,359	6,037
Contract assets	23	1,117	3,994	1,865
Cash and cash equivalents	24	142,797	130,733	90,585
Time deposits	24	–	30,000	80,000
Total current assets		<u>395,897</u>	<u>375,143</u>	<u>411,985</u>
Current liabilities				
Trade payables	26	36,275	31,218	57,096
Amounts due to subsidiaries	32	83,863	56,306	47,525
Other payables and accruals	27	22,096	38,146	19,074
Contract liabilities	23	44,523	25,329	26,367
Lease liabilities	28	–	43	–
Repurchase liabilities	41	–	–	23,013
Income tax payable		2,757	1,810	3,786
Total current liabilities		<u>189,514</u>	<u>152,852</u>	<u>176,861</u>
Net current assets		<u>206,383</u>	<u>222,291</u>	<u>235,124</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>604,025</u>	<u>634,462</u>	<u>630,594</u>
Non-current liabilities				
Lease liabilities	28	–	22	–
Deferred tax liabilities	18	11,095	9,306	5,536
Total non-current liabilities		<u>11,095</u>	<u>9,328</u>	<u>5,536</u>
Net assets		<u>592,930</u>	<u>625,134</u>	<u>625,058</u>
EQUITY				
Share capital	29	45,300	45,300	45,300
Reserves	30	547,630	579,834	579,758
TOTAL EQUITY		<u>592,930</u>	<u>625,134</u>	<u>625,058</u>

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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company							Non-controlling interests	Total equity	
	Share capital	Share premium*	Capital reserve*	FVOCI reserve*	Translation reserve*	Statutory reserve*	Retained earnings*			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	(Note 29)	(Note 30(a))	(Note 30(b))	(Note 30(c))	(Note 30(d))	(Note 30(e))	(Note 30(f))	(Note 31)		
At January 1, 2021	45,300	426,720	67	31,053	(318)	8,017	26,274	537,113	(347)	536,766
Profit/(loss) for the year	-	-	-	-	-	-	46,011	46,011	(45)	45,966
Exchange differences on translation of foreign operations	-	-	-	-	(251)	-	-	(251)	-	(251)
Changes in fair value of financial assets at FVOCI, net of tax	-	-	-	32,242	-	-	-	32,242	-	32,242
Total comprehensive income/(expense) for the year	-	-	-	32,242	(251)	-	46,011	78,002	(45)	77,957
Equity-settled share-based transactions (Note 36)	-	-	400	-	-	-	-	400	-	400
Dividend declared (Note 12)	-	-	-	-	-	-	(20,000)	(20,000)	-	(20,000)
Transfer of retained earnings	-	-	-	-	-	4,625	(4,625)	-	-	-
Balance at December 31, 2021	45,300	426,720	467	63,295	(569)	12,642	47,660	595,515	(392)	595,123

* These reserve accounts comprise the consolidated reserves as of December 31, 2021, 2022 and 2023 in the consolidated statements of financial position.

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	Attributable to owners of the Company							Non-controlling interests	Total equity	
	Share capital	Share premium*	Capital reserve*	FVOCI reserve*	Translation reserve*	Statutory reserve*	Retained earnings*			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	(Note 29)	(Note 30(a))	(Note 30(b))	(Note 30(c))	(Note 30(d))	(Note 30(e))	(Note 30(f))	(Note 31)		
Balance at January 1, 2022	45,300	426,720	467	63,295	(569)	12,642	47,660	595,515	(392)	595,123
Profit for the year	-	-	-	-	-	-	41,249	41,249	35	41,284
Exchange differences on translation of foreign operations	-	-	-	-	853	-	-	853	-	853
Changes in fair value of financial assets at FVOCI, net of tax	-	-	-	(10,740)	-	-	-	(10,740)	-	(10,740)
Total comprehensive (expense)/income for the year	-	-	-	(10,740)	853	-	41,249	31,362	35	31,397
Equity-settled share-based transactions (Note 36)	-	-	435	-	-	-	-	435	-	435
Transfer of retained earnings	-	-	-	-	-	3,982	(3,982)	-	-	-
Balance at December 31, 2022	45,300	426,720	902	52,555	284	16,624	84,927	627,312	(357)	626,955

* These reserve accounts comprise the consolidated reserves as of December 31, 2021, 2022 and 2023 in the consolidated statements of financial position.

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	Attributable to owners of the Company							Non-controlling interests	Total equity	
	Share capital	Share premium*	Capital reserve*	FVOCI reserve*	Translation reserve*	Statutory reserve*	Retained earnings*			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	(Note 29)	(Note 30(a))	(Note 30(b))	(Note 30(c))	(Note 30(d))	(Note 30(e))	(Note 30(f))	(Note 31)		
Balance at January 1, 2023	45,300	426,720	902	52,555	284	16,624	84,927	627,312	(357)	626,955
Profit for the year	-	-	-	-	-	-	34,751	34,751	310	35,061
Exchange differences on translation of foreign operations	-	-	-	-	224	-	-	224	-	224
Changes in fair value of financial assets at FVOCI, net of tax	-	-	-	(12,265)	-	-	-	(12,265)	-	(12,265)
Total comprehensive (expense)/income for the year	-	-	-	(12,265)	224	-	34,751	22,710	310	23,020
Equity-settled share-based transactions (Note 36)	-	-	442	-	-	-	-	442	-	442
Deemed distribution to a shareholder (Note 41)	-	-	-	-	-	-	(22,000)	(22,000)	-	(22,000)
Transfer of retained earnings	-	-	-	-	-	1,416	(1,416)	-	-	-
Balance at December 31, 2023	45,300	426,720	1,344	40,290	508	18,040	96,262	628,464	(47)	628,417

* These reserve accounts comprise the consolidated reserves as of December 31, 2021, 2022 and 2023 in the consolidated statements of financial position.

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CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Cash flows from operating activities			
Profit before tax	53,429	44,756	37,775
Adjustments for:			
Depreciation of property, plant and equipment	4,062	10,974	11,678
Amortization of intangible assets	9	9	9
Finance costs	154	1	1,014
Interest income	(1,922)	(1,356)	(2,469)
Loss/(gain) on disposal/written off of property, plant and equipment	51	(10)	8
Impairment loss on financial and contract assets, net	418	1,068	9,915
Fair value (gain)/loss on financial assets at FVTPL	(7,316)	(3,384)	460
Equity-settled share-based payments	400	435	442
Dividend income	(15)	(234)	–
	<u> </u>	<u> </u>	<u> </u>
Operating profit before working capital changes	49,270	52,259	58,832
(Increase)/decrease in inventories	(17,216)	9,198	(8,060)
Increase in trade receivables	(28,553)	(34,545)	(61,136)
Increase in prepayments, deposits and other receivables	(10,082)	(38,387)	(15,363)
(Increase)/decrease in contract assets	(1,079)	(2,897)	2,148
(Decrease)/increase in trade payables	(13,516)	(778)	24,819
(Decrease)/increase in other payables and accruals	(1,515)	4,722	5,493
(Decrease)/increase in contract liabilities	(8,435)	(21,748)	110
	<u> </u>	<u> </u>	<u> </u>
Cash (used in)/from operations	(31,126)	(32,176)	6,843
Income tax paid	(2,705)	(9,544)	(4,435)
Income tax refund	35	4,901	2,037
	<u> </u>	<u> </u>	<u> </u>
<i>Net cash (used in)/from operating activities</i>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

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	Year ended December 31,		
	2021	2022	2023
	RMB'000	RMB'000	RMB'000
Cash flows from investing activities			
Purchase of property, plant and equipment	(72,831)	(20,584)	(26,708)
Proceeds from disposal of property, plant and equipment	16	34	9
Purchase of financial assets at FVTPL	(298,525)	(390,000)	(151,667)
Proceeds from disposal of financial assets at FVTPL	202,775	461,295	181,117
Interest received	1,922	1,356	2,469
Placement of time deposits	–	(30,000)	(130,000)
Withdrawal of time deposits	–	–	80,000
Dividend income	15	234	–
	<u> </u>	<u> </u>	<u> </u>
<i>Net cash (used in)/from investing activities</i>	<u><u>(166,628)</u></u>	<u><u>22,335</u></u>	<u><u>(44,780)</u></u>
Cash flows from financing activities			
Proceeds from bank borrowings	20,000	–	–
Repayments of bank borrowings	(20,000)	–	–
Interest paid	(145)	–	–
Repayments of principal portion of lease liabilities	(787)	(21)	(32)
Repayments of interest portion of lease liabilities	(9)	(1)	(1)
Dividend paid	(20,000)	–	–
Payments for [REDACTED] expenses	–	–	(3,851)
	<u> </u>	<u> </u>	<u> </u>
<i>Net cash used in financing activities</i>	<u><u>(20,941)</u></u>	<u><u>(22)</u></u>	<u><u>(3,884)</u></u>
Net decrease in cash and cash equivalents	(221,365)	(14,506)	(44,219)
Cash and cash equivalents at the beginning of the year	403,836	182,287	168,470
Exchange differences on translating cash flows of foreign operations	(184)	689	166
	<u> </u>	<u> </u>	<u> </u>
Cash and cash equivalents at the end of the year	<u><u>182,287</u></u>	<u><u>168,470</u></u>	<u><u>124,417</u></u>

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NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

Tianju Dihe (Suzhou) Technology Co., Ltd. (the “**Company**”) is a limited liability company incorporated in the People’s Republic of China (the “**PRC**”) on February 25, 2010. The registered office address and the principal place of business of the Company is located at 16/F, No. 9 Rongfu Street, Suzhou Industrial Park, Suzhou, Jiangsu Province, PRC.

The Company and its subsidiaries (collectively referred as the “**Group**”) are principally engaged in the provision of application programming interfaces (“**API**”) marketplace and data management solutions in the PRC.

Mr. Zuo Lei is the largest shareholder of the Company.

Particulars of the Company’s subsidiaries at the date of this report are as follows:

Name of subsidiaries	Notes	Date and place of incorporation/ establishment	Place of operation	Issued and fully paid capital/ registered capital	Percentage of equity attributable to the Company		Principal activities
					Direct	Indirect	
Suzhou Tianju Renhe Technology Co., Ltd. (“ Tianju Renhe ”)* (蘇州天聚人合科技有限公司) (formerly known as 珠海阿里淘卡網絡技術有限公司)	1	September 7, 2009, the PRC	The PRC	Registered capital of RMB10,000,000	100.00%	–	Software and information technology service
Beijing Juli Wanhe Management Consulting Co., Ltd.* (北京聚力萬合管理諮詢有限公司)	2	April 22, 2015, the PRC	The PRC	Registered capital of RMB50,000	100.00%	–	Software and information technology service
Juhe Data HK Limited	3	January 7, 2016, Hong Kong	Hong Kong	Issued and fully paid up capital of USD1,000,000	100.00%	–	Investment holding
Beijing Sidike Technology Co., Ltd.* (北京斯蒂克科技有限公司)	2	January 8, 2015, the PRC	The PRC	Registered capital of RMB1,111,100	85.50%	–	Technology promotion and application service
Suzhou Zhonghui Juhe Information Technology Co., Ltd.* (“ Zhonghui Juhe ”) (蘇州眾匯聚合信息科技有限公司)	2	November 16, 2016, the PRC	The PRC	Registered capital of RMB5,000,000	60.00%	–	Software and information technology service
Wuhan Jushunhe Technology Co., Ltd.* (武漢聚順合科技有限公司)	2	August 9, 2021, the PRC	The PRC	Registered capital of RMB3,000,000	51.00%	–	Technology promotion and application service
Suzhou Tianju Daohe Technology Co., Ltd.*# (蘇州天聚道合科技有限公司)	2	December 12, 2019, the PRC	The PRC	Registered capital of RMB5,000,000	–	–	Software and information technology service

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Name of subsidiaries	Notes	Date and place of incorporation/ establishment	Place of operation	Issued and fully paid capital/ registered capital	Percentage of equity attributable to the Company		Principal activities
					Direct	Indirect	
Suzhou Tianju Xinghe Technology Co., Ltd.* (“ Tianju Xinghe ”) (蘇州天聚星合科技有限公司)	2	December 3, 2019, the PRC	The PRC	Registered capital of RMB5,000,000	–	100%	Software and information technology service

- (1) No statutory financial statements have been prepared for this entity for the years ended December 31, 2021, 2022 and 2023 as there were no statutory requirement for preparing statutory financial statements.
- (2) No statutory financial statements have been prepared for these entities since incorporation, as these entities were not subject to any statutory audit requirement under the relevant rules and regulations in their jurisdictions of incorporation.
- (3) The statutory financial statements of this subsidiary for the years ended December 31, 2021, 2022 and 2023 prepared under Hong Kong Small and Medium-sized Entity Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants were audited by Raymond C W Tam & Co., certified public accountants registered in Hong Kong.
- (4) None of the subsidiaries had issued any debt securities for each of the years ended December 31, 2021, 2022 and 2023 (the “**Track Record Period**”).

* The English translation of terms or names in Chinese which are marked with “*” is for identification purposes only. In the event of any inconsistency, the Chinese terms or names shall prevail.

Suzhou Tianju Daohe Technology Co., Ltd. was dissolved due to cessation of business on April 17, 2023.

For the purpose of the Historical Financial Information of this report, the directors of the Company have prepared the Underlying Financial Statements in accordance with the basis of preparation set out in Note 2 below and accounting policies set out in Note 4 below which conform with IFRS Accounting Standards (“**IFRSs**”) issued by International Accounting Standards Board (the “**IASB**”).

The Historical Financial Information has been prepared from the Underlying Financial Statements, with no adjustments made thereon.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The Historical Financial Information has been prepared based on accounting policies set out in Note 4 which confirm with IFRSs, which includes, IFRSs, International Accounting Standard (“**IAS**”) and the related interpretations issued by the IASB. In addition, the Historical Financial Information includes applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of the Hong Kong Limited (the “**Stock Exchange**”) and by the Hong Kong Companies Ordinance.

For the purpose of preparing and presenting the Historical Financial Information, all relevant standards, amendments and interpretations to the IFRSs that are effective during the Track Record Period have been adopted by the Group consistently throughout the Track Record Period.

The preparation of the Historical Financial Information in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are disclosed in Note 5 below.

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2.2 Basis of measurement

The Historical Financial Information has been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values as explained in the material accounting policies set out below.

2.3 Functional and presentation currency

The Historical Financial Information is presented in Renminbi (“RMB”), which is the same as the functional currency of the Company.

3. NEW AND REVISED IFRSs ISSUED BUT NOT YET EFFECTIVE

The following new and revised IFRSs, potentially relevant to the Historical Financial Information, have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to IAS 1	Classification of Liabilities as Current or Non-current ¹
Amendments to IAS 1	Non-current Liabilities with Covenants ¹
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements ¹
Amendments to IAS 21	Lack of Exchangeability ²
Amendments to IFRS 16	Leases Liability in a Sale and Leaseback ¹
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
IFRS 18	Presentation and Disclosure in Financial Statements ⁴
IFRS 19	Subsidiaries without Public Accountability: Disclosures ⁴
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵

- 1 Effective for annual periods beginning on or after January 1, 2024
- 2 Effective for annual periods beginning on or after January 1, 2025
- 3 Effective for annual periods beginning on or after January 1, 2026
- 4 Effective for annual periods beginning on or after January 1, 2027
- 5 No mandatory effective date yet determined but available for adoption

The directors of the Company do not anticipate that the adoption of the new and revised IFRSs in future periods will have any material impact on the Historical Financial Information in future periods.

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 Basis of consolidation

The Historical Financial Information incorporates the financial statements of the Company and entities controlled by the Company (its subsidiaries) comprising the Group for the Track Record Period.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies.

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All intra-group transactions, balances and unrealized gains on transactions have been eliminated in full on consolidation. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Adjustments are made to the financial statements of subsidiaries where necessary to ensure consistency with the policies adopted by the Group.

4.2 Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statements of financial position, investment in a subsidiary is stated at cost less impairment loss, if any. The results of subsidiary are accounted for by the Company on the basis of dividend received and receivable.

4.3 Revenue recognition

Revenue from contracts with customers is recognized when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognized over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognized at a point in time when the customer obtains control of the goods or service.

Contracts with customers may include multiple performance obligations. For such arrangements, the Group allocates revenue to each performance obligation based on its relative standalone selling price. The Group generally determines standalone selling prices based on the prices charged to customers. If the standalone selling price is not directly observable, it is estimated using expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognized under that contract includes the interest expense accreted on the contract liability under the effective interest method. For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

(i) *API marketplace*

Revenue from the service provided to customers includes query, short messaging service ("SMS") notice and top-up. Revenue is recognized at point in time when relevant services are fulfilled. For contracts that are charged based on usage and unit price, the Group recognizes revenue based on the actual usage and agreed unit price of the current period. For sales contracts with fixed contract periods, the Group recognizes revenue over time on a periodic basis during the contract period, based on the total contract amount.

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(ii) Data management solutions

The Group provides an array of data management solutions for government and corporate organizations to enable them to systematically and securely digitize, manage, share and derive insights from data within and across organizations. Revenue is recognized at a point in time when the software platform and related services are delivered to and accepted by the customer. The Group also provides related maintenance and upgrade services for a specific period after sale as stipulated in the same contract. These maintenance and upgrade services are provided to maintain and improve the effectiveness of the software and therefore are accounted for as a separate performance obligation. Revenue from provision of maintenance and upgrade services is recognized over the service period.

(iii) Principal versus agent consideration in revenue recognition

The determination of whether revenue shall be reported on a gross or net basis is based on an assessment of whether the Group is acting as the principal or an agent in the transactions. If the Group provides significant integration service to the hardware and is responsible for the overall management of the contract, the Group is the principal in the transaction and recognizes revenue in the gross amount of consideration to which it is entitled from the customer. The Group reports the amount received from the customers and the amounts paid to the suppliers related to these transactions on a net basis if the Group is not primarily obligated in a transaction, does not generally bear the inventory risk and does not have the ability to establish the price.

(iv) Contract assets and contract liabilities

A contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer that is not yet unconditional. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due. Contract asset is recognized when the customers retain retention money to secure the due performance of the contracts. Contract assets are assessed for expected credit losses ("ECLs") in accordance with the policy set out in Note 4.10(b). Loss allowance for contract assets is measured at an amount equal to lifetime ECLs. ECLs on contract assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the customers and an assessment of both the current and forecast general economic conditions at the reporting date. Any amount previously recognized as a contract asset is reclassified to trade receivables at the point at which the milestones are reached. If the considerations (including advances received from customers) exceed the revenue recognized to date, then the Group recognizes a contract liability for the difference.

A contract liability represents the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to a contract are accounted for and presented on a net basis.

(v) Contract costs

The Group recognizes an asset from the costs incurred to fulfill a contract when those costs meet all of the following criteria:

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

The asset recognized is subsequently amortized to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the cost relate. The asset is subject to impairment review.

(vi) Other income

Interest income is accrued on a time basis on the principal outstanding at the applicable interest rate.

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4.4 Property, plant and equipment

Property, plant and equipment, other than construction-in-progress, are stated at cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other costs such as repairs and maintenance are recognized as an expense in profit or loss during the financial period in which they are incurred.

Property, plant and equipment are depreciated so as to write off their costs net of estimated residual values over their estimated useful lives on straight-line method. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Leasehold land	Over the lease term
Buildings	20-30 years
Leasehold improvements	Over shorter of lease term or 5-10 years
Motor vehicles	4 years
Furniture, fixtures and office equipment	3-10 years
Other properties leased for own use	Over the lease term

Construction-in-progress is stated at cost less any impairment losses. Cost comprises direct costs of construction as well as borrowing costs capitalized during the periods of construction and installation. Capitalization of these costs ceases and the construction in progress is transferred to the appropriate classes of property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognized in profit or loss on disposal.

4.5 Inventories

Inventories are referred to purchased hardware and components and contract fulfillment cost. Inventories are stated at the lower of cost and net realizable value. Cost is determined on weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

4.6 Leases

All leases are required to be capitalized in the consolidated statements of financial position/statements of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalize (i) leases for which the underlying asset is of low-value; and/or (ii) leases which are short-term leases. The Group has elected not to recognize right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term of 12 months or less and do not contain purchase option. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

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Accounting as a lessee

Right-of-use asset

The right-of-use asset is recognized at cost and comprises: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated over the shorter of its estimated useful life and the lease term on a straight-line basis. The right-of-use assets are presented within the same line item of property, plant and equipment.

4.7 Intangible assets and research and development costs

Intangible assets

Intangible assets acquired separately are initially recognized at cost. Subsequently, intangible assets with indefinite useful lives are carried at cost less any accumulated impairment losses. Intangible assets with finite useful lives are carried at cost less accumulated amortization and accumulated impairment losses.

The amortization expense is recognized in profit or loss. The useful lives and amortization method are reviewed, and adjusted if appropriate, at the end of each reporting period. Amortization is provided on a straight-line basis over their useful lives as follows:

Patents	10-20 years
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Intangible assets are tested for impairment as described in Note 4.8.

Research and development costs

Costs associated with research activities are expensed in profit or loss as they occur. Costs that directly attributable to the development activities are recognized as intangible assets provided they meet the following recognition requirements:

- (i) demonstration of technical feasibilities of the prospective product internal use or sale;
- (ii) sufficient technical, financial and other resources are available for completion;
- (iii) there is intention to complete the intangible asset and use or sell it;
- (iv) the Group's ability to use or sell the intangible asset is demonstrated;
- (v) the intangible asset will generate probable economic benefits through internal use or sale; and
- (vi) the expenditure attributable to the intangible asset can be reliably measured.

Capitalized development costs are amortized over the periods the Group expects to benefit from using or selling the products developed.

Development expenditure not satisfying the above criteria and expenditure on the research phase of internal projects are expensed as incurred.

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4.8 Impairment of assets (other than financial assets)

At the end of each reporting period, the Group reviews the carrying amounts of the following assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognized no longer exists or may have decreased:

- Property, plant and equipment, including right-of-use assets;
- Investments in subsidiaries; and
- Intangible assets.

Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (ie. cash generating units ("CGUs")). As a result, some assets are tested individually for impairment and some are tested at CGU level. Corporate assets are allocated to individual CGUs when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value-in-use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense immediately, unless the relevant asset is carried at a revalued amount under another IFRS, in which case the impairment loss is treated as a revaluation decrease under that IFRS.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. In respect of assets other than goodwill, reversal of an impairment loss is recognized in profit or loss immediately, unless the relevant asset is carried at a revalued amount under another IFRS, in which case the reversal of the impairment loss is treated as a revaluation increase under that IFRS. An impairment loss in respect of goodwill is not reversed.

Value-in-use is based on the estimated future cash flows expected to be derived from the asset or CGU, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

4.9 Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term deposits as well as short term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

4.10 Financial instruments

(a) *Financial assets*

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognized immediately in profit or loss.

All regular way purchases and sales of financial assets are recognized on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Financial assets at amortized cost are subsequently measured using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain on derecognition is recognized in profit or loss.

FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

FVTPL: Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at FVOCI are measured at fair value. Dividend income are recognized in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognized in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognized in profit or loss.

(b) *Impairment loss on financial assets*

The Group recognizes loss allowances for ECL on trade receivables, contract assets and financial assets measured at amortized cost. The ECLs are measured on either of the following bases: (1) 12-months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group measures loss allowances for trade receivables and contract assets using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs individually or collectively using a provision matrix with appropriate groupings. Provision matrix are based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For other debt financial assets, the ECLs are based on the 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

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

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to action such as realizing security (if any is held); or the financial asset is more than 90 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

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

- significant financial difficulty of the issuer or the borrower;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- a breach of contract, such as a default or past due event.

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

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

Interest income on credit-impaired financial assets is calculated based on the amortized cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets, interest income is calculated based on the gross carrying amount.

(c) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at amortized cost are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortized cost

Financial liabilities at amortized cost including trade payables and other payables and accruals are initially recognized at fair value, net of transaction costs incurred, and subsequently measured at amortized cost, using the effective interest method. The related interest expense is recognized in profit or loss.

Gains or losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process.

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Repurchase liabilities

A contract that creates a contractual obligation to purchase the Company’s own equity instruments for cash or another financial asset and the issuer does not have the unconditional ability to avoid payment gives rise to a financial liability. The liability is accounted for at the present value of the redemption amount, even if the Group’s obligations to purchase is conditional on the counterparty exercising a right to redeem. The contract itself is an equity instrument and/or the exercise price is variable. Subsequently, changes in the measurement of the gross obligation due to the unwinding of the discount are recognized in profit or loss.

If the contract expires without delivery, the carrying amount of the repurchase liability is reclassified to equity. The Group derecognizes the repurchase liabilities when, and only when, the Group’s obligations are discharged, cancelled or have expired.

(d) Effective interest method

Effective interest method is a method of calculating the amortized cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. Effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(e) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(f) Derecognition

The Group derecognizes a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with IFRS 9.

Financial liabilities are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires.

4.11 Foreign currency translation

Transactions entered into by the group entities in currencies other than their functional currency are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognized in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognized in other comprehensive income, in which case, the exchange differences are also recognized in other comprehensive income.

On consolidation, income and expense items of foreign operations are translated into RMB at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the rates ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of each reporting period. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity as translation reserve. Exchange differences recognized in profit or loss of group entities’ separate financial statements on the translation of long-term monetary items forming part of the Group’s net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as translation reserve.

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4.12 Income tax

Income taxes for the period comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of each reporting period. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income tax.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realized or settled and that have been enacted or substantively enacted at the end of each reporting period, and reflects any uncertainty related to income taxes.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income tax levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

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

Income taxes are recognized in profit or loss, except when they relate to items recognized in other comprehensive income or directly in equity in which case the taxes are also recognized in other comprehensive income or when they relate to items recognized directly in equity in which case the taxes are also recognized directly in equity.

4.13 Employee benefits

(a) *Defined contribution retirement plan*

Pursuant to the relevant regulations of the PRC government, the Group participates in a central pension scheme operated by the local municipal government, whereby the Group is required to contribute a certain percentage of the basic salaries of its employees to the scheme to fund their retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of the Group. The only obligation of the Group with respect to the scheme is to pay the ongoing required contributions under the scheme. Contributions under the scheme are charged to profit or loss as incurred. There are no provisions under the scheme whereby forfeited contributions may be used to reduce future contributions.

(b) *Short-term employee benefits*

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of each annual reporting period in which the employees render the related service. Short-term employee benefits are recognized in the period when the employees render the related service.

(c) *Termination benefits*

Termination benefits are recognized on the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes restructuring costs involving the payment of termination benefits.

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4.14 Provisions and contingent liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

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

4.15 Borrowings costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalized as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Income earned on temporary investments of specific borrowings pending their expenditure on qualifying assets is deducted from borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

4.16 Government grants

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

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

4.17 Share-based payments

The shareholder of the Company operates equity-settled share-based compensation plans and the shares are awarded to employees and directors providing services to the Group.

All services received in exchange for the grant of any share-based compensation are measured at their fair value. These are indirectly determined by reference to the equity instruments awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions.

All share-based compensation is recognized as an expense in profit or loss over the vesting period if vesting conditions apply, or recognized as an expense in full at the grant date when the equity instruments granted vest immediately unless the compensation qualifies for recognition as an asset, with a corresponding increase in the capital reserve in equity. If vesting conditions apply, the expense is recognized over the vesting period, based on the best available estimate of the number of equity instruments expected to vest. Non-market vesting conditions are included in assumptions about the number of equity instruments that are expected to vest. Estimates are subsequently revised, if there is any indication that the number of equity instruments expected to vest differs from previous estimates.

At the time when shares granted are vested, the amount previously recognised in capital reserve will be transferred to share premium.

4.18 Related parties

For the purposes of the Historical Financial Information, a party is considered to be related to the Group if:

- (a) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of key management personnel of the Group or the Company's parent.

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- (b) An entity is related to the Group if any of the following conditions apply:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or the Company's parent.

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

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

5. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 4, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates, judgments and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized 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 revision affects both current and future periods.

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

Fair value measurement of financial instruments

The Group's unlisted equity instruments and unlisted debt security are measured at fair values based on the valuation performed by an independent professional valuer with fair values being determined based on significant unobservable inputs using valuation techniques. Judgment and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could result in material adjustments to the fair values of these instruments. Further disclosures are set out in Note 20 and 25.

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Impairment of financial and contract assets

The measurement of the ECLs allowance for financial assets measured at amortized cost and contract assets is an area that requires the use of significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). A number of significant judgments, including determining the criteria for significant increase in credit risk, are also required in applying the accounting requirements for measuring ECLs. Details about the judgments and assumptions used in measuring ECLs is set out in Note 4.10(b) and Note 39(b) to the Historical Financial Information. Changes to these estimates and assumptions can result in significant changes to the timing and amount of ECLs to be recognized.

Income taxes and deferred taxes

There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

The Group recognizes deferred tax assets based on estimates that is probable to generate sufficient taxable profits in the foreseeable future against which the deductible losses will be utilized. The recognition of deferred tax assets mainly involves management's judgments and estimations about the timing and the amount of taxable profits of the group entities which have tax losses.

Principal versus agent consideration in revenue recognition

Under IFRS 15, whether revenue should be recognized on gross or net basis depends on whether the entity is acting as a principal or an agent in the transaction. The principal is the entity that controls the goods or services before they are transferred to the customer, whereas the agent facilitates the transfer of goods or services between the customer and the principal.

If the entity has control over the goods or services before they are transferred to the customer, whilst indicators include having the discretion to establishes the price, bearing inventory risk, and being primarily responsible for fulfilling the performance obligation to the customer, then it is acting as a principal and should recognize revenue on a gross basis. The aforesaid indicators cannot individually conclude whether the entity is acting as a principal or agent in the transaction, but the assessment will be based on several indicators taken as a whole.

If the entity is an agent, instead of a principal, it should recognize revenue on a net basis, which means that the amount recognized as revenue is the commission or fee earned by the entity for facilitating the transfer of goods or services between the customer and the principal.

API marketplace – Query and SMS notice

For the Group's query and SMS notice services, the Group has entered into contractual agreements with its customers to provide them with relevant query information and SMS services, and customers view the Group as the party primarily responsible for fulfilling the performance obligation.

The Group provides value-added services to its customers through its APIs, going beyond the role of a mere intermediary to facilitate the transmission of information between suppliers and customers. The customers obtain from the Group the requested query information and SMS services in accordance with their requirements. From the customers' point of view, it is the Group that provides value-added service on these query information and SMS notification services which meet their needs through suppliers selected by the Group from a customer approved supplier list and the customers do not know which supplier is finally deployed; and the customers consider the Group to be primarily responsible for fulfilling the performance obligation. In addition:

- The Group retains sole discretion to establish the price for the query information and SMS services provided to the customers. The Group is required to pay the suppliers a fixed price for each service used, which is not affected by the price paid by the Group's customers. This discretion to establish prices demonstrates the Group's ability to obtain substantially all of the remaining benefits from the Query/SMS notice services, in contrast to an agent who normally charges a commission or fee as a percentage of the customer's paid price.

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- The Group does not bear any inventory risks related to the Query/SMS notice services. The Group only requests the services from the supplier upon receiving a customer's request for Query and SMS notice services. The Group does not commit to paying the supplier for the services until the request from the customer is received, sent to the supplier, and the result is obtained.
- During the course of providing the services, the Group may source information requested or SMS services required by the customers from multiple suppliers via the API marketplace, and the Group has discretion in selecting suppliers from a customer approved supplier list that meet the customer's needs to provide the requested query information and SMS services.

Therefore, the Group is acting as a principal for query and SMS notice services even though it does not bear inventory risk considering the nature of the query and SMS services, and relevant revenue should be recognized on gross basis, i.e., the selling prices of the service.

API marketplace – Top-up

For the top-up service, the Group's performance obligation is to arrange for the provision of the top-up service requested by the end-user through the Group's customers to the relevant telecommunication operators. Although the top-up request is made through the Group's API, to fulfill its performance obligation, the Group only has to pass the request order to the supplier, and the primary responsibility for successful top-up rests with the telecommunication operators for crediting the relevant top-up value to the end users. The Group only facilitates the transmission of this top-up request with limited involvement in the top-up request process with the customer's designated telecommunication operators. In addition:

- The revenue earned from top-up service is based on agreed fees, which are calculated as a percentage of the total top-up face value and the amount of the fee earned is low. The Group does not have the sole discretion to establish prices and the Group only earns a narrow margin instead of obtaining substantially all of the remaining benefits from the top-up service. This is consistent with the definition of revenue earned by an agent under IFRS 15, which is a commission or fee earned for facilitating a transaction between two parties.
- The Group does not bear any inventory risks related to top-up service being provided to the customer. As an intermediary facilitating the transmission of this top-up request between the customer and the supplier, the Group does not commit to pay the supplier for the services until it has received a request from the customer and sent the corresponding request to the supplier. The Group does not hold any inventory for top-up services.
- The Group does not have discretion on selecting ultimate suppliers for customers. For example, the Group can only choose China Mobile for a China Mobile user's top up; thus the Group is an agent between China Mobile and the customer.

Therefore, the Group is acting as an agent for the top-up service, and relevant revenue should be recognized on net basis, i.e. the selling price of the service less the cost of purchase from the service provider.

6. SEGMENT INFORMATION

(a) Operating segment information

The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to the directors of the Company, being chief operating decision maker, for their decisions about resources allocation to the Group's business components and for their review of these components' performance.

During the Track Record Period, the Group is principally engaged in the provision of API marketplace services and data management solutions in the PRC. Information reported to the directors of the Company for the purpose of resources allocation and performance assessment focuses on the operating results of the business. Therefore, the chief operating decision maker of the Company regards that there is only one operating segment which is used to make strategic decisions. No other discrete financial information is provided other than the Group's results and financial position as a whole. Accordingly, only entity-wide disclosures, major customers and geographical information are presented.

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(b) Geographical information

The Group is domiciled in the PRC, which is the location of the Group’s principal office. The Group’s revenues from external customers are divided into the following geographical area:

	Year ended December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
The PRC	260,011	328,936	441,083

The Group’s revenue information above is based on the delivery destinations of the Group’s products and services requested by the customers. The geographical location of non-current assets is based on the physical location of the assets. As of December 31, 2021, 2022 and 2023, all of the Group’s non-current assets were located in the PRC.

(c) Information about major customers

Revenue from major customers, each of them accounting for 10% or more of the Group’s revenue for each of the years during the Track Record Period, is set out below:

	Year ended December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Customer A	N/A*	40,890	70,575
Customer B	30,432	N/A*	N/A*
Customer C	26,397	N/A*	N/A*
Customer D	27,646	N/A*	62,276
Customer E	N/A*	N/A*	88,624

* The corresponding revenue is not disclosed as it did not contribute over 10% of the total revenue of the Group during that year.

7. REVENUE

Revenue represents the revenue from API marketplace and data management solutions.

	Year ended December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Revenue from API marketplace			
Query	124,467	145,279	271,356
SMS notice	57,883	70,627	64,543
Top-up	12,370	7,626	6,170
	194,720	223,532	342,069
Revenue from data management solutions	65,291	105,404	99,014
	260,011	328,936	441,083

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	Year ended December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Timing of revenue recognition under IFRS 15			
At a point in time	259,256	326,440	430,827
Over time	755	2,496	10,256
	<u>260,011</u>	<u>328,936</u>	<u>441,083</u>

All contracts are for periods of one year or less or are billed based on time incurred. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers.

	As of	As of December 31,		
	January,	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Trade receivables <i>(Note 21)</i>	63,087	91,203	123,973	175,077
Contract assets <i>(Note 23(a))</i>	44	1,117	3,994	1,865
Contract liabilities <i>(Note 23(b))</i>	<u>59,875</u>	<u>51,440</u>	<u>29,692</u>	<u>29,802</u>

8. OTHER INCOME AND OTHER GAINS, NET

	Year ended December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Bank interest income	1,922	1,356	2,469
Fair value gain/(loss) on financial assets at FVTPL <i>(Note 25)</i>	7,316	3,384	(460)
Government grants <i>(Note)</i>	7,419	5,557	8,437
Dividend income	15	234	–
(Loss)/gain on disposal/ written off of property, plant and equipment	(51)	10	(8)
Others	282	478	266
	<u>16,903</u>	<u>11,019</u>	<u>10,704</u>

Note: Government grants mainly comprised of subsidies received/receivable for subsidising the Group’s business. There was no unfulfilled condition to receive government grants at the end of each reporting period.

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9. FINANCE COSTS

	Year ended December 31,		
	2021 RMB’000	2022 RMB’000	2023 RMB’000
Interest on lease liabilities	9	1	1
Interest on bank borrowings	145	–	–
Interest on repurchase liabilities (Note 41)	–	–	1,013
	<u>154</u>	<u>1</u>	<u>1,014</u>

10. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting) the followings:

	Year ended December 31,		
	2021 RMB’000	2022 RMB’000	2023 RMB’000
Cost of inventories recognized as expenses	35,413	68,972	71,277
Auditors’ remuneration	91	62	83
Depreciation of property, plant and equipment (Note 15)	4,128	11,094	12,014
– Less: depreciation capitalized to contract costs and inventories	(66)	(120)	(336)
	<u>4,062</u>	<u>10,974</u>	<u>11,678</u>
Amortization of intangible assets (Note 17)	9	9	9
Professional fees (included in administrative and other expenses) (Note)	5,184	8,380	95
[REDACTED] expenses	–	–	22,354
Short-term lease expenses	215	237	10
Expenses relating to leases of low-value assets	13	2	3
Employee costs (including directors’ emoluments (Note 14)):			
– Salaries and wages	33,101	49,068	48,793
– Retirement scheme contributions	6,481	8,631	9,628
	<u>39,582</u>	<u>57,699</u>	<u>58,421</u>
Equity-settled share-based payments (Note 36)	400	435	442
Impairment loss on financial and contract assets, net (Note 39(b)):			
– Trade receivables	437	1,775	10,032
– Contract assets	6	20	(19)
– Deposits and other receivables	(25)	(727)	(98)
	<u>418</u>	<u>1,068</u>	<u>9,915</u>

Note: Professional fees include expenses related to previous listing exercise attempt.

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11. INCOME TAX (EXPENSE)/CREDIT

	Year ended December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Current year – PRC Enterprise Income Tax	(7,116)	(3,704)	(4,363)
Deferred tax (<i>Note 18</i>)	(347)	232	1,649
	<u>(7,463)</u>	<u>(3,472)</u>	<u>(2,714)</u>

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

Pursuant to the income tax rules and regulations of the PRC, the provision for PRC income tax of the group entities is calculated based on the statutory tax rate of 25% during the Track Record Period, except for (a) the Company which is registered as a High and New-Tech Enterprise pursuant to the PRC tax regulations and entitled to a preferential tax rate of 15% for the years ended December 31, 2021, 2022 and 2023; (b) Tianju Renhe which is registered as a High and New-Tech Enterprise pursuant to the PRC tax regulations and entitled to a preferential tax rate of 15% for the years ended December 31, 2021, 2022 and 2023; (c) Tianju Xinghe which is registered as a qualified Micro and Small Enterprise pursuant to the PRC tax regulations and entitled to a preferential tax rate of 2.5%, 2.5% and 5% for the years ended December 31, 2021, 2022 and 2023; and (d) Zhonghui Juhe which is registered as a qualified Micro and Small Enterprise pursuant to the PRC tax regulations and entitled to a preferential tax rate of 2.5%, 2.5% and 5% for the years ended December 31, 2021, 2022 and 2023.

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

	Year ended December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Profit before tax	<u>53,429</u>	<u>44,756</u>	<u>37,775</u>
Tax calculated at applicable tax rates	13,129	11,433	9,458
Tax effect of expenses not deductible for tax purpose	200	274	462
Tax effect of tax exemption and incentive granted	(5,092)	(4,829)	(3,862)
Tax incentives for research and development costs	(1,792)	(2,967)	(2,976)
Effect of opening deferred tax of change in tax rate	532	–	(18)
Utilization of tax losses previously not recognized	–	(443)	(354)
Tax effect of deductible temporary difference and deductible tax loss for which no deferred tax asset was recognized	<u>486</u>	<u>4</u>	<u>4</u>
Income tax expense	<u>7,463</u>	<u>3,472</u>	<u>2,714</u>

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12. DIVIDENDS

The final dividend for the year ended December 31, 2020 of RMB0.44 per ordinary share, in an aggregate amount of RMB20,000,000 was approved and paid during the year ended December 31, 2021, respectively.

No dividend has been declared during the years ended December 31, 2022 and 2023.

13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Year ended December 31,		
	2021	2022	2023
Earnings for the purpose of basic and diluted earnings per share (RMB’000)	46,011	41,249	34,751
Number of shares			
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	45,300,000	45,300,000	45,300,000

Diluted earnings per share are the same as the basic earnings per share as the Company had no dilutive potential ordinary shares in existence for the years ended December 31, 2021 and 2022. For the year ended December 31, 2023, the potential ordinary shares, i.e. shares with repurchase liabilities, were not included in the calculation of diluted earnings per share as their inclusion would be anti-dilutive.

14. DIRECTORS’ AND SUPERVISORS’ EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

(a) Directors’ and supervisors’ emoluments

Details of directors’ and supervisors’ remuneration during the Track Record Period are as follows:

	Fees	Salaries	Allowance and other benefits	Discretionary bonus	Retirement scheme contributions	Equity-settled share-based payments	Total
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Year ended December 31, 2021							
<i>Executive directors</i>							
Mr. Zuo Lei	–	480	–	–	65	–	545
Mr. Wang Haojin	–	240	–	–	60	70	370
Mr. Lin Shan	–	156	–	–	40	–	196
Ms. Yang Yanjun	–	500	–	18	64	60	642
	–	1,376	–	18	229	130	1,753
<i>Non-executive directors</i>							
Mr. Qiu Jianqiang	–	–	–	–	–	–	–
Mr. Ren Chengyuan (Note ii)	–	–	–	–	–	–	–
Mr. Wu Xuejun (Note i)	–	–	–	–	–	–	–
	–	–	–	–	–	–	–

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	Fees RMB'000	Salaries RMB'000	Allowance and other benefits RMB'000	Discretionary bonus RMB'000	Retirement scheme contributions RMB'000	Equity- settled share-based payments RMB'000	Total RMB'000
<i>Independent non-executive directors</i>							
Mr. Huang Xuexian	-	-	80	-	-	-	80
Mr. Chen Xinhe	-	-	80	-	-	-	80
Mr. Zhang Weining (Note iii)	-	-	20	-	-	-	20
Ms. Xing Yan (Note iv)	-	-	42	-	-	-	42
	-	-	222	-	-	-	222
<i>Supervisors</i>							
Ms. Ji Shilin	-	263	-	29	39	-	331
Mr. Yu Gang	-	-	-	-	-	-	-
Ms. Ren Yuan	-	-	-	-	-	-	-
	-	263	-	29	39	-	331
Year ended December 31, 2022							
<i>Executive directors</i>							
Mr. Zuo Lei	-	480	-	-	78	-	558
Mr. Wang Haojin	-	241	-	-	68	70	379
Mr. Lin Shan	-	157	-	-	44	-	201
Ms. Yang Yanjun	-	479	-	20	78	60	637
	-	1,357	-	20	268	130	1,775
<i>Non-executive directors</i>							
Mr. Qiu Jianqiang	-	-	-	-	-	-	-
Mr. Ren Chengyuan	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<i>Independent non-executive directors</i>							
Mr. Huang Xuexian	-	-	80	-	-	-	80
Mr. Chen Xinhe	-	-	80	-	-	-	80
Ms. Xing Yan	-	-	80	-	-	-	80
	-	-	240	-	-	-	240

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	Fees RMB'000	Salaries RMB'000	Allowance and other benefits RMB'000	Discretionary bonus RMB'000	Retirement scheme contributions RMB'000	Equity- settled share-based payments RMB'000	Total RMB'000
<i>Supervisors</i>							
Ms. Ji Shilin	-	361	-	27	69	-	457
Mr. Yu Gang	-	-	-	-	-	-	-
Ms. Ren Yuan	-	-	-	-	-	-	-
	-	361	-	27	69	-	457

	Fees RMB'000	Salaries RMB'000	Allowance and other benefits RMB'000	Discretionary bonus RMB'000	Retirement scheme contributions RMB'000	Equity- settled share-based payments RMB'000	Total RMB'000
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Year ended December 31, 2023

Executive directors

Mr. Zuo Lei	-	480	-	-	81	-	561
Mr. Wang Haojin	-	240	-	-	69	70	379
Mr. Lin Shan	-	156	-	-	45	-	201
Ms. Yang Yanjun	-	480	-	20	81	60	641
	-	1,356	-	20	276	130	1,782

Non-executive directors

Mr. Qiu Jianqiang	-	-	-	-	-	-	-
Mr. Ren Chengyuan (Note ii)	-	-	-	-	-	-	-
Mr. Gao Yuan (Note viii)	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

Independent non-executive directors

Mr. Huang Xuexian	-	-	80	-	-	-	80
Mr. Chen Xinhe	-	-	80	-	-	-	80
Ms. Xing Yan (Note iv)	-	-	30	-	-	-	30
Mr. Li Shun Fai (Note iv & v)	-	-	69	-	-	-	69
	-	-	259	-	-	-	259

Supervisors

Ms. Ji Shilin (Note vi)	-	145	-	-	23	-	168
Mr. Yu Gang	-	-	-	-	-	-	-
Ms. Ren Yuan	-	-	-	-	-	-	-
Mr. Gao Qi (Note vii)	-	239	-	27	54	-	320
	-	384	-	27	77	-	488

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Notes:

- (i) Mr. Wu Xuejun resigned as a non-executive director of the Company on March 31, 2021.
- (ii) Mr. Ren Chengyuan was appointed as a non-executive director of the Company on June 22, 2021 and resigned on July 18, 2023.
- (iii) Mr. Zhang Weining resigned as an independent non-executive director of the Company on May 31, 2021.
- (iv) Ms. Xing Yan was appointed as an independent non-executive director of the Company on June 22, 2021 and proposed resignation on April 27, 2023. She performed her duty until a replacement from the new independent non-executive director, Mr. Li Shun Fai, on May 18, 2023.
- (v) Mr. Li Shun Fai was appointed as an independent non-executive director of the Company on May 18, 2023.
- (vi) Ms. Ji Shilin resigned as a supervisor of the Company on April 27, 2023.
- (vii) Mr. Gao Qi was appointed as a supervisor of the Company on April 27, 2023.
- (viii) Mr. Gao Yuan was appointed as a non-executive director of the Company on July 24, 2023.
- (ix) No emoluments were paid by the Group to any directors or supervisors as an inducement to join or upon joining the Group or as compensation for loss or termination of their office during the Track Record Period.
- (x) The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Group and the Company. The non-executive directors and the independent non-executive directors' emoluments shown above were for their services as directors of the Company.

(b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, included two, one, and nil directors or supervisors of the Company for each of the years ended December 31, 2021, 2022 and 2023 respectively, whose emoluments are disclosed above. The emoluments of the remaining three, four and five individuals for each of the years ended December 31, 2021, 2022 and 2023 respectively are analyzed below:

	Year ended December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Salaries	1,602	2,273	2,887
Allowance and other benefits	–	–	–
Discretionary bonuses	180	382	267
Retirement scheme contributions	251	313	411
Equity-settled share-based payments	110	170	170
	<u>2,143</u>	<u>3,138</u>	<u>3,735</u>

The number of the highest paid non-director individuals fell within the following emolument bands:

	Year ended December 31,		
	2021	2022	2023
	<i>No. of individuals</i>	<i>No. of individuals</i>	<i>No. of individuals</i>
Nil to HK\$1,000,000	3	3	5
HK\$1,000,001 to HK\$1,500,000	–	1	–
	<u>3</u>	<u>4</u>	<u>5</u>

During the Track Record Period, no emoluments were paid by the Group to any director or supervisor or any of the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office. There were no arrangements under which a director or supervisor waived or agreed to waive any emolument during the Track Record Period.

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ACCOUNTANTS’ REPORT

15. PROPERTY, PLANT AND EQUIPMENT

The Group

	Leasehold land RMB'000	Buildings RMB'000	Leasehold improvements RMB'000	Motor vehicles RMB'000	Furniture, fixtures and office equipment RMB'000	Other properties leased for own use RMB'000	Construction- in-progress RMB'000	Total RMB'000
Cost:								
At January 1, 2021	6,482	38,553	1,918	1,633	4,145	1,538	108,688	162,957
Additions	–	11,490	–	–	658	–	53,136	65,284
Disposals/written off	–	–	–	(155)	(133)	(1,538)	–	(1,826)
At December 31, 2021 and January 1, 2022	6,482	50,043	1,918	1,478	4,670	–	161,824	226,415
Additions	–	–	10,819	–	5,554	86	15,850	32,309
Disposals/written off	–	–	(655)	–	(379)	–	–	(1,034)
Transferred upon completion	–	177,674	–	–	–	–	(177,674)	–
At December 31, 2022 and January 1, 2023	6,482	227,717	12,082	1,478	9,845	86	–	257,690
Additions	–	–	618	624	315	–	–	1,557
Disposals/written off	–	–	–	–	(166)	–	–	(166)
Termination of leases	–	–	–	–	–	(86)	–	(86)
At December 31, 2023	6,482	227,717	12,700	2,102	9,994	–	–	258,995
Accumulated depreciation:								
At January 1, 2021	567	6,867	781	567	1,714	769	–	11,265
Charge for the year	131	2,013	253	338	624	769	–	4,128
Disposals/written off	–	–	–	(93)	(128)	(1,538)	–	(1,759)
At December 31, 2021 and January 1, 2022	698	8,880	1,034	812	2,210	–	–	13,634
Charge for the year	131	7,534	1,129	301	1,982	17	–	11,094
Disposals/written off	–	–	(654)	–	(356)	–	–	(1,010)
At December 31, 2022 and January 1, 2023	829	16,414	1,509	1,113	3,836	17	–	23,718
Charge for the year	131	8,003	1,427	340	2,076	37	–	12,014
Disposals/written off	–	–	–	–	(149)	–	–	(149)
Termination of leases	–	–	–	–	–	(54)	–	(54)
At December 31, 2023	960	24,417	2,936	1,453	5,763	–	–	35,529
Net carrying amount:								
At December 31, 2021	5,784	41,163	884	666	2,460	–	161,824	212,781
At December 31, 2022	5,653	211,303	10,573	365	6,009	69	–	233,972
At December 31, 2023	5,522	203,300	9,764	649	4,231	–	–	223,466

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ACCOUNTANTS’ REPORT

The Company

	Leasehold land RMB'000	Buildings RMB'000	Leasehold improvements RMB'000	Motor vehicles RMB'000	Furniture, fixtures and office equipment RMB'000	Other properties leased for own use RMB'000	Construction- in-progress RMB'000	Total RMB'000
Cost:								
At January 1, 2021	6,482	38,553	1,918	1,633	3,167	1,538	108,688	161,979
Additions	-	11,490	-	-	146	-	53,136	64,772
Disposals/written off	-	-	-	(155)	(133)	(1,538)	-	(1,826)
At December 31, 2021 and January 1, 2022	6,482	50,043	1,918	1,478	3,180	-	161,824	224,925
Additions	-	-	10,819	-	5,550	86	15,850	32,305
Disposals/written off	-	-	(655)	-	(370)	-	-	(1,025)
Transferred upon completion	-	177,674	-	-	-	-	(177,674)	-
At December 31, 2022 and January 1, 2023	6,482	227,717	12,082	1,478	8,360	86	-	256,205
Additions	-	-	618	624	315	-	-	1,557
Disposals/written off	-	-	-	-	(157)	-	-	(157)
Termination of leases	-	-	-	-	-	(86)	-	(86)
At December 31, 2023	6,482	227,717	12,700	2,102	8,518	-	-	257,519
Accumulated depreciation:								
At January 1, 2021	567	6,867	781	567	1,557	769	-	11,108
Charge for the year	131	2,013	253	338	491	769	-	3,995
Disposals/written off	-	-	-	(93)	(127)	(1,538)	-	(1,758)
At December 31, 2021 and January 1, 2022	698	8,880	1,034	812	1,921	-	-	13,345
Charge for the year	131	7,534	1,129	301	1,829	17	-	10,941
Disposals/written off	-	-	(654)	-	(349)	-	-	(1,003)
At December 31, 2022 and January 1, 2023	829	16,414	1,509	1,113	3,401	17	-	23,283
Charge for the year	131	8,003	1,427	340	1,936	37	-	11,874
Disposals/written off	-	-	-	-	(140)	-	-	(140)
Termination of leases	-	-	-	-	-	(54)	-	(54)
At December 31, 2023	960	24,417	2,936	1,453	5,197	-	-	34,963
Net carrying amount:								
At December 31, 2021	5,784	41,163	884	666	1,259	-	161,824	211,580
At December 31, 2022	5,653	211,303	10,573	365	4,959	69	-	232,922
At December 31, 2023	5,522	203,300	9,764	649	3,321	-	-	222,556

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The Group and the Company

The analysis of the net book value of right-of-use assets by class of underlying assets as of the end of each reporting period is as follows:

	As of December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Leasehold land	5,784	5,653	5,522
Other properties leased for own use	–	69	–
	<u>5,784</u>	<u>5,722</u>	<u>5,522</u>

	Year ended December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Additions to right-of-use assets	–	86	–
Depreciation charge of right-of-use assets by class of underlying assets:			
– Leasehold land	131	131	131
– Other properties leased for own use	769	17	37
	<u>900</u>	<u>148</u>	<u>168</u>

The Group had total cash outflows for leases of RMB1,024,000, RMB261,000 and RMB46,000 for the years ended December 31, 2021, 2022 and 2023, respectively. The Group also had non-cash additions to right-of-use assets and lease liabilities of RMB86,000 for the years ended December 31, 2022.

The Group regularly entered into short-term leases for office equipment. As of December 31, 2021, 2022 and 2023, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed in Note 10.

16. INVESTMENTS IN SUBSIDIARIES

The Company

	Year ended December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Unlisted investment, at cost	107,571	107,621	107,621
Impairment	(7,509)	(3,300)	(1,228)
	<u>100,062</u>	<u>104,321</u>	<u>106,393</u>

The particulars of the directly and indirectly held subsidiaries of the Company are set out in Note 1.

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ACCOUNTANTS’ REPORT

As at December 31, 2021, 2022 and 2023, the Company has assessed the recoverable amounts of its investment in subsidiaries and as a result the carrying amount of the investments in subsidiaries were written down to its recoverable amounts of RMB100,062,000, RMB104,321,000 and RMB106,393,000. The recoverable amounts of investments have been determined based on fair value less cost of disposal, and were classified as Level 3 recurring fair value measurements, as significant inputs are not based on observable market data. The key significant unobservable inputs to determine the fair value less cost of disposal are the net assets value of the subsidiaries. The higher the net assets value of the subsidiaries, the higher the fair value less cost of disposal will be and lower the impairment required.

17. INTANGIBLE ASSETS

The Group and the Company

	Patents <i>RMB’000</i>
Cost:	
At January 1, 2021, December 31, 2021, January 1, 2022, December 31, 2022, January 1, 2023 and December 31, 2023	143
Accumulated amortization:	
At January 1, 2021	16
Charge for the year	9
At December 31, 2021 and January 1, 2022	25
Charge for the year	9
At December 31, 2022 and January 1, 2023	34
Charge for the year	9
At December 31, 2023	43
Net carrying value:	
At December 31, 2021	118
At December 31, 2022	109
At December 31, 2023	100

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18. DEFERRED TAX

Deferred tax recognized and movements during the Track Record Period are as follows:

The Group

	Impairment losses on financial and contract assets RMB’000	Unused tax loss RMB’000	Fair value change on financial assets at FVTPL RMB’000	Fair value change on financial assets at FVOCI RMB’000	Total RMB’000
At January 1, 2021	1,054	36	–	(5,421)	(4,331)
(Charged)/credited to profit or loss	(289)	709	(767)	–	(347)
Charged to other comprehensive income	–	–	–	(5,900)	(5,900)
At December 31, 2021 and January 1, 2022	765	745	(767)	(11,321)	(10,578)
Credited/(charged) to profit or loss	157	(668)	743	–	232
Credited to other comprehensive income	–	–	–	1,660	1,660
At December 31, 2022 and January 1, 2023	922	77	(24)	(9,661)	(8,686)
Credited/(charged) to profit or loss	1,488	(77)	238	–	1,649
Credited to other comprehensive income	–	–	–	2,046	2,046
At December 31, 2023	<u>2,410</u>	<u>–</u>	<u>214</u>	<u>(7,615)</u>	<u>(4,991)</u>

The following is the analysis of the deferred tax balances for the financial reporting purposes:

	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Deferred tax assets	556	620	545
Deferred tax liabilities	<u>(11,134)</u>	<u>(9,306)</u>	<u>(5,536)</u>
	<u>(10,578)</u>	<u>(8,686)</u>	<u>(4,991)</u>

Deferred income tax assets are recognized for deductible temporary differences to the extent that the realization of the related tax benefits through future taxable profits is probable. The Group has tax losses arising in China that will expire in five years for offsetting against future taxable profits.

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The amounts and expiration dates of the tax losses carried forward as of December 31, 2021, 2022 and 2023 are listed below:

	As of December 31,		
	2021 <i>RMB’000</i>	2022 <i>RMB’000</i>	2023 <i>RMB’000</i>
2024	791	–	–
2025	1,760	–	–
2026	7,336	4,152	945
2027	–	17	17
2028	–	–	14
	9,887	4,169	976
	9,887	4,169	976

As of December 31, 2021, 2022 and 2023, the Group did not recognize deferred income tax assets of RMB963,000, RMB524,000 and RMB174,000, respectively, in respect of deductible temporary differences and cumulative tax losses amounting RMB6,251,000, RMB3,313,000 and RMB976,000, that can be carried forward against future taxable income.

The Company

	Impairment losses on financial and contract assets <i>RMB’000</i>	Fair value change on financial assets at FVTPL <i>RMB’000</i>	Fair value change on financial assets at FVOCI <i>RMB’000</i>	Total <i>RMB’000</i>
At January 1, 2021	173	–	(5,421)	(5,248)
Credited to profit or loss	53	–	–	53
Charged to other comprehensive income	–	–	(5,900)	(5,900)
	–	–	(5,900)	(5,900)
At December 31, 2021 and January 1, 2022	226	–	(11,321)	(11,095)
Credited/(charged) to profit or loss	153	(24)	–	129
Credited to other comprehensive income	–	–	1,660	1,660
	–	–	1,660	1,660
At December 31, 2022 and January 1, 2023	379	(24)	(9,661)	(9,306)
Credited to profit or loss	1,486	238	–	1,724
Credited to other comprehensive income	–	–	2,046	2,046
	–	–	2,046	2,046
At December 31, 2023	1,865	214	(7,615)	(5,536)

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The following is the analysis of the deferred tax balances for the financial reporting purposes:

	As of December 31,		
	2021 <i>RMB’000</i>	2022 <i>RMB’000</i>	2023 <i>RMB’000</i>
Deferred tax liabilities	(11,095)	(9,306)	(5,536)

19. INVENTORIES

The Group

	As of December 31,		
	2021 <i>RMB’000</i>	2022 <i>RMB’000</i>	2023 <i>RMB’000</i>
Data management solutions	21,533	12,454	20,850

The Company

	As of December 31,		
	2021 <i>RMB’000</i>	2022 <i>RMB’000</i>	2023 <i>RMB’000</i>
Data management solutions	21,265	10,388	20,424

20. FINANCIAL ASSETS AT FVOCI

The Group

	As of December 31,		
	2021 <i>RMB’000</i>	2022 <i>RMB’000</i>	2023 <i>RMB’000</i>
Non-current assets			
Unlisted equity investments, at fair value	88,189	75,954	61,700

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers that these investments are long-term strategic in nature.

The movements during the Track Record Period of the unlisted equity investments at level 3 fair value measurement are set out below:

	Year ended December 31,		
	2021 <i>RMB’000</i>	2022 <i>RMB’000</i>	2023 <i>RMB’000</i>
At the beginning of the year	50,114	88,189	75,954
Fair value changes	38,142	(12,400)	(14,311)
Exchange difference	(67)	165	57
At the end of the year	88,189	75,954	61,700

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The unlisted equity investments were valued by independent qualified professional valuer as of December 31, 2021, 2022 and 2023. As of December 31, 2021, 2022 and 2023, the unlisted equity investments were classified as Level 3 recurring fair value measurement. There was no transfer between different levels of the fair value hierarchy for the years ended December 31, 2021, 2022 and 2023. There has been no change in valuation technique used during the Track Record Period.

Information about fair value measurement using significant unobservable inputs:

	Valuation approach	Significant unobservable inputs	Range of estimates			Relationship of unobservable inputs to fair value
			As of December 31,			
			2021	2022	2023	
Unlisted equity investments	Market approach	Discount for lack of marketability	20.60%	20.50%	20.50%	The higher the discount for lack of marketability, the lower the fair value
		Enterprise multiple	7.92-35.17	4.53-30.08	4.24-33.90	The higher the enterprise multiple, the higher the fair value

If all other variables held constant, a 5% higher/lower discount for lack of marketability rate would have a decrease/increase the other comprehensive income for the years ended December 31, 2021, 2022 and 2023 by approximately RMB978,000, RMB833,000 and RMB673,000, respectively.

If all other variables held constant, a 5% higher/lower in the enterprise multiple rate would have a increase/decrease the other comprehensive income for the years ended December 31, 2021, 2022 and 2023 by approximately RMB3,626,000, RMB3,222,000 and RMB2,998,000, respectively.

The Company

	As of December 31,		
	2021	2022	2023
	RMB'000	RMB'000	RMB'000
Non-current assets			
Unlisted equity investments, at fair value	85,882	74,819	61,176

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Company considers that these investments are long-term strategic in nature.

The movements during the Track Record Period of the unlisted equity investments at level 3 fair value measurement are set out below:

	Year ended December 31,		
	2021	2022	2023
	RMB'000	RMB'000	RMB'000
At the beginning of the year	46,544	85,882	74,819
Fair value changes	39,338	(11,063)	(13,643)
At the end of the year	85,882	74,819	61,176

The unlisted equity investments were valued by independent qualified professional valuer as of December 31, 2021, 2022 and 2023. As of December 31, 2021, 2022 and 2023, the unlisted equity investment were classified as Level 3 recurring fair value measurement. There was no transfer between different levels of the fair value hierarchy for the years ended December 31, 2021, 2022 and 2023. There has been no change in valuation technique used during the Track Record Period.

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Information about fair value measurement using significant unobservable inputs:

	Valuation approach	Significant unobservable inputs	Range of estimates			Relationship of unobservable inputs to fair value
			As of December 31, 2021	2022	2023	
Unlisted equity investments	Market approach	Discount for lack of marketability	20.60%	20.50%	20.50%	The higher the discount for lack of marketability, the lower the fair value
		Enterprise multiple	35.17	30.08	33.90	The higher the enterprise multiple, the higher the fair value

If all other variables held constant, a 5% higher/lower in discount for lack of marketability rate would have a decrease/increase the other comprehensive income for the years ended December 31, 2021, 2022 and 2023 by approximately RMB946,000, RMB819,000 and RMB666,000, respectively.

If all other variables held constant, a 5% higher/lower in the enterprise multiple rate would have a increase/decrease the other comprehensive income for the years ended December 31, 2021, 2022 and 2023 by approximately RMB3,499,000, RMB3,159,000 and RMB2,941,000, respectively.

21. TRADE RECEIVABLES

The Group

	As of December 31,		
	2021 RMB'000	2022 RMB'000	2023 RMB'000
Trade receivables	95,273	129,818	190,954
Less: impairment loss allowance	(4,070)	(5,845)	(15,877)
	<u>91,203</u>	<u>123,973</u>	<u>175,077</u>

An aging analysis of trade receivables, net of impairment losses, as of the end of each reporting period, based on the invoice dates, is as follows:

	As of December 31,		
	2021 RMB'000	2022 RMB'000	2023 RMB'000
Unbilled receivables (Note)	<u>83,194</u>	<u>94,891</u>	<u>127,106</u>
Billed receivables			
Within 30 days	7,273	19,656	18,480
31-60 days	512	1,226	15,940
61-90 days	57	4,100	4,067
91-180 days	103	1,045	4,085
Over 180 days	64	3,055	5,399
	<u>8,009</u>	<u>29,082</u>	<u>47,971</u>
	<u>91,203</u>	<u>123,973</u>	<u>175,077</u>

Note: The unbilled receivables represent the Group’s unconditional right to consideration, of which invoices have not been issued.

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The Group recognized impairment loss based on the accounting policy stated in Note 4.10(b). Trade receivables are generally due within 5 to 45 days from the date of billing.

Further details on the Group’s credit policy and credit risk analysis arising from trade receivables are set out in Note 39(b).

The Company

	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Trade receivables	90,063	119,428	180,855
Less: impairment loss allowance	(584)	(2,323)	(12,374)
	<u>89,479</u>	<u>117,105</u>	<u>168,481</u>

An aging analysis of trade receivables, net of impairment losses, as of the end of each reporting period, based on the invoice dates, is as follows:

	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Unbilled receivables (<i>Note</i>)	<u>81,470</u>	<u>88,023</u>	<u>120,510</u>
Billed receivables			
Within 30 days	7,273	19,656	18,480
31-60 days	512	1,226	15,940
61-90 days	57	4,100	4,067
91-180 days	103	1,045	4,085
Over 180 days	64	3,055	5,399
	<u>8,009</u>	<u>29,082</u>	<u>47,971</u>
	<u>89,479</u>	<u>117,105</u>	<u>168,481</u>

Note: The unbilled receivables represent the Company’s unconditional right to consideration, of which invoices have not been issued.

The Company recognized impairment loss based on the accounting policy stated in Note 4.10(b). Trade receivables are generally due within 5 to 45 days from the date of billing.

Further details on the Company’s credit policy and credit risk analysis arising from trade receivables are set out in Note 39(b).

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22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group

	As of December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<u>Current portion</u>			
Deposits and other receivables	3,048	4,612	2,201
Prepayments	18,302	55,146	70,339
Prepaid [REDACTED] expenses and deferred issue costs	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>
	21,350	59,758	78,937
Less: impairment loss allowance	<u>(1,029)</u>	<u>(292)</u>	<u>(194)</u>
	<u>20,321</u>	<u>59,466</u>	<u>78,743</u>
<u>Non-current portion</u>			
Prepayments	<u>36</u>	<u>5</u>	<u>40</u>
	<u>20,357</u>	<u>59,471</u>	<u>78,783</u>

The Company

	As of December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<u>Current portion</u>			
Deposits and other receivables	2,772	4,169	1,647
Prepayments	9,377	32,424	36,613
Prepaid [REDACTED] expenses and deferred issue costs	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>
	12,149	36,593	44,657
Less: impairment loss allowance	<u>(925)</u>	<u>(184)</u>	<u>(64)</u>
	<u>11,224</u>	<u>36,409</u>	<u>44,593</u>

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ACCOUNTANTS’ REPORT

23. CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract assets

Contract assets arising from data management solutions primarily relate to the Group’s and the Company’s rights to consideration for work completed at the reporting date. Any amount previously recognized as a contract asset is reclassified to trade receivables at the point at which it becomes unconditional and the milestones are reached.

The Group and the Company

	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Contract assets arising from data management solutions	1,124	4,021	1,873
Less: impairment loss allowance	(7)	(27)	(8)
	<u>1,117</u>	<u>3,994</u>	<u>1,865</u>

Movements in contract assets during the Track Record Period are as follows:

	Year ended December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At the beginning of the year	45	1,124	4,021
Additions	1,124	4,641	1,022
Amounts recognized as trade receivables during the year	(45)	(1,744)	(3,170)
	<u>1,124</u>	<u>4,021</u>	<u>1,873</u>
Less: impairment loss allowance	(7)	(27)	(8)
	<u>1,117</u>	<u>3,994</u>	<u>1,865</u>

The Group’s and the Company’s data management solutions contracts include payment schedules, which require stage payments after certain period of the contract date. Additionally, the Group typically agrees a 6-month to 3-year retention period for 2 – 10% of the contract sum. This amount is included in contract assets until the end of retention period as the Group’s entitlement to this final payment is conditional on the Group’s satisfactory work. No contracts has significant financing component. The changes in contract assets are due to (i) adjustments arising from changes in the measure of progress of contracting work, or (ii) reclassification to trade receivables when the Group has unconditional right to the consideration. The contract assets are all classified as current assets as it is within the normal operating cycle.

The expected timing of recovery or settlement for contract assets as of the end of each reporting period is as follows:

	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Due within one year	1,124	2,958	1,397
Due after one year	–	1,063	476
	<u>1,124</u>	<u>4,021</u>	<u>1,873</u>

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The contract assets of RMB1,124,000, RMB4,021,000 and RMB1,873,000 as of December 31, 2021, 2022 and 2023 are generally expected to be settled within the next 3 years upon completion of services and acceptance by the customers.

Further details on the Group’s and the Company’s credit policy and credit risk analysis arising from contract assets are set out in Note 39(b).

(b) Contract liabilities

The Group

	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Contract liabilities arising from			
API marketplace	31,891	26,902	20,491
Data management solutions	19,549	2,790	9,311
	<u>51,440</u>	<u>29,692</u>	<u>29,802</u>

The contract liabilities represented the advance consideration received from customers. The addition of contract liabilities was mainly due to the increase of cash payments made upfront by the Group’s customers under sales contracts. The Group receives payment from customers based on billing schedule as established in contracts.

	Year ended December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Revenue recognized that was included in the contract liabilities balance at the beginning of the year	<u>59,317</u>	<u>51,340</u>	<u>28,751</u>

The Company

	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Contract liabilities arising from			
API marketplace	24,974	23,184	17,703
Data management solutions	19,549	2,145	8,664
	<u>44,523</u>	<u>25,329</u>	<u>26,367</u>

The contract liabilities represented the advance consideration received from customers. The addition of contract liabilities was mainly due to the increase of cash payments made upfront by the Company’s customers under sales contracts. The Company receives payment from customers based on billing schedule as established in contracts.

	Year ended December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Revenue recognized that was included in the contract liabilities balance at the beginning of the year	<u>36,536</u>	<u>44,355</u>	<u>24,531</u>

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24. CASH AND CASH EQUIVALENTS AND TIME DEPOSITS

The Group

	As of December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Cash and cash equivalents	182,287	168,470	124,417
Time deposits with original maturity over three months	—	30,000	80,000
	<u>182,287</u>	<u>198,470</u>	<u>204,417</u>

The Group’s cash and cash equivalents comprise cash on hand, bank deposits carrying interest at floating rates based on daily bank deposit rates and short-term bank deposits carrying interests at prevailing market interest rate. Time deposits with original maturity over three months comprise bank deposits carrying interest at fixed rate or floating rates at prevailing market interest rate. The directors of the Company consider that the carrying value of the deposits at the end of each reporting period approximates to their fair values.

As of the end of each reporting period, all of the Group’s cash at banks and on hands and time deposits with original maturity over three months are denominated in RMB and placed in the PRC. RMB is not a freely convertible currency. Under the PRC’s Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through banks that are authorized to conduct foreign exchange business.

The Company

	As of December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Cash and cash equivalents	142,797	130,733	90,585
Time deposits with original maturity over three months	—	30,000	80,000
	<u>142,797</u>	<u>160,733</u>	<u>170,585</u>

The Company’s cash and cash equivalents comprise cash on hand, bank deposits carrying interest at floating rates based on daily bank deposit rates and short-term bank deposits carrying interests at prevailing market interest rate. Time deposits with original maturity over three months comprise bank deposits carrying interest at fixed rate or floating rates at prevailing market interest rate. The directors of the Company consider that the carrying value of the deposits at the end of each reporting period approximates to their fair values.

As of the end of each reporting period, all of the Company’s cash at banks and on hands and time deposits with original maturity over three months are denominated in RMB and placed in the PRC. RMB is not a freely convertible currency. Under the PRC’s Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Company is permitted to exchange RMB for foreign currencies through banks that are authorized to conduct foreign exchange business.

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25. FINANCIAL ASSETS AT FVTPL

The Group

	As of December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Non-current assets			
Unlisted debt security	—	—	5,245
Current assets			
Structured deposits	103,066	35,155	—
	<u>103,066</u>	<u>35,155</u>	<u>5,245</u>

The Group’s unlisted debt security represents investment in an unlisted investment fund incorporated in the PRC. This investment fund is principally engaged in trading of securities.

The Group’s structured deposits represent RMB-denominated structured deposits. The expected annual interest rate for the structured deposits to be received is uncertain until maturity. The annual expected return rates range from 1.20% to 4.00%.

Information about valuation technique and key inputs:

	Fair value hierarchy	Valuation technique and key inputs
Unlisted debt security	Level 3	Asset-based approach with adjustment on discount for lack of control
Structured deposits	Level 2	Redemption value quoted by banks with reference to the expected return of the underlying assets

The movements during the Track Record Period of the unlisted debt security at level 3 fair value measurement are set out below:

	Year ended December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At the beginning of the year	—	—	—
Addition	—	—	6,667
Fair value changes	—	—	(1,422)
At the end of the year	<u>—</u>	<u>—</u>	<u>5,245</u>

The unlisted debt security was valued by independent qualified professional valuer as of December 31, 2023. As of December 31, 2023, the unlisted debt security was classified as Level 3 recurring fair value measurement. There was no transfer between different levels of the fair value hierarchy for the years ended December 31, 2021, 2022 and 2023. There has been no change in valuation technique used during the Track Record Period.

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Information about fair value measurement using significant unobservable inputs under level 3 fair value measurement:

	Valuation approach	Significant unobservable inputs	Range of estimates As of December 31,			Relationship of unobservable inputs to fair value
			2021	2022	2023	
Unlisted debt security	Asset-based approach	Discount for lack of control	–	–	20.8%	The higher the discount for lack of control, the lower the fair value

If all other variables held constant, a 5% higher/lower in discount for lack of control rate would have a decrease/increase the profit or loss for each of the years ended December 31, 2021, 2022 and 2023 by approximately RMBnil, RMBnil and RMB69,000, respectively.

The Company

	As of December 31,		
	2021 RMB’000	2022 RMB’000	2023 RMB’000
Non-current assets			
Unlisted debt security	–	–	5,245
Current assets			
Structured deposits	–	25,155	–
	–	25,155	5,245

The Company’s unlisted debt security represents investment in an unlisted investment fund incorporated in the PRC. This investment fund is principally engaged in trading of securities.

The Company’s structured deposits represent RMB-denominated structured deposits. The expected annual interest rate for the structured deposits be received is uncertain until maturity. The annual expected return rates range from 1.20% to 4.00%.

Information about valuation technique and key inputs:

	Fair value hierarchy	Valuation technique and key inputs
Unlisted debt security	Level 3	Asset-based approach with adjustment on discount for lack of control
Structured deposits	Level 2	Redemption value quoted by banks with reference to the expected return of the underlying assets

The movements during the Track Record Period of the unlisted debt security at level 3 fair value measurement are set out below:

	Year ended December 31,		
	2021 RMB’000	2022 RMB’000	2023 RMB’000
At the beginning of the year	–	–	–
Addition	–	–	6,667
Fair value changes	–	–	(1,422)
At the end of the year	–	–	5,245

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The unlisted debt security was valued by independent qualified professional valuer as of December 31, 2023. As of December 31, 2023, the unlisted debt security was classified as Level 3 recurring fair value measurement. There was no transfer between different levels of the fair value hierarchy for the years ended December 31, 2021, 2022 and 2023. There has been no change in valuation technique used during the Track Record Period.

Information about fair value measurement using significant unobservable inputs under level 3 fair value measurement:

	Valuation approach	Significant unobservable inputs	Range of estimates As of December 31,			Relationship of unobservable inputs to fair value
			2021	2022	2023	
Unlisted debt security	Asset-based approach	Discount for lack of control	–	–	20.80%	The higher the discount for lack of control, the lower the fair value

If all other variables held constant, a 5% higher/lower in discount for lack of control rate would have a decrease/increase the profit or loss for each of the years ended December 31, 2021, 2022 and 2023 by approximately RMBnil, RMBnil and RMB69,000, respectively.

26. TRADE PAYABLES

The Group

	As of December 31,		
	2021 RMB'000	2022 RMB'000	2023 RMB'000
Trade payables	37,450	36,672	61,491

A credit period of up to 3 months, if applicable, from the date of billing is generally granted by the Group’s trade suppliers. Based on the receipt of services and goods, which normally coincided with the invoice dates, the aging analysis of the Group’s trade payables as of the end of each reporting period is as follows:

	As of December 31,		
	2021 RMB'000	2022 RMB'000	2023 RMB'000
Within one year	36,389	30,179	50,130
1-2 years	775	6,086	7,959
Over 2 years	286	407	3,402
	37,450	36,672	61,491

The Group’s trade payables are short-term in nature and hence, the carrying amount of trade payables are considered to approximate to their fair value.

The Company

	As of December 31,		
	2021 RMB'000	2022 RMB'000	2023 RMB'000
Trade payables	36,275	31,218	57,096

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A credit period of up to 3 months, if applicable, from the date of billing is generally granted by the Company’s trade suppliers. Based on the receipt of services and goods, which normally coincided with the invoice dates, the aging analysis of the Company’s trade payables as of the end of each reporting period is as follows:

	As of December 31,		
	2021 <i>RMB’000</i>	2022 <i>RMB’000</i>	2023 <i>RMB’000</i>
Within one year	35,215	24,730	45,740
1-2 years	775	6,082	7,959
Over 2 years	285	406	3,397
	<u>36,275</u>	<u>31,218</u>	<u>57,096</u>

The Company’s trade payables are short-term in nature and hence, the carrying amount of trade payables are considered to approximate to their fair value.

27. OTHER PAYABLES AND ACCRUALS

The Group

	As of December 31,		
	2021 <i>RMB’000</i>	2022 <i>RMB’000</i>	2023 <i>RMB’000</i>
Deposits received	130	130	82
Other payables	39	37	22
Other tax payables	2,457	3,785	1,453
Construction costs payable	15,566	27,205	2,054
Accruals	4,921	8,317	5,934
Accrued [REDACTED] expenses	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>
	<u>23,113</u>	<u>39,474</u>	<u>19,816</u>

As of December 31, 2021, 2022 and 2023, all other payables and accruals were non-interest bearing, unsecured and repayable on demand.

The Company

	As of December 31,		
	2021 <i>RMB’000</i>	2022 <i>RMB’000</i>	2023 <i>RMB’000</i>
Deposits received	130	130	82
Other payables	39	37	22
Other tax payables	2,000	3,310	1,230
Construction costs payable	15,566	27,205	2,054
Accruals	4,361	7,464	5,415
Accrued [REDACTED] expenses	<u>[REDACTED]</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>
	<u>22,096</u>	<u>38,146</u>	<u>19,074</u>

As of December 31, 2021, 2022 and 2023, all other payables and accruals were non-interest bearing, unsecured and repayable on demand.

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28. LEASE LIABILITIES

The Group and the Company

The Group and the Company lease properties to operate its business. These leases are typically made for fixed terms of 2 years. Lease terms are negotiated on an individual basis and contain different payments and conditions. These lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purpose.

The Group and the Company also lease properties with term of less than one year. These leases are short-term and the Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

Present value of future lease payments of the leases is analyzed as follows:

	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Current	–	43	–
Non-current	–	22	–
	<u>–</u>	<u>65</u>	<u>–</u>

Movement of the lease liabilities is analyzed as follows:

	Year ended December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At the beginning of the year	787	–	65
Addition of new leases	–	86	–
Interest expense	9	1	1
Capital element of lease payments	(787)	(21)	(32)
Interest element of lease payments	(9)	(1)	(1)
Termination of leases	–	–	(33)
	<u>–</u>	<u>65</u>	<u>–</u>

Total cash outflows in respect of the capital element of lease liabilities for the years ended December 31, 2021, 2022 and 2023 were RMB787,000, RMB21,000 and RMB32,000, respectively.

The future lease payments of the Group’s and the Company’s leases (excluding short-term leases) were scheduled to repay as follows:

	Minimum lease payments	Future interest expenses	Present value
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
As of December 31, 2021			
– within 1 year	–	–	–
– 1 to 2 years, inclusive	–	–	–
– 3 to 5 years, inclusive	–	–	–
– over 5 years	–	–	–
	<u>–</u>	<u>–</u>	<u>–</u>

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	Minimum lease payments <i>RMB’000</i>	Future interest expenses <i>RMB’000</i>	Present value <i>RMB’000</i>
As of December 31, 2022			
– within 1 year	44	(1)	43
– 1 to 2 years, inclusive	22	–	22
– 3 to 5 years, inclusive	–	–	–
– over 5 years	–	–	–
	<u>66</u>	<u>(1)</u>	<u>65</u>

	Minimum lease payments <i>RMB’000</i>	Future interest expenses <i>RMB’000</i>	Present value <i>RMB’000</i>
As of December 31, 2023			
– within 1 year	–	–	–
– 1 to 2 years, inclusive	–	–	–
– 3 to 5 years, inclusive	–	–	–
– over 5 years	–	–	–
	<u>–</u>	<u>–</u>	<u>–</u>

29. SHARE CAPITAL

The Company

	Number of shares
<i>Authorized</i>	
Ordinary shares of RMB1.00 each	
At January 1, 2021, December 31, 2021, January 1, 2022, December 31, 2022, January 1, 2023 and December 31, 2023	<u>45,300,000</u>

	Number of shares in issue	Share capital <i>RMB’000</i>	Share premium <i>RMB’000</i>
<i>Issued</i>			
At January 1, 2021, December 31, 2021, January 1, 2022, December 31, 2022, January 1, 2023 and December 31, 2023	<u>45,300,000</u>	<u>45,300</u>	<u>426,720</u>

30. RESERVES

The Group and the Company

The Group’s and the Company’s reserves and the movements therein for the years ended December 31, 2021, 2022 and 2023 are presented in the consolidated statements of changes in equity and the summary to the Company’s reserve as set out below, respectively.

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Summary to the Company’s reserve is as follows:

	Share premium* RMB’000 (Note 30(a))	Capital reserve* RMB’000 (Note 30(b))	FVOCI reserve* RMB’000 (Note 30(c))	Statutory reserve* RMB’000 (Note 30(e))	Retained earnings* RMB’000 (Note 30(f))	Total reserve RMB’000
At January 1, 2021	426,720	67	30,722	8,016	21,996	487,521
Profit for the year	–	–	–	–	46,271	46,271
Changes in fair value of financial assets at FVOCI, net of tax	–	–	33,438	–	–	33,438
Total comprehensive income for the year	–	–	33,438	–	46,271	79,709
Equity-settled share-based transactions (Note 36)	–	400	–	–	–	400
Dividend declared (Note 12)	–	–	–	–	(20,000)	(20,000)
Transfer of retained earnings	–	–	–	4,625	(4,625)	–
Balance at December 31, 2021	426,720	467	64,160	12,641	43,642	547,630

* These reserve accounts comprise the reserves as of December 31, 2021, 2022 and 2023 in the Company’s statements of financial position.

	Share premium* RMB’000 (Note 30(a))	Capital reserve* RMB’000 (Note 30(b))	FVOCI reserve* RMB’000 (Note 30(c))	Statutory reserve* RMB’000 (Note 30(e))	Retained earnings* RMB’000 (Note 30(f))	Total reserve RMB’000
Balance at January 1, 2022	426,720	467	64,160	12,641	43,642	547,630
Profit for the year	–	–	–	–	41,172	41,172
Changes in fair value of financial assets at FVOCI, net of tax	–	–	(9,403)	–	–	(9,403)
Total comprehensive (expense)/income for the year	–	–	(9,403)	–	41,172	31,769
Equity-settled share-based transactions (Note 36)	–	435	–	–	–	435
Transfer of retained earnings	–	–	–	3,982	(3,982)	–
Balance at December 31, 2022	426,720	902	54,757	16,623	80,832	579,834
Balance at January 1, 2023	426,720	902	54,757	16,623	80,832	579,834
Profit for the year	–	–	–	–	33,079	33,079
Changes in fair value of financial assets at FVOCI, net of tax	–	–	(11,597)	–	–	(11,597)
Total comprehensive income for the year	–	–	(11,597)	–	33,079	21,482
Equity-settled share-based transactions (Note 36)	–	442	–	–	–	442
Deemed distribution to a shareholder (Note 41)	–	–	–	–	(22,000)	(22,000)
Transfer of retained earnings	–	–	–	1,416	(1,416)	–
Balance at December 31, 2023	426,720	1,344	43,160	18,039	90,495	579,758

* These reserve accounts comprise the reserves as of December 31, 2021, 2022 and 2023 in the Company’s statements of financial position.

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(a) Share premium

Share premium represents the excess of issuing price over the nominal values of ordinary shares.

(b) Capital reserve

As detailed in Note 36, one of the Company’s shareholders has awarded of his own shares as equity-settled share-based remuneration for the Group’s employees and directors in exchange for their services provided to the Group. Since the Group has no obligation to settle these awards, they represent a capital contribution from the shareholder.

(c) FVOCI reserve

FVOCI reserve comprises the cumulative net change in the fair value of equity investments designated at FVOCI under IFRS 9 that are held at the end of each reporting period.

(d) Translation reserve

The translation reserve is used to record exchange differences arising from the translation of the financial statements of group entities whose the functional currencies are not RMB.

(e) Statutory reserve

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

(f) Retained earnings

Cumulative net gains and losses recognized in profit or loss.

31. NON-CONTROLLING INTERESTS

The Group

	Year ended December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At the beginning of the year	(347)	(392)	(357)
(Loss)/profit for the year	(45)	35	310
	<u> </u>	<u> </u>	<u> </u>
At the end of the year	<u> </u> <u> </u>	<u> </u> <u> </u>	<u> </u> <u> </u>

32. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

As of December 31, 2021, 2022 and 2023, the balances are unsecured, interest-free and repayable on demand.

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33. NOTES SUPPORTING TO CONSOLIDATED STATEMENTS OF CASH FLOWS

The table below shows the details changes in the Group’s liabilities arising from financing activities. Liabilities arising from financing activities are those for which each cash flows were, or future cash flows will be, classified in the Group’s consolidated statements of cash flows from financing activities.

	Dividend payable <i>RMB'000</i>	Borrowings <i>RMB'000</i>	Lease liabilities <i>RMB'000</i>	Total <i>RMB'000</i>
At January 1, 2021	–	–	787	787
Changes from financing cash flows:				
Proceeds from bank borrowings	–	20,000	–	20,000
Repayments of bank borrowings	–	(20,000)	–	(20,000)
Repayment of lease liabilities	–	–	(787)	(787)
Interest paid	–	(145)	(9)	(154)
Dividend paid	(20,000)	–	–	(20,000)
Total changes from financing cash flows	(20,000)	(145)	(796)	(20,941)
Other changes:				
Interest expenses	–	145	9	154
Dividend declared	20,000	–	–	20,000
Total other changes	20,000	145	9	20,154
At December 31, 2021	–	–	–	–
	Dividend payable <i>RMB'000</i>	Borrowings <i>RMB'000</i>	Lease liabilities <i>RMB'000</i>	Total <i>RMB'000</i>
At January 1, 2022	–	–	–	–
Changes from financing cash flows:				
Repayments of lease liabilities	–	–	(21)	(21)
Interest paid	–	–	(1)	(1)
Total changes from financing cash flows	–	–	(22)	(22)
Other changes:				
Interest expenses	–	–	1	1
New leases	–	–	86	86
Total other changes	–	–	87	87
At December 31, 2022	–	–	65	65

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	Dividend payable <i>RMB’000</i>	Borrowings <i>RMB’000</i>	Lease liabilities <i>RMB’000</i>	Total <i>RMB’000</i>
At January 1, 2023	–	–	65	65
Changes from financing cash flows:				
Repayments of lease liabilities	–	–	(32)	(32)
Interest paid	–	–	(1)	(1)
Total changes from financing cash flows	–	–	(33)	(33)
Other changes:				
Interest expenses	–	–	1	1
Termination of leases	–	–	(33)	(33)
Total other changes	–	–	(32)	(32)
At December 31, 2023	–	–	–	–

34. CAPITAL COMMITMENTS

The Group

As of December 31, 2021, 2022 and 2023, the Group had outstanding capital commitments as follows:

	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Contracted, but not provided for:			
– Construction-in-progress	15,851	–	–
– Office equipment	3,851	–	–
– Leasehold improvements	9,908	–	–
– Financial assets at FVTPL	–	–	13,333
	29,610	–	13,333

The Company

As of December 31, 2021, 2022 and 2023, the Company had outstanding capital commitments as follows:

	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Contracted, but not provided for:			
– Construction-in-progress	15,851	–	–
– Office equipment	3,851	–	–
– Leasehold improvements	9,908	–	–
– Financial assets at FVTPL	–	–	13,333
– Capital contribution payable to subsidiaries	4,280	4,230	4,230
	33,890	4,230	17,563

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35. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

- (a) The directors of the Company are of the view that the following parties/companies were related parties that had transactions or balances with the Group:

Name of related parties	Relationship with the Group
JD Technology Holding Co., Ltd.* (京東科技控股股份有限公司)	Shareholder of the Company
Beijing Chuanrui Hongke Technology Co., Ltd.* (北京創銳弘科技技術有限公司)	Company controlled by a significant shareholder
Jiangsu JD Information Technology Co., Ltd.* (江蘇京東信息技術有限公司)	Company subject to common significant influence
Jiangsu Jingdong Xuke Information Technology Co., Ltd.* (江蘇京東旭科信息技術有限公司)	Company subject to common significant influence

* The English translation of terms or names in Chinese which are marked with “*” is for identification purposes only. In the event of any inconsistency, the Chinese terms or names shall prevail.

- (b) The Group entered into the following related party transactions with related companies during the Track Record Period:

	Year ended December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Shareholder			
Provision of API marketplace services	26	–	–
Related companies			
Purchase of API marketplace services	1	–	–
Provision of API marketplace services	5,537	4,922	5,056

The terms of the related party transactions carried out during the Track Record Period were mutually agreed by the Group and the related companies.

- (c) **Balance with related parties**

	As of December 31,		
	2021	2022	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables			
Jiangsu JD Information Technology Co., Ltd.	109	109	109
Jiangsu Jingdong Xuke Information Technology Co., Ltd.	614	2,809	5,497
Prepayments, deposits and other receivables			
Beijing Chuanrui Hongke Technology Co., Ltd.	44	44	44
Contract liabilities			
Jiangsu JD Information Technology Co., Ltd.	13	–	13

All of the above related party balances are of trade nature.

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(d) Compensation of key management personnel of the Group

The compensation of key management personnel of the Group during the Track Record Period represented the directors’ emoluments as disclosed in Note 14(a) to the Historical Financial Information.

36. SHARE-BASED PAYMENTS

One of the Company’s shareholders operates an equity-settled share-based remuneration scheme by granting awards of his own shares to the employees and directors of the Group in exchange for their services provided to the Group.

On November 1, 2020 and March 1, 2022, the Company’s shareholder granted a total of 428,000 and 42,800 of its own shares, respectively, to certain eligible persons within the Group. These grants allow the eligible persons to purchase ordinary shares of the shareholder’s equity under the Employee Share Award Scheme (the “Scheme”). The shares vest five years from the date of issue. If an eligible person leaves the Company within this five-year period, he/she is obligated to sell the shares back to the issuer at the original price.

The fair value of the awarded shares is determined by the total number of shares awarded and exercised, multiplied by the fair value of the shares on the grant date. The fair value of the shares awarded by the shareholder granted on November 1, 2020 of RMB2,163,000 was primarily established with reference to a recent equity transaction of the Company close to the grant date. The fair value of the shares awarded by the shareholder granted on March 1, 2022 of RMB86,000 was primarily established using market approach with reference to price-to-earning multiple by referring to other similar companies and a discounted rate for lack of marketability. The share-based payment expenses of RMB400,000, RMB435,000 and RMB442,000, respectively were charged to profit or loss of the Group during the years ended December 31, 2021, 2022 and 2023.

No share awards were forfeited during the years ended December 31, 2021, 2022 and 2023.

37. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group manages its capital to ensure that the entities in the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained earnings, respectively.

The directors of the Company review the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through the payment of dividends, new shares issue and share buy back as well as the issue of new debts or redemption of existing debt, if necessary.

Management regards total equity as capital. The amount of capital as of December 31, 2021, 2022 and 2023 amounted to approximately RMB595,123,000, RMB626,955,000 and RMB628,417,000, respectively, which management considers as optimal having considered the projected capital expenditures and the projected strategic investment opportunities.

38. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

The Group

The following table shows the carrying amounts of financial assets and liabilities of the Group:

	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Financial assets			
<i>Financial assets at FVOCI:</i>			
Financial assets at FVOCI	88,189	75,954	61,700

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	As of December 31,		
	2021 RMB’000	2022 RMB’000	2023 RMB’000
<i>Financial assets at amortized cost:</i>			
Trade receivables	91,203	123,973	175,077
Deposits and other receivables	2,019	4,320	2,007
Cash and cash equivalents	182,287	168,470	124,417
Time deposits	–	30,000	80,000
	<u>275,509</u>	<u>326,763</u>	<u>381,501</u>
<i>Financial assets at FVTPL:</i>			
Financial assets at FVTPL	<u>103,066</u>	<u>35,155</u>	<u>5,245</u>
Financial liabilities			
<i>Financial liabilities measured at amortized cost:</i>			
Trade payables	37,450	36,672	61,491
Other payables and accruals	20,656	35,689	18,363
Lease liabilities	–	65	–
Repurchase liabilities	–	–	23,013
	<u>58,106</u>	<u>72,426</u>	<u>102,867</u>

The Company

The following table shows the carrying amounts of financial assets and liabilities of the Company:

	As of December 31,		
	2021 RMB’000	2022 RMB’000	2023 RMB’000
Financial assets			
<i>Financial assets at FVOCI:</i>			
Financial assets at FVOCI	<u>85,882</u>	<u>74,819</u>	<u>61,176</u>
<i>Financial assets at amortized cost:</i>			
Trade receivables	89,479	117,105	168,481
Deposits and other receivables	1,847	3,985	1,583
Amounts due from subsidiaries	130,015	21,359	6,037
Cash and cash equivalents	142,797	130,733	90,585
Time deposits	–	30,000	80,000
	<u>364,138</u>	<u>303,182</u>	<u>346,686</u>
<i>Financial assets at FVTPL:</i>			
Financial assets at FVTPL	<u>–</u>	<u>25,155</u>	<u>5,245</u>

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	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Financial liabilities			
<i>Financial liabilities measured at amortized cost:</i>			
Trade payables	36,275	31,218	57,096
Amounts due to subsidiaries	83,863	56,306	47,525
Other payables and accruals	20,096	34,836	17,844
Lease liabilities	–	65	–
Repurchase liabilities	–	–	23,013
	140,234	122,425	145,478

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Group’s financial instruments in the normal course of the Group’s business are interest rate risk, credit risk, liquidity risk, equity price risk and foreign currency risk. These risks are limited by the Group’s financial management policies and practices described below. Generally, the Group introduces conservative strategies on its risk management. The Group has not used any derivatives and other instruments for hedging purposes nor does it hold or issue derivative financial instruments for trading purposes.

(a) Interest rate risk

The Group’s interest-bearing financial instruments at variable rates as of December 31, 2021, 2022 and 2023 are the cash at bank and time deposits except for fixed deposits, and the cash flow interest risk arising from the change of market interest rate on these balances of relatively short maturity is not considered significant. The Group’s interest-bearing financial instruments at fixed interest rates as of December 31, 2021, 2022 and 2023 are fixed deposits and the change of market interest rate does not expose the Group to fair value interest risk. The directors of the Company consider that the Group’s exposure to interest rate risk is not significant and no sensitivity analysis of interest rate risk is presented.

(b) Credit risk

The Group’s credit risk is primarily attributable to its trade receivables, deposits and other receivables and contract assets. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade receivables, deposits and other receivables and contract assets, credit evaluations are performed on all debtors. These evaluations focus on the customer’s past history of making payments when due and current ability to pay, and take into account information specific to the customers as well as pertaining to the economic environment in which the customers operate. Ongoing credit evaluation is performed on the financial condition of trade customers and, where appropriate, credit guarantee insurance cover is purchased. Trade receivables are due from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. 15.9%, 19.3%, 24.3% and 38.2%, 40.5%, 58.1% of the Group’s trade receivables, deposits and other receivables and contract assets was due from the Group’s largest customer and the five largest customers respectively as of December 31, 2021, 2022 and 2023, respectively.

The Group

(i) Trade receivables/contract assets

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs, individually and collectively using a provision matrix. As the Group’s historical credit loss experience does not indicate significantly different loss patterns for different customer bases, the loss allowance based on past due status is not further distinguished between the Group’s different customer bases.

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The following table provides information about the Group’s exposure to credit risk and ECLs for trade receivables and contract assets as of the end of each reporting period:

	Unbilled and not yet past due	1 – 3 months	4 – 6 months	7 – 9 months	10 – 12 months	Over 12 months	Individually assessed	Total
At December 31, 2021								
Expected loss rate (%)	0.62%	1.42%	4.72%	15.74%	46.19%	100.00%	100.00%	
Gross carrying amount (RMB’000)	92,442	352	106	–	–	22	3,475	96,397
Loss allowance (RMB’000)	570	5	5	–	–	22	3,475	4,077
At December 31, 2022								
Expected loss rate (%)	0.66%	2.10%	6.14%	21.63%	45.69%	100.00%	100.00%	
Gross carrying amount (RMB’000)	119,414	6,281	668	1,646	2,355	–	3,475	133,839
Loss allowance (RMB’000)	792	132	41	356	1,076	–	3,475	5,872
At December 31, 2023								
Expected loss rate (%)	0.43%	4.24%	13.35%	40.65%	61.01%	100.00%	100.00%	
Gross carrying amount (RMB’000)	161,917	7,335	4,007	5,265	5,368	5,460	3,475	192,827
Loss allowance (RMB’000)	689	311	535	2,140	3,275	5,460	3,475	15,885

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

Due to slower collection of past due receivables as the customers were still recovering from the negative financial impact of the COVID-19 pandemic, the expected loss rate for 7-9 months increased from 15.74% to 21.63% as of December 31, 2022 and further increased to 40.65% as of December 31, 2023 because of same reason.

The expected loss rate for 10-12 months remained stable at 46.19% and 45.69%, respectively, as of December 31, 2021 and 2022. It increased to 61.01% as of December 31, 2023 because of slow settlement from the customers.

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

	Year ended December 31,		
	2021 RMB’000	2022 RMB’000	2023 RMB’000
At the beginning of the year	3,633	4,070	5,845
Provision for loss allowance	437	1,775	10,032
At the end of the year	4,070	5,845	15,877

Changes in loss allowance for impairment of trade receivables during the Track Record Period were mainly contributed from the followings:

- For the years ended December 31, 2021, 2022 and 2023, increase in the ending balances of trade receivables resulted in an increase in loss allowance of RMB437,000, RMB1,775,000 and RMB10,032,000, respectively.

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Movements in the loss allowance for impairment of contract assets are as follows:

	Year ended December 31,		
	2021 RMB'000	2022 RMB'000	2023 RMB'000
At the beginning of the year	1	7	27
Provision for/(reversal of) loss allowance	6	20	(19)
At the end of the year	<u>7</u>	<u>27</u>	<u>8</u>

Changes in loss allowance for impairment of contract assets during the Track Record Period were mainly contributed from the followings:

- For the years ended December 31, 2021 and 2022, increase in the ending balances of contract assets resulted in an increase in loss allowance of RMB6,000 and RMB20,000, respectively.
- For the year ended December 31, 2023, decrease in the ending balance of contract assets resulted in a decrease in loss allowance of RMB19,000.

(ii) Deposits and other receivables

In respect of deposits and other receivables, the Group has applied the general approach prescribed by IFRS 9, by measuring loss allowance at an amount equal to 12-month ECLs for deposits and other receivables. To measure the ECLs, deposits and other receivables have been grouped based on shared credit risk characteristics, ECLs are estimated based on historical credit loss experience, adjusted for factors that are specific to the debtors and general economic conditions.

As of the end of each reporting period, all deposits and other receivables are measured at an amount equal to 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs. The following table provides information about the Group’s exposure to credit risk and ECLs for deposits and other receivables:

	As of December 31,		
	2021 RMB'000	2022 RMB'000	2023 RMB'000
Gross carrying amount			
- Deposits and other receivables	<u>3,048</u>	<u>4,612</u>	<u>2,201</u>
Loss allowance			
- Deposits and other receivables	<u>1,029</u>	<u>292</u>	<u>194</u>

Movements in the loss allowance account for impairment of deposits and other receivables are as follows:

	Year ended December 31,		
	2021 RMB'000	2022 RMB'000	2023 RMB'000
At the beginning of the year	1,044	1,029	292
Reversal for loss allowance	(25)	(727)	(98)
Written-off/(written back)	10	(10)	-
At the end of the year	<u>1,029</u>	<u>292</u>	<u>194</u>

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Changes in loss allowance for impairment of deposits and other receivables during the Track Record Period were mainly contributed from the followings:

- For the years ended December 31, 2021, 2022 and 2023 decrease in the long term outstanding balances of deposits and other receivables resulted in a decrease in loss allowance of RMB25,000, RMB727,000 and RMB98,000, respectively.

In respect of the Group’s cash and cash equivalents and restricted bank deposits, the directors of the Company consider the probability of default is low on these balances since the counterparties are financial institutions with high credit ratings or with good reputation.

The Company

(ii) Trade receivables/contract assets

The Company measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs, individually and collectively using a provision matrix. As the Company’s historical credit loss experience does not indicate significantly different loss patterns for different customer bases, the loss allowance based on past due status is not further distinguished between the Company’s different customer bases.

The following table provides information about the Company’s exposure to credit risk and ECLs for trade receivables and contract assets as of the end of each reporting period:

	Unbilled and not yet past due	1 – 3 months	4 – 6 months	7 – 9 months	10 – 12 months	Over 12 months	Total
At December 31, 2021							
Expected loss rate (%)	0.62%	1.42%	4.72%	15.74%	46.19%	100.00%	
Gross carrying amount (RMB’000)	90,707	352	106	–	–	22	91,187
Loss allowance (RMB’000)	559	5	5	–	–	22	591
At December 31, 2022							
Expected loss rate (%)	0.66%	2.10%	6.14%	21.63%	45.69%	100.00%	
Gross carrying amount (RMB’000)	112,499	6,281	668	1,646	2,355	–	123,449
Loss allowance (RMB’000)	745	132	41	356	1,076	–	2,350
At December 31, 2023							
Expected loss rate (%)	0.43%	4.24%	13.35%	40.65%	61.01%	100.00%	
Gross carrying amount (RMB’000)	155,293	7,335	4,007	5,265	5,368	5,460	182,728
Loss allowance (RMB’000)	661	311	535	2,140	3,275	5,460	12,382

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

Due to slower collection of past due receivables as the customers were still recovering from the negative financial impact of the COVID-19 pandemic, the expected loss rate for 7-9 months increased from 15.74% to 21.63% as of December 31, 2022 and further increased to 40.65% as of December 31, 2023 because of same reason.

The expected loss rate for 10-12 months remained stable at 46.19% and 45.69%, respectively, as of December 31, 2021 and 2022. It increased to 61.01% as of December 31, 2023 because of slow settlement from the customers.

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

	Year ended December 31,		
	2021 RMB'000	2022 RMB'000	2023 RMB'000
At the beginning of the year	265	584	2,323
Provision for loss allowance	319	1,739	10,051
At the end of the year	<u>584</u>	<u>2,323</u>	<u>12,374</u>

Changes in loss allowance for impairment of trade receivables during the Track Record Period were mainly contributed from the followings:

- For the years ended December 31, 2021, 2022 and 2023, increase in the ending balances of trade receivables resulted in an increase in loss allowance of RMB319,000, RMB1,739,000 and RMB10,051,000, respectively.

Movements in the loss allowance for impairment of contract assets are as follows:

	Year ended December 31,		
	2021 RMB'000	2022 RMB'000	2023 RMB'000
At the beginning of the year	1	7	27
Provision for/(reversal of) loss allowance	6	20	(19)
At the end of the year	<u>7</u>	<u>27</u>	<u>8</u>

Changes in loss allowance for impairment of contract assets during the Track Record Period were mainly contributed from the followings:

- For the years ended December 31, 2021 and 2022, increase in the ending balances of contract assets resulted in an increase in loss allowance of RMB6,000 and RMB20,000, respectively.
- For the year ended December 31, 2023, decrease in the ending balance of contract assets resulted in a decrease in loss allowance of RMB19,000.

(ii) Deposits and other receivables

In respect of deposits and other receivables, the Company has applied the general approach prescribed by IFRS 9, by measuring loss allowance at an amount equal to 12-month ECLs for deposits and other receivables. To measure the ECLs, deposits and other receivables have been grouped based on shared credit risk characteristics, ECLs are estimated based on historical credit loss experience, adjusted for factors that are specific to the debtors and general economic conditions.

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As of the end of each reporting period, all deposits and other receivables are measured at an amount equal to 12-month ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs. The following table provides information about the Company’s exposure to credit risk and ECLs for deposits and other receivables:

	As of December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Gross carrying amount			
– Deposits and other receivables	<u>2,772</u>	<u>4,169</u>	<u>1,647</u>
Loss allowance			
– Deposits and other receivables	<u>925</u>	<u>184</u>	<u>64</u>

Movements in the loss allowance account for impairment of deposits and other receivables are as follows:

	Year ended December 31,		
	2021	2022	2023
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At the beginning of the year	896	925	184
Provision for/(reversal of) loss allowance	<u>29</u>	<u>(741)</u>	<u>(120)</u>
At the end of the year	<u>925</u>	<u>184</u>	<u>64</u>

Changes in loss allowance for impairment of deposits and other receivables during the Track Record Period were mainly contributed from the followings:

- For the year ended December 31, 2021, increase in the long term outstanding balances of deposits and other receivables resulted in an increase in loss allowance of RMB29,000.
- For the years ended December 31, 2022 and 2023, decrease in the long term outstanding balances of deposits and other receivables resulted in a decrease in loss allowance of RMB741,000 and RMB120,000, respectively.

In respect of the Company’s cash and cash equivalents and restricted bank deposits, the directors of the Company consider the probability of default is low on these balances since the counterparties are financial institutions with high credit ratings or with good reputation.

(c) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the directors of the Company, which has built an appropriate liquidity risk management framework for the management of the Group’s short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves.

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

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	Carrying amount <i>RMB'000</i>	Total contractual undiscounted cash flows <i>RMB'000</i>	Within 1 year or on demand <i>RMB'000</i>	More than 1 year but less than 2 years <i>RMB'000</i>	More than 2 years but less than 5 years <i>RMB'000</i>	More than 5 years <i>RMB'000</i>
As of December 31, 2021						
Trade payables	37,450	37,450	37,450	–	–	–
Other payables and accruals	20,656	20,656	20,656	–	–	–
	<u>58,106</u>	<u>58,106</u>	<u>58,106</u>	<u>–</u>	<u>–</u>	<u>–</u>

	Carrying amount <i>RMB'000</i>	Total contractual undiscounted cash flows <i>RMB'000</i>	Within 1 year or on demand <i>RMB'000</i>	More than 1 year but less than 2 years <i>RMB'000</i>	More than 2 years but less than 5 years <i>RMB'000</i>	More than 5 years <i>RMB'000</i>
As of December 31, 2022						
Trade payables	36,672	36,672	36,672	–	–	–
Other payables and accruals	35,689	35,689	35,689	–	–	–
Lease liabilities	65	66	44	22	–	–
	<u>72,426</u>	<u>72,427</u>	<u>72,405</u>	<u>22</u>	<u>–</u>	<u>–</u>

	Carrying amount <i>RMB'000</i>	Total contractual undiscounted cash flows <i>RMB'000</i>	Within 1 year or on demand <i>RMB'000</i>	More than 1 year but less than 2 years <i>RMB'000</i>	More than 2 years but less than 5 years <i>RMB'000</i>	More than 5 years <i>RMB'000</i>
As of December 31, 2023						
Trade payables	61,491	61,491	61,491	–	–	–
Other payables and accruals	18,363	18,363	18,363	–	–	–
Repurchase liabilities	23,013	24,200	24,200	–	–	–
	<u>102,867</u>	<u>104,054</u>	<u>104,054</u>	<u>–</u>	<u>–</u>	<u>–</u>

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The Company

	Carrying amount <i>RMB'000</i>	Total contractual undiscounted cash flows <i>RMB'000</i>	Within 1 year or on demand <i>RMB'000</i>	More than 1 year but less than 2 years <i>RMB'000</i>	More than 2 years but less than 5 years <i>RMB'000</i>	More than 5 years <i>RMB'000</i>
As of December 31, 2021						
Trade payables	36,275	36,275	36,275	–	–	–
Amounts due to subsidiaries	83,863	83,863	83,863	–	–	–
Other payables and accruals	20,096	20,096	20,096	–	–	–
	<u>140,234</u>	<u>140,234</u>	<u>140,234</u>	<u>–</u>	<u>–</u>	<u>–</u>

	Carrying amount <i>RMB'000</i>	Total contractual undiscounted cash flows <i>RMB'000</i>	Within 1 year or on demand <i>RMB'000</i>	More than 1 year but less than 2 years <i>RMB'000</i>	More than 2 years but less than 5 years <i>RMB'000</i>	More than 5 years <i>RMB'000</i>
As of December 31, 2022						
Trade payables	31,218	31,218	31,218	–	–	–
Amounts due to subsidiaries	56,306	56,306	56,306	–	–	–
Other payables and accruals	34,836	34,836	34,836	–	–	–
Lease liabilities	65	66	44	22	–	–
	<u>122,425</u>	<u>122,426</u>	<u>122,404</u>	<u>22</u>	<u>–</u>	<u>–</u>

	Carrying amount <i>RMB'000</i>	Total contractual undiscounted cash flows <i>RMB'000</i>	Within 1 year or on demand <i>RMB'000</i>	More than 1 year but less than 2 years <i>RMB'000</i>	More than 2 years but less than 5 years <i>RMB'000</i>	More than 5 years <i>RMB'000</i>
As of December 31, 2023						
Trade payables	57,096	57,096	57,096	–	–	–
Amounts due to subsidiaries	47,525	47,525	47,525	–	–	–
Other payables and accruals	17,844	17,844	17,844	–	–	–
Repurchase liabilities	23,013	24,200	24,200	–	–	–
	<u>145,478</u>	<u>146,665</u>	<u>146,665</u>	<u>–</u>	<u>–</u>	<u>–</u>

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(d) Equity price risk

The following table illustrates the sensitivity of the carrying amount of financial assets at FVOCI and FVTPL during the Track Record Period to a change in the significant unobservable inputs while all other variable held constant. A positive number below indicates an increase in total comprehensive income for the year. For a decrease in total comprehensive income for the year, the balance below would be negative.

The Group

	Year ended December 31,		
	2021	2022	2023
	RMB'000	RMB'000	RMB'000
10% higher in the fair value of the investment	7,531	6,473	5,252
10% lower in the fair value of the investment	(7,531)	(6,473)	(5,252)

The Company

	Year ended December 31,		
	2021	2022	2023
	RMB'000	RMB'000	RMB'000
10% higher in the fair value of the investment	7,300	6,360	5,200
10% lower in the fair value of the investment	(7,300)	(6,360)	(5,200)

(e) Foreign currency risk

Currency risk refers to the risk that the fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk to the Group is minimal as most of the Group’s transactions are carried out in functional currency of the respective entities.

40. FAIR VALUE MEASUREMENT

The hierarchy groups financial assets and liabilities into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial assets and liabilities is categorized in its entirety is based on the lowest level of input that is significant to the fair value measurement. The financial assets and liabilities measured at fair value are grouped into the fair value hierarchy as follows:

The Group

	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As of December 31, 2021				
Financial assets at FVOCI	–	–	88,189	88,189
Financial assets at FVTPL	–	103,066	–	103,066
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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	Level 1 <i>RMB’000</i>	Level 2 <i>RMB’000</i>	Level 3 <i>RMB’000</i>	Total <i>RMB’000</i>
As of December 31, 2022				
Financial assets at FVOCI	–	–	75,954	75,954
Financial assets at FVTPL	–	35,155	–	35,155
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
As of December 31, 2023				
Financial assets at FVOCI	–	–	61,700	61,700
Financial assets at FVTPL	–	–	5,245	5,245
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The Company

	Level 1 <i>RMB’000</i>	Level 2 <i>RMB’000</i>	Level 3 <i>RMB’000</i>	Total <i>RMB’000</i>
As of December 31, 2021				
Financial assets at FVOCI	–	–	85,882	85,882
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
As of December 31, 2022				
Financial assets at FVOCI	–	–	74,819	74,819
Financial assets at FVTPL	–	25,155	–	25,155
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
As of December 31, 2023				
Financial assets at FVOCI	–	–	61,176	61,176
Financial assets at FVTPL	–	–	5,245	5,245
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The reconciliation from the opening to the closing balances of the financial assets at FVOCI and FVTPL under level 3 fair value measurement during the Track Record Period is disclosed in Note 20 and Note 25, respectively.

41. REPURCHASE LIABILITIES

The Group and the Company

On July 22, 2023, Mr. Zuo Lei, the largest shareholder and executive director of the Company, transferred his 369,111 shares of the Company to China-Singapore Suzhou Industrial Park Ventures Co., Ltd. (中新蘇州工業園區創業投資有限公司) (“China-Singapore Ventures”) at a cash consideration of RMB22.0 million, pursuant to the share transfer agreement signed and executed on that day. If the Company fails to complete its initial [REDACTED] of shares on the Stock Exchange or any other securities exchange approved by China-Singapore Ventures by June 30, 2024, China-Singapore Ventures has the rights to issue a notice requiring the Company and Mr. Zuo Lei to repurchase all or part of the shares of the Company held by China-Singapore Ventures by cash at an amount based on relevant investment cost incurred by China-Singapore Ventures plus 10% interest per annum. The repurchase obligation of the Company and Mr. Zuo Lei is joint and several. According to the agreement, the aforementioned repurchase rights will automatically terminate and be void from the beginning on the day the Company submitted its [REDACTED] application; if the aforementioned [REDACTED] application is voluntarily withdrawn, returned in writing, revoked, or not approved for any reason, the rights of China-Singapore Ventures stipulated in these clauses shall be automatically resumed.

The repurchase obligation bore by the Group is initially recognized at present value of the redemption amount at approximately RMB22,000,000. There were no service obligations or other conditions imposed in the share transfer agreement or by the Company on Mr. Zuo Lei, whether in his capacity as a Director or employee of the Company. In addition, the cash consideration did not appear to be less than the fair value of the Shares transferred. Therefore, the Company considered that no unidentifiable goods or services are deemed to be existed in substance. Management confirmed that Mr. Zuo Lei’s involvement in this transaction is solely acting in his capacity as a Shareholder and not in exchange for his goods and services provided as a Director or employee of the Company. As such, the cash consideration received is treated as a transaction with the owner and therefore the corresponding balance is considered as deemed distribution to a Shareholder as the transaction is non-reciprocal in nature. During the Track Record Period, the unwinding of the discount of the repurchase liabilities amounted to approximately nil, nil, and RMB1,013,000 for the years ended December 31, 2021, 2022 and 2023, respectively. The carrying amounts of the repurchase liabilities were approximately nil, nil, and RMB23,013,000 as at December 31, 2021, 2022 and 2023, respectively.

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42. CONTINGENCIES

As of December 31, 2021, 2022 and 2023, there were no significant contingencies items for the Group and the Company.

43. SUBSEQUENT FINANCIAL INFORMATION

No audited financial statements have been prepared by the Group and the Company or any of the companies comprising the Group in respect of any period subsequent to December 31, 2023.