

APPENDIX I

ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION

The following is the text of a report set out on pages I-1 to I-[●], received from the Company’s reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.

Deloitte.

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ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF AUGROUP TECHNOLOGY CO., LTD. (FORMERLY KNOWN AS AUKEY TECHNOLOGY CO., LTD.) AND HUATIAI FINANCIAL HOLDINGS (HONG KONG) LIMITED

Introduction

We report on the historical financial information of AuGroup Technology Co., Ltd. (formerly known as Aukey Technology Co., Ltd.) (“the Company”) and its subsidiaries (together, “the Group”) set out on pages I-[●] to I-[●], which comprises the consolidated statements of financial position of the Group as at 31 December 2021, 2022 and 2023 and 30 April 2024, the statements of financial position of the Company as at 31 December 2021, 2022 and 2023 and 30 April 2024, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity, and the consolidated statements of cash flows for each of the three years ended 31 December 2021, 2022 and 2023 and four months ended 30 April 2024 (the “Track Record Period”), and material accounting policy information and other explanatory information (together, the “Historical Financial Information”). The Historical Financial Information are set out on pages I-[●] to I-[●] 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 [REDACTED] of H-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 [3] to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants’ responsibility

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

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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' judgement, 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 3 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, as well as evaluating the overall presentation of the Historical Financial Information.

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

Opinion

[In our opinion, the Historical Financial Information gives, for the purpose of the accountants' report, a true and fair view of the Group's financial position as at 31 December 2021, 2022 and 2023 and 30 April 2024, of the Company's financial position as at 31 December 2021, 2022 and 2023 and 30 April 2024 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 3 to the Historical Financial Information.]

Review of stub period comparative financial information

[We have reviewed the stub period comparative financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the four months ended 30 April 2023 and other explanatory information (the "Stub Period Comparative Financial Information"). The directors of the Company are responsible for the preparation of the Stub Period Comparative Financial Information in accordance with the basis of preparation set out in Note [3] to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation set out in Note [3] to the Historical Financial Information.]

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Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange 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-3 have been made.

Dividends

We refer to Note 14 to the Historical Financial Information which states that no dividend was declared or paid by the Company in respect of the Track Record Period.

[Deloitte Touche Tohmatsu]
Certified Public Accountants
Hong Kong

[Date]

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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 International Financial Reporting Standards (“IFRSs”) issued by International Accounting Standards Board (the “IASB”) and were audited by us in accordance with International Standards on Auditing issued by International Auditing and Assurance Standards Board (“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**

	NOTE	Year ended 31 December			Four months ended 30 April	
		2021	2022	2023	2023	2024
		RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Revenue	5	9,071,193	7,100,230	8,682,977	2,424,492	2,833,516
Cost of sales		(7,176,094)	(4,621,181)	(5,689,287)	(1,603,914)	(1,856,858)
Gross profit		1,895,099	2,479,049	2,993,690	820,578	976,658
Other income	6	20,399	19,868	42,320	9,835	10,123
Impairment losses under expected credit loss model (“ECL”), net of reversal	7	(45,832)	(2,472)	(48,854)	108	2,787
Other gains and losses	8	360,472	(21,697)	12,432	13,476	25,242
Selling expenses		(2,517,379)	(1,757,101)	(1,830,619)	(559,732)	(603,826)
Administrative expenses		(204,920)	(249,294)	(287,645)	(81,536)	(102,657)
Research and development expenses		(176,834)	(123,689)	(119,153)	(35,503)	(37,788)
Other expenses		(23,408)	(32,982)	(26,004)	(7,206)	(4,486)
[REDACTED]	11	—	—	[REDACTED]	—	[REDACTED]
Share of results of investments accounted for using the equity method		(11,125)	(7,327)	4,875	(8)	(992)
Finance costs	9	(30,931)	(72,353)	(90,722)	(33,206)	(25,448)
(Loss) profit before tax		(734,459)	232,002	639,908	126,806	230,763
Income tax credit (expense)	10	144,580	(8,833)	(119,807)	(30,321)	(41,438)
(Loss) profit for the year/period	11	<u>(589,879)</u>	<u>223,169</u>	<u>520,101</u>	<u>96,485</u>	<u>189,325</u>
Other comprehensive income (expense) for the year/period						
Items that will not be reclassified subsequently to profit or loss:						
Fair value changes on investments in equity instruments at fair value through other comprehensive income (“FVTOCI”)		149,116	(38,125)	8,037	(41,588)	(97,178)
Share of other comprehensive expense of investments accounted for using the equity method, net of related income tax		(90,083)	(65)	—	—	—
		<u>59,033</u>	<u>(38,190)</u>	<u>8,037</u>	<u>(41,588)</u>	<u>(97,178)</u>

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	NOTE	Year ended 31 December			Four months ended 30 April	
		2021	2022	2023	2023	2024
		<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i> <i>(Unaudited)</i>	<i>RMB’000</i>
Items that may be reclassified subsequently to profit or loss:						
Exchange differences arising on translation of foreign operations		175	3,899	620	(1,624)	(2,726)
Share of other comprehensive (expense) income of investments accounted for using the equity method, net of related income tax		(163)	1,387	380	—	(42)
		<u>12</u>	<u>5,286</u>	<u>1,000</u>	<u>(1,624)</u>	<u>(2,768)</u>
Other comprehensive income (expense) for the year/period		<u>59,045</u>	<u>(32,904)</u>	<u>9,037</u>	<u>(43,212)</u>	<u>(99,946)</u>
Total comprehensive (expense) income for the year/period		<u>(530,834)</u>	<u>190,265</u>	<u>529,138</u>	<u>53,273</u>	<u>89,379</u>
(Loss) profit for the year/period attributable to:						
Owners of the Company		(580,797)	219,054	532,010	104,563	178,187
Non-controlling interests		(9,082)	4,115	(11,909)	(8,078)	11,138
		<u>(589,879)</u>	<u>223,169</u>	<u>520,101</u>	<u>96,485</u>	<u>189,325</u>
Total comprehensive (expense) income for the year/period attributable to:						
Owners of the Company		(521,469)	183,692	540,561	62,261	79,590
Non-controlling interests		(9,365)	6,573	(11,423)	(8,988)	9,789
		<u>(530,834)</u>	<u>190,265</u>	<u>529,138</u>	<u>53,273</u>	<u>89,379</u>
(Loss) earnings per share — Basic and diluted	15	<u>RMB(1.49)</u>	<u>RMB0.56</u>	<u>RMB1.37</u>	<u>RMB0.27</u>	<u>RMB0.46</u>

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	NOTES	As at 31 December			As at
		2021	2022	2023	30 April
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>2024</i> <i>RMB'000</i>
Non-current Assets					
Property, plant and equipment	16	47,334	669,320	626,752	675,840
Right-of-use assets	17	513,841	727,135	717,699	910,882
Intangible assets	18	1,801	1,274	778	26,027
Investments accounted for using the equity method	19	102,918	97,805	74,950	73,916
Financial assets at fair value through profit or loss (“FVTPL”)	20	7,620	8,619	9,075	9,075
Equity instruments at FVTOCI	21	243,031	185,713	198,207	100,195
Deferred tax assets	22	385,743	395,908	296,881	261,375
Deposit for acquisition of assets through acquisition of a subsidiary	36(b)	67,495	—	3,541	—
Finance lease receivables	23	10,416	85,619	74,319	70,071
Pledged bank deposits	24	50,000	51,229	—	20,200
Deposit for acquisition of property, plant and equipment		17,380	3,862	19,529	4,249
Bank deposit with original maturity over three months	24	—	—	10,000	10,000
Total Non-current Assets		1,447,579	2,226,484	2,031,731	2,161,830
Current Assets					
Inventories	25	1,379,842	1,026,602	1,045,848	1,195,674
Trade receivables	26	468,739	467,450	807,469	676,034
Contract assets		7,536	4,223	7,322	6,422
Prepayments and other receivables	27	212,934	227,536	287,676	285,862
Financial assets at FVTPL	20	191,431	70,447	10,000	—
Finance lease receivables	23	12,872	22,943	12,752	13,139
Pledged/restricted bank deposits	24	204,883	269,395	164,891	258,278
Cash and cash equivalents	24	533,202	642,864	809,838	938,368
Total Current Assets		3,011,439	2,731,460	3,145,796	3,373,777

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	NOTES	As at 31 December			As at
		2021	2022	2023	30 April
		RMB'000	RMB'000	RMB'000	2024
				RMB'000	
Current Liabilities					
Trade and other payables	28	1,231,916	1,049,347	1,159,004	1,105,474
Amount due to a non-controlling shareholder	29(a)	60,191	1,123	1,123	1,123
Tax payable		81,073	25,392	32,791	25,768
Bank borrowings	30	542,483	488,365	386,595	580,206
Lease liabilities	31	91,690	139,268	155,363	167,516
Contract liabilities	32	55,008	61,945	48,199	74,749
Refund liabilities	33	20,811	21,950	20,797	12,714
Convertible loan notes	34	390,572	416,981	—	—
Total Current Liabilities		<u>2,473,744</u>	<u>2,204,371</u>	<u>1,803,872</u>	<u>1,967,550</u>
Net Current Assets		<u>537,695</u>	<u>527,089</u>	<u>1,341,924</u>	<u>1,406,227</u>
Total Assets less Current Liabilities		<u>1,985,274</u>	<u>2,753,573</u>	<u>3,373,655</u>	<u>3,568,057</u>
Non-current Liabilities					
Bank borrowings	30	—	129,025	276,598	313,130
Lease liabilities	31	426,425	699,830	677,890	860,675
Contractual liabilities under issued written put option		40,000	43,200	46,400	—
Other payables	28	—	100,000	100,000	32,106
Total Non-current Liabilities		<u>466,425</u>	<u>972,055</u>	<u>1,100,888</u>	<u>1,205,911</u>
Net Assets		<u>1,518,849</u>	<u>1,781,518</u>	<u>2,272,767</u>	<u>2,362,146</u>
Capital and Reserves					
Share capital	35a	390,054	390,054	386,865	386,865
Reserves		1,116,544	1,372,458	1,875,329	1,954,919
Equity attributable to owners of the Company		1,506,598	1,762,512	2,262,194	2,341,784
Non-controlling interests		12,251	19,006	10,573	20,362
Total Equity		<u>1,518,849</u>	<u>1,781,518</u>	<u>2,272,767</u>	<u>2,362,146</u>

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STATEMENTS OF FINANCIAL POSITION OF THE COMPANY

	NOTES	As at 31 December			As at
		2021	2022	2023	30 April
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	2024
				<i>RMB'000</i>	
Non-current Assets					
Property, plant and equipment	16	23,762	34,126	27,823	42,542
Right-of-use assets	17	55,049	44,827	36,466	33,941
Intangible assets	18	1,801	1,274	778	630
Investments in subsidiaries	43	62,917	678,017	686,027	686,027
Investments accounted for using the equity method	19	41,221	43,665	65,759	67,674
Equity instruments at FVTOCI	21	38,160	28,990	48,641	43,462
Deferred tax assets	22	3,999	8,265	20,851	18,094
Deposit for acquisition of assets through acquisition of a subsidiary	36(b)	67,495	—	—	—
Deposit for acquisition of property, plant and equipment		16,956	3,399	6,261	2,461
Pledged bank deposits	24	50,000	51,229	—	10,850
Bank deposit with original maturity over three months	24	—	—	10,000	10,000
Total Non-current Assets		361,360	893,792	902,606	915,681
Current Assets					
Inventories	25	62,325	63,736	7,166	2,700
Trade receivables	26	2,463,386	1,929,309	2,260,822	1,403,156
Prepayments and other receivables	27	102,496	124,609	108,031	101,386
Amounts due from subsidiaries	29(b)	512,902	758,160	502,268	1,039,332
Financial assets at FVTPL	20	191,431	70,447	10,000	—
Pledged/restricted bank deposits	24	139,192	219,185	123,797	42,439
Cash and cash equivalents	24	194,136	199,334	293,484	553,308
Total Current Assets		3,665,868	3,364,780	3,305,568	3,142,321

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	NOTES	As at 31 December			As at
		2021	2022	2023	30 April
		<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Current Liabilities					
Trade and other payables	28	369,630	458,994	333,519	70,073
Amount due to a non-controlling shareholder	29(a)	60,191	1,123	1,123	1,123
Amount due to subsidiaries	29(b)	169,670	36,693	579,271	580,421
Tax payable		40,703	5,094	3,911	3,911
Bank borrowings	30	426,778	444,867	278,009	421,281
Lease liabilities	31	5,418	2,930	1,413	1,339
Contract liabilities	32	333	687	375	197
Convertible loan notes	34	390,572	416,981	—	—
Total Current Liabilities		<u>1,463,295</u>	<u>1,367,369</u>	<u>1,197,621</u>	<u>1,078,345</u>
Net Current Assets		<u>2,202,573</u>	<u>1,997,411</u>	<u>2,107,947</u>	<u>2,063,976</u>
Total Assets less Current Liabilities		<u>2,563,933</u>	<u>2,891,203</u>	<u>3,010,553</u>	<u>2,979,657</u>
Non-current Liabilities					
Bank borrowings	30	—	129,025	276,598	313,130
Lease liabilities	31	6,368	3,432	2,804	2,260
Contractual liabilities under issued written put option		40,000	43,200	46,400	—
Other payables	28	—	100,000	100,000	25,000
Total Non-current Liabilities		<u>46,368</u>	<u>275,657</u>	<u>425,802</u>	<u>340,390</u>
Net Assets		<u>2,517,565</u>	<u>2,615,546</u>	<u>2,584,751</u>	<u>2,639,267</u>
Capital and Reserves					
Share capital	35(a)	390,054	390,054	386,865	386,865
Reserves	35(b)	2,127,511	2,225,492	2,197,886	2,252,402
Total Equity		<u>2,517,565</u>	<u>2,615,546</u>	<u>2,584,751</u>	<u>2,639,267</u>

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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the Company									
	Share capital	Share premium	FVTOCI reserve	Other reserve	Translation reserve	Statutory reserve	Retained profits	Subtotal	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2021	388,500	655,156	35,746	(175)	(630)	118,150	829,023	2,025,770	4,779	2,030,549
Loss for the year	—	—	—	—	—	—	(580,797)	(580,797)	(9,082)	(589,879)
Fair value change on investments in equity instruments at FVTOCI	—	—	149,116	—	—	—	—	149,116	—	149,116
Share of other comprehensive expense of investments accounted for using the equity method, net of tax	—	—	(90,083)	—	(163)	—	—	(90,246)	—	(90,246)
Exchange differences arising on translation of foreign operations	—	—	—	—	458	—	—	458	(283)	175
Total comprehensive income (expense) for the year	—	—	59,033	—	295	—	(580,797)	(521,469)	(9,365)	(530,834)
Issue of shares (Note 35(a) and Note b)	1,554	38,446	—	—	—	—	—	40,000	—	40,000
Issue of written put option (Note b)	—	—	—	(40,000)	—	—	—	(40,000)	—	(40,000)
Appropriation	—	—	—	—	—	47,740	(47,740)	—	—	—
Disposal of partial equity interest in a subsidiary without losing control (Note 43b)	—	—	—	2,297	—	—	—	2,297	14,337	16,634
Release upon disposal of equity instruments at FVTOCI	—	—	(100,950)	—	—	—	100,950	—	—	—
Contribution from non-controlling interests	—	—	—	—	—	—	—	—	2,500	2,500
At 31 December 2021	390,054	693,602	(6,171)	(37,878)	(335)	165,890	301,436	1,506,598	12,251	1,518,849
Profit for the year	—	—	—	—	—	—	219,054	219,054	4,115	223,169
Fair value change on investments in equity instruments at FVTOCI	—	—	(38,125)	—	—	—	—	(38,125)	—	(38,125)
Share of other comprehensive (expense) income of investments accounted for using the equity method, net of tax	—	—	(65)	—	1,387	—	—	1,322	—	1,322
Exchange differences arising on translation of foreign operations	—	—	—	—	1,441	—	—	1,441	2,458	3,899
Total comprehensive (expense) income for the year	—	—	(38,190)	—	2,828	—	219,054	183,692	6,573	190,265
Appropriation	—	—	—	—	—	11,229	(11,229)	—	—	—
Disposal of partial equity interest in a subsidiary without losing control (Note 43(c))	—	—	—	72,222	—	—	—	72,222	(1,302)	70,920
Acquisition of a subsidiary (Note 36(a))	—	—	—	—	—	—	—	—	1,484	1,484

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	Attributable to owners of the Company								Non-controlling interests	Total
	Share capital	Share premium	FVTOCI reserve	Other reserve	Translation reserve	Statutory reserve	Retained profits	Subtotal		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000 (Note a)	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2022	390,054	693,602	(44,361)	34,344	2,493	177,119	509,261	1,762,512	19,006	1,781,518
Profit (loss) for the year	—	—	—	—	—	—	532,010	532,010	(11,909)	520,101
Fair value change on investments in equity instruments at FVTOCI	—	—	8,037	—	—	—	—	8,037	—	8,037
Share of other comprehensive income of investments accounted for using the equity method, net of tax	—	—	—	—	380	—	—	380	—	380
Exchange differences arising on translation of foreign operations	—	—	—	—	134	—	—	134	486	620
Total comprehensive income (expense) for the year	—	—	8,037	—	514	—	532,010	540,561	(11,423)	529,138
Appropriation	—	—	—	—	—	452	(452)	—	—	—
Contribution from non-controlling interests	—	—	—	—	—	—	—	—	2,990	2,990
Repurchase and cancellation of shares (Note 35(a))	(3,189)	(37,690)	—	—	—	—	—	(40,879)	—	(40,879)
As at 31 December 2023	<u>386,865</u>	<u>655,912</u>	<u>(36,324)</u>	<u>34,344</u>	<u>3,007</u>	<u>177,571</u>	<u>1,040,819</u>	<u>2,262,194</u>	<u>10,573</u>	<u>2,272,767</u>
Profit for the period	—	—	—	—	—	—	178,187	178,187	11,138	189,325
Fair value change on investment in equity instruments at FVTOCI	—	—	(97,178)	—	—	—	—	(97,178)	—	(97,178)
Share of other comprehensive expense of investments accounted for using the equity method, net of tax	—	—	—	—	(42)	—	—	(42)	—	(42)
Exchange differences arising on translation of foreign operations	—	—	—	—	(1,377)	—	—	(1,377)	(1,349)	(2,726)
Total comprehensive (expense) income for the period	—	—	(97,178)	—	(1,419)	—	178,187	79,590	9,789	89,379
Release upon disposal of equity instruments at FVTOCI	—	—	432	—	—	—	(432)	—	—	—
As at 30 April 2024	<u>386,865</u>	<u>655,912</u>	<u>(133,070)</u>	<u>34,344</u>	<u>1,588</u>	<u>177,571</u>	<u>1,218,574</u>	<u>2,341,784</u>	<u>20,362</u>	<u>2,362,146</u>
As at 1 January 2023	390,054	693,602	(44,361)	34,344	2,493	177,119	509,261	1,762,512	19,006	1,781,518
Profit (loss) for the period	—	—	—	—	—	—	104,563	104,563	(8,078)	96,485
Fair value change on investment in equity instruments at FVTOCI	—	—	(41,588)	—	—	—	—	(41,588)	—	(41,588)
Exchange differences arising on translation of foreign operations	—	—	—	—	(714)	—	—	(714)	(910)	(1,624)
Total comprehensive (expense) income for the period	—	—	(41,588)	—	(714)	—	104,563	62,261	(8,988)	53,273
As at 30 April 2023 (unaudited)	<u>390,054</u>	<u>693,602</u>	<u>(85,949)</u>	<u>34,344</u>	<u>1,779.00</u>	<u>177,119</u>	<u>613,824</u>	<u>1,824,773</u>	<u>10,018</u>	<u>1,834,791</u>

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Notes:

- a. It represents the statutory reserve of certain entities comprising the Group in the People’s Republic of China (the “PRC”). Pursuant to applicable PRC regulations, the PRC entities comprising the Group is required to appropriate 10% of its profit after tax (after offsetting prior year losses) to the statutory reserve until such reserve reaches 50% of its registered capital. Transfers to this reserve must be made before distribution of dividends to shareholders. Upon approval by relevant authorities, the statutory reserve can be utilised to offset the accumulated losses or to increase the paid-up capital of the entities comprising the Group.
- b. During the year ended 31 December 2021, the Company issued 1,554,000 domestic shares with par value of RMB1 each to an independent third party at a consideration of RMB40,000,000. Pursuant to the shareholders’ agreement, the shareholder has a written put option to require the Company to repurchase these shares unconditionally at a consideration of RMB40,000,000 plus 8% coupon rate per annum if the Company is unable to meet certain specified conditions under the agreed timeframe by 2025. Since such written put option creates contractual obligation that the Company does not have unconditional ability to avoid, a financial liability has been recognised at initial recognition at present value of the redemption amount and the corresponding amount has been debited to other reserve.

During the four months ended 30 April 2024, the independent third party exercised the written put option and the Company repurchased the above mentioned 1,554,000 domestic shares at a consideration of RMB47,136,000. Accordingly, the contractual liabilities under issued written put option has been settled. Subsequently, the Company cancelled these shares in May 2024.

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CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				<i>(Unaudited)</i>	
OPERATING ACTIVITIES					
(Loss) profit before tax	(734,459)	232,002	639,908	126,806	230,763
Adjustments for:					
Finance costs	30,931	72,353	90,722	33,206	25,448
Bank interest income	(4,188)	(8,201)	(22,096)	(3,966)	(6,448)
Interest income on finance lease receivables	(1,657)	(1,350)	(4,222)	(1,508)	(1,216)
Share of results of investments accounted for using the equity method	11,125	7,327	(4,875)	8	992
Depreciation of property, plant and equipment	9,751	32,929	58,200	17,533	19,349
Depreciation of right-of-use assets	63,543	122,412	146,160	46,698	62,003
Amortisation of intangible assets	541	527	496	166	3,315
Impairment losses recognised under ECL, net of reversal	45,832	2,472	48,854	(108)	(2,787)
Impairment losses on goodwill	—	10,863	—	—	—
Impairment loss on investment accounted for using the equity method	—	—	5,157	—	—
Write-down of inventories	984,385	11,744	17,855	36,721	28,610
Loss (gain) on disposal of property, plant and equipment	191	(193)	431	(3)	150
Gain on sublease	—	(7,486)	—	—	—
Loss (gain) on changes in fair value of convertible loan notes	3,935	3,304	(7,239)	(7,239)	—
(Gain) loss on changes in fair value of other financial assets at FVTPL	(91)	(1,446)	(9)	—	185
Interest income on structured deposits at FVTPL	(13,136)	(5,039)	(2,675)	(1,304)	(162)
(Gain) loss on partial disposal of an investments accounted for using the equity method	(319,232)	—	6,191	—	—
Gain on deemed partial disposal of investments accounted for using the equity method	(8,927)	—	—	—	—

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	Years ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				<i>(Unaudited)</i>	
Operating cash flows before movements in working capital	68,544	472,218	972,858	247,010	360,202
(Increase) decrease in inventories	(419,181)	348,687	(37,101)	87,307	(178,436)
(Increase) decrease in trade receivables	(150,716)	22,334	(377,080)	55,389	130,622
(Increase) decrease in contract assets	(7,536)	3,313	(3,099)	(1,575)	900
(Increase) decrease in prepayments and other receivables	(3,713)	47,135	(69,693)	(40,467)	10,294
Decrease in finance lease receivables	14,276	14,803	25,713	10,159	5,367
(Decrease) increase in trade and other payables	(525,569)	(233,521)	104,966	(86,335)	(47,176)
(Decrease) increase in contract liabilities	(25,249)	6,937	(13,746)	(39,814)	26,550
(Decrease) increase in refund liabilities	(33,038)	1,139	(1,153)	(8,726)	(8,083)
Cash (used in) generated from operations	(1,082,182)	683,045	601,665	222,948	300,240
Income tax paid	(110,456)	(73,250)	(15,305)	(6,911)	(13,670)
Net cash (used in) from operating activities	(1,192,638)	609,795	586,360	216,037	286,570

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NOTES	Years ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
INVESTING ACTIVITIES					
Interest received	15,633	14,930	24,771	5,270	6,425
Dividend received	—	808	1,680	—	—
Proceeds on disposal of partial interest in investments accounted for using the equity method	19	351,395	—	—	—
Proceeds on disposal of investments accounted for using the equity method	19	—	21,191	—	—
Proceeds from disposal of					
— financial assets at FVTPL	2,555,416	1,840,139	1,627,490	617,000	175,413
— equity instruments at FVTOCI	120,907	20,826	—	—	143
Proceeds on disposal of property, plant and equipment	318	4,453	1,890	176	203
Acquisition of/additional investment accounted for using the equity method	(100,300)	(1,700)	(6,109)	(346)	—
Purchases of					
— financial assets at FVTPL	(2,328,844)	(1,720,398)	(1,567,490)	(729,000)	(165,413)
— equity instruments at FVTOCI	(124,740)	(3,063)	(2,650)	—	—
Purchases of property, plant and equipment	(29,755)	(33,600)	(32,324)	(4,433)	(38,498)
Upfront payments for right-for-use assets	(32,200)	—	—	—	—
Deposit for acquisition of assets through acquisition of a subsidiary	(30,000)	—	(3,541)	—	—
Purchases of intangible assets	(481)	—	—	—	(139)
Net cash outflow on acquisition of subsidiaries	36	(430,321)	—	—	(115,672)
Placement of bank deposit with original maturity over three months	—	—	(10,000)	—	—
Placement of pledged/restricted bank deposits	(306,868)	(308,278)	(520,519)	(192,191)	(238,583)
Withdrawal of pledged/restricted bank deposits	148,682	242,537	676,252	256,463	124,996
Net cash from (used in) investing activities	239,163	(373,667)	210,641	(47,061)	(251,125)
FINANCING ACTIVITIES					
New bank borrowings raised	1,594,369	1,403,698	936,973	433,025	342,927
Proceeds on issue of convertible loan notes	380,000	—	—	—	—
Advance from (repayment to) a non-controlling shareholder	60,000	(60,000)	—	—	—
Proceeds from issue of shares	35(a)	40,000	—	—	—
Proceeds on disposal of partial equity interest in a subsidiary without losing control	16,634	—	—	—	—
Contribution from non-controlling interests	2,500	—	2,990	—	—
Repayments of bank borrowings	(1,239,274)	(1,329,169)	(891,170)	(337,976)	(113,894)
Repayments of lease liabilities	(65,836)	(98,864)	(143,093)	(48,860)	(61,954)
Repayments of convertible loan notes and related interests	—	(6,000)	(430,536)	—	—
Interest paid	(23,114)	(38,738)	(66,728)	(20,987)	(23,602)
Payment of issue cost	—	—	—	—	(3,613)
Repurchase of shares	35(a)	—	(40,879)	—	(47,136)
Net cash from (used in) financing activities	765,279	(129,073)	(632,443)	25,202	92,728
Net (decrease) increase in cash and cash equivalents	(188,196)	107,055	164,558	194,178	128,173
Cash and cash equivalents at beginning of the year/period	718,522	533,202	642,864	642,864	809,838
Effects of foreign exchange rate changes	2,876	2,607	2,416	(645)	357
Cash and cash equivalents at end of the year/period	533,202	642,864	809,838	836,397	938,368

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NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

AuGroup Technology Co., Ltd. was incorporated in the PRC as a joint stock company with limited liability. The respective addresses of the registered office and the principal place of business of the Company are stated in the section headed “Corporate Information” of the Document.

The Historical Financial Information is presented in RMB, which is also the functional currency of the Company.

[The statutory financial statements of the Company for the years ended 31 December 2021, 2022 and 2023 prepared in accordance with the relevant accounting principles and regulations in the PRC were audited by DaHua CPAs LLP Shenzhen Branch, DaHua CPAs LLP Shenzhen Branch and Shenzhen Yuebao Certified Public Accountants which were the certified public accountants registered in the PRC, respectively.]

2. APPLICATION OF AMENDMENTS TO IFRSs

For the purpose of preparing the Historical Financial Information for the Track Record Period, the Group has consistently adopted the accounting policies which conform with International Accounting Standards (“IASs”), IFRS, amendments to IFRSs and the related interpretations issued by the IASB which are effective for the accounting period beginning on 1 January 2024 throughout the Track Record Period.

New and amendments to IFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards — Volume 11 ³
Amendments to IAS 21	Lack of Exchangeability ²
IFRS 18	Presentation and Disclosure in Financial Statements ⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

Except for new IFRS mentioned below, the directors of the Company (the “Directors”) anticipate that the application of all other amendments to IFRSs will have no material impact on the consolidated financial statements of the Group in the foreseeable future.

IFRS 18 sets out requirements on presentation and disclosures in financial statements and it will replace IAS 1 *Presentation of Financial Statements*. The new standard introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made. IFRS 18 will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard will not have material impact on the financial position of the Group but is expected to affect the presentation of the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows and disclosures in the future financial statements. The Group will continue to assess the impact of IFRS 18 on the Group’s consolidated financial statements.

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3. BASIS OF PREPARATION OF HISTORICAL FINANCIAL INFORMATION AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of Historical Financial Information

The Historical Financial Information has been prepared in accordance with IFRSs issued by the IASB. For the purpose of preparation of the Historical Financial Information, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the Historical Financial Information includes applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the Historical Financial Information is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 *Share-based Payment* (“IFRS 2”), leasing transactions that are accounted for in accordance with IFRS 16 *Leases* (“IFRS 16”), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of Assets* (“IAS 36”).

3.2 Material accounting policy information

Basis of consolidation

The Historical Financial Information incorporates the financial statements of the Company, entities held on trust by employees and held on behalf of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group’s voting rights in an investee are sufficient to give it the power, including rights arising from other contractual arrangements.

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/period are included in the Historical Financial Information 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.

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

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Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Business combinations or asset acquisitions

Optional concentration test

The Group can elect to apply an optional concentration test, on a transaction-by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

Asset acquisitions

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first and financial assets/financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* ("IAS 12") and IAS 19 *Employee Benefits* respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Investments accounted for using the equity method

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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The results and assets and liabilities of associates are incorporated in the Historical Financial Information using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances.

Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Historical Financial Information only to the extent of interests in the associate that are not related to the Group.

Changes in the Group's interests in associates

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

Acquisition of additional interests in associates

When the Group increases its ownership interest in an associate but the Group continues to use the equity method, goodwill is recognised at acquisition date if there is excess of the consideration paid over the share of carrying amount of net assets attributable to the additional interests in associates acquired. Any excess of share of carrying amount of net assets attributable to the additional interests in associates acquired over the consideration paid are recognised in the profit or loss in the period in which the additional interest are acquired.

Revenue from contracts with customers

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

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

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

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs;
or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

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

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A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer.

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract, that best depict the Group's performance in transferring control of services.

Sale with a right of return/exchange

For a sale of products with a right of return, the Group recognises all of the following:

- (a) revenue for the transferred products in the amount of consideration to which the Group expects to be entitled (therefore, revenue would not be recognised for the products expected to be returned/exchanged);
- (b) a refund liability; and
- (c) an asset (and corresponding adjustment to cost of sales) for its right to recover products from customers and are presented as right to returned goods asset.

Leases

Definition of a lease

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

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Short-term leases

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Right-of-use assets

The cost of right-of-use assets includes the amount of the initial measurement of the lease liability and any lease payments made at or before the commencement date.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful lives and the lease terms.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date as the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

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The Group presents lease liabilities as a separate line item on the consolidated statements of financial position.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use assets.

Taxation

Income tax expense represents the sum of the current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year/period. Taxable profit differs from (loss) profit before tax because of income or expense that are taxable or deductible in other years/periods and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of each reporting period.

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

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

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

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

The Group applies IAS 12 *Income Tax* requirements to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Internally-generated intangible assets — research and development expenditure

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

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Financial instruments

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

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

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

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

(ii) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the FVTOCI reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will continue to be held in the FVTOCI reserve.

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

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend earned or interest earned on the financial asset and is included in the "other gains and losses" line item.

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Impairment of financial assets subject to impairment assessment under IFRS 9

The Group performs impairment assessment under ECL model on financial assets which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant increase in credit risk or credit-impaired, and collectively for the remaining balances of debtors using internal credit rating with appropriate groupings.

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

(i) Significant increase in credit risk

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

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor.

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

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

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

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

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data such as: significant financial difficulty of the issuer or the borrower and a breach of contract, such as a default or past due event.

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(iv) Write-off policy

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. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using internal credit rating taking into consideration historical credit loss experience and forward looking information that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for trade and other receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade and other receivables, where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is not reclassified to profit or loss, but is transferred to retained profits.

Financial liabilities and equity

Classification as debt or equity

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

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Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company’s own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company’s own equity instruments.

Financial liabilities at amortised cost

Financial liabilities are subsequently measured at amortised cost, using the effective interest method.

Convertible loan notes

A conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group’s own equity instruments is a conversion option derivative.

At the date of issue, both the debt component and derivative components are recognised at fair value and the convertible loan notes are designated as at FVTPL. In subsequent period, changes in fair value are recognised in profit or loss as fair value gain or loss except for changes in the fair value that is attributable to changes in the credit risk (excluding changes in fair value of the derivatives component) is recognised in other comprehensive income, unless the recognition of the effects of changes in the credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to the credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss, they are transferred to retained profits upon derecognition.

Transaction costs relating to the issue of the convertible loan notes are charged to profit or loss immediately.

Derecognition of financial liabilities

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

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, the directors of the Company are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the 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/period.

Deferred tax assets

As at 31 December 2021, 2022 and 2023 and 30 April 2024, the tax losses of RMB1,601,833,000, RMB1,902,928,000, RMB1,448,744,000 and RMB1,294,335,000, has been recognised as deferral tax assets in the Group’s consolidated statements of financial position. No deferred tax asset has been recognised on the tax losses of RMB72,871,000, RMB102,888,000, RMB107,685,000 and RMB116,391,000 due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits will be available in the future, which is a key source of estimation uncertainty. In cases where the actual future taxable profits generated are less or more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a material reversal or further recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal or further recognition takes place.

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Fair value measurement of financial instruments

As at 31 December 2021, 2022 and 2023 and 30 April 2024, the Group’s unlisted equity investments of RMB243,031,000, RMB165,380,000, RMB177,229,000 and RMB83,961,000 and convertible loan notes of RMB390,572,000, RMB416,981,000, nil and nil are measured at fair value with fair value being determined based on significant unobservable inputs using valuation techniques. Judgement 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 value of these instruments. See Note 38 for further disclosures.

Provision of ECL for trade receivables

Trade receivables with significant balances and credit-impaired are assessed for ECL individually.

In addition, for trade receivables which are individually insignificant or when the Group does not have reasonable and supportable information that is available without undue cost or effort to measure ECL on individual basis, collective assessment is performed by grouping debtors based on the Group’s internal credit ratings.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group’s trade receivables are disclosed in Note 38.

Net realisable value of inventories

As at 31 December 2021, 2022 and 2023 and 30 April 2024, the carrying amount of the Group’s inventories is RMB1,379,842,000, RMB1,026,602,000, RMB1,045,848,000 and RMB1,195,674,000, respectively. During the years ended 31 December 2021, 2022, 2023 and four months ended 30 April 2024, a write-down of inventories of RMB984,385,000, RMB11,744,000, RMB17,855,000 and RMB5,308,000 was recognised in profit or loss, respectively.

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

The Group assesses the net realisable value of inventories as well as the required amount of write-down of inventory provision at the end of each reporting period, which involves significant judgment on determination of the estimated selling prices, costs to completion and costs necessary to make the sale.

5. REVENUE AND OPERATING SEGMENTS

(i) Disaggregation of revenue from contracts with customers

Types of goods or service

	For the year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
				<i>(Unaudited)</i>	
Furniture and home furnishings	3,516,335	4,187,110	5,336,581	1,613,424	1,745,371
Electric tools and home appliances	2,349,475	1,109,622	783,930	204,357	291,013
Other products <i>(Note)</i>	2,715,683	1,028,826	909,864	257,134	214,140
Logistic service	489,700	774,672	1,652,602	349,577	582,992
	<u>9,071,193</u>	<u>7,100,230</u>	<u>8,682,977</u>	<u>2,424,492</u>	<u>2,833,516</u>

Note: Other products include consumer electronics, sports and health and others.

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Sales channels

	For the year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
				<i>(Unaudited)</i>	
Revenue from sales of goods					
— Through third party e-commerce platforms	8,233,426	5,878,049	6,656,918	1,933,050	2,105,318
— Through other channels <i>(Note)</i>	348,067	447,509	373,457	141,865	145,206
Logistics revenue	489,700	774,672	1,652,602	349,577	582,992
Total	<u>9,071,193</u>	<u>7,100,230</u>	<u>8,682,977</u>	<u>2,424,492</u>	<u>2,833,516</u>

Note: Other channels mainly represent self-operated online stores and offline channels.

Geographical markets

	For the year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
				<i>(Unaudited)</i>	
PRC	448,962	727,195	1,530,219	319,434	539,906
United States	5,355,050	5,047,103	6,112,960	1,762,895	1,997,518
Other North American countries	196,101	92,812	88,399	25,394	16,273
Germany	841,588	404,058	293,125	108,748	99,427
Other European countries	1,934,906	660,099	480,719	146,174	132,895
Others	294,586	168,963	177,555	61,847	47,497
Total	<u>9,071,193</u>	<u>7,100,230</u>	<u>8,682,977</u>	<u>2,424,492</u>	<u>2,833,516</u>

Timing of revenue recognition

Revenue from contracts with customers within the scope of IFRS 15 recognised over time and recognised at a point in time is analysed as follows:

	For the year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
				<i>(Unaudited)</i>	
Timing of revenue recognition					
— A point in time	8,581,493	6,325,558	7,030,375	2,074,915	2,250,524
— Over time	489,700	774,672	1,652,602	349,577	582,992
Total	<u>9,071,193</u>	<u>7,100,230</u>	<u>8,682,977</u>	<u>2,424,492</u>	<u>2,833,516</u>

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(ii) Performance obligations for contracts with customers

Sales of goods

The Group mainly sells its products to customers over third-party e-commerce platforms and other channels.

Revenue from the sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on the receipt of products by customers.

If the contract for the sale of products provides customers with rights of return, it gives rise to variable consideration.

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

A contract liability represents the Group’s obligation to transfer goods or services to a customer for which the Group has received consideration from the customer.

Logistics revenue

The Group derives revenue from provision of logistics services, including warehousing services, express and freight delivery services and related value-added services.

The Group recognises revenue based on the progress of the service performed within period, which is determined based on days spent to the estimated total days. As at the date of the end of each reporting period, the Group re-estimates the progress of the service performed to reflect the actual status of contract performance.

When the Group recognises revenue based on the progress of the service performed, the amount with unconditional right to consideration obtained by the Group is recognised as trade receivables, and the rest is recognised as contract assets. Meanwhile, provision for trade receivables and contract assets is recognised on the basis of expected credit losses. If the contract consideration received or receivable exceeds the progress of the service performed, the excess portion will be recognised as contract liabilities. Contract assets and contract liabilities under the same contract are presented on a net basis.

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

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2021, 2022 and 2023 and 30 April 2024, and the expected timing of recognising revenue are as follows:

	As at 31 December				As at 30 April			
	2021		2022		2023		2024	
	Sales of goods	Logistic services	Sales of goods	Logistic services	Sales of goods	Logistic services	Sales of goods	Logistic services
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Within one year	52,201	2,807	54,873	7,072	39,136	9,063	54,606	20,143

(iv) Operating Segments

Information reported to the Mr. Lu Haizhuan (“Mr. Lu”) and Mr. Ze Kuaiyue (“Mr. Ze”), executive directors and beneficial shareholders of the Company, being the chief operating decision makers (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

Specifically, the Group’s operating and reportable segments under IFRS 8 are as follows:

1. Sales of goods
2. Logistics

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The following is an analysis of the Group’s revenue and results by reportable segments:

For the year ended 31 December 2021

	Sales of goods	Logistic services	Eliminations	Consolidated
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Segment revenue	8,581,493	489,700	—	9,071,193
Inter-segment sales	—	614,837	(614,837)	—
	<u>8,581,493</u>	<u>1,104,537</u>	<u>(614,837)</u>	<u>9,071,193</u>
Segment (loss) profit	(725,090)	110,963	(8,153)	(622,280)
	<u>(725,090)</u>	<u>110,963</u>	<u>(8,153)</u>	<u>(622,280)</u>
Share of results of investments accounted for using the equity method				(11,125)
Other income				20,399
Other gains and losses				360,472
Finance costs				(30,931)
Unallocated corporate expenses				(450,994)
				<u>(734,459)</u>

For the year ended 31 December 2022

	Sales of goods	Logistic services	Eliminations	Consolidated
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Segment revenue	6,325,558	774,672	—	7,100,230
Inter-segment sales	—	675,848	(675,848)	—
	<u>6,325,558</u>	<u>1,450,520</u>	<u>(675,848)</u>	<u>7,100,230</u>
Segment profit	603,190	124,596	(5,838)	721,948
	<u>603,190</u>	<u>124,596</u>	<u>(5,838)</u>	<u>721,948</u>
Share of results of investments accounted for using the equity method				(7,327)
Other income				19,868
Other gains and losses				(21,697)
Finance costs				(72,353)
Unallocated corporate expenses				(408,437)
				<u>232,002</u>

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For the year ended 31 December 2023

	<u>Sales of goods</u>	<u>Logistic services</u>	<u>Eliminations</u>	<u>Consolidated</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Segment revenue	7,030,375	1,652,602	—	8,682,977
Inter-segment sales	—	764,348	(764,348)	—
	<u>7,030,375</u>	<u>2,416,950</u>	<u>(764,348)</u>	<u>8,682,977</u>
Segment profit	<u>970,841</u>	<u>195,714</u>	<u>(3,484)</u>	<u>1,163,071</u>
Share of results of investments accounted for using the equity method				4,875
Other income				42,320
Other gains and losses				12,432
Finance costs				(90,722)
Unallocated corporate expenses				(492,068)
Group’s profit before tax				<u>639,908</u>

For the four months ended 30 April 2023 (unaudited)

	<u>Sales of goods</u>	<u>Logistic services</u>	<u>Eliminations</u>	<u>Consolidated</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Segment revenue	2,074,915	349,577	—	2,424,492
Inter-segment sales	—	216,218	(216,218)	—
	<u>2,074,915</u>	<u>565,795</u>	<u>(216,218)</u>	<u>2,424,492</u>
Segment profit	<u>229,280</u>	<u>39,710</u>	<u>(8,144)</u>	<u>260,846</u>
Share of results of investments accounted for using the equity method				(8)
Other income				9,835
Other gains and losses				13,476
Finance costs				(33,206)
Unallocated corporate expenses				(124,137)
Group’s profit before tax				<u>126,806</u>

For the four months ended 30 April 2024

	<u>Sales of goods</u>	<u>Logistic services</u>	<u>Eliminations</u>	<u>Consolidated</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Segment revenue	2,250,524	582,992	—	2,833,516
Inter-segment sales	—	121,877	(121,877)	—
	<u>2,250,524</u>	<u>704,869</u>	<u>(121,877)</u>	<u>2,833,516</u>
Segment profit	<u>271,581</u>	<u>101,721</u>	<u>(470)</u>	<u>372,832</u>

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	Sales of goods	Logistic services	Eliminations	Consolidated
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Share of results of investments accounted for using the equity method				(992)
Other income				10,123
Other gains and losses				25,242
Finance costs				(25,448)
Unallocated corporate expenses				(150,994)
Group’s profit before tax				<u>230,763</u>

Geographical information

The details of the Group’s revenue from external customers by geographical location of the operations are set out in Note 5(i).

The Group’s non-current assets, excluding financial instruments and deferred tax assets by geographical location of assets and details are below:

	As at 31 December			As at 30 April
	2021	2022	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
PRC	271,822	790,165	764,002	790,280
United States	385,604	623,255	604,017	834,603
Germany	93,343	85,976	75,230	66,031
	<u>750,769</u>	<u>1,499,396</u>	<u>1,443,249</u>	<u>1,690,914</u>

The accounting policies of the operating segments are the same as the Group’s accounting policies. Segment (loss) profit represents the (loss) profit earned by each segment without allocation of central administration costs, [REDACTED] expense, finance costs, directors’ emoluments, share of results of investments accounted for using the equity method, other gains and losses, other income and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The CODM makes decisions according to operating results of each segment. No analysis of segment asset, segment liability and other segment information is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment.

Information of major customers

There is no individual customer whose revenue has exceeded 10% of the Group’s total revenue during the Track Record Period.

6. OTHER INCOME

	Year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Bank interest income	4,188	8,201	22,096	3,966	6,448
Government grants	14,554	10,317	16,002	4,361	2,459
Interest income on finance lease receivables	1,657	1,350	4,222	1,508	1,216
	<u>20,399</u>	<u>19,868</u>	<u>42,320</u>	<u>9,835</u>	<u>10,123</u>

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Government grants mainly represented the government subsidies received from the local governments in the PRC to support the research, development, designs activities and e-commerce operation development of the Group. There are no unfulfilled conditions relating to these grants.

7. IMPAIRMENT LOSSES UNDER ECL, NET OF REVERSAL

	Year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				<i>(Unaudited)</i>	
Impairment losses recognised (reversed) on:					
— trade receivables	30,580	(9,903)	38,497	(108)	1,209
— other receivables	15,252	12,375	10,357	—	(3,996)
	<u>45,832</u>	<u>2,472</u>	<u>48,854</u>	<u>(108)</u>	<u>(2,787)</u>

Details of impairment assessment are set out in Note 38.

8. OTHER GAINS AND LOSSES

	Year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				<i>(Unaudited)</i>	
Impairment loss on goodwill	—	(10,863)	—	—	—
Gain (loss) on partial disposal of investments accounted for using the equity method (<i>Note 19</i>)	319,232	—	(6,191)	—	—
Gain on deemed partial disposal of investments accounted for using the equity method	8,927	—	—	—	—
(Loss) gain on disposal of property, plant and equipment	(191)	193	(431)	3	(150)
Gain on sublease	—	7,486	—	—	—
Foreign exchange gains (losses), net	23,212	(21,694)	14,288	4,930	25,415
Interest income on structured deposits at FVTPL	13,136	5,039	2,675	1,304	162
Gain (loss) on changes in fair value of other financial assets at FVTPL	91	1,446	9	—	(185)
(Loss) gain on changes in fair value of convertible loan notes	(3,935)	(3,304)	7,239	7,239	—
Impairment loss on investment accounted for using the equity method	—	—	(5,157)	—	—
	<u>360,472</u>	<u>(21,697)</u>	<u>12,432</u>	<u>13,476</u>	<u>25,242</u>

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9. FINANCE COSTS

	Year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Interest on bank loans	8,315	14,760	25,508	8,343	8,623
Interest on lease liabilities	15,788	24,356	41,220	13,801	16,089
Interest on convertible loan notes	6,637	29,105	20,794	9,995	—
Interest on amount due to a non-controlling shareholder	191	932	—	—	—
Interest on issued written put options	—	3,200	3,200	1,067	736
	<u>30,931</u>	<u>72,353</u>	<u>90,722</u>	<u>33,206</u>	<u>25,448</u>

10. INCOME TAX (CREDIT) EXPENSE

	Year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				(Unaudited)	
Current tax:					
Hong Kong	4,300	2,505	—	—	1,987
PRC Enterprise Income Tax	131,460	11,802	2,565	59	3,215
United States	5,859	3,104	22,728	3,822	41
(Over) under provision in prior years/periods:					
Hong Kong	(1,135)	—	(1,562)	(1,047)	—
PRC Enterprise Income Tax	(288)	—	(1,186)	—	—
United States	—	—	—	—	—
Deferred tax (Note 22)	<u>(284,776)</u>	<u>(8,578)</u>	<u>97,262</u>	<u>27,487</u>	<u>36,195</u>
Income tax (credit) expense	<u>(144,580)</u>	<u>8,833</u>	<u>119,807</u>	<u>30,321</u>	<u>41,438</u>

Hong Kong

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits throughout the Track Record Period.

PRC Enterprise Income Tax

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% during the Track Record Period, except for disclosed below.

The Company has been recognised as the High New Tech Enterprises from 2019 to 2024. Shenzhen Aukeyhi Technology Co., Ltd. has been recognised as the High New Tech Enterprises from 2021 to 2023. According to the “EIT Law” for High New Tech Enterprises, these companies are subject to a reduced Enterprise Income Tax rate of 15% during the Track Record Period.

During the Track Record Period, several subsidiaries in PRC were qualified as small and micro enterprises under the PRC Enterprise Income Tax regime, which enjoyed a enterprise income tax rate of 2.5%-10%.

United States

Pursuant to the relevant tax laws of the United States, tax at a maximum of 21% federal corporate income tax rate and other relevant states tax rate of 8.84% has been provided on the taxable income arising in the United States throughout the Track Record Period.

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Others

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

The income tax (credit) expense for the year/period can be reconciled to the (loss) profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Loss) profit before tax	(734,459)	232,002	639,908	126,806	230,763
Tax at the domestic income tax rate of 15%	(110,169)	34,800	95,986	19,021	34,614
Tax effect of share of results of investments accounted for using the equity method	1,669	1,099	(731)	1	149
Tax effect of expenses not deductible for tax purpose	298	288	168	27	44
Tax effect of income not taxable for tax purpose	(1,339)	—	—	—	—
Over provision in respect of prior years/periods	(1,423)	—	(2,748)	(1,047)	—
Tax effect of tax losses not recognised	2,626	4,747	9,048	7,879	2,579
Utilisation of tax losses previously not recognised	—	(244)	(8,328)	(8,328)	(1,272)
Tax benefit for qualifying research and development expenses (<i>Note</i>)	(19,769)	(14,794)	(12,806)	(3,493)	(4,004)
Income tax at concessionary rate	(727)	(464)	(159)	(78)	(45)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(15,746)	(16,599)	39,377	16,339	9,373
Income tax (credit) expense	(144,580)	8,833	119,807	30,321	41,438

Note: In accordance with the relevant laws and regulations issued by the State Administration of Taxation of the PRC (“SAT”), enterprises engage in research and development activities were entitled to an additional deduction of 175% of the research and development expenses incurred as deductible expenses during the year/period when determining their taxable profits (“weighted deduction”). The SAT announced to increase the weighted deduction rate to 200% with effect from 1 October 2022. Accordingly, the Group adopted the weighted deduction rate of 175% from 1 January 2021 to 30 September 2022 and 200% from 1 October 2022 to 30 April 2024. In determining the taxable profits for the year/period, the Group has made the best estimate of the entitled weighted deduction.

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11. (LOSS) PROFIT FOR THE YEAR/PERIOD

(Loss) profit for the year/period has been arrived at after charging:

	For the year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
				<i>(Unaudited)</i>	
(Loss) profit for the year/period after charging the following items:					
Depreciation and amortisation of property and equipment, right-of use assets and intangible assets	73,835	155,868	204,856	64,397	84,667
Auditor’s remuneration	2,577	1,772	1,070	—	5
Employee benefits expenses	477,448	405,836	450,189	113,279	152,465
Write-down of inventories included in cost of sales	984,385	11,744	17,855	36,721	28,610
Cost of inventories recognised as an expense excluding write-down of inventories	5,813,210	3,972,932	4,259,566	1,257,906	1,347,023
[REDACTED] expenses	—	—	[REDACTED]	—	[REDACTED]
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

12. DIRECTORS’, CHIEF EXECUTIVE’S AND SUPERVISORS’ EMOLUMENTS

Details of the emoluments paid or payable to the directors, chief executive officer (“CEO”) and supervisors of the Company during the Track Record Period disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance are as follows:

	Salaries and other allowances	Discretionary bonus (Note)	Contributions to retirement benefit plan	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Year ended 31 December 2021				
Executive directors:				
Mr. Lu, (“CEO”)	1,187	—	12	1,199
Mr. Ze	1,072	—	11	1,083
Ms. Zhuang Liyan (“Ms. Zhuang”)	562	—	—	562
Non-executive directors:				
Ms. Zou Jiajia (“Ms. Zou”)	—	—	—	—
Mr. Wu Fei (“Mr. Wu”), resigned on 10 October 2023	—	—	—	—
Mr. Lu Songdu	—	—	—	—
Independent Non-executive directors:				
Ms. Meng Rongfang (“Ms. Meng”)	84	—	—	84
Mr. Xu Jinke (“Mr. Xu”)	84	—	—	84
Mr. Dongfang Hao (“Mr. Dongfang”), resigned on 10 October 2023	84	—	—	84
Supervisors:				
Ms. Zhang Li (“Ms. Zhang”)	542	—	27	569
Ms. Hua Xiang (“Ms. Hua”)	—	—	—	—
Ms. Mao Xia (“Ms. Mao ”), resigned on 30 June 2022	296	—	8	304
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	3,911	—	58	3,969
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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	Salaries and other allowances	Discretionary bonus (<i>Note</i>)	Contributions to retirement benefit plan	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Year ended 31 December 2022				
Executive directors:				
Mr. Lu, (“CEO”)	1,191	255	12	1,458
Mr. Ze	1,074	255	11	1,340
Ms. Zhuang	666	—	—	666
Non-executive directors:				
Ms. Zou	—	—	—	—
Mr. Wu, resigned on 10 October 2023	—	—	—	—
Mr. Lu Songdu	—	—	—	—
Independent Non-executive directors:				
Ms. Meng	84	—	—	84
Mr. Xu	84	—	—	84
Mr. Dongfang, resigned on 10 October 2023	84	—	—	84
Supervisors:				
Ms. Zhang	573	—	40	613
Ms. Hua	—	—	—	—
Ms. Liu Meixia (“Ms. Liu”), appointed on 30 June 2022	237	—	7	244
Ms. Mao, resigned on 30 June 2022	179	—	9	188
	<u>4,172</u>	<u>510</u>	<u>79</u>	<u>4,761</u>

Year ended 31 December 2023

Executive directors:				
Mr. Lu, (“CEO”)	1,194	85	12	1,291
Mr. Ze	1,076	85	11	1,172
Ms. Zhuang	1,202	50	—	1,252
Non-executive directors:				
Ms. Zou	—	—	—	—
Mr. Jin Hao (“Mr. Jin”), appointed on 10 October 2023	—	—	—	—
Mr. Wu, resigned on 10 October 2023	—	—	—	—
Mr. Lu Songdu	—	—	—	—
Independent Non-executive directors:				
Ms. Meng	84	—	—	84
Mr. Xu	84	—	—	84
Mr. Chen Xiaohuan (“Mr. Chen”), appointed on 10 October 2023	21	—	—	21
Mr. Dongfang, resigned on 10 October 2023	70	—	—	70
Supervisors:				
Ms. Zhang	877	—	46	923
Ms. Hua	—	—	—	—
Ms. Liu	473	—	7	480
	<u>5,081</u>	<u>220</u>	<u>76</u>	<u>5,377</u>

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	Salaries and other allowances	Discretionary bonus (<i>Note</i>)	Contributions to retirement benefit plan	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Four months ended 30 April 2023 (unaudited)				
Executive directors:				
Mr. Lu, (“CEO”)	398	—	4	402
Mr. Ze	359	—	4	363
Ms. Zhuang	278	—	—	278
Non-executive directors:				
Ms. Zou	—	—	—	—
Mr. Wu, resigned on 10 October 2023	—	—	—	—
Mr. Lu Songdu	—	—	—	—
Independent Non-executive directors:				
Ms. Meng	28	—	—	28
Mr. Xu	28	—	—	28
Mr. Dongfang, resigned on 10 October 2023	28	—	—	28
Supervisors:				
Ms. Zhang	219	—	15	234
Ms. Hua	—	—	—	—
Ms. Liu	79	—	2	81
	<u>1,417</u>	<u>—</u>	<u>25</u>	<u>1,442</u>

Four months ended 30 April 2024

Executive directors:				
Mr. Lu, (“CEO”)	985	—	4	989
Mr. Ze	994	—	4	998
Ms. Zhuang	361	—	—	361
Non-executive directors:				
Ms. Zou	—	—	—	—
Mr. Jin	—	—	—	—
Mr. Lu Songdu	—	—	—	—
Independent Non-executive directors:				
Ms. Meng	28	—	—	28
Mr. Xu	28	—	—	28
Mr. Chen	28	—	—	28
Supervisors:				
Ms. Zhang	472	—	17	489
Ms. Hua	—	—	—	—
Ms. Liu	133	—	3	136
	<u>3,029</u>	<u>—</u>	<u>28</u>	<u>3,057</u>

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

The non-executive directors’, independent non-executive directors’ and supervisors’ emoluments shown above were for their services as directors/supervisors of the Company.

Note: The discretionary bonus is determined by the directors of the Company based on the performance of the directors of the Company and the Group.

During the Track Record Period, none of the Directors and CEO of the Company had waived any emoluments and no emoluments had been paid by the Group to any of the Directors or CEO or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

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13. EMPLOYEES' EMOLUMENTS

There are no directors or CEO among the five highest paid employees of the Group during each of the years ended 31 December 2021, 2022 and 2023, and four months ended 30 April 2023. During the four months ended 30 April 2024, five highest paid employees included one director and the remaining four highest paid employees are neither a director nor CEO.

Details of the remuneration for the five highest paid employees for each of the years ended 31 December 2021, 2022 and 2023 and four months ended 30 April 2023 and the four highest paid employees for the four months ended 30 April 2024, are as follows:

	Year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>RMB'000</i>
Salaries, allowances and benefits in kind	4,566	3,650	7,670	2,436	2,472
Performance related bonuses (<i>Note</i>)	21,625	17,539	38,372	10,639	11,423
Retirement benefits	170	118	118	39	41
	<u>26,361</u>	<u>21,307</u>	<u>46,160</u>	<u>13,114</u>	<u>13,936</u>

Note: The performance related bonuses are determined by the directors of the Company based on the performance of the Company and the Group.

The number of the highest paid employees of the Company whose remuneration fell within the following bands is as follows:

	For the year ended 31 December			For the four months ended 30 April	
	2021	2022	2023	2023	2024
				<i>(unaudited)</i>	
— HK\$1,500,001 to HK\$2,000,000	—	—	—	1	—
— HK\$2,000,001 to HK\$2,500,000	—	—	—	—	1
— HK\$2,500,001 to HK\$3,000,000	—	—	—	3	—
— HK\$3,000,001 to HK\$3,500,000	—	3	—	—	—
— HK\$3,500,001 to HK\$4,000,000	2	—	—	—	—
— HK\$4,000,001 to HK\$4,500,000	—	1	—	—	2
— HK\$4,500,001 to HK\$5,000,000	—	—	—	1	1
— HK\$5,000,001 to HK\$5,500,000	1	—	—	—	—
— HK\$5,500,001 to HK\$6,000,000	—	—	1	—	—
— HK\$7,500,001 to HK\$8,000,000	—	—	1	—	—
— HK\$8,000,001 to HK\$8,500,000	1	—	—	—	—
— HK\$9,500,001 to HK\$10,000,000	—	1	—	—	—
— HK\$10,000,001 to HK\$10,500,000	1	—	—	—	—

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	For the year ended 31 December			For the four months ended 30 April	
	2021	2022	2023	2023	2024
				<i>(unaudited)</i>	
— HK\$10,500,001 to HK\$11,000,000	—	—	1	—	—
— HK\$11,000,001 to HK\$11,500,000	—	—	1	—	—
— HK\$15,000,001 to HK\$15,500,000	—	—	1	—	—
	<u>—</u>	<u>—</u>	<u>1</u>	<u>—</u>	<u>—</u>

14. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the Track Record Period, nor has any dividend been proposed since the end of the Track Record Period.

15. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to owners of the Company is based on the following data:

(Loss) earnings figures are calculated as follows:

	Year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
				<i>(unaudited)</i>	
(Loss) profit for the year/period attributable to owners of the Company for basic and diluted (loss) earnings per share	(580,797)	219,054	532,010	104,563	178,187
	<u>(580,797)</u>	<u>219,054</u>	<u>532,010</u>	<u>104,563</u>	<u>178,187</u>

Number of shares

	Year ended 31 December			Four months ended 30 April	
	2021	2022	2023	2023	2024
				<i>(unaudited)</i>	
Weighted average number of ordinary shares for the purpose of basic and diluted (loss) earnings per share (<i>Note</i>)	388,500,000	388,500,000	388,194,226	388,500,000	385,311,216
	<u>388,500,000</u>	<u>388,500,000</u>	<u>388,194,226</u>	<u>388,500,000</u>	<u>385,311,216</u>

Note: A total of 1,554,000 domestic shares with a written put option requiring the Company to repurchase these Shares unconditionally and subsequently repurchased during the four months ended 30 April 2024 are not included from the total number of shares in issue for the purpose of calculating basic earnings per share.

The computation of diluted (loss) earnings per share does not assume the conversion of the Company’s outstanding convertible loan notes since their assumed exercise would result in a decrease in loss per share/increase in earnings per share.

In respect of the written put option requiring the Company to repurchase the shares of the Company, it did not have significant dilutive effect on earnings per share calculation throughout the Track Record Period.

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16. PROPERTY, PLANT AND EQUIPMENT

The Group

	Leasehold land and buildings	Motor vehicles	Office equipment	Electronic equipment	Construction in progress	Leasehold improvement and others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
COST							
At 1 January 2021	—	10,092	5,594	21,219	—	14,568	51,473
Exchange adjustments	—	(83)	(21)	(192)	—	—	(296)
Additions	—	2,139	2,372	18,313	—	6,611	29,435
Disposals	—	(109)	(233)	(1,072)	—	—	(1,414)
At 31 December 2021	—	12,039	7,712	38,268	—	21,179	79,198
Exchange adjustments	—	970	191	1,528	—	194	2,883
Additions	—	10,611	5,121	9,808	—	21,578	47,118
Acquired on acquisition of a subsidiary (Note 36 (a) & (b))	609,966	27	44	107	—	—	610,144
Disposals	—	(410)	(2,975)	(3,434)	—	—	(6,819)
At 31 December 2022	609,966	23,237	10,093	46,277	—	42,951	732,524
Exchange adjustments	—	587	64	990	—	68	1,709
Additions	—	4,592	3,320	4,310	—	4,435	16,657
Disposals	—	(800)	(1,933)	(1,302)	—	—	(4,035)
At 31 December 2023	609,966	27,616	11,544	50,275	—	47,454	746,855
Exchange adjustments	—	(242)	6	(317)	—	9	(544)
Additions	—	3,700	441	1,509	61,495	1,966	69,111
Disposal	—	—	(177)	(1,429)	—	—	(1,606)
At 30 April 2024	609,966	31,074	11,814	50,038	61,495	49,429	813,816
DEPRECIATION							
At 1 January 2021	—	3,609	2,158	7,037	—	10,597	23,401
Exchange adjustments	—	(155)	(4)	(224)	—	—	(383)
Provided for the year	—	1,824	987	4,820	—	2,120	9,751
Eliminated on disposals	—	(104)	(155)	(646)	—	—	(905)
At 31 December 2021	—	5,174	2,986	10,987	—	12,717	31,864
Exchange adjustments	—	329	94	547	—	—	970
Provided for the year	14,235	3,084	2,098	8,300	—	5,212	32,929
Eliminated on disposals	—	(75)	(890)	(1,594)	—	—	(2,559)
At 31 December 2022	14,235	8,512	4,288	18,240	—	17,929	63,204
Exchange adjustments	—	127	7	279	—	—	413
Provided for the year	34,166	4,415	747	9,489	—	9,383	58,200
Eliminated on disposals	—	(410)	(438)	(866)	—	—	(1,714)
At 31 December 2023	48,401	12,644	4,604	27,142	—	27,312	120,103
Exchange adjustments	—	(50)	(38)	(135)	—	—	(223)
Provided for the period	11,389	1,461	668	2,601	—	3,230	19,349
Eliminated on disposals	—	—	(125)	(1,128)	—	—	(1,253)
At 30 April 2024	59,790	14,055	5,109	28,480	—	30,542	137,976
CARRYING VALUES							
At 31 December 2021	—	6,865	4,726	27,281	—	8,462	47,334
At 31 December 2022	595,731	14,725	5,805	28,037	—	25,022	669,320
At 31 December 2023	561,565	14,972	6,940	23,133	—	20,142	626,752
At 30 April 2024	550,176	17,019	6,705	21,558	61,495	18,887	675,840

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	Motor vehicles	Office equipment	Electronic equipment	Construction in progress	Leasehold improvement and others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
COST						
At 1 January 2021	4,529	5,127	12,628	—	14,568	36,852
Additions	605	713	6,321	—	3,697	11,336
Disposals	(109)	(141)	(865)	—	—	(1,115)
At 31 December 2021	5,025	5,699	18,084	—	18,265	47,073
Additions	1,346	1,946	1,249	—	16,575	21,116
Disposals	—	(2,428)	(3,177)	—	—	(5,605)
At 31 December 2022	6,371	5,217	16,156	—	34,840	62,584
Additions	1,219	2,021	1,322	—	750	5,312
Disposals	(397)	(1,476)	(539)	—	—	(2,412)
At 31 December 2023	7,193	5,762	16,939	—	35,590	65,484
Additions	274	144	127	17,079	494	18,118
Disposals	—	(96)	(1,235)	—	—	(1,331)
At 30 April 2024	7,467	5,810	15,831	17,079	36,084	82,271
DEPRECIATION						
At 1 January 2021	1,732	1,985	4,019	—	10,597	18,333
Provided for the year	758	801	2,701	—	1,405	5,665
Eliminated on disposals	(104)	(91)	(492)	—	—	(687)
At 31 December 2021	2,386	2,695	6,228	—	12,002	23,311
Provided for the year	777	868	3,033	—	2,667	7,345
Eliminated on disposals	—	(786)	(1,412)	—	—	(2,198)
At 31 December 2022	3,163	2,777	7,849	—	14,669	28,458
Provided for the year	1,233	139	3,737	—	4,948	10,057
Eliminated on disposals	(195)	(436)	(223)	—	—	(854)
At 31 December 2023	4,201	2,480	11,363	—	19,617	37,661
Provided for the period	395	293	836	—	1,669	3,193
Eliminated on disposals	—	(91)	(1,034)	—	—	(1,125)
At 30 April 2024	4,596	2,682	11,165	—	21,286	39,729
CARRYING VALUES						
At 31 December 2021	2,639	3,004	11,856	—	6,263	23,762
At 31 December 2022	3,208	2,440	8,307	—	20,171	34,126
At 31 December 2023	2,992	3,282	5,576	—	15,973	27,823
At 30 April 2024	2,871	3,128	4,666	17,079	14,798	42,542

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The Group’s property, plant and equipment are stated at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

The above items of property, plant and equipment, after taking into account the residual values, are depreciated on a straight-line basis at the following rates per annum:

Leasehold land and buildings	Over the shorter of the lease term or 5%
Motor vehicles	20%
Office equipment	20%
Electronic equipment	20%
Leasehold improvement and others	Over the shorter of the lease term, or 10% to 20%

The Group has pledged owned properties with carrying amount of nil, RMB595,731,000, RMB561,565,000 and RMB550,176,000 to secure general banking facilities of the Group as at 31 December 2021, 2022 and 2023 and 30 April 2024, respectively.

17. RIGHT-OF-USE ASSETS

The Group

	Leasehold lands	Buildings and equipments	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At 31 December 2021			
Carrying amount	32,111	481,730	513,841
At 31 December 2022			
Carrying amount	31,976	695,159	727,135
At 31 December 2023			
Carrying amount	30,871	686,828	717,699
At 30 April 2024			
Carrying amount	30,502	880,380	910,882
Year ended 31 December 2021			
Depreciation charge	89	63,454	63,543
Year ended 31 December 2022			
Depreciation charge	1,101	121,311	122,412
Year ended 31 December 2023			
Depreciation charge	1,105	145,055	146,160
Four months ended 30 April 2024			
Depreciation charge	369	61,634	62,003

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	Leasehold lands	Buildings and equipments	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At 31 December 2021			
Carrying amount	32,111	22,938	55,049
At 31 December 2022			
Carrying amount	31,976	12,851	44,827
At 31 December 2023			
Carrying amount	30,871	5,595	36,466
At 30 April 2024			
Depreciation charge	30,502	3,439	33,941
Year ended 31 December 2021			
Depreciation charge	89	6,844	6,933
Year ended 31 December 2022			
Depreciation charge	1,101	9,990	11,091
Year ended 31 December 2023			
Depreciation charge	1,105	7,917	9,022
Four months ended 30 April 2024			
Depreciation charge	369	2,156	2,525

The Group

	At 31 December			At 30 April
	2021	2022	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Expenses relating to short-term leases	18,144	14,035	633	4,859
Total cash outflows for leases	131,968	137,255	184,946	82,902
Addition to right-of-use assets	449,603	393,044	118,891	250,147

The Group leases various offices, staff quarters and warehouses for its operations. Lease terms are negotiated by the Group on an individual basis and contain a wide range of different terms and conditions. The terms are fixed with various period, from 12 months to 125 months. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

The Group regularly entered into short-term leases for certain offices, staff quarters and warehouses. As at 31 December 2021, 2022 and 2023 and 30 April 2024, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

The Group has obtained the land use right certificates for all leasehold lands.

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18. INTANGIBLE ASSETS

The Group

	Software	Licenses	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
COST			
At 1 January 2021	2,723	—	2,723
Additions	481	—	481
At 31 December 2021, 2022 and 2023	3,204	—	3,204
Additions	139	—	139
Acquisition of assets through acquisition of a subsidiary (<i>Note 36(c)</i>)	—	28,425	28,425
At 30 April 2024	3,343	28,425	31,768
AMORTISATION			
At 1 January 2021	862	—	862
Charge for the year	541	—	541
At 31 December 2021	1,403	—	1,403
Charge for the year	527	—	527
At 31 December 2022	1,930	—	1,930
Charge for the year	496	—	496
At 31 December 2023	2,426	—	2,426
Charge for the period	157	3,158	3,315
At 30 April 2024	2,583	3,158	5,741
CARRYING VALUES			
At 31 December 2021	1,801	—	1,801
At 31 December 2022	1,274	—	1,274
At 31 December 2023	778	—	778
At 30 April 2024	760	25,267	26,027

The Group’s intangible assets having finite useful lives are amortised on a straight-line basis over three to five years.

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	<u>Software</u>
	<i>RMB'000</i>
Cost	
At 1 January 2021	2,723
Additions	<u>481</u>
At 31 December 2021, 2022 and 2023 and 30 April 2024	<u>3,204</u>
AMORTISATION	
At 1 January 2021	862
Charge for the year	<u>541</u>
At 31 December 2021	1,403
Charge for the year	<u>527</u>
At 31 December 2022	1,930
Charge for the year	<u>496</u>
At 31 December 2023	2,426
Charge for the year	<u>148</u>
At 30 April 2024	<u>2,574</u>
CARRYING VALUES	
At 31 December 2021	<u><u>1,801</u></u>
At 31 December 2022	<u><u>1,274</u></u>
At 31 December 2023	<u><u>778</u></u>
At 30 April 2024	<u><u>630</u></u>

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19. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Cost of investment in associates	152,676	154,376	133,103	133,103	110,044	110,944	126,624	126,624
Share of post-acquisition results and other comprehensive expense, net of dividends received	(49,758)	(56,571)	(52,996)	(54,030)	(68,823)	(67,279)	(60,865)	(58,950)
	102,918	97,805	80,107	79,073	41,221	43,665	65,759	67,674
Impairment losses recognised	—	—	(5,157)	(5,157)	—	—	—	—
	102,918	97,805	74,950	73,916	41,221	43,665	65,759	67,674

Details of each of the Group’s investments accounted for using the equity method at the end of each reporting period are as follows:

The Group

Name of entities	Country of incorporation/ principal place of business	Proportion of ownership interest held by the Group				Proportion of voting rights held by the Group				Principal activities
		2021	2022	2023	30 April 2024	2021	2022	2023	30 April 2024	
Shenzhen Hanlv Trading Co., Ltd. (深圳漢旅商貿有限公司)	PRC	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	Operation of online stores on e-commerce platforms
Shenzhen Zbao Logistics Technology Co., Ltd. (深圳市眾包物流科技有限公司)	PRC	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	21.25%	Freight forwarding and logistics
Shenzhen Apeman Innovations Technology Co., Ltd. (深圳市猿人創新科技有限公司) (Note a)	PRC	10.47% (Note e)	10.47%	10.47%	10.47%	10.47% (Note e)	10.47%	10.47%	10.47%	Operation of online stores on e-commerce platforms

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Name of entities	Country of incorporation/ principal place of business	Proportion of ownership interest held by the Group				Proportion of voting rights held by the Group				Principal activities
		2021	2022	2023	30 April 2024	2021	2022	2023	30 April 2024	
Ningbo Western Post Logistics Technology Co., Ltd. (寧波西郵物流科技有限公司) (“Ningbo Western Post”)	PRC	N/A (Note k)	40.00%	40.00%	40.00%	N/A (Note k)	40.00%	40.00%	40.00%	Warehousing and logistics
Dongguan Sogoode Computer System Co., Ltd. (東莞搜谷計算機系統有限公司) (“Dongguan Sogoode”)	PRC	25.00%	25.00%	— (Note g)	—	25.00%	25.00%	— (Note g)	—	Operation of online stores on e-commerce platforms
Shenzhen Longgang Jinqiao Financial Leasing Co., Ltd. (深圳龍崗金橋融資租賃有限公司) (“Longgang Jinqiao”) (Note b)	PRC	7.45%	7.45%	— (Note h)	—	7.45%	7.45%	— (Note h)	—	Financing leasing
Shenzhen Leaderment Technology Co., Ltd. (深圳市理德銘科技股份有限公司 (previously known as 深圳市理德銘科技有限公司)) (Note c)	PRC	13.97%	13.97%	13.97%	13.97%	13.97%	13.97%	13.97%	13.97%	Operation of online stores on e-commerce platforms

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Name of entities	Country of incorporation/ principal place of business	Proportion of ownership interest held by the Group				Proportion of voting rights held by the Group				Principal activities
		2021	2022	2023	30 April 2024	2021	2022	2023	30 April 2024	
Shenzhen Xiaosi Technology Co., Ltd. (深圳市小思科技有限公司) (Note c)	PRC	7.07% (Note f)	7.07%	7.07%	7.07%	7.07% (Note f)	7.07%	7.07%	7.07%	Operation of online stores on e-commerce platforms
Shenzhen Aukey Smart Information Technology Co., Ltd. (深圳市傲聲智能有限公司) (Note c)	PRC	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	Operation of online stores on e-commerce platforms
Shanghai Jianlong Information Technology Co., Ltd. (上海建隆信息技術有限公司)	PRC	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	Operation of online stores on e-commerce platforms
Xiamen Junior Management Consulting Partnership (Limited Partnership) (“Xiamen Junior”) (廈門少年智管理諮詢合夥企業(有限合夥)) (Note d)	PRC	96.77%	96.77%	96.77%	96.77%	33.33%	33.33%	33.33%	33.33%	Investment holding
LC Western Post Logistic INC. (“LC Western Post”)	PRC	—	20% (Note i)	20%	20%	—	20% (Note i)	20%	20%	Freight forwarding and logistics
Ningbo Ruiao Intelligent Technology Co., Ltd. (寧波瑞傲智慧科技有限公司) (“Ningbo Ruiao”)	PRC	—	—	30% (Note j)	30%	—	—	30% (Note j)	30%	Operation of online stores on e-commerce platforms

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Name of entities	Country of incorporation/ principal place of business	Proportion of ownership interest held by the Company				Proportion of voting rights held by the Company				Principal activities
		2021	2022	2023	30 April 2024	2021	2022	2023	30 April 2024	
Shenzhen Hanlv Trading Co., Ltd. (深圳漢旅商貿有限公司)	PRC	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	Operation of online stores on e-commerce platforms
Longgang Jinqiao (Note b)	PRC	7.45%	7.45%	—	—	7.45%	7.45%	—	—	Financing leasing
Shenzhen Leaderment Technology Co., Ltd. (深圳市理德銘科技股份有限公司 (previously known as 深圳市理德銘科技有限公司)) (Note c)	PRC	13.97%	13.97%	13.97%	13.97%	13.97%	13.97%	13.97%	13.97%	Operation of online stores on e-commerce platforms
Shenzhen Xiaosi Technology Co., Ltd. (深圳市小思科技有限公司) (Note c)	PRC	7.07% (Note f)	7.07%	7.07%	7.07%	7.07% (Note f)	7.07%	7.07%	7.07%	Operation of online stores on e-commerce platforms
Xiamen Junior (Note d)	PRC	96.77%	96.77%	96.77%	96.77%	33.33%	33.33%	33.33%	33.33%	Investment holding
Shenzhen Apeman Innovations Technology Co., Ltd. (深圳市猿人創新科技有限公司) (Note a)	PRC	—	—	7.30%	7.30%	—	—	7.30%	7.30%	Operation of online stores on e-commerce platforms
Shenzhen Zbao Logistics Technology Co., Ltd. (深圳市眾包物流科技有限公司)	PRC	—	—	21.25%	21.25%	—	—	21.25%	21.25%	Operation of online stores on e-commerce platforms

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Notes:

- (a) The Group is able to exercise significant influence over Shenzhen Apeman Innovations Technology Co., Ltd. because it has appointed one out of the seven directors of this associate under its articles of association.
- (b) The Group is able to exercise significant influence over Longgang Jinqiao because it has the power to appoint one out of the seven directors of this associate under its articles of association.
- (c) The Group is able to exercise significant influence over these companies because it has appointed one out of five directors under the articles of association of these companies.
- (d) The Group holds 96.77% of the issued share capital of Xiamen Junior. Under the partnership agreement and agreement of investment committee of Xiamen Junior, all the relevant activities of Xiamen Junior are decided and approved by two or more investment committee members. Since the Group has the power to appoint one out of the three investment committee members of Xiamen Junior, the Group does not have control over Xiamen Junior and considers Xiamen Junior as an associate with significant influence.
- (e) As at 1 January 2021, the Group held 19.35% equity interest in Shenzhen Apeman Innovations Technology Co., Ltd. and accounted for the investment as an associate. During the year ended 31 December 2021, the Group disposed of its 8.88% equity interest in Shenzhen Apeman Innovations Technology Co., Ltd. to independent third parties for cash proceeds of RMB325,000,000. This transaction has resulted in the recognition of a gain of RMB295,035,000 in profit or loss.
- (f) As at 1 January 2021, the Group held 17.10% equity interest in Shenzhen Xiaosi Technology Co., Ltd. and accounted for the investment as an associate. During the year ended 31 December 2021, the Group disposed of its 10.03% equity interest in Shenzhen Xiaosi Technology Co., Ltd. to independent third parties for cash proceeds of RMB26,395,000. This transaction has resulted in the recognition of a gain of RMB24,197,000 in profit or loss.
- (g) During the year ended 31 December 2023, the Group disposed its entire 25% equity interest in Dongguan Sogoode at a consideration of RMB5,000,000 and resulting in a loss on disposal of an associate amounting to RMB5,851,000. The share of results of Dongguan Sogoode during the year ended 31 December 2023 is insignificant.
- (h) During the year ended 31 December 2023, the Group disposed its entire 7.45% equity interest in Longgang Jinqiao at a consideration of RMB16,191,000 and resulting in a loss of disposal of an associate amounting to RMB340,000. The share of results of Longgang Jinqiao during the year ended 31 December 2023 is insignificant.
- (i) LC Western Post was newly invested by the Group during the year ended 31 December 2022.
- (j) Ningbo Ruiiao was newly invested by the Group during the year ended 31 December 2023.
- (k) As at 31 December 2021, Ningbo Western Post was an inactive subsidiary of the Group. During the year ended 31 December 2022, the group disposed certain of its equity interest in Ningbo Western Post to independent third parties at an immaterial consideration with minimal gain/loss on disposal. Since then, the Group held 40% in Ningbo Western Post with significant influence and it became an associate of the Group.

Summarised financial information of material associates

Summarised financial information in respect of each of the Group's material associates is described below. The summarised financial information represents amounts shown in the associate's financial statements prepared in accordance with accounting policies of the Group.

All of these associates are accounted for using the equity method in the Historical Financial Information.

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Shenzhen Zbao Logistics Technology Co., Ltd.

	31 December			30 April
	2021	2022	2023	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	727,344	542,104	515,795	193,150
Profit for the year/period attributable to equity holders of the associate	54,369	26,691	9,256	9,205
Other comprehensive (expense) income for the year/period attributable to equity holders of the associate	(769)	6,524	1,786	(196)
Total comprehensive income for the year/period attributable to equity holders of the associate	53,600	33,215	11,042	9,009
Dividends received from the associate during the year/period	–	–	216	–
Current assets	116,618	185,637	279,855	278,977
Non-current assets	406	1,402	1,131	1,065
Current liabilities	8,375	44,631	125,656	114,329
Net assets of the associate	108,649	142,408	155,330	165,713
Reconciliation to the carrying amounts of interests in the associate				
Net assets of the associate	108,649	142,408	155,330	165,713
Less: Non-controlling interests	—	544	3,440	4,814
Net assets attributable to equity holders of the associate	108,649	141,864	151,890	160,899
Percentage of the Group’s interests in the associate	21.25%	21.25%	21.25%	21.25%
Net assets and carrying amount of the associate attributable to the Group	23,088	30,146	32,277	34,191

Dongguan Sogoode

	31 December			30 April
	2021	2022	2023	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	278,773	81,546	N/A	N/A
Profit (loss) and total comprehensive income (expense) for the year/period	1,891	(21,368)	N/A	N/A

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	31 December			30 April
	2021	2022	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Current assets	135,891	91,285	N/A	N/A
Non-current assets	4,253	2,877	N/A	N/A
Current liabilities	74,687	56,584	N/A	N/A
Non-current liabilities	11,011	4,500	N/A	N/A
Net assets of the associate	54,446	33,078	N/A	N/A
Reconciliation to the carrying amounts of interests in the associate				
Net assets of the associate	54,446	33,078	N/A	N/A
Percentage of the Group’s interests in the associate	25.00%	25.00%	N/A	N/A
Net assets attributable to the Group’s interests in the associate	13,612	8,270	N/A	
Goodwill	2,581	2,581	N/A	N/A
Carrying amount of the Group’s interests in the associate	16,193	10,851	N/A	N/A
Longgang Jinqiao				
	31 December			30 April
	2021	2022	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Revenue	32,485	28,064	N/A	N/A
Profit and total comprehensive income for the year/period	23,123	17,172	N/A	N/A
Dividends received from the associate during the year/period	—	808	—	N/A
Current assets	234,793	270,311	N/A	N/A
Non-current assets	45,219	61,457	N/A	N/A
Current liabilities	20,780	106,956	N/A	N/A
Non-current liabilities	43,675	2,923	N/A	N/A
Net assets of the associate	215,557	221,889	N/A	N/A

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	31 December			30 April
	2021	2022	2023	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Reconciliation to the carrying amounts of interests in the associate				
Net assets of the associate	215,557	221,889	N/A	N/A
Percentage of the Group’s and the Company’s interests in the associate	7.45%	7.45%	N/A	N/A
Net assets and carrying amount of the associate attributable to the Group	<u>16,059</u>	<u>16,531</u>	<u>N/A</u>	<u>N/A</u>

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	The Group and the Company			
	31 December			30 April
	2021	2022	2023	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
(Loss) profit and total comprehensive (expense) income for the year/period attributable to equity holders of the associate	<u>(94,298)</u>	<u>(306)</u>	<u>138</u>	<u>(11,449)</u>
Current assets	<u>103,716</u>	<u>98,482</u>	<u>98,549</u>	<u>87,092</u>
Non-current assets	<u>20,993</u>	<u>25,993</u>	<u>25,993</u>	<u>25,993</u>
Current liabilities	<u>129,007</u>	<u>129,079</u>	<u>129,008</u>	<u>129,000</u>
Net liabilities of the associate	<u>(4,298)</u>	<u>(4,604)</u>	<u>(4,466)</u>	<u>(15,915)</u>
Reconciliation to the carrying amounts of interests in the associate				
Net liabilities of the associate	(4,298)	(4,604)	(4,466)	(15,915)
Percentage of the Group’s interests in the associate	<u>96.77%</u>	<u>96.77%</u>	<u>96.77%</u>	<u>96.77%</u>
Net assets and carrying amount of the Group’s and the Company’s interests in the associate	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>

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Aggregate information of investments accounted for using the equity method that are not individually material

	31 December			30 April
	2021	2022	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
The Group’s share of (loss) profit and total comprehensive (expense) income for the year/period	(24,874)	(9,001)	2,775	(2,948)
Aggregate carrying amount of the Group’s interests in these investees	47,578	40,277	42,673	39,725

20. FINANCIAL ASSETS AT FVTPL

	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Current								
Structured deposits	191,431	70,000	10,000	—	191,431	70,000	10,000	—
Foreign exchange forwards	—	447	—	—	—	447	—	—
	191,431	70,447	10,000	—	191,431	70,447	10,000	—
Non-current								
Unlisted life insurance policy	7,620	8,619	9,075	9,075	—	—	—	—
	199,051	79,066	19,075	9,075	191,431	70,447	10,000	—

Financial assets at FVTPL as at 31 December 2021, 2022 and 2023 and 30 April 2024 mainly represented the Group’s investments in short term structured deposits issued by banks in the PRC, foreign exchange forwards and unlisted life insurance policy (which represents the insurance premium paid for a life insurance policy (the “Insurance Policy”) to insure a director of the Company. Under the Insurance Policy, the beneficiary and policy holder is the Group. The Group can terminate the Insurance Policy at any time and receive cash at the date of termination based on the account value of the Insurance Policy (the “Cash Surrender Value”), which is determined based on the premium paid with the accrued returns after netting of the charges (including a surrender charge) in accordance with the terms and conditions of the Insurance Policy). Details of the fair value measurement are disclosed in Note 38.

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21. EQUITY INSTRUMENTS AT FVTOCI

	The Group				The Company			
	At 31 December		At 30 April		At 31 December		At 30 April	
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Listed equity securities (Note a)	—	20,333	20,978	16,234	—	20,333	20,978	16,234
Unlisted equity investments (Note b)	243,031	165,380	177,229	83,961	38,160	8,657	27,663	27,228
	243,031	185,713	198,207	100,195	38,160	28,990	48,641	43,462

Notes:

- (a) The above listed equity investments represent ordinary shares of an entity listed in the PRC. These investments are not held for trading, instead, they are held for long-term strategic purposes. The directors of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments’ fair value in profit or loss would not be consistent with the Group’s strategy of holding these investments for long-term purposes and realising their performance potential in the long run.
- (b) The above unlisted equity investments represent the Group’s equity interest in private entities established in the PRC. The directors of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that they are held for long-term strategic purposes.

During the year ended 31 December 2021, the Group disposed of certain of its equity interests in unlisted equity investments at USD18,996,000 (equivalent to RMB120,907,000). A cumulative fair value gain on disposal of approximately RMB100,950,000 has been transferred to retained profits.

During the year ended 31 December 2022, the Group further disposed certain of its equity interests in unlisted equity investments at USD3,084,000 (equivalent to RMB20,826,000). The cumulative fair value changes on disposal is insignificant.

Details of the fair value measurement are disclosed in Note 38.

22. DEFERRED TAXATION

For the purpose of presentation in the consolidated statements of financial position, deferred tax assets and liabilities have been offset.

The following are the major deferred tax assets and liabilities recognised by the Group and the Company and movements therein during the Track Record Period:

The Group

	Impairment losses under ECL/write-down of inventories	Tax losses	Unrealised profits	Lease liabilities	Right-of-use assets	Others	Total
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
At 1 January 2021	3,448	—	89,903	35,650	(27,443)	(961)	100,597
Exchange adjustments	(6)	—	—	—	—	—	(6)
Credited (charged) to profit or loss	4,817	264,837	13,597	66,721	(66,755)	1,559	284,776
Credited to other comprehensive income	—	—	—	—	—	376	376

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	Impairment losses under ECL/write- down of inventories	Tax losses	Unrealised profits	Lease liabilities	Right-of-use assets	Others	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At 31 December 2021	8,259	264,837	103,500	102,371	(94,198)	974	385,743
Exchange adjustments	125	—	—	—	—	32	157
Credited (charged) to profit or loss	(1,071)	51,564	(69,058)	67,343	(45,376)	5,176	8,578
Credited to other comprehensive income	—	—	—	—	—	1,430	1,430
At 31 December 2022	7,313	316,401	34,442	169,714	(139,574)	7,612	395,908
Exchange adjustments	34	—	—	—	—	8	42
Credited (charged) to profit or loss	6,412	(72,955)	(28,617)	(23,587)	23,519	(2,034)	(97,262)
Charged to other comprehensive income	—	—	—	—	—	(1,807)	(1,807)
At 31 December 2023	13,759	243,446	5,825	146,127	(116,055)	3,779	296,881
Exchange adjustments	—	—	—	(2)	—	—	(2)
Credited (charged) to profit or loss	1,195	(23,199)	6,914	37,759	(55,008)	(3,856)	(36,195)
Credited to other comprehensive income	—	—	—	—	—	691	691
At 30 April 2024	<u>14,954</u>	<u>220,247</u>	<u>12,739</u>	<u>183,884</u>	<u>(171,063)</u>	<u>614</u>	<u>261,375</u>

The Group has unused tax losses of RMB1,674,704,000, RMB2,005,816,000, RMB1,556,429,000 and RMB1,410,726,000 available for offset against future profits as at 31 December 2021, 2022 and 2023 and 30 April 2024, respectively. A deferred tax asset has been recognised in respect of RMB1,601,833,000, RMB1,902,928,000, RMB1,448,744,000 and RMB1,294,335,000 of such losses as at 31 December 2021, 2022 and 2023 and 30 April 2024, respectively. No deferred tax asset has been recognised on the tax losses of remaining RMB72,871,000, RMB102,888,000, RMB107,685,000 and RMB116,391,000 of such losses as at 31 December 2021, 2022 and 2023 and 30 April 2024, respectively due to the unpredictability of future profit streams. Unrecognised tax losses are losses of approximately RMB72,871,000, RMB102,888,000, RMB107,685,000 and RMB116,391,000 as at 31 December 2021, 2022 and 2023 and 30 April 2024 respectively with expiry dates as disclosed in the following table.

	The Group			
	At 31 December			At 30 April
	2021	2022	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
2025	1,018	1,018	1,018	1,018
2026	14,594	12,966	9,626	9,626
2027	—	19,777	19,616	19,616
2028	—	—	54,704	46,299
2029	—	—	—	5,398
Indefinitely	57,259	69,127	22,721	34,434
	<u>72,871</u>	<u>102,888</u>	<u>107,685</u>	<u>116,391</u>

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The Company

	Impairment losses under ECL/write- down of inventories	Tax losses	Lease liabilities	Right-of- use assets	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2021	176	—	143	(143)	(919)	(743)
Credited (charged) to profit or loss	4,703	—	1,626	(3,298)	1,256	4,287
Charged to other comprehensive income	—	—	—	—	455	455
At 31 December 2021	4,879	—	1,769	(3,441)	792	3,999
Credited (charged) to profit or loss	(2,915)	—	(815)	1,513	5,108	2,891
Credited to other comprehensive income	—	—	—	—	1,375	1,375
At 31 December 2022	1,964	—	954	(1,928)	7,275	8,265
Credited (charged) to profit or loss	(1,395)	21,064	(322)	1,088	(6,042)	14,393
Charged to other comprehensive income	—	—	—	—	(1,807)	(1,807)
At 31 December 2023	569	21,064	632	(840)	(574)	20,851
Credited (charged) to profit or loss	1,654	(5,938)	(92)	324	604	(3,448)
Credited to other comprehensive income	—	—	—	—	691	691
At 30 April 2024	2,223	15,126	540	(516)	721	18,094

23. FINANCE LEASE RECEIVABLES

The Group subleased certain warehouses for the remaining lease terms and entered into finance lease arrangements as a lessor. The average terms of finance leases entered into usually range from 3 to 7 years. All interest rates inherent in the leases are fixed at the contract date over the lease terms.

For the year ended 31 December 2022, the finance lease receivables increased due to a new finance lease arrangement entered.

	The Group			
	At 31 December			At 30 April
	2021	2022	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000
Finance lease receivables comprise:				
Within one year	13,834	27,116	16,208	16,423
In the second year	10,657	15,938	16,695	16,916
In the third year	—	16,416	17,196	17,424
In the fourth year	—	16,909	17,711	17,946
In the fifth year	—	17,416	18,243	18,485
After five years	—	30,134	12,402	6,223
	24,491	123,929	98,455	93,417
Gross investment in the lease	24,491	123,929	98,455	93,417
Less: unearned finance income	(1,203)	(15,367)	(11,384)	(10,207)
Present value of minimum lease payments	23,288	108,562	87,071	83,210

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	The Group			
	At 31 December			At 30 April
	2021	2022	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Analysed as:				
Current	12,872	22,943	12,752	13,139
Non-current	10,416	85,619	74,319	70,071
	<u>23,288</u>	<u>108,562</u>	<u>87,071</u>	<u>83,210</u>

Interest rates implicit in the above finance leases at 5.5%, range from 4.25% to 5.5%, 4.25% and 4.25% as at 31 December 2021, 2022 and 2023 and 30 April 2024 respectively.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities.

24. PLEDGED/RESTRICTED BANK DEPOSITS/BANK DEPOSITS WITH ORIGINAL MATURITY OVER THREE MONTHS/CASH AND CASH EQUIVALENTS

Cash and cash equivalents

Cash and cash equivalents include demand deposits and short term deposits for the purpose of meeting the Group’s short term cash commitments, which carry interest at market rates range from 0.0001% to 1.00%, 0.0001% to 1.00%, 0.0001% to 3.50% and 0.0001% to 3.50% as at 31 December 2021, 2022 and 2023 and 30 April 2024, respectively.

Restricted bank deposits

As at 31 December 2021, there were restricted bank deposits amounting to RMB1,359,000 being restricted in relation to a litigation on contracts of sale and purchase. The litigation case has been settled during 2022 and therefore such deposits were released during the year ended 31 December 2022.

Pledged bank deposits

Pledged bank deposits represent the deposits pledged to banks to secure the (i) issuance of the Group’s bills payable and (ii) bank borrowings as at 31 December 2021, 2022 and 2023 and 30 April 2024. The pledged bank deposits will be released upon the settlement of relevant bills, bank borrowings and performance bond respectively.

Bank deposits with original maturity over three months

As at 31 December 2023 [and 30 April 2024], bank deposits with original maturity over three months carry interest at prevailing banking deposits rate at 3.30% per annum.

Details of impairment assessment of bank balances, bank deposit with maturity over three months and pledged/restricted bank deposits are set out in Note 38.

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25. INVENTORIES

	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Inventories								
— finished goods	2,446,317	1,327,445	1,079,210	1,236,763	92,898	74,699	8,028	2,700
— right-of-return assets	3,325	3,940	6,161	3,743	—	—	—	—
Less: provision	(1,069,800)	(304,783)	(39,523)	(44,832)	(30,573)	(10,963)	(862)	—
	<u>1,379,842</u>	<u>1,026,602</u>	<u>1,045,848</u>	<u>1,195,674</u>	<u>62,325</u>	<u>63,736</u>	<u>7,166</u>	<u>2,700</u>

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method.

26. TRADE RECEIVABLES

	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables from:								
— subsidiaries	—	—	—	—	2,460,758	1,928,690	2,260,436	1,403,025
— third parties	516,449	501,238	876,395	745,341	2,766	652	487	232
Less: Allowance for credit losses	(47,710)	(33,788)	(68,926)	(69,307)	(138)	(33)	(101)	(101)
	<u>468,739</u>	<u>467,450</u>	<u>807,469</u>	<u>676,034</u>	<u>2,463,386</u>	<u>1,929,309</u>	<u>2,260,822</u>	<u>1,403,156</u>

As at 1 January 2021, trade receivables from contracts with customers of the Group and the Company amounted to RMB379,190,000 and RMB1,757,015,000 respectively.

The Group and the Company grants the credit period ranging from 10 days to 90 days to its trade customers.

At 31 December 2021 and 2022, carrying amounts of trade receivables amounted to RMB173,135,000, RMB57,053,000 have been pledged as security for the Group’s and Company’s borrowings.

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Aging of trade receivables, is prepared based on the date of transfer of goods or issue of invoice, which approximated the respective revenue recognition dates, as follows:

	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
0 — 90 days	243,397	444,104	753,071	605,204	150,263	279,074	276,650	47,983
91 — 180 days	126,064	23,346	20,851	31,098	187,120	406,274	530,650	166,423
181 — 365 days	99,278	—	23,962	14,370	2,122,683	647,574	935,183	1,114,672
Over 365 days	—	—	9,585	25,362	3,320	596,387	518,339	74,078
	<u>468,739</u>	<u>467,450</u>	<u>807,469</u>	<u>676,034</u>	<u>2,463,386</u>	<u>1,929,309</u>	<u>2,260,822</u>	<u>1,403,156</u>

Included in the balance are the Group’s trade receivables balance are debtors with the aggregate carrying amount of RMB225,342,000, RMB23,346,000, RMB54,398,000 and RMB109,650,000 which are past due but not impaired as at 31 December 2021, 2022 and 2023 and 30 April 2024. As the Group believes that these balances can be recovered based on past experience, the Group has not provided impairment loss for the past due but not impaired as at the reporting date. The Group does not hold any security for these balances.

Details of impairment assessment of trade receivables are set out in Note 38.

27. PREPAYMENTS AND OTHER RECEIVABLES

	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments	108,775	70,436	101,683	107,417	65,320	27,309	11,794	10,905
Value-added tax receivable	56,621	55,600	55,800	41,999	19,570	29,051	23,862	16,289
Other tax receivable	2,830	1,042	22,349	19,463	1,405	252	2,665	—
Consideration receivable (Note 43(c))	—	70,920	70,920	70,920	—	70,920	70,920	70,920
Deposits	30,646	39,781	41,415	43,421	5,878	4,932	4,869	3,822
Deferred issue cost	—	—	6,222	10,746	—	—	6,222	10,746
[REDACTED]	—	—	[REDACTED]	[REDACTED]	—	—	[REDACTED]	[REDACTED]
Others	22,604	1,590	12,049	10,151	12,143	688	2,341	2,751
	<u>221,476</u>	<u>239,369</u>	<u>310,536</u>	<u>304,780</u>	<u>104,316</u>	<u>133,152</u>	<u>122,771</u>	<u>116,096</u>

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	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Less: Allowance for credit losses	(8,542)	(11,833)	(22,860)	(18,918)	(1,820)	(8,543)	(14,740)	(14,710)
	<u>212,934</u>	<u>227,536</u>	<u>287,676</u>	<u>285,862</u>	<u>102,496</u>	<u>124,609</u>	<u>108,031</u>	<u>101,386</u>

Details of impairment assessment of other receivables are set out in Note 38.

28. TRADE AND OTHER PAYABLES

	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Trade payables from								
— third parties	804,703	751,654	919,612	883,949	138,636	280,805	150,998	12,727
— associates	109,409	60,741	18,384	55,700	444	6,514	1,591	168
	<u>914,112</u>	<u>812,395</u>	<u>937,996</u>	<u>939,649</u>	<u>139,080</u>	<u>287,319</u>	<u>152,589</u>	<u>12,895</u>
Bills payable	229,952	111,368	96,956	50,292	197,770	98,057	96,956	—
	<u>1,144,064</u>	<u>923,763</u>	<u>1,034,952</u>	<u>989,941</u>	<u>336,850</u>	<u>385,376</u>	<u>249,545</u>	<u>12,895</u>
Consideration payable (Note 36(b) & (c))	—	130,000	130,000	39,212	—	130,000	130,000	25,000
Accrued employees’ benefits	42,561	45,808	47,291	37,065	21,181	17,267	23,063	17,777
Other tax payables	2,438	3,032	5,247	5,311	1,853	1,610	2,605	1,923
Deposits	31,005	15,947	11,279	11,134	—	290	2,739	2,720
Provisions [REDACTED]	1,903	17,381	15,326	15,326	—	15,326	15,326	15,326
Construction payable	—	—	[REDACTED]	[REDACTED]	—	—	[REDACTED]	[REDACTED]
Others	9,945	13,416	4,712	11,846	9,746	9,125	44	31
	<u>1,231,916</u>	<u>1,149,347</u>	<u>1,259,004</u>	<u>1,137,580</u>	<u>369,630</u>	<u>558,994</u>	<u>433,519</u>	<u>95,073</u>

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	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Analysed as:								
Current	1,231,916	1,049,347	1,159,004	1,105,474	369,630	458,994	333,519	70,073
Non-current	—	100,000	100,000	32,106	—	100,000	100,000	25,000
	<u>1,231,916</u>	<u>1,149,347</u>	<u>1,259,004</u>	<u>1,137,580</u>	<u>369,630</u>	<u>558,994</u>	<u>433,519</u>	<u>95,073</u>

The following is the aging analysis of trade and bills payables based on at the end of each reporting period.

	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
0 – 90 days	786,943	803,277	965,208	912,627	185,603	315,412	215,145	990
91 – 180 days	186,504	96,372	50,521	50,021	113,846	65,043	31,013	6,411
181 – 365 days	168,062	17,118	11,906	12,377	36,222	1,508	1,525	3,793
Over 365 days	2,555	6,996	7,317	14,916	1,179	3,413	1,862	1,701
	<u>1,144,064</u>	<u>923,763</u>	<u>1,034,952</u>	<u>989,941</u>	<u>336,850</u>	<u>385,376</u>	<u>249,545</u>	<u>12,895</u>

The average credit period on purchases of goods is 90 days.

29. AMOUNT DUE TO A NON-CONTROLLING SHAREHOLDER/AMOUNTS DUE FROM/(TO) SUBSIDIARIES

(a) Amount due to a non-controlling shareholder

	The Group and the Company			
	At 31 December			At 30 April
	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000
Mr. Zhang Xiao (“Mr. Zhang”)	<u>60,191</u>	<u>1,123</u>	<u>1,123</u>	<u>1,123</u>

Mr. Zhang is a non-controlling shareholder of a subsidiary, Shenzhen Xiyou Zhicang Technology Co., Ltd..

The amount is non-trade nature, guaranteed by Mr. Lu and Mr. Ze and carried at interest of 3% per annum. The principal amount of RMB60,000,000 has been repaid during the year ended 31 December 2022 and the remaining balance represents the interest payable as at 31 December 2022 and 2023 and 30 April 2024. The balance has been subsequently settled in August 2024.

(b) Amounts due from/(to) subsidiaries

The amounts are non-trade nature, interest-free and repayable on demand.

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30. BANK BORROWINGS

	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Bank loans:								
Secured	312,012	523,442	377,753	559,226	312,012	523,442	367,597	498,970
Unsecured	230,471	93,948	285,440	334,110	114,766	50,450	187,010	235,441
	<u>542,483</u>	<u>617,390</u>	<u>663,193</u>	<u>893,336</u>	<u>426,778</u>	<u>573,892</u>	<u>554,607</u>	<u>734,411</u>
	Bank loans							
	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
The carrying amounts of the above bank borrowings that contain a repayable on demand clause (shown under current liabilities) and repayable within one year	115,705	43,498	43,435	39,504	—	—	43,435	39,504
The carrying amounts of the other bank borrowings are repayable*:								
Within one year	426,778	444,867	343,160	540,702	426,778	444,867	234,574	381,777
Within a period of more than one year but not exceeding two years	—	7,862	17,584	61,602	—	7,862	17,584	61,602
Within a period of more than two years but not exceeding five years	—	121,163	259,014	251,528	—	121,163	259,014	251,528
	<u>542,483</u>	<u>617,390</u>	<u>663,193</u>	<u>893,336</u>	<u>426,778</u>	<u>573,892</u>	<u>554,607</u>	<u>734,411</u>
Less: Amounts due within one year shown under current liabilities	(542,483)	(488,365)	(386,595)	(580,206)	(426,778)	(444,867)	(278,009)	(421,281)
Amounts shown under non-current liabilities	<u>—</u>	<u>129,025</u>	<u>276,598</u>	<u>313,130</u>	<u>—</u>	<u>129,025</u>	<u>276,598</u>	<u>313,130</u>

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

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The exposure of the Group’s and Company’s borrowings are as follows:

	The Group				The Company			
	At 31 December		At 30 April		At 31 December		At 30 April	
	2021	2022	2023	2024	2021	2022	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Fixed-rate borrowings	218,373	153,817	202,437	482,700	214,058	140,874	187,010	323,775
Variable-rate borrowings	324,110	463,573	460,756	410,636	212,720	433,018	367,597	410,636
	<u>542,483</u>	<u>617,390</u>	<u>663,193</u>	<u>893,336</u>	<u>426,778</u>	<u>573,892</u>	<u>554,607</u>	<u>734,411</u>

The range of effective interest rates (which are also equal to contracted interest rates) on the Group’s and Company’s bank loans is as follows:

	The Group				The Company			
	At 31 December		At 30 April		At 31 December		At 30 April	
	2021	2022	2023	2024	2021	2022	2023	2024
Effective interest rate:								
Fixed-rate borrowings	0.15% to 2.26%	1.6% to 3.5%	0.0% to 3.0%	0.0% to 4.5%	0.15% to 2.0%	1.6% to 2.8%	1.3% to 3.0%	1.3% to 4.5%
Variable rate borrowings	0.17% to 4.5%	0.32% to 4.5%	3.0% to 4.45%	3.5% to 4.45%	0.17% to 4.5%	0.32% to 4.5%	3.8% to 4.45%	3.5% to 4.45%

The Group’s and the Company’s borrowings that are denominated in currencies other than functional currencies of the relevant group entities are set out below:

	The Group				The Company			
	At 31 December		At 30 April		At 31 December		At 30 April	
	2021	2022	2023	2024	2021	2022	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
EUR	367,392	338,408	–	38,314	324,428	294,910	–	38,314
USD	125,937	88,364	–	838	53,350	88,364	–	–
JPY	–	–	94,860	86,296	–	–	94,860	86,296

At 31 December 2021, 2022, 2023 and at 30 April 2024, the borrowings amounting to approximately RMB175,828,000, RMB161,866,000, RMB10,156,000 and RMB110,276,000 were secured by a pledge of time deposit of RMB166,578,000, RMB179,048,000, RMB11,332,000 and RMB123,650,000, respectively.

At 31 December 2021 and 2022, the borrowings amounting to approximately RMB114,766,000 and RMB50,450,000 were jointly guaranteed by Mr. Lu, Mr. Ze, Ms. Zhang Xiuhua (“Ms. Zhang”), and Aukey International Ltd, respectively. The borrowing has been settled during the years ended 31 December 2022 and 2023, respectively.

At 31 December 2021 and 2022, the borrowings amounting to RMB136,184,000, and RMB45,284,000 were jointly guaranteed by Mr. Lu, Mr. Ze, Ms. Zhang and Aukey International Ltd., and secured by trade receivables of RMB173,135,000 and RMB57,053,000, respectively. The borrowing has been settled during the years ended 31 December 2022 and 2023, respectively.

At 31 December 2022, 2023 and at 30 April 2024, the borrowings amounting to approximately RMB59,077,000, RMB73,147,000 and RMB73,188,000 were jointly guaranteed by Mr. Lu, Mr. Ze, Ms. Zhang and Aukey International Ltd., and secured by a leasehold land of the Group included in right-of-use assets with carrying amount of RMB31,976,000, RMB30,871,000 and RMB30,502,000. As represented by the Directors, the guarantees will be released prior to the [REDACTED].

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At 30 April 2024, the borrowings amounting to approximately RMB48,795,000 were jointly guaranteed by Mr. Lu, Mr. Ze and Aukey International Ltd., and secured by a leasehold land of the Group included in right-of-use assets with carrying amount of RMB30,502,000. As represented by the Directors, the guarantees will be released prior to the [REDACTED].

At 31 December 2022, 2023 and at 30 April 2024, the borrowings amounting to approximately RMB257,215,000, RMB294,450,000 and RMB326,967,000 were secured by a leasehold land and building of the Group with carrying amount of RMB595,731,000, RMB561,565,000 and RMB550,176,000. The borrowings were also jointly guaranteed by Mr. Lu, Mr. Ze, Ms. Zhang and Aukey International Ltd., at 31 December 2022 and 2023, and jointly guaranteed by Aukey International Ltd. and Shenzhen Jiajiu Logistics Co., Ltd. at 30 April 2024.

At 31 December 2021, 2022, 2023 and at 30 April 2024, the borrowings amounting to approximately RMB115,705,000, RMB43,498,000, RMB93,159,000 and RMB95,177,000 were guaranteed by the Company, respectively. At 30 April 2024, the borrowings amounting to approximately RMB229,681,000 were guaranteed by Aukey International Ltd.

At 31 December 2023 and at 30 April 2024, the borrowings amounting to approximately RMB5,271,000 and RMB2,654,000 were guaranteed by Mr. Yu Le (“Mr. Yu”). As represented by the Directors, the guarantees will be released prior to the [REDACTED].

At 31 December 2023, the borrowings amounting to approximately RMB187,010,000 were jointly guaranteed by Mr. Lu, Mr. Ze, and Aukey International Ltd, respectively. The guarantees has been released during the four months ended 30 April 2024.

31. LEASE LIABILITIES

	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Lease liabilities payable:								
Within 1 year	91,690	139,268	155,363	167,516	5,418	2,930	1,413	1,339
Within a period of more than one year but not exceeding two years	92,353	128,564	167,552	179,951	2,583	743	1,489	1,165
Within a period of more than two years but not exceeding five years	241,428	389,869	360,185	395,631	3,576	2,689	1,118	1,095
Within a period of more than five years	92,644	181,397	150,153	285,093	209	—	197	—
	518,115	839,098	833,253	1,028,191	11,786	6,362	4,217	3,599
Less: Amount due for settlement with 12 months under current liabilities	(91,690)	(139,268)	(155,363)	(167,516)	(5,418)	(2,930)	(1,413)	(1,339)
Amount due for settlement after 12 months shown under non-current liabilities	426,425	699,830	677,890	860,675	6,368	3,432	2,804	2,260

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The weighted average incremental borrowing rates of the Group’s lease liabilities are from 3% to 7.65%, 3% to 7.45%, 3% to 9.50% and 3% to 9.50% as at 31 December 2021, 2022 and 2023 and 30 April 2024, respectively.

Lease liabilities of RMB518,115,000, RMB839,098,000, RMB833,253,000 and RMB1,028,191,000 are recognised with related right-of-use assets of RMB481,730,000, RMB695,159,000, RMB686,828,000 and RMB880,380,000 and some of the right-of-use assets are derecognised upon the sub-lease as at 31 December 2021, 2022 and 2023 and 30 April 2024, respectively. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

32. CONTRACT LIABILITIES

	The Group				The Company			
	At 31 December			At 30 April	At 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Sales of goods	52,201	54,873	39,136	54,606	333	687	375	197
Logistics services	2,807	7,072	9,063	20,143	—	—	—	—
	55,008	61,945	48,199	74,749	333	687	375	197

As at 1 January 2021, the Group’s and the Company’s contract liabilities amounted to RMB80,257,000 and RMB9,000 respectively.

All contract liabilities are expected to be settled within the Group’s normal operating cycle, and are classified as current based on the Group’s earliest obligation to transfer goods or services to the customers.

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in prior periods.

	The Group				The Company			
	Year ended 31 December			At 30 April	Year ended 31 December			At 30 April
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Revenue recognised that was included in the contract liability balance at the beginning of the year	80,257	55,008	61,945	48,199	9	333	687	375

33. REFUND LIABILITIES

The right to returned goods asset represents the Group’s right to recover products from customers where customers exercise their right of return under the Group’s 30-day returns policy. The Group uses its accumulated historical experience to estimate the number of returns on a portfolio level.

	The Group			
	At 31 December			At 30 April
	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000
Refund liabilities arising from right of return	20,811	21,950	20,797	12,714

The refund liabilities relate to customers’ right to return products, generally within 30 days of purchase. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned.

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34. CONVERTIBLE LOAN NOTES

During the year ended 31 December 2021, the Company issued convertible loan notes with an aggregate principal amount of RMB380,000,000 to Mr. Lu, Mr. Ze and seven independent third parties (the “Independent Convertible Loan Notes Holders”).

The convertible loan notes issued to Mr. Lu and Mr. Ze are interest-free. The convertible loan notes issued to the Independent Convertible Loan Notes Holders are bearing interest accruing at a rate of:

- (i) 6% per annum on the principal amounts of the convertible loan notes subsequent to twelve months from the issue date until the date of conversion of the convertible loan notes if these convertible loan notes would be converted into shares of the Company by the Independent Convertible Loan Notes Holders, or
- (ii) 8% per annum on the principal amounts of the convertible loan notes from the issue date until the repayment date if these convertible loans notes would not be converted into shares of the Company by the Independent Convertible Loan Notes Holders.

The convertible loan notes are denominated in RMB.

Convertible option

All of these convertible loan notes are exercisable at the options of the convertible loan notes holders at any time during the period until 30 June 2023, in whole or in part, to convert into variable numbers of shares of the Company under different conversion conditions.

The convertible loan notes contain two components, debt component and derivative (including conversion and early redemption options) component. The Group designated the convertible loan notes as financial liabilities at FVTPL as a whole.

The movement of the convertible loan notes during the Trade Record Period is set out as below:

	The Group and the Company		
	At 31 December		
	2021	2022	2023
	RMB'000	RMB'000	RMB'000
Carrying amount at the beginning of the year	—	390,572	416,981
Issued during the year	380,000	—	—
Changes in fair value charged to profit or loss	3,935	3,304	(7,239)
Accrued interest	6,637	29,105	20,794
Repayment	—	(6,000)	(430,536)
Carrying amount at the end of the year	390,572	416,981	—

The convertible loan notes were matured on 30 June 2023 and no convertible option was exercised. All of the fair value changes up to the maturity date were recognised in profit or loss included in “other gains and losses”. The principal amount and the accrued interests of the convertible loan notes were fully settled as at 31 December 2023.

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35. SHARE CAPITAL AND RESERVES OF THE COMPANY

(a) Share Capital of the Group and the Company

	<u>Number of domestic shares</u>	<u>Share capital</u> <i>RMB’000</i>
Ordinary shares of RMB1 each Registered, issued and fully paid		
At 1 January 2021	388,500,000	388,500
Issue of Shares (<i>Note i</i>)	<u>1,554,000</u>	<u>1,554</u>
At 31 December 2021 and 2022	390,054,000	390,054
Shares repurchased and cancelled (<i>Note ii</i>)	<u>(3,188,784)</u>	<u>(3,189)</u>
At 31 December 2023 and 30 April 2024	<u><u>386,865,216</u></u>	<u><u>386,865</u></u>

Notes:

- (i) During the year ended 31 December 2021, the Company issued 1,554,000 domestic shares to an independent party at a consideration of RMB40,000,000 and rank pari passu with other shares in issue in all aspects.
- (ii) During the year ended 31 December 2023, the Company repurchased and cancelled 3,188,784 shares at a consideration of RMB40,879,000.
- (iii) During the four months ended 30 April 2024, the independent third party exercised the written put option and the Company repurchased 1,554,000 domestic shares at a consideration of RMB47,136,000. Accordingly, the contractual liabilities under issued written put option has been settled. Subsequently, the Company cancelled these shares in May 2024.

(b) Reserves of the Company

Below table sets out the details of the reserves of the Company:

	<u>Share premium</u>	<u>FVTOCI reserve</u>	<u>Other reserve</u>	<u>Translation reserve</u>	<u>Statutory reserve</u>	<u>Retained profits</u>	<u>Total</u>
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At 1 January 2021	655,156	5,636	–	–	118,150	965,383	1,744,325
Profit for the year	–	–	–	–	–	477,399	477,399
Fair value change on investments in equity instruments at FVTOCI	–	(2,576)	–	–	–	–	(2,576)
Share of other comprehensive expense of investments accounted for using the equity method, net of tax	–	(90,083)	–	–	–	–	(90,083)
Total comprehensive (expense) income for the year	–	(92,659)	–	–	–	477,399	384,740
Issue of the shares (<i>Note 35(a)</i>)	38,446	–	–	–	–	–	38,446
Issue of written put options	–	–	(40,000)	–	–	–	(40,000)
Appropriation	–	–	–	–	47,740	(47,740)	–
At 31 December 2021	693,602	(87,023)	(40,000)	–	165,890	1,395,042	2,127,511
Profit for the year	–	–	–	–	–	105,841	105,841
Fair value change on investments in equity instruments at FVTOCI	–	(7,795)	–	–	–	–	(7,795)
Share of other comprehensive expense of investments accounted for using the equity method, net of tax	–	(65)	–	–	–	–	(65)

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	Share premium	FVTOCI reserve	Other reserve	Translation reserve	Statutory reserve	Retained profits	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Total comprehensive (expense) income for the year	–	(7,860)	–	–	–	105,841	97,981
Appropriation	–	–	–	–	11,229	(11,229)	–
At 31 December 2022	693,602	(94,883)	(40,000)	–	177,119	1,489,654	2,225,492
Loss for the year	–	–	–	–	–	(1,379)	(1,379)
Fair value change on investments inequity instruments at FVTOCI	–	11,083	–	–	–	–	11,083
Share of other comprehensive income of investments accounted for using the equity method, net of tax	–	–	–	380	–	–	380
Total comprehensive income (expense) for the year	–	11,083	–	380	–	(1,379)	10,084
Appropriation	–	–	–	–	452	(452)	–
Repurchase and cancellation of shares (Note 35(a))	(37,690)	–	–	–	–	–	(37,690)
At 31 December 2023	655,912	(83,800)	(40,000)	380	177,571	1,487,823	2,197,886
Profit for the period	–	–	–	–	–	58,903	58,903
Fair value change on investments inequity instruments at FVTOCI	–	(4,345)	–	–	–	–	(4,345)
Share of other comprehensive income of investments accounted for using the equity method, net of tax	–	–	–	(42)	–	–	(42)
Total comprehensive (expense) income for the period	–	(4,345)	–	(42)	–	58,903	54,516
Release upon disposal of equity instruments at FVTOCI	–	432	–	–	–	(432)	–
At 30 April 2024	655,912	(87,713)	(40,000)	338	177,571	1,546,294	2,252,402

36. ACQUISITION OF SUBSIDIARIES

(a) Acquisition of a subsidiary — S2E, Inc.

On 31 January 2022, pursuant to the agreement signed between AXZ Group Holding Inc (“AXZ”), a subsidiary of the Group, and two independent third parties, AXZ agreed to acquire 91% equity interest in S2E, Inc. at a cash consideration of RMB25,861,000. S2E Inc. is principally engaged in the offline sales of products and was acquired with the objective of expanding the Group’s sales channel. The acquisition has been accounted for as acquisition of business using the acquisition method.

Consideration transferred

	<i>RMB’000</i>
Cash	25,861

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Assets acquired and liabilities recognised at the date of acquisition

	<i>RMB'000</i>
Property, plant and equipment	178
Inventories	7,191
Trade receivables	4,435
Prepayments and other receivables	292
Cash and cash equivalents	7,990
Trade and other payables	(3,604)
	<u>16,482</u>

The receivables acquired (which principally comprised trade receivables) with a fair value of RMB4,726,000 at the date of acquisition had gross contractual amounts of RMB4,726,000 with no contractual cash flows not expected to be corrected at acquisition date.

Non-controlling interests

The non-controlling interests (9%) in S2E, Inc. recognised at the acquisition date was measured by reference to the proportionate share of recognised amounts of net assets of S2E, Inc. and amounted to RMB1,484,000.

Goodwill arising on acquisition:

	<i>RMB'000</i>
Consideration transferred	25,861
Plus: non-controlling interests (9% in S2E, Inc.)	1,484
Less: recognised amounts of net assets acquired	16,482
	<u>10,863</u>

Goodwill arising on acquisition and impaired during the year ended
31 December 2022

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

During the year ended 31 December 2022, considering the Group changed its sales channel strategy to further reduce the sales through relevant offline channels, the Group would not allocate further resources in S2E, Inc. and did not expect a significant improvement on its financial performance in the near future. Accordingly, its recoverable amount was assessed to be less than the carrying amount. The directors of the Company have determined to provide full impairment of goodwill arising from the acquisition of S2E, Inc. amounting to RMB10,863,000 during the year ended 31 December 2022.

Net cash outflow on acquisition of S2E, Inc.

	<i>RMB'000</i>
Cash consideration paid	25,861
Less: cash and cash equivalents acquired	7,990
	<u>17,871</u>

Impact of acquisition on the results of the Group

Included in the profit for the year ended 31 December 2022 is RMB678,000 attributable to the additional business generated by S2E, Inc.. Revenue for the year ended 31 December 2022 includes RMB26,982,000 generated from S2E, Inc..

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Had the acquisition of S2E, Inc. been completed on 1 January 2022, revenue for the year ended 31 December 2022 of the Group would have been RMB7,101,980,000, and profit for the year ended 31 December 2022 would have been RMB213,436,000. The [REDACTED] information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2022, nor is it intended to be a projection of future results.

(b) Acquisition of assets through acquisition of a subsidiary — Shenzhen Maoshun Industrial Co., Ltd. (“SZ Maoshun”)

On 10 August 2022, pursuant to the agreement signed between the Company and three independent third parties, the Company agreed to acquire 100% equity interest in SZ Maoshun at a cash consideration of RMB610,000,000. SZ Maoshun holds the entire equity interest in Shenzhen Jiajiu Logistics Co., Ltd. (“SZ Jiajiu”) which hold an office building which is located in Shenzhen.

The Group elected to apply the optional concentration test in accordance with IFRS 3 “Business Combinations” and concluded that the land and building of Shenzhen Jiajiu for administrative purpose are considered a single identifiable asset.

Consequently, the Group determined that substantially all of the fair value of the gross assets (excluding cash and cash equivalents) acquired is concentrated in a group of similar identifiable assets and concluded that the acquired set of activities and assets is not a business.

As at 31 December 2021, the Company paid a deposit for this acquisition of RMB67,495,000 to counterparties.

Assets and liabilities recognised at the date of acquisition

	<i>RMB’000</i>
Property, plant and equipment	609,966
Other receivables	3
Cash and cash equivalents	55
Other payables	(24)
	<u>610,000</u>

Net cash outflows arising on acquisition of SZ Maoshun

	<i>RMB’000</i>
Consideration	610,000
Less: Consideration payable recognised in other payables	130,000
Less: Deposits paid	67,495
Less: cash and cash equivalents acquired	55
	<u>412,450</u>

As at 31 December 2022 and 2023, the consideration of RMB30,000,000 and RMB100,000,000 is payable within one year and no later than 30 June 2025, respectively, and are included in other payables. During the four months ended 30 April 2024, the group paid part of the consideration of RMB105,000,000. The remaining RMB25,000,000 is payable within two years as at 30 April 2024, and is included in other payables.

(c) Acquisition of assets through acquisition of a subsidiary — Flatiron Merchants, Inc. (“Flatiron”)

During the four months ended 30 April 2024, a subsidiary of the Group agreed to acquire 100% equity interest in Flatiron from an independent third party at a cash consideration of USD4,000,000 (equivalent to RMB28,425,000) which represented the fair value of the licence, the only asset held by Flatiron at the date of acquisition.

The Group elected to apply the optional concentration test in accordance with IFRS 3 “Business Combinations” and concluded that the licence is considered a single identifiable asset.

Consequently, the Group determined that substantially all of the fair value of the gross assets (excluding cash and cash equivalents) acquired is concentrated in a group of similar identifiable assets and concluded that the acquired set of activities and assets is not a business.

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The Group paid a deposit of RMB3,541,000 and part of the consideration of RMB10,672,000 during the year ended 31 December 2023 and the four months ended 30 April 2024, respectively. The remaining RMB7,106,000 and RMB7,106,000 is payable within one year and second year from the completion date of this transaction, respectively and are included in other payables.

37. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern with maximising the return to shareholders through the optimisation of the debt and equity balance. The Group’s overall strategy remains unchanged during the Track Record Period.

The capital structure of the Group consists of net debt, which includes contractual liabilities under issued written put option and bank borrowings as disclosed in Note 30, convertible loan notes as disclosed in Note 34, net of cash and cash equivalents, and total equity of the Group, comprising share capital and reserves.

The management of the Group reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risks associated with the capital. Based on recommendations of the management, the Group will balance its overall capital structure through raising of new capital, issue of new debt or the redemption of the existing debts.

38. FINANCIAL INSTRUMENTS

Categories of financial instruments

The Group

	At 31 December			At 30 April
	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000
Financial assets				
Financial assets at amortised cost	1,301,532	1,531,396	1,893,722	2,008,454
Financial assets at FVTPL	199,051	79,066	19,075	9,075
Equity instruments at FVTOCI	243,031	185,713	198,207	100,195
	<u>1,743,614</u>	<u>1,796,175</u>	<u>2,111,004</u>	<u>2,117,724</u>
Financial liabilities				
Financial liabilities at amortised cost	1,808,499	1,723,589	1,876,253	1,987,051
Convertible loan notes	390,572	416,981	—	—
Contractual liabilities under issued written put option	40,000	43,200	46,400	—
	<u>2,239,071</u>	<u>2,183,770</u>	<u>1,922,653</u>	<u>1,987,051</u>
Finance lease receivables	23,288	108,562	87,071	83,210
Lease liabilities	518,115	839,098	833,253	1,028,191

The Company

	At 31 December			At 30 April
	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000
Financial assets				
Financial assets at amortised cost	3,375,817	3,225,214	3,253,761	3,121,868
Financial assets at FVTPL	191,431	70,447	10,000	—
Equity instruments at FVTOCI	38,160	28,990	48,641	43,462
	<u>3,605,408</u>	<u>3,324,651</u>	<u>3,312,402</u>	<u>3,165,330</u>

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	At 31 December			At 30 April
	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000
Financial liabilities				
Financial liabilities at amortised cost	1,003,235	1,136,499	1,527,526	1,376,002
Convertible loan notes	390,572	416,981	—	—
Contractual liabilities under issued written put option	40,000	43,200	46,400	—
	<u>1,433,807</u>	<u>1,596,680</u>	<u>1,573,926</u>	<u>1,376,002</u>
Lease liabilities	<u>11,786</u>	<u>6,362</u>	<u>4,217</u>	<u>3,599</u>

Financial risk management objectives and policies

The Group’s major financial instruments include financial assets at FVTPL, equity instruments at FVTOCI, finance lease receivables, trade and other receivables, pledged/restricted bank deposits, bank deposit with original maturity over three months, bank balances, trade and other payables, bank borrowings, convertible loan notes, amount due to a non-controlling shareholder, lease liabilities and contractual liabilities under issued written put option, except for above, the Company’s major financial instruments also include amounts due from/to subsidiaries. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Market risk

The Group’s and the Company’s activities expose it primarily to currency risk, interest rate risk and other price risk.

There has been no change to the Group’s and the Company’s exposure to market risks or the manner in which it manages and measures the risk during the reporting period.

(i) Currency risk

The Group and the Company have foreign currency sales and purchases, bank balances and bank borrowings which expose the Group and the Company to foreign currency risk. The currency risk in respect of the intra-group balances of the Group is immaterial.

The carrying amounts of the Group’s and the Company’s foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows:

The Group

	Assets				Liabilities			
	At 31 December		At 30 April		At 31 December		At 30 April	
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
USD	601,393	672,014	987,640	990,421	422,011	283,361	216,416	147,815
EUR	157,792	124,474	110,148	70,037	384,384	350,439	14,759	56,677
JPY	12,832	5,490	3,092	2,710	952	171	95,266	86,313
	<u>772,017</u>	<u>801,978</u>	<u>1,100,880</u>	<u>1,063,168</u>	<u>807,347</u>	<u>633,972</u>	<u>326,441</u>	<u>290,805</u>

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The Company

	Assets				Liabilities			
	At 31 December		At 30 April		At 31 December		At 30 April	
	2021	2022	2023	2024	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
USD	2,390,254	2,079,494	2,465,513	1,569,897	55,040	90,232	189	—
EUR	43,635	13,471	20,706	11,459	324,717	295,244	354	38,314
JPY	758	10,166	—	14,776	—	—	94,860	86,296
	<u>2,434,648</u>	<u>2,103,131</u>	<u>2,486,219</u>	<u>1,596,132</u>	<u>379,757</u>	<u>385,476</u>	<u>95,404</u>	<u>124,610</u>

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

Sensitivity analysis

The following table details the Group’s and the Company’s sensitivity to a 5% increase and decrease in RMB against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of each reporting period for a 5% change in foreign currency rates. A negative number below indicates a decrease in post-tax profit where RMB strengthen 5% against the relevant currency. For a 5% weakening of RMB against the relevant currency, there would be an equal and opposite impact on the post-tax profit and the amounts below would be positive.

The Group

	USD Impact				EUR Impact				JPY Impact			
	At 31 December		At 30 April		At 31 December		At 30 April		At 31 December		At 30 April	
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Profit or loss	(7,489)	(16,226)	(32,199)	(35,179)	9,460	9,434	(3,982)	(558)	(496)	(222)	3,917	3,553

The Company

	USD Impact				EUR Impact				JPY Impact			
	At 31 December		At 30 April		At 31 December		At 30 April		At 31 December		At 30 April	
	2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Profit or loss	(99,247)	(84,544)	(104,776)	(66,721)	11,946	11,975	(865)	1,141	(32)	(432)	4,032	3,040

(ii) Interest rate risk

The Group and the Company are exposed to fair value interest rate risk in relation to finance lease receivables (Note 23), fixed-rate pledged/restricted bank deposits (Note 24), bank deposit with original maturity over three months (Note 24), fixed-rate bank borrowings (Note 30), lease liabilities (Note 31), convertible loan notes (Note 34) and contractual liabilities under issued written put option.

The Group and the Company are also exposed to cash flow interest rate risk in relation to variable-rate bank balances and pledged/restricted bank deposits (Note 24) and variable-rate bank borrowings (Note 30). The Group and the Company cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances and Euro Interbank Offered Rate (“EURIBOR”), London Interbank Offered Rate (“LIBOR”) and Loan Prime Rate of China (collectively as “Variable Borrowing Rates”) arising from the Group’s and the Company’s bank borrowings. The Group and the Company manage its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. The management will review the proportion of borrowings in fixed and floating rates and ensure they are within reasonable range.

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Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of each reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point increase or decrease in variable-rate bank borrowings are used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. Bank balances and bank deposits are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant.

If interest rates had been 50 basis point higher/lower and all other variables were held constant, the Group's post-tax loss for the year ended 31 December 2021 would increase/decrease by RMB1,378,000 and the Group's post-tax profit for the year ended 31 December 2022 and 2023 and four months ended 30 April 2024 would decrease/increase by RMB1,970,000, RMB1,958,000 and RMB1,745,000 respectively. This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

(iii) Other price risk

The Group and the Company are exposed to equity price risk through its investments in equity securities measured at FVTOCI. The above financial instruments are exposed to price risk because of changes in market prices, where changes are caused by factors specific to the individual financial instruments or their issuers, or factors affecting all similar financial instruments traded in the market. The exposure of other price risk is considered to be insignificant. The Group and the Company have appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Credit risk and impairment assessment

At the end of each reporting period, the Group's and the Company's maximum exposure to credit risk which will cause a financial loss to the Group and the Company is due to failure to discharge an obligation by the counterparties. The Group's and the Company's credit risk is mainly associated with bank balances, pledged/restricted bank deposits, bank deposit with original maturity over three months, trade and other receivables, contract assets, finance lease receivables and amounts due from subsidiaries.

Trade receivables and contract assets arising from contracts with customers

The Group and the Company mainly conducted transactions with customers with good quality and long term relationship, when accepting new customers through offline channels, the Group and the Company consider the reputation of the customer before contract is signed. In order to minimise the credit risk, the management of the Group and the Company continuously monitor the credit quality and financial condition of the debtors to ensure that follow-up action is taken to recover overdue debts.

To manage risk arising from trade receivables and contract assets, the Group and the Company have policies in place to ensure that credit terms are made to counterparties with an appropriate credit history and the management performs ongoing credit evaluations of its counterparties. The credit period granted to the customers and the credit quality of these customers is assessed, which takes into account their financial position, past experience and other factors.

The Group and the Company reassess lifetime ECL for trade receivables and contract assets arising from contracts with customers to ensure that adequate impairment loss is made for significant increase in the likelihood or risk of a default occurring. The ECL on these assets are individually assessed for debtors with significant balances or credit-impaired and collectively assessed based on internal credit ratings for the remaining balance. As part of the Group's and the Company's credit risk management, the Group and the Company uses internal credit ratings to assess with the impairment for its customers because these customers consist of a large number of customers which share common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The estimated loss rates are estimated on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping and assessment are regularly reviewed by management to ensure relevant information about specific debtors is updated.

Other receivables and amounts due from subsidiaries

For other receivables, the management makes periodic individual assessment on the recoverability of other receivables and amount due from subsidiaries based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes that there are no significant increase in credit risk of these amounts since initial recognition and the Group and the Company provided impairment based on 12m ECL except for certain other receivables have been measured based on lifetime ECL with significant increase in credit risk. Details of the quantitative disclosures are set out below in this note.

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Finance lease receivables

The management estimates the loss rates of finance lease receivables based on historical credit loss experience of the debtors. Based on assessment by the management, the management considers the ECL for finance lease receivables is insignificant and therefore no loss allowance was recognised.

Bank balances, pledged/restricted bank deposits and bank deposit with original maturity over three months

The Group and the Company transact with banks with high credit ratings. The credit risk for bank balances, pledged/restricted bank deposits and bank deposit with original maturity over three months as at 31 December 2021, 2022 and 2023 and 30 April 2024 was considered as insignificant as such amounts were placed in reputable banks. The Group and the Company assessed 12m ECL for pledged bank deposits/restricted bank deposits, bank balances and bank deposit with original maturity over three months by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies. Based on the average loss rates, the 12m ECL on pledged bank deposits/restricted bank deposits, bank balances and bank deposit with original maturity over three months is considered to be insignificant and therefore no loss allowance was recognised.

The Group’s and the Company’s internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables and finance lease receivables	Financial assets other than trade receivables and finance lease receivables
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL – not credit-impaired	12m ECL
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL – not credit-impaired	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

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The tables below detail the credit risk exposures of the Group’s and the Company’s financial assets, contract assets and finance lease receivables which are subject to ECL assessment:

The Group

Notes	External credit rating	Internal credit rating	12m or Lifetime ECL	At 31 December				At 30 April			
				2021		2022		2023		2024	
				Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount	
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000			
Financial assets at amortised cost											
Bank balances, pledged/restricted bank deposits and bank deposit with original maturity over three months	24	AA and AA+	N/A	12m ECL	788,085		963,488	984,729	1,226,813		
Trade receivables — contracts with customers	26	N/A	Low risk/ Watch list/ Doubtful	Lifetime ECL (collective assessment, not credit-impaired)	242,530		487,253	827,982	639,075		
			Loss	Lifetime ECL (individual assessment, not credit-impaired)	254,796		3,026	2,858	60,676		
				Lifetime ECL (Credit-impaired)	19,123	516,449	10,959	501,238	45,555	876,395	
Other receivables	27	N/A	Low risk/ Watch list	12m ECL	48,851		38,482	50,526	50,624		
			Loss	Lifetime ECL (not credit-impaired)	—		70,920	70,920	70,920		
				Credit-impaired	4,399	53,250	2,889	112,291	2,938	124,384	
Finance lease receivables	23	N/A	Low risk/ Watch list	Lifetime ECL (collective assessment, not credit-impaired)	23,288		108,562	87,071	83,210		
Contract assets		N/A	Low risk/ Watch list	Lifetime ECL (collective assessment, not credit-impaired)	7,536		4,223	7,322	6,422		

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The Company

Notes	External credit rating	Internal credit rating	12m or lifetime ECL	At 31 December				At 30 April				
				2021		2022		2023		2024		
				Gross carrying amount		Gross carrying amount		Gross carrying amount		Gross carrying amount		
				RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000			
Financial assets at amortised cost												
Bank balances, Pledged/restricted bank deposits and bank deposit with original maturity over three months												
24	AA and AA+	N/A	12m ECL		383,328		469,748		427,281	616,597		
Trade receivables — contracts with customers												
26	N/A	Low risk/ Watch list/ Doubtful	Lifetime ECL (collective assessment, not credit-impaired)		2,766		652		411	232		
			Lifetime ECL (individual assessment, not credit-impaired)		2,460,758		1,928,690		2,260,436	1,403,025		
		Loss	Lifetime ECL (Credit-impaired)		—	2,463,524	—	1,929,342	76	2,260,923	—	1,403,257
Other receivables												
27	N/A	Low risk/ Watch list/ Doubtful	12m ECL		18,021		5,620		7,210	6,573		
			Lifetime ECL (not credit-impaired)		—		70,920		70,920	70,920		
		Loss	Credit-impaired		—	18,021	—	76,540	—	78,130	—	77,493
Amounts due from subsidiaries												
29(b)	N/A	Low risk	12m ECL		512,902		758,160		502,268	1,039,332		

Notes:

- (a) For the trade receivables, contract assets and finance lease receivables, the Group/the Company applied the simplified approach in IFRS 9 to measure loss allowance at lifetime ECL. Except for debtors with significant outstanding balances or credit-impaired, the Group/the Company determines the expected credit losses on these items by using internal credit rating, grouped by nature and credit risk in the classes of low risk, watch list or doubtful.
- (b) For pledged/restricted bank deposits, bank balances and bank deposit with original maturity over three months, other receivables and deposits, the Group/the Company has applied the 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL.

As part of the Group’s and the Company’s credit risk management, the Group and the Company apply internal credit rating for its customers in relation to its operation. The following table provides information about the exposure to credit risk for trade receivables and contract assets which are assessed on a collective basis within lifetime ECL (not credit-impaired). Debtors with significant outstanding balances or credit-impaired with gross carrying amounts as at 31 December 2021, 2022 and 2023 and 30 April 2024 of RMB273,919,000, RMB13,985,000, RMB48,413,000 and RMB106,266,000 of the Group and RMB2,460,758,000, RMB1,928,690,000, RMB2,260,436,000 and RMB1,403,025,000 of the Company were assessed individually, respectively.

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The Group

Internal credit rating	At 31 December						At 30 April	
	2021		2022		2023		2024	
	Average loss rate	Trade receivables	Average loss rate	Trade receivables	Average loss rate	Trade receivables	Average loss rate	Trade receivables
		<i>RMB'000</i>		<i>RMB'000</i>		<i>RMB'000</i>		<i>RMB'000</i>
Low risk	3.50%	239,372	3.49%	390,296	2.33%	800,955	2.21%	611,290
Watch list	6.72%	268	6.60%	95,412	6.65%	391	6.54%	367
Doubtful	9.24%	2,890	8.74%	1,545	9.92%	26,636	11.88%	27,418
		<u>242,530</u>		<u>487,253</u>		<u>827,982</u>		<u>639,075</u>

The Company

Internal credit rating	At 31 December						At 30 April	
	2021		2022		2023		2024	
	Average loss rate	Trade receivables	Average loss rate	Trade receivables	Average loss rate	Trade receivables	Average loss rate	Trade receivables
		<i>RMB'000</i>		<i>RMB'000</i>		<i>RMB'000</i>		<i>RMB'000</i>
Low risk	4.52%	2,413	0.58%	171	5.90%	305	4.00%	50
Watch list	6.34%	142	6.65%	481	8.49%	106	6.59%	182
Doubtful	9.48%	211	N/A	—	N/A	—	—	—
		<u>2,766</u>		<u>652</u>		<u>411</u>		<u>232</u>

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables and contract assets.

The Group

	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January 2021	19,674	8,742	28,416
Transfer to credit impaired	(2,031)	2,031	—
Impairment losses recognised	25,028	14,286	39,314
Impairment losses reversed	(8,734)	—	(8,734)
Written-off	—	(11,042)	(11,042)
Exchange adjustments	(244)	—	(244)
At 31 December 2021	33,693	14,017	47,710
Transfer to credit impaired	(4,396)	4,396	—
Impairment losses recognised	15,620	—	15,620
Impairment losses reversed	(22,270)	(3,253)	(25,523)
Written-off	—	(4,396)	(4,396)
Exchange adjustments	377	—	377

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	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At 31 December 2022	23,024	10,764	33,788
Impairment losses recognised	11,399	37,583	48,982
Impairment losses reversed	(9,621)	(864)	(10,485)
Written-off	—	(2,735)	(2,735)
Exchange adjustments	(624)	—	(624)
	<hr/>	<hr/>	<hr/>
At 31 December 2023	24,178	44,748	68,926
Transfer to credit impaired	(778)	778	—
Impairment losses recognised	9,556	503	10,059
Impairment losses reversed	(8,455)	(395)	(8,850)
Written-off	—	(852)	(852)
Exchange adjustments	24	—	24
	<hr/>	<hr/>	<hr/>
At 30 April 2024	<u>24,525</u>	<u>44,782</u>	<u>69,307</u>

The Company

	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At 1 January 2021	24	—	24
Impairment losses recognised	157	—	157
Impairment losses reversed	(43)	—	(43)
Written-off	—	—	—
Exchange adjustments	—	—	—
	<hr/>	<hr/>	<hr/>
At 31 December 2021	138	—	138
Impairment losses recognised	—	—	—
Impairment losses reversed	(105)	—	(105)
Written-off	—	—	—
Exchange adjustments	—	—	—
	<hr/>	<hr/>	<hr/>
At 31 December 2022	33	—	33
Impairment losses recognised	17	74	91
Impairment losses reversed	(23)	—	(23)
Written-off	—	—	—
Exchange adjustments	—	—	—
	<hr/>	<hr/>	<hr/>
At 31 December 2023	27	74	101
Impairment losses recognised	90	—	90
Impairment losses reversed	(16)	—	(16)
Written-off	—	(74)	(74)
Exchange adjustments	—	—	—
	<hr/>	<hr/>	<hr/>
At 30 April 2024	<u>101</u>	<u>—</u>	<u>101</u>

The Group and the Company make full provision for trade receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

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The following table shows reconciliation of loss allowances that has been recognised for other receivables.

The Group

	12m ECL	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At 1 January 2021	2,273	—	—	2,273
Impairment losses recognised	1,981	—	13,271	15,252
Written-off	—	—	(8,950)	(8,950)
Exchange adjustments	(33)	—	—	(33)
At 31 December 2021	4,221	—	4,321	8,542
Impairment losses recognised	9,151	—	8,814	17,965
Transfer	(9,023)	8,407	616	—
Impairment losses reversed	(4,107)	—	(1,483)	(5,590)
Written-off	—	—	(9,430)	(9,430)
Exchange adjustments	346	—	—	346
At 31 December 2022	588	8,407	2,838	11,833
Impairment losses recognised	10,330	—	48	10,378
Transfer	(6,033)	6,029	4	—
Impairment losses reversed	(21)	—	—	(21)
Written-off	—	—	(4)	(4)
Exchange adjustments	674	—	—	674
At 31 December 2023	5,538	14,436	2,886	22,860
Impairment losses recognised	889	—	10	899
Impairment losses reversed	(4,895)	—	—	(4,895)
Exchange adjustments	54	—	—	54
At 30 April 2024	<u>1,586</u>	<u>14,436</u>	<u>2,896</u>	<u>18,918</u>

The Company

	12m ECL	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At 1 January 2021	964	—	—	964
Impairment losses recognised	856	—	—	856
Written-off	—	—	—	—
Exchange adjustments	—	—	—	—
At 31 December 2021	1,820	—	—	1,820
Impairment losses recognised	8,407	—	—	8,407
Transfer	(8,407)	8,407	—	—
Impairment losses reversed	(1,684)	—	—	(1,684)
Written-off	—	—	—	—
Exchange adjustments	—	—	—	—

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	12m ECL	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At 31 December 2022	136	8,407	—	8,543
Impairment losses recognised	6,223	—	—	6,223
Transfer	(6,029)	6,029	—	—
Impairment losses reversed	(26)	—	—	(26)
Written-off	—	—	—	—
Exchange adjustments	—	—	—	—
At 31 December 2023	304	14,436	—	14,740
Impairment losses recognised	17	—	—	17
Transfer	—	—	—	—
Impairment losses reversed	(47)	—	—	(47)
Written-off	—	—	—	—
Exchange adjustments	—	—	—	—
At 30 April 2024	<u>274</u>	<u>14,436</u>	<u>—</u>	<u>14,710</u>

Liquidity risk

In the management of the liquidity risk, the Group and the Company monitor and maintain a level of cash and cash equivalents deemed adequate by the management to finance the Group’s and the Company’s operations and mitigate the effects of fluctuations in cash flows. The management also monitors the utilisation of bank borrowings, ensures compliance with loan covenants and renews bank borrowings, if necessary.

The table below analyses the Group’s and the Company’s financial liabilities into relevant maturity groupings based on the remaining period at the end of each reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows including both interest and principal.

The Group

	Weighted average interest rate	On demand or within 1 year	1-2 years	2-5 years	More than 5 years	Total undiscounted cash flows	Total Carrying amount
	<i>%</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
As at 31 December 2021							
Trade and other payables	—	1,185,014	—	—	—	1,185,014	1,185,014
Amount due to a non-controlling shareholder	—	60,191	—	—	—	60,191	60,191
Bank borrowings							
– fixed rate	0.15-2.26	218,551	—	—	—	218,551	218,373
– variable rate	0.17-4.50	325,278	—	—	—	325,278	324,110
Refund liabilities	—	20,811	—	—	—	20,811	20,811
Convertible loan notes	8.00	—	430,614	—	—	430,614	390,572
Contractual liabilities under issued written put option	8.00	—	—	52,800	—	52,800	40,000
		<u>1,809,845</u>	<u>430,614</u>	<u>52,800</u>	<u>—</u>	<u>2,293,259</u>	<u>2,239,071</u>
Lease liabilities	3.00-7.65	<u>109,966</u>	<u>107,197</u>	<u>267,027</u>	<u>97,576</u>	<u>581,766</u>	<u>518,115</u>

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	Weighted average interest rate %	On demand or within 1 year RMB’000	1-2 years RMB’000	2-5 years RMB’000	More than 5 years RMB’000	Total undiscounted cash flows RMB’000	Total Carrying amount RMB’000
As at 31 December 2022							
Trade and other payables	—	1,083,126	—	—	—	1,083,126	1,083,126
Amount due to a non-controlling shareholder	—	1,123	—	—	—	1,123	1,123
Bank borrowings							
– fixed rate	1.60-3.50	155,860	—	—	—	155,860	153,817
– variable rate	0.32-4.50	341,438	13,416	134,308	—	489,162	463,573
Refund liabilities	—	21,950	—	—	—	21,950	21,950
Convertible loan notes	8.00	430,614	—	—	—	430,614	416,981
Contractual liabilities under issued written put option	8.00	—	—	52,800	—	52,800	43,200
		<u>2,034,111</u>	<u>13,416</u>	<u>187,108</u>	<u>—</u>	<u>2,234,635</u>	<u>2,183,770</u>
Lease liabilities	3.00-7.45	<u>178,986</u>	<u>162,295</u>	<u>454,201</u>	<u>199,764</u>	<u>995,246</u>	<u>839,098</u>
As at 31 December 2023							
Trade and other payables	—	1,191,140	—	—	—	1,191,140	1,191,140
Amount due to a non-controlling shareholder	—	1,123	—	—	—	1,123	1,123
Bank borrowings							
– fixed rate	0.00-3.00	203,429	—	—	—	203,429	202,437
– variable rate	3.00-4.45	197,229	29,736	276,254	—	503,219	460,756
Refund liabilities	—	20,797	—	—	—	20,797	20,797
Contractual liabilities under issued written put option	8.00	—	52,800	—	—	52,800	46,400
		<u>1,613,718</u>	<u>82,536</u>	<u>276,254</u>	<u>—</u>	<u>1,972,508</u>	<u>1,922,653</u>
Lease liabilities	3.00-9.5	<u>199,401</u>	<u>203,183</u>	<u>423,139</u>	<u>161,879</u>	<u>987,602</u>	<u>833,253</u>
As at 30 April 2024							
Trade and other payables	—	1,079,878	—	—	—	1,079,878	1,079,878
Amount due to a non-controlling shareholder	—	1,123	—	—	—	1,123	1,123
Bank borrowings							
– fixed rate	0.00-4.50	484,122	—	—	—	484,122	482,700
– variable rate	3.50-4.45	110,424	74,477	266,519	—	451,420	410,636
Refund liabilities	—	12,714	—	—	—	12,714	12,714
		<u>1,688,261</u>	<u>74,477</u>	<u>266,519</u>	<u>—</u>	<u>2,029,257</u>	<u>1,987,051</u>
Lease liabilities	3.00-9.50	<u>236,336</u>	<u>236,130</u>	<u>565,745</u>	<u>341,460</u>	<u>1,379,671</u>	<u>1,028,191</u>

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The Company

	Weighted average interest rate %	On demand or within 1 year RMB’000	1-2 years RMB’000	2-5 years RMB’000	More than 5 years RMB’000	Total undiscounted cash flows RMB’000	Total Carrying amount RMB’000
As at 31 December 2021							
Trade and other payables	—	346,596	—	—	—	346,596	346,596
Amounts due to subsidiaries	—	169,670	—	—	—	169,670	169,670
Amount due to a non-controlling shareholder	—	60,191	—	—	—	60,191	60,191
Bank borrowings							
– fixed rate	0.15-2.00	214,069	—	—	—	214,069	214,058
– variable rate	0.17-4.50	212,766	—	—	—	212,766	212,720
Convertible loan notes	8.00	—	430,614	—	—	430,614	390,572
Contractual liabilities under issued written put option	8.00	—	—	52,800	—	52,800	40,000
		<u>1,003,292</u>	<u>430,614</u>	<u>52,800</u>	<u>—</u>	<u>1,486,706</u>	<u>1,433,807</u>
Lease liabilities	4.75	<u>5,737</u>	<u>3,455</u>	<u>3,576</u>	<u>210</u>	<u>12,978</u>	<u>11,786</u>
As at 31 December 2022							
Trade and other payables	—	524,791	—	—	—	524,791	524,791
Amounts due to subsidiaries	—	36,693	—	—	—	36,693	36,693
Amount due to a non-controlling shareholder	—	1,123	—	—	—	1,123	1,123
Bank borrowings							
– fixed rate	1.60-2.80	142,418	—	—	—	142,418	140,874
– variable rate	0.32-4.50	311,289	13,416	134,308	—	459,013	433,018
Convertible loan notes	8.00	430,614	—	—	—	430,614	416,981
Contractual liabilities under issued written put option	8.00	—	—	52,800	—	52,800	43,200
		<u>1,446,928</u>	<u>13,416</u>	<u>187,108</u>	<u>—</u>	<u>1,647,452</u>	<u>1,596,680</u>
Lease liabilities	4.75	<u>3,173</u>	<u>1,142</u>	<u>2,688</u>	<u>—</u>	<u>7,003</u>	<u>6,362</u>

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	Weighted average interest rate %	On demand or within 1 year RMB’000	1-2 years RMB’000	2-5 years RMB’000	More than 5 years RMB’000	Total undiscounted cash flows RMB’000	Total Carrying amount RMB’000
As at 31 December 2023							
Trade and other payables	—	392,525	—	—	—	392,525	392,525
Amounts due to subsidiaries	—	579,271	—	—	—	579,271	579,271
Amount due to a non-controlling shareholder	—	1,123	—	—	—	1,123	1,123
Bank borrowings							
– fixed rate	1.30-3.00	188,037	—	—	—	188,037	187,010
– variable rate	3.80-4.45	104,495	29,736	276,254	—	410,485	367,597
Contractual liabilities under issued written put option	8.00	—	52,800	—	—	52,800	46,400
		<u>1,265,451</u>	<u>82,536</u>	<u>276,254</u>	<u>—</u>	<u>1,624,241</u>	<u>1,573,926</u>
Lease liabilities	4.75	<u>1,622</u>	<u>1,453</u>	<u>1,695</u>	<u>—</u>	<u>4,770</u>	<u>4,217</u>
As at 30 April 2024							
Trade and other payables	—	60,047	—	—	—	60,047	60,047
Amounts due to subsidiaries	—	580,421	—	—	—	580,421	580,421
Amount due to a non-controlling shareholder	—	1,123	—	—	—	1,123	1,123
Bank borrowings							
– fixed rate	1.30-4.50	323,825	—	—	—	323,825	323,775
– variable rate	3.50-4.50	110,424	74,477	266,519	—	451,420	410,636
		<u>1,075,840</u>	<u>74,477</u>	<u>266,519</u>	<u>—</u>	<u>1,416,836</u>	<u>1,376,002</u>
Lease liabilities	4.75	<u>1,566</u>	<u>1,447</u>	<u>1,217</u>	<u>—</u>	<u>4,230</u>	<u>3,599</u>

Bank loans with a repayment on demand clause are included in the “on demand” time band in the above maturity analysis. As at 31 December 2021, 2022 and 2023 and 30 April 2024 the aggregate carrying amounts of these Group’s bank loans amounted to RMB115,705,000, RMB43,498,000 and RMB43,435,000 and RMB39,504,000. Taking into account the Group’s financial position, the management does not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The management believes that all such bank loans will be repaid less than one year after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements.

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Fair value estimation

The table below analyses the Group’s financial instruments carried at fair value on a recurring basis by valuation method. The different levels have been defined as follows:

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

In estimating the fair value of an asset or a liability, the Group and the Company use market-observable data to the extent it is available. Where level 1 inputs are not available, the Group and the Company engage third party qualified valuers to perform the valuation. The management engaged qualified external valuers to establish the appropriate valuation techniques and inputs to the models. Information about the valuation techniques and inputs used in determining the fair value of various assets is disclosed below.

(i) Fair value of financial instruments that are measured at fair value on a recurring basis

Some of the Group’s and the Company’s financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets/ financial liabilities	The Group Fair value as at				The Company Fair value as at				Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable input(s) to fair value
	31 December		30 April		31 December		30 April				
	2021	2022	2023	2024	2021	2022	2023	2024			
	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000			
Financial at FVTPL											
Structured deposits	191,431	70,000	10,000	—	191,431	70,000	10,000	—	Level 2	Income approach — The discounted cash flow method was used to estimate the interest from the underlying bank deposits	N/A
Foreign exchange forwards	—	447	—	—	—	447	—	—	Level 2	Discounted cash flows were estimated based on the applicable forward foreign exchange rates	N/A
Unlisted life insurance policy	7,620	8,619	9,075	9,075	—	—	—	—	Level 3	Quoted purchase price of the life insurance policy	N/A (Note 1)
Equity instruments at FVTOCI											
Listed equity securities	—	20,333	20,978	16,234	—	20,333	20,978	16,234	Level 1	Quoted bid prices in an active market	N/A

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Financial assets/ financial liabilities	The Group Fair value as at				The Company Fair value as at				Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable input(s) to fair value	
	31 December		30 April		31 December		30 April					
	2021	2022	2023	2024	2021	2022	2023	2024				
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000				
Unlisted equity investments	243,031	165,380	177,229	83,961	38,160	8,657	27,663	27,228	Level 3	Cost approach — Adjusted net asset value method with fair value adjustments on the underlying investments with volatility as key inputs as at 31 December 2021 and 2022	Volatility of 38% and 43% as at 31 December 2021 and 2022 are estimated based on the historical volatilities of a set of comparable companies (Note 2)	The higher the expected volatility, the higher the fair value The higher the EV/Revenue multiple, the higher the fair value
										Market approach — Guideline Public Company Method with Enterprise Value to Revenue (“EV/Revenue”) multiple and market value of the underlying investment as key inputs as at 31 December 2023 and at 30 April 2024	EV/Revenue multiple of 0.6x as at 31 December 2023 and at 30 April 2024 (Note 3)	
Convertible loan notes	390,572	416,981	N/A	N/A	390,572	416,981	N/A	N/A	Level 3	Binomial tree model using expected volatility as key input	Volatility of 62.72% and 44.78% as at 31 December 2021 and 2022 are estimated based on the historical volatilities of a set of comparable companies (Note 4)	The higher the expected volatility, the higher the fair value

Note 1: The changes in unobservable inputs will not result in significant higher or lower fair value measurements.

Note 2: A 5% increase/decrease in the expected volatility holding all other variables constant would increase/decrease the carrying amount of the unlisted equity investments by RMB61,000/RMB169,000 and RMB81,000/RMB226,000 as at 31 December 2021 and 31 December 2022 respectively.

Note 3: A 5% increase/decrease in the expected EV/Revenue multiple holding all other variables constant, the impact on the carrying amount of the unlisted equity investments was insignificant as at 31 December 2023 and 30 April 2024.

Note 4: A 5% increase/decrease in the expected volatility holding all other variables constant would increase/decrease the carrying amount of the convertible loan notes by RMB2,026,000/RMB2,052,000 and RMB849,000/RMB856,000 as at 31 December 2021 and 31 December 2022 respectively.

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(ii) Reconciliation of Level 3 fair value measurements

The following table presents the changes in level 3 instruments (except for convertible loan notes as disclosed in Note 34) during the Track Record Period:

	Financial assets at FVTPL	Equity instruments at FVTOCI
	<i>RMB’000</i>	<i>RMB’000</i>
At 1 January 2021	7,529	90,458
Purchased/addition	—	124,740
Disposals/settlements	—	(120,907)
Fair value changes	91	148,740
At 31 December 2021	7,620	243,031
Purchased/addition	—	3,063
Disposals/settlements	—	(20,826)
Fair value changes	999	(39,555)
Transfer out of level 3 to level 1 upon the [REDACTED] of the relevant securities	—	(20,333)
At 31 December 2022	8,619	165,380
Purchased/addition	—	2,650
Disposal/settlements	—	—
Fair value changes	456	9,199
At 31 December 2023	9,075	177,229
Purchased/addition	—	—
Disposal/settlements	—	—
Fair value changes	—	(93,268)
At 30 April 2024	<u>9,075</u>	<u>83,961</u>

(iii) Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required).

The directors of the Company consider that the carrying amounts of the Group’s and Company’s financial assets and financial liabilities recorded at amortised cost in the Historical Financial Information approximate their fair values at the end of each reporting period.

39. CAPITAL COMMITMENTS

At the end of each reporting period, the Group had the following capital commitments that are contracted but not provided for:

	At 31 December			At 30 April
	2021	2022	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
The Group				
Property, plant and equipment	5,622	2,686	37,662	202,702
Capital injection in associates and equity instruments at FVTOCI	36,863	36,924	1,959	1,959
	<u>42,485</u>	<u>39,610</u>	<u>39,621</u>	<u>204,661</u>

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40. RELATED PARTY TRANSACTIONS

The Group has following transactions with related parties:

Companies	Relationships	Nature of transactions	For the year ended 31 December			For the four months ended 30 April
			2021	2022	2023	2024
			RMB'000	RMB'000	RMB'000	RMB'000
Shenzhen Zbao Logistics Technology Co., Ltd. (深圳市眾包物流科技有限公司)	Associate	Logistic service fees	41,149	3,968	4,974	4,388
Zbao International Limited (眾包國際有限公司)	Subsidiary of an associate	Logistic service fees	308,262	180,102	48,772	80,900
		Logistic service income	26,284	15,698	8,539	553
Apeman International Co., Ltd. (Hong Kong) (猿人國際有限公司(香港))	Subsidiary of an associate	Logistic service income	556	6,945	20,338	6,243
Shenzhen Hanlv Trading Co., Ltd. (深圳漢旅商貿有限公司)	Associate	Logistic service income	8	4,065	8,291	1,963
Ningbo Western Post	Associate	Logistic service income	N/A	323	27,989	4,086
Shenzhen Aukey Smart Information Technology Co., Ltd. (深圳市傲聲智能有限公司)	Associate	Purchase of goods	10,735	4,803	4,805	780
Shanghai Jianlong Information Technology Co., Ltd. (上海建隆信息技術有限公司)	Associate	Purchase of goods	57	1,677	—	—
		Logistic service income	—	16	—	—
Ningbo Ruiiao	Associate	Logistic service income	N/A	N/A	75	65
LC Western Post	Associate	Logistic service fees	N/A	—	—	12,684
		Logistic service income	N/A	—	—	8,469

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(a) Guarantees provided by the Group’s related parties and warranties

Certain related parties of the Group have provided guarantees to banks to support the loans provided by these banks to the Group, which is detailed below:

	At 31 December			At 30 April
	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000
Mr. Lu, Mr. Ze and Ms. Zhang	250,950	412,026	367,597	73,188
Mr. Lu and Mr. Ze	—	—	187,010	48,795
Mr. Yu	—	—	5,271	2,654
	<u>250,950</u>	<u>412,026</u>	<u>367,597</u>	<u>73,188</u>

As represented by the Directors, the guarantees will be released prior to the listing.

(b) Compensation of key management personnel

The remuneration of directors, supervisors and other members of key management during the year/period was as follows:

	At 31 December			At 30 April
	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000
Salaries and other short-term employee benefits	7,784	12,611	24,702	9,757
Retirement benefits	107	180	176	69
	<u>7,891</u>	<u>12,791</u>	<u>24,878</u>	<u>9,826</u>

The remuneration of directors, supervisors and other members of key management is determined by the remuneration committee having regard to the performance of individuals and market trends.

41. PLEDGE OF ASSETS

The Group’s borrowings had been secured by the pledge of the Group’s assets and the carrying amounts of the respective assets are as follows:

	At 31 December			At 30 April
	2021	2022	2023	2024
	RMB’000	RMB’000	RMB’000	RMB’000
Property, plant and equipment	—	595,731	561,565	550,176
Right-of-use assets	—	31,976	30,871	30,502
Trade receivables	173,135	57,053	—	—
Pledged bank deposits	166,578	179,048	11,332	123,650
	<u>339,713</u>	<u>863,808</u>	<u>603,768</u>	<u>704,328</u>

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42. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Borrowings	Convertible loan notes	Lease liabilities	Amount due to a non- controlling shareholder	Contractual liabilities under issued written put options	Accrued issue cost	Total
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
At 1 January 2021	186,399	—	169,080	—	—	—	355,479
Financing cash flows	347,769	380,000	(81,624)	60,000	40,000	—	746,145
New leases	—	—	417,403	—	—	—	417,403
Exchange adjustments	—	—	(2,532)	—	—	—	(2,532)
Fair value adjustments	—	3,935	—	—	—	—	3,935
Interest expenses accrued	8,315	6,637	15,788	191	—	—	30,931
At 31 December 2021	542,483	390,572	518,115	60,191	40,000	—	1,551,361
Financing cash flows	60,147	(6,000)	(123,220)	(60,000)	—	—	(129,073)
New leases	—	—	393,044	—	—	—	393,044
Exchange adjustments	—	—	26,803	—	—	—	26,803
Fair value adjustments	—	3,304	—	—	—	—	3,304
Interest expenses accrued	14,760	29,105	24,356	932	3,200	—	72,353
At 31 December 2022	617,390	416,981	839,098	1,123	43,200	—	1,917,792
Financing cash flows	20,295	(430,536)	(184,313)	—	—	—	(594,554)
New leases	—	—	118,891	—	—	—	118,891
Exchange adjustments	—	—	18,357	—	—	—	18,357
Fair value adjustments	—	(7,239)	—	—	—	—	(7,239)
Prepaid/accrued issue cost	—	—	—	—	—	3,831	3,831
Interest expenses accrued	25,508	20,794	41,220	—	3,200	—	90,722
At 31 December 2023	663,193	—	833,253	1,123	46,400	3,831	1,547,800
Financing cash flows	221,520	—	(78,043)	—	(47,136)	(3,613)	92,728
New leases	—	—	250,147	—	—	—	250,147
Exchange adjustments	—	—	6,745	—	—	—	6,745
Fair value adjustments	—	—	—	—	—	—	—
Prepaid/accrued issue cost	—	—	—	—	—	4,564	4,564
Interest expenses accrued	8,623	—	16,089	—	736	—	25,448
At 30 April 2024	893,336	—	1,028,191	1,123	—	4,782	1,927,432
Unaudited							
At 31 December 2022	617,390	416,981	839,098	1,123	43,200	—	1,917,792
Financing cash flows	87,863	—	(62,661)	—	—	—	25,202
New leases	—	—	—	—	—	—	—
Exchange adjustment	—	—	4,404	—	—	—	4,404
Fair value adjustments	—	(7,239)	—	—	—	—	(7,239)
Interest expenses accrued	8,343	9,995	13,801	—	1,067	—	33,206
At 30 April 2023	713,596	419,737	794,642	1,123	44,267	—	1,973,365

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43. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(a) General information of subsidiaries

During the Track Record Period and as at the date of this report, details of the subsidiaries directly and indirectly held by the Company at the end of each reporting period are set out below:

Name of the subsidiaries	Place of incorporation/ registration and operation	Registered capital	Proportion of effective ownership interest held by the Company									Principal activities		
			Directly					Indirectly						
			At 31 December			At 30 April		Date of report	At 31 December				At 30 April	Date of report
			2021	2022	2023	2024	2023		2021	2022	2023		2024	
			%	%	%	%	%	%	%	%	%	%		
Aukey International Limited (傲基國際有限公司)	Hong Kong	USD320,000	100	100	100	100	100	—	—	—	—	—	—	Operation of online stores on e-commerce platforms, procurement and sales of products
Shenzhen Aukeyhi Technology Co., Ltd. (深圳傲科海科技有限公司)	PRC	RMB5,000,000	100	100	100	100	100	—	—	—	—	—	—	Operation of online stores on e-commerce platforms, procurement and sales of products
Shenzhen Qianhai Gaoya Shengshi Business Management Co., Ltd. (previously known as Qianhai Gaoya Shengshi Enterprise Management (Shenzhen) Co., Ltd. (深圳前海高雅盛世企業管理有限公司) (previously known as 前海高雅盛世投資管理(深圳)有限公司)	PRC	RMB5,000,000	100	100	100	100	100	—	—	—	—	—	—	Investment holding
Hainan Aoji Technology Co., Ltd. (海南傲基科技有限責任公司)	PRC	RMB5,000,000	100	100	100	100	100	—	—	—	—	—	—	Operation of online stores on e-commerce platforms, procurement and sales of products
Changchun Chengji Technology Co., Ltd. (長春市誠基科技有限公司)	PRC	RMB2,000,000	100	100	100	100	100	—	—	—	—	—	—	Operation of online stores on e-commerce platforms, procurement and sales of products
Shenzhen Allsight E-business Co., Ltd. (深圳市傲視電子商務有限公司)	PRC	RMB10,000,000	100	100	100	100	100	—	—	—	—	—	—	Operation of online stores on e-commerce platforms, procurement and sales of products
Wenzhou Aukey Technology Co., Ltd. (溫州市傲基科技有限公司)	PRC	RMB10,000,000	100	N/A	N/A	N/A	N/A	—	—	—	—	—	—	Inactive
				(Note iv)										
Shenzhen Fanttik Technology Innovation Co., Ltd. (“Shenzen Fanttik”) (previously known as Shenzhen Anders Home Co., Ltd. (深圳范泰克科技創新有限公司) (previously known as 深圳市安徒家居有限公司))	PRC	RMB10,000,000	—	70	70	70	70	69	—	—	—	—	—	Operation of online stores on e-commerce platforms, procurement and sales of products

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Name of the subsidiaries	Place of incorporation/ registration and operation	Registered capital	Proportion of effective ownership interest held by the Company										Principal activities		
			Directly					Indirectly							
			At 31 December			At 30 April		Date of report	At 31 December			At 30 April		Date of report	
			2021	2022	2023	2024	2021		2022	2023	2024				
%	%	%	%	%	%	%	%	%	%						
Shenzhen Yiya Technology Co., Ltd. (深圳市宜雅科技有限公司)	PRC	RMB1,000,000	—	—	—	—	—	100	100	100	100	100	Operation of online stores on e-commerce platforms, procurement and sales of products		
Shenzhen Muyi Wenshi Trading Co., Ltd. (深圳市木以文飾貿易有限公司)	PRC	RMB1,000,000	—	—	—	—	—	100	100	100	100	100	Operation of online stores on e-commerce platforms, procurement and sales of products		
Shenzhen Weiji Technology Co., Ltd. (深圳市惟臆科技有限公司)	PRC	RMB1,000,000	N/A (Note vi)	—	—	—	—	N/A (Note vi)	100	100	100	100	100	Operation of Online stores on e-commerce platforms, procurement and sales of products	
Shenzhen Ruisheng Trading LTD (深圳市銳聖商貿有限公司)	PRC	RMB10,000	—	—	—	—	—	100	100	100	100	100	Inactive		
Shenzhen Fuxiangyi Technology Co., Ltd. (深圳市富相宜科技有限公司)	PRC	RMB1,000,000	N/A (Note vi)	—	—	—	—	N/A (Note vi)	100	100	100	100	100	Inactive	
Shenzhen Maoshun Industrial Co., Ltd. (深圳市貿順實業有限公司) (Note v)	PRC	RMB600,000,000	—	100	100	100	100	—	—	—	—	—	—	Real estate management	
Shenzhen Jiaju Logistics Co., Ltd. (深圳市佳久物流有限公司) (Note v)	PRC	RMB600,000,000	—	—	—	—	—	—	100	100	100	100	100	Real estate management	
WEST POST (SZ) CO. LTD (深圳市西郵智倉科技有限公司)	PRC	RMB14,457,841	48	48	—	—	—	—	—	48	48	48	48	Warehousing, freight forwarding, supply chain management services	
WESTERN POST (HK) LIMITED (Note ix)	Hong Kong	HK\$14,457,841	—	—	—	—	—	48	48	48	48	48	48	Warehousing, freight forwarding, supply chain management services	
Western Post Group Holding Inc	USA	USD10,000	—	—	—	—	—	48	48	48	48	48	48	Warehousing, freight forwarding, supply chain management services	
WESTERN POST (US) LLC (previously known as WEST POST (US) INC) (Note ix)	United States of America (“USA”)	USD10,000	—	—	—	—	—	48	48	48	48	48	48	Warehousing, freight forwarding, supply chain management services	
Auklogis Gmbh I.G (Note ix)	Germany	EUR1,000,000	—	—	—	—	—	48	48	48	48	48	48	Warehousing, freight forwarding, supply chain management services	

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			Directly					Indirectly							
			At 31 December			At 30 April		Date of report	At 31 December			At 30 April		Date of report	
			2021	2022	2023	2024	2021		2022	2023	2024				
%	%	%	%	%	%	%	%	%	%						
Ying Qi E-Business Co., Limited YING QI INTERNATIONAL LIMITED (英企國際有限公司) (Note ix)	Hong Kong	HK\$10,000	—	—	—	—	—	48	48	N/A (Note vii)	N/A	N/A	Warehousing, freight forwarding, supply chain management services		
AUKLOGIS UK LTD (Note ix)	United Kingdom (“UK”)	GBP100	—	—	—	—	—	48	48	48	48	48	Warehousing, freight forwarding, supply chain management service		
Andey International Limited	Japan	Japan Yen 20,000,000	—	—	—	—	—	N/A (Note xi)	N/A (Note xi)	51	51	51	Inactive		
Aucoor GmbH (Note ix)	Germany	EUR25,000	N/A (Note vi)	—	—	—	—	N/A (Note vi)	48	100	100	100	Operation of online stores on e-commerce platforms, procurement and sales of products		
WESTERN POST (SG) PTE. LTD. (Note ix)	Singapore	SGD14,457,841	N/A (Note vi)	—	48	48	48	N/A (Note vi)	48	—	—	—	Warehousing, freight forwarding, supply chain management services		
Broadcare International Limited (博愷國際有限公司)	Hong Kong	USD200,000	—	—	—	—	—	100	100	100	100	100	Operation of online stores on e-commerce platforms, procurement and sales of products		
AICOOK MENA DMCC	Dubai	Dirham 100,000	—	—	—	—	—	100	100	100	100	100	Inactive		
Aukey Group Holding Limited	USA	USD250,000	—	—	—	—	—	100	100	100	100	100	Inactive		
ACE FARMER LLC	USA	USD100,000	—	—	—	—	—	100	100	100	100	100	Inactive		
NEXTFUR LLC	USA	USD100,000	—	—	—	—	—	100	100	100	100	100	Operation of online stores on e-commerce platforms, procurement and sales of products		
Central Power International Limited LLC	USA	USD100,000	—	—	—	—	—	100	100	100	100	100	Operation of online stores on e-commerce platforms, procurement and sales of products		
Quantech Innovations LLC (previously known as Aukey Home Solutions LLC and Vansihö LLC)	USA	USD100,000	—	—	—	—	—	100	100	100	100	100	Inactive		
UTTU Sleep Technology Limited (安徒睡眠科技有限公司)	Hong Kong	HK\$1,000,000	—	—	—	—	—	100	100	N/A (Note vii)	N/A	N/A	Inactive		

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			Directly					Indirectly							
			At 31 December			At 30 April		Date of report	At 31 December			At 30 April		Date of report	
			2021	2022	2023	2024	2021		2022	2023	2024				
%	%	%	%	%	%	%	%	%	%						
AUGROUP HOLDINGS INC. (previously known as AXZ Group Holdings Inc.)	USA	USD500,000	—	—	—	—	—	N/A (Note vi)	100	100	100	100	100	Inactive	
Yueqing Aukey Technology Co., Ltd (樂清市傲基科技有限公司)	PRC	RMB1,000,000	—	—	—	—	—	100	100	N/A (Note vii)	N/A	N/A	N/A	Operation of online stores on e-commerce platforms, procurement and sales of products	
Suzhou Fanttik Technology Co., Ltd. (previously known as Suzhou Aoji Information Technology Co., Ltd.) (蘇州范 泰克科技有限公司) (previously known as 蘇州市傲基信息科技 有限公司)	PRC	RMB500,000	100	—	—	—	—	—	70	70	70	70	70	Operation of online stores on e-commerce platforms, procurement and sales of products	
Restu LLC	USA	USD100,000	—	—	—	—	—	100	100	100	100	100	100	Inactive	
Wowme LLC	USA	USD100,000	—	—	—	—	—	100	100	100	100	100	100	Operation of online stores on e-commerce platforms, procurement and sales of products	
Irene Gene LLC	USA	USD100,000	—	—	—	—	—	100	100	N/A (Note vii)	N/A	N/A	N/A	Inactive	
Physpo Care LLC	USA	USD100,000	—	—	—	—	—	100	100	100	100	100	100	Inactive	
FANTTIK INNOVATION INC (previously known as Ohwill LLC, Aiken LLC and FANTTIK INNOVATION LLC)	USA	USD100,000	—	—	—	—	—	100	70	70	70	70	70	Operation of online stores on e-commerce platforms, procurement and sales of products	
KBJ Trading LLC	USA	USD100,000	—	—	—	—	—	100	100	100	100	100	100	Operation of online stores on e-commerce platforms, procurement and sales of products	
Auwin International Limited (傲 盈國際有限公司)	Hong Kong	HK\$10,000	—	—	—	—	—	100	100	100	100	100	100	Inactive	
Fanttik Innovation Limited, (previously known as Auresh International Limited) (范泰克 創新有限公司) (previously known as 傲尚國際有限公司)	Hong Kong	HK\$10,000	—	—	—	—	—	100	70	70	70	70	70	Operation of online stores on e-commerce platforms, procurement and sales of products	

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			Directly					Indirectly							
			At 31 December			At 30 April		Date of report	At 31 December			At 30 April		Date of report	
			2021	2022	2023	2024	2021		2022	2023	2024				
%	%	%	%	%	%	%	%	%	%						
Shenzhen Autral Technology Innovation Co., Ltd (深圳傲創科技創新有限公司)	PRC	RMB1,000,000	N/A (Note vi)	100	100	100	100	100	—	—	—	—	—	Operation of online stores on e-commerce platforms, procurement and sales of products	
Ningbo Auwin Technology Co., Ltd. (寧波傲盈科技有限公司)	PRC	RMB1,000,000	N/A (Note vi)	100	100	100	100	—	—	—	—	—	Operation of online stores on e-commerce platforms, procurement and sales of products		
Autral International Limited (傲創國際有限公司)	Hong Kong	HK\$10,000	—	—	—	—	—	100	100	100	100	100	Operation of online stores on e-commerce platforms, procurement and sales of products		
Ausum Electronic Technology Limited (previously known as Ausing International Limited) (傲森電子科技有限公司) (previously known as 傲興國際有限公司)	Hong Kong	HK\$10,000	—	—	—	—	—	100	100	51	51	51	Operation of online stores on e-commerce platforms, procurement and sales of products		
AOQI TECHNOLOGY INTERNATIONAL LIMITED (傲慈科技國際公司) (previously known as Auray International Limited) (previously known as 傲睿國際有限公司)	Hong Kong	HK\$10,000	—	—	—	—	—	100	100	75	75	75	Operation of online stores on e-commerce platforms, procurement and sales of products		
Shenzhen Aaqi Technology Co., Ltd (深圳市傲慈科技有限公司)	PRC	RMB10,000,000	—	—	75	75	75	—	—	—	—	—	Operation of online stores on e-commerce platforms, procurement and sales of products		
Aulong International Limited (傲隆國際有限公司)	Hong Kong	HK\$10,000	—	—	—	—	—	100	100	100	100	100	Operation of online stores on e-commerce platforms, procurement and sales of products		
Auson International Limited (傲祥國際有限公司)	Hong Kong	HK\$10,000	—	—	—	—	—	100	100	100	N/A (Note xii)	N/A (Note xii)	Operation of online stores on e-commerce platforms, procurement and sales of products		
Auome International Limited (傲康國際有限公司)	Hong Kong	HK\$10,000	—	—	—	—	—	100	100	100	100	100	Operation of online stores on e-commerce platforms, procurement and sales of products		
Hulkman LLC	USA	USD100,000	—	—	—	—	—	100	100	100	100	100	Inactive		

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			Directly					Indirectly							
			At 31 December			At 30 April		Date of report	At 31 December			At 30 April		Date of report	
			2021	2022	2023	2024	2021		2022	2023	2024				
%	%	%	%	%	%	%	%	%	%						
BOLD RISE INNOVATIONS INC. (previously known as Qlk Trading Co LLC and BOLD RISE INNOVATIONS LLC)	USA	USD100,000	—	—	—	—	—	80	80	100	100	100	100	Inactive	
Redux Air LLC	USA	USD100,000	—	—	—	—	—	100	100	N/A (Note vii)	N/A	N/A	N/A	Inactive	
Aukey (Shenzhen) Industrial Co., Ltd. (傲基(深圳)實業有限公司)	PRC	RMB1,000,000	100	N/A (Note viii)	N/A (Note viii)	N/A (Note viii)	N/A (Note viii)	—	—	—	—	—	—	Operation of online stores on e-commerce platforms, procurement and sales of products	
Ahccor Limited	UK	GBP100,000	—	—	—	—	—	100	N/A (Note iv)	N/A (Note iv)	N/A (Note iv)	N/A (Note iv)	N/A (Note iv)	Inactive	
Aufluent International Limited (傲豐國際有限公司)	Hong Kong	HK\$10,000	—	—	—	—	—	100	N/A (Note viii)	N/A	N/A	N/A	N/A	Operation of online stores on e-commerce platforms, procurement and sales of products	
Homabor LLC	USA	USD100,000	—	—	—	—	—	N/A (Note vi)	100	N/A (Note vii)	N/A	N/A	N/A	Inactive	
Sunton GmbH	Germany	EUR25,000	—	—	—	—	—	N/A (Note vi)	100	100	100	100	100	Operation of online stores on e-commerce platforms, procurement and sales of products	
S2E, Inc.	USA	USD30,000	—	—	—	—	—	N/A (Note v)	91	91	91	91	91	Operation of online stores on e-commerce platforms, procurement and sales of products	
AUSUM MOTOR TECHNOLOGY CO., LIMITED (深圳市傲森汽車科技有限公司)	PRC	RMB3,000,000	N/A (Note xi)	N/A (Note xi)	51	51	51	—	—	—	—	—	—	Operation of online stores on e-commerce platforms, procurement and sales of products	
Xiamen Lanjing Wave Breaking Enterprise Management Partnership (Limited partnership) (廈門藍鯨破浪企業管理合夥企業(有限合夥))	PRC	RMB126,000,000	74	74	74	74	74	—	—	—	—	—	—	Investment holding	
Flatiron	USA	USD100	—	—	—	—	—	N/A (Note xiii)	N/A (Note xiii)	N/A (Note xiii)	100	100	100	Warehousing, freight forwarding, supply chain management services	
Shenzhen Likemiao Technology Co., Ltd (深圳利可妙科技有限公司)	PRC	RMB1,000,000	N/A (Note xi)	N/A (Note xi)	100	100	100	—	—	—	—	—	—	Operation of online stores on e-commerce platforms, procurement and sales of products	

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The English translation of the names of the above companies is for reference only. The official names of these entities are in Chinese.

As at 31 December 2021, 2022 and 2023 and 30 April 2024, there are 515, 433 and 249 and 198 companies, with no assets and liabilities, paid-up capital and business operation, established solely for the purpose of registration of seller stores on e-commerce platforms. These companies are indirectly wholly-owned subsidiaries of the Company, respectively. In the opinion of the Directors, these companies do not principally affect the results of assets of the Group, to give details of these subsidiaries would result in particular of excessive length.

Notes:

- (i) None of the subsidiaries had issued any debt securities as at the end of each of reporting period.
- (ii) The financial statements of the Group’s subsidiaries established in the PRC and Hong Kong were prepared in accordance with the relevant accounting principles and regulations in the PRC and Hong Kong. The financial statements for below subsidiaries for the years ended 31 December 2021, 2022 and 2023 were audited by the following certified public accountants registered in the PRC and Hong Kong:

Name of company	Year ended 31 December 2021
Aukey International Limited	Y.T.Lo & Co Ltd Certified Public Accountants (Practising)
Shenzhen Aukeyhi Technology Co., Ltd. Hainan Aoji Technology Co., Ltd. Changchun Chengji Technology Co., Ltd.	Da Hua CPAs LLP Shenzhen Branch Da Hua CPAs LLP Shenzhen Branch Jilin Renhe Certified Public Accountants Co., Ltd.
Western Post (HK) Limited	LEE CHI FAI & CO.

Name of company	Year ended 31 December 2022
Aukey International Limited	Y.T.Lo & Co Ltd Certified Public Accountants (Practising)
Broadcare International Limited	Y.T.Lo & Co Ltd Certified Public Accountants (Practising)
Fantech Innovation Co., Ltd.	Y.T.Lo & Co Ltd Certified Public Accountants (Practising)
Shenzhen Aukeyhi Technology Co., Ltd. Changchun Chengji Technology Co., Ltd.	Da Hua CPAs LLP Shenzhen Branch Jilin Renhe Certified Public Accountants Co., Ltd.
Shenzhen Western Post Intelligent Warehouse Technology Co., Ltd. Western Post (HK) Limited	Da Hua CPAs LLP Shenzhen Branch KAIZEN CPA LIMITED

Name of company	Year ended 31 December 2023
Shenzhen Allsight E-business Co., Ltd.	SHEN ZHEN YUEBAO CERTIFIED PUBLIC ACCOUNTANTS
Changchun Chengji Technology Co., Ltd.	Jilin Renhe Certified Public Accountants Co., Ltd.
Aucome International Limited	Y.T.Lo & Co Ltd Certified Public Accountants (Practising)
Aulong International Limited	Y.T.Lo & Co Ltd Certified Public Accountants (Practising)
Auson International Limited	Y.T.Lo & Co Ltd Certified Public Accountants (Practising)

- (iii) Other than mentioned in (ii), no audited financial statements of other entities comprising the Group have been prepared since there are no statutory audit requirements in those jurisdictions or the corresponding statutory audits have not been completed.

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- (iv) The entity had been deregistered during the year ended 31 December 2022.
- (v) The entity was acquired during the year ended 31 December 2022.
- (vi) The entity was established during the year ended 31 December 2022.
- (vii) The entity had been deregistered during the year ended 31 December 2023. The gain or loss arising on the deregistration is insignificant.
- (viii) The entity had been disposed of during the year ended 31 December 2022. The gain or loss arising on the disposal is insignificant.
- (ix) The entity is one of the subsidiaries of the Western Post Group as defined in Note 43(b).
- (x) All of the Group's subsidiaries incorporated in the PRC are wholly domestic entities.
- (xi) The entity was established during the year ended 31 December 2023.
- (xii) The entity had been disposed of during the four months ended 30 April 2024.
- (xiii) The entity was acquired during the four months ended 30 April 2024.

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(b) Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

Name of the subsidiary	Place of incorporation and main operation	Proportion of non-controlling interests held by equity holders				Total comprehensive (expense) income allocated to non-controlling interests				Accumulated non-controlling interests			
		31 December		30 April		31 December		30 April		31 December		30 April	
		2021	2022	2023	2024	2021	2022	2023	2024	2021	2022	2023	2024
WESTERN POST (SG) PTE. LTD./ Shenzhen Western Post Intelligent Warehouse Technology Co., Ltd. and its subsidiaries (“Western Post Group”) (Note)	PRC	52	52	52	52	(9,199)	6,834	(2,447)	12,192	9,922	16,756	14,309	26,501
		%	%	%	%	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000	RMB’000
Individually immaterial subsidiaries with non-controlling interests										2,329	2,250	(3,736)	(6,139)
										12,251	19,006	10,573	20,362

Note: During the year ended 31 December 2021, the Group had disposed of its 20.08% equity interest in Western Post Group to non-controlling Shareholders at a consideration of RMB16,634,000. Upon the completion of this partial disposal, the Group reduced its equity interest in Western Post Group from 68.08% to 48% as at 31 December 2021. The difference between the consideration and the proportionate net assets released upon this partial disposal of RMB2,297,000 was credited to other reserve. Although the Group has only 48% ownership in the Western Post Group, the directors of the Company concluded that the Group has a sufficiently dominant voting interest to direct the relevant activities of the Western Post Group with sole director delegated by the Company and each of the remaining shareholders of Western Post Group will follow the decision of the Company pursuant to the agreements entered among the shareholders of Western Post Group.

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The financial information of subsidiaries in which the Group has significant non-controlling interests is summarised below. The following summarised financial information shows the pre-offset amounts within the Group.

	At 31 December			At 30 April
	2021	2022	2023	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Western Post Group				
Current assets	312,831	430,171	464,694	478,031
Non-current assets	502,672	842,579	838,847	1,017,321
Current liabilities	360,949	529,431	587,595	572,520
Non-current liabilities	421,716	697,339	674,672	858,111
Net assets	32,838	45,980	41,274	64,721
Non-controlling interests of Western Post Group	9,922	16,756	14,309	26,501
				For the four months ended 30 April
	For the year ended 31 December			2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	1,104,639	1,458,351	2,393,750	682,974
Expense	1,106,254	1,449,936	2,399,390	656,934
Total comprehensive (expense) income	(1,237)	13,142	(4,706)	23,447
(Loss) profit attributable to the non-controlling interests of Western Post Group	(8,916)	4,376	(2,933)	13,541
Other comprehensive (expense) income attributable to the non-controlling interests of Western Post Group	(283)	2,458	486	(1,349)
Total comprehensive (expense) income attributable to the non-controlling interests of Western Post Group	(9,199)	6,834	(2,447)	12,192
Net cash inflow from operating activities	53,383	251,514	237,330	142,875

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	For the year ended 31 December			For the four months ended 30 April
	2021	2022	2023	2024
	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>	<i>RMB’000</i>
Net cash outflow used in investing activities	(12,274)	(59,588)	(13,733)	(9,033)
Net cash outflow used in financing activities	(24,788)	(118,430)	(176,837)	(80,025)
Effects of foreign exchange rate changes	(605)	2,344	1,384	469
Net cash inflow	15,716	75,840	48,144	54,286

(c) Change in ownership interest in a subsidiary

During the year ended 31 December 2022, the Group disposed 30% of its equity interest in its then wholly owned subsidiary, Shenzhen Fantech, at a consideration of RMB70,920,000 to an employee. An amount of RMB1,302,000 (being the proportionate share of the carrying amount of the net liability of Shenzhen Fantech Technology Innovation Co., Ltd.) has been transferred to non-controlling interests. The difference of RMB72,222,000 between the decrease in the non-controlling interests and the consideration receivable (included in other receivables) which was secured by a pledge of the shares of the Company and Shenzhen Fantech has been credited to other reserve.

44. EVENT AFTER THE END OF THE REPORTING PERIOD

[There is no material event after the end of the reporting period.]

45. SUBSEQUENT FINANCIAL STATEMENTS

[None of the audited financial statements of the Group and the Company or any of its subsidiaries were prepared for any period after 30 April 2024.]