清 科 创 业

Zero2IPO Ventures

清科創業控股有限公司*

ZERO2IPO HOLDINGS INC.

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1945

2024

Annual Report

*For identification purpose only

Contents

Definitions

In this annual report, unless the context otherwise requires, the following expressions shall have the following meanings.

"2025 AGM"	the AGM to be held on May 22, 2025
"AGM"	annual general meeting of the Company
"Articles"	the articles of association of the Company, as amended from time to time
"Audit Committee"	the audit committee of the Board
"Beijing Huchuang"	Beijing Zero2IPO Huchuang Management Consulting Service Co., Ltd. (北京清科互創管理諮詢服務有限公司), a limited liability company established under the laws of the PRC on June 8, 2020 and an indirect wholly-owned subsidiary of the Company
"Board"	the board of Directors
"Cayman Companies Act"	the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands
"CEO"	chief executive officer of the Company
"CG Code"	the "Corporate Governance Code" as contained in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China, which for the purpose of this annual report and for geographical reference only, excludes Hong Kong, Macau and Taiwan
"Company", "Group" or "we"	Zero2IPO Holdings Inc. (清科創業控股有限公司*), formerly known as Zero2ipo Holdings, an exempted company incorporated under the laws of Cayman Islands with limited liability on August 1, 2019, and, except where the context indicated otherwise, all of its subsidiaries
"Consolidated Affiliated Entities"	the entities we control through the Contractual Arrangements, namely Zero2IPO Ventures and its subsidiaries, the financial accounts of which have been consolidated and accounted for as if they were subsidiaries of our Company by virtue of the Contractual Arrangements
"Contractual Arrangements"	a series of contractual arrangements we entered into to allow our Company to exercise control over the business operation of the Consolidated Affiliated Entities and enjoy all the economic interests derived therefrom
"Controlling Shareholders"	has the meaning ascribed thereto under the Listing Rules and unless the context requires otherwise, refers to Mr. Ni and JQ Brothers Ltd.

* *For identification purposes only*

Definitions (Continued)

"Director(s)"	the director(s) of the Company
"Global Offering"	the Hong Kong public offering and the international offering of shares in connection of the IPO of the Company
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"ICP License"	Value-added Telecommunications Service Operating Permit for Internet Information Services
"IPO"	initial public offering
"Listing Date"	December 30, 2020, on which the Shares became listed and from which dealings therein are permitted to take place on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix C3 to the Listing Rules
"Mr. Ni"	Mr. NI Zhengdong (倪正東), our chairman of the Board, executive Director, chief executive officer and one of our Controlling Shareholders
"Nomination Committee"	the nomination committee of the Board
"Post-IPO RSU Scheme"	the post-IPO RSU scheme adopted by the Company on December 7, 2020 and amended on May 17, 2023
"Prospectus"	the prospectus of the Company dated December 16, 2020
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	the year ended December 31, 2024
"RMB"	Renminbi, the lawful currency of the PRC
"RSU"	restricted share unit
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) of par value US$0.0001 each in the issued share capital of the Company
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

Definitions (Continued)

"US$"	United States dollars, the lawful currency of the United States of America
"VATS"	value-added telecommunication services
"VATS license"	value-added telecommunication service operating permit, which includes without limitation, the ICP License
"Zero2IPO Group"	Zero2IPO Consulting Group Co., Ltd. (清科管理顧問集團有限公司), formerly known as Zero2IPO Finance Management and Consulting (Beijing) Co., Ltd. (清科財務管理諮詢(北京)有限公司), a limited liability company established under the laws of the PRC on November 22, 2005, which holds 100% of the equity interests in Zero2IPO Ventures
"Zero2IPO Ventures"	Beijing Zero2IPO Venture Information Consulting Co., Ltd. (北京清科創業信息諮詢有限公司), a limited liability company established under the laws of the PRC on September 10, 2013, one of the Consolidated Affiliated Entities, whose sole registered shareholder is Zero2IPO Group
"%"	per cent

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. NI Zhengdong *(Chairman and CEO)*
Ms. FU Xinghua
Ms. ZHANG Yanyan

Non-executive Director

Mr. KUNG Hung Ka

Independent Non-executive Directors

Mr. YE Daqing
Mr. ZHANG Min
Ms. YU Bin

JOINT COMPANY SECRETARIES

Ms. YANG Zhen
Mr. CHENG Ching Kit

AUTHORISED REPRESENTATIVES UNDER THE LISTING RULES

Ms. ZHANG Yanyan
Ms. YANG Zhen

AUDIT COMMITTEE

Ms. YU Bin *(Chairwoman)*
Mr. YE Daqing
Mr. ZHANG Min

REMUNERATION COMMITTEE

Mr. YE Daqing *(Chairman)*
Mr. NI Zhengdong
Mr. ZHANG Min

NOMINATION COMMITTEE

Mr. NI Zhengdong *(Chairman)*
Mr. ZHANG Min
Ms. YU Bin

AUDITOR

PricewaterhouseCoopers
Certified Public Accountant
Registered Public Interest Entity Auditor
22/F, Prince's Building
Central
Hong Kong

REGISTERED OFFICE

PO Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Units 2101–2109, Air China Century Building
Building No. 1, No. 40 Xiaoyun Road
Chaoyang District
Beijing, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANK

Shanghai Pudong Development Bank
Beijing East Third Ring Road Branch
1st Floor, No. 26 Jinganli
Chaoyang District
Beijing, the PRC

Corporate Information (Continued)

LEGAL ADVISOR

As to Hong Kong law:
Baker & McKenzie
14th Floor, One Taikoo Place
979 King's Road, Quarry Bay
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall
Cricket Square
Grand Cayman
KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

STOCK CODE

Stock code: 1945

WEBSITE

www.zero2ipo.cn

Chairman's Statement

Dear Shareholders,

On behalf of the Board of Zero2IPO Holdings Inc., I am pleased to present the Group's annual report for the year ended December 31, 2024.

BUSINESS REVIEW

In the current wave of AI technology sweeping the world, the AI industry is experiencing an unprecedented period of explosive growth. By 2024, the investment in AI has exceeded RMB100 billion, a year-on-year increase of 35.5%, becoming a hot track for capital pursuit.

During this critical development timing, we have innovatively created the first domestic AI industry data system, dedicated to providing investors, industry participants, and local government departments with a comprehensive and intelligent AI industry landscape. Our AI industry data system tracks the dynamic changes of the AI industry chain, updates industry data in real-time, and helps investors quickly identify high-quality projects and accurately grasp investment opportunities.

In the full year of 2024, the Company achieved revenue of RMB192.4 million and net profit of RMB12.3 million.

OUTLOOK

With the resonance of policy drive, technological breakthroughs, and capital structure adjustments, the venture capital industry is experiencing a significant rebound, and the industry turning point has emerged. Since the beginning of 2025, VC and PE institutions have once again become active, state-owned assets have become the main force of investment, and government-guided funds have played a crucial support role during the trough. The popularity of DeepSeek marks a new stage for China's AI, entering a new era.

Looking to the future, we shall seize the opportunities of the times with an enterprising attitude and seek breakthroughs in the midst of change. With a solid industry foundation, efficient resource synergy mechanism, and digitally driven strategic planning, we shall fully promote comprehensive and multi-level business expansion in 2025. By continuously optimizing investment layout and improving operational efficiency, we will create a more competitive industry benchmark position, inject new momentum into China's innovation and entrepreneurship ecosystem, and work with partners to jointly create a new era of value growth.

Press on relentlessly, a promising horizon awaits. In 2025, we are confident that no matter how the market changes, we will maintain strategic determination, use innovative thinking to explore new paths for development, and make positive contributions to the high-quality development of the industry. Despite challenges that still exist in the market, with Chinese technology entrepreneurs stepping onto the international stage, the venture capital industry is expected to see the rise of a group of global investment institutions and welcome a new chapter of development.

ACKNOWLEDGEMENTS

I would like to express sincere gratitude to our Directors, Shareholders, clients, business partners, and other business friends for their continuous support and trust in the Group, as well as the dedication and hard work of our management and all employees.

NI Zhengdong
Chairman

Beijing, the PRC, March 14, 2025

Financial Highlights

RESULTS OF OPERATION

	For the Year Ended December 31,				
	2020 *RMB'000*	2021 *RMB'000*	2022 *RMB'000*	2023 *RMB'000*	**2024** ***RMB'000***
Revenue	178,465	207,893	220,632	238,461	**192,477**
Profit before income tax	39,126	18,054	23,696	21,002	**17,061**
Profit for the year	31,448	11,467	19,632	16,035	**12,331**

ASSETS AND LIABILITIES

	As at December 31,				
	2020 *RMB'000*	2021 *RMB'000*	2022 *RMB'000*	2023 *RMB'000*	**2024** ***RMB'000***
Total assets	557,856	645,805	762,308	739,447	**761,606**
Total liabilities	(126,824)	(135,094)	(213,446)	(171,697)	**(182,624)**
Equity attributable to the owners of the Company	431,032	510,711	549,133	568,111	**579,556**

Management Discussion and Analysis

BUSINESS OVERVIEW AND OUTLOOK

Overview

We are an integrated service platform in the equity investment industry, which provides data, marketing, investment banking and training services to participants in the equity investment industry. We offer a broad range of services through both online and offline channels for all participants in the equity investment industry, including investors, entrepreneurs, growth enterprises and government agencies.

As the wave of AI technology is spreading globally, the artificial intelligence industry is ushering in an unprecedented outbreak. We have seized this historical opportunity and launched China's first AI industry data system to provide investors, industry participants and local governments with an all-round and intelligent panorama of the AI industry. This system deeply tracks nearly 50 segments of the AI industry chain, covering the entire chain from basic hardware and algorithmic models to industry applications, and unlocking trillion-dollar investment opportunities in the AI sector for market participants.

- **Data Services.** We enable convenient and easy-to-navigate access to industry data and to facilitate informed decision-making through our PEdata Database and research report services, leveraging our extensive data resources as well as our robust data collection, analytics and research capabilities. Our PEDATA MAX, an upgraded SaaS-based version of our PEdata Database, integrates multi-dimensional data of China's equity investment industry and provides timely, accurate and comprehensive professional data services for investors, entrepreneurs, growth enterprises and government agencies, which has now been accessed to the DeepSeek foundation model to complete the brand-new upgrade, and an internal beta version has been launched. As of December 31, 2024, our proprietary PEDATA MAX had over 360,000 registered users in aggregation. We also compile customized reports to address our customers' specific information needs and support their strategic decision-making process, as well as provide periodic standardized research reports enabling industry participants to track, understand and analyze China's equity investment industry.

- **Marketing Services.** We offer omni-channel marketing services through our online information platforms such as PEdaily and offline industry events, which also track industry trends and facilitate intra- and inter-industry networking. Our online information platforms offer high-quality content focused on China's equity investment industry. As of December 31, 2024, our online information platforms had accumulated over 3.5 million subscribers across our mobile applications, websites and major third-party platforms including WeChat, Weibo, Toutiao, NetEase, Sohu, Baidu, Snowball and Tencent. Our PEdaily has served a diversified customer base with its online advertising services, including an increasing number of renowned enterprises, which contributed to our business growth. We organize offline industry events, including Zero2IPO brand events and customized events, offering industry participants the opportunities to interact and socialize face-to-face.

Management Discussion and Analysis (Continued)

- **Investment Banking Services.** Through our dedicated offline investment banking services, we enable early-stage entrepreneurs and growth enterprises to capture business and financing opportunities, investors to identify appropriate investment targets, and government agencies to formulate targeted local economic development strategies. Moreover, we provide entrepreneurs and growth enterprises with advisory services in private placements and mergers and acquisitions, and securities sponsorship and underwriting services for them to access public equity markets. We also offer trading, investment consulting and asset management services to investors. To that end, we have assembled a boutique investment banking team well-versed in the industry, committed to bridging together Chinese enterprises with overseas capital markets. Our Zero2IPO Securities mobile application, a secondary market trading platform focusing on Hong Kong stock market, provides investors with a full range of trading services, including real-time quotes, online trading, IPO subscription, equity capital market information and financial information.

- **Training Services.** We offer a variety of equity investment-related online and offline training courses primarily through online SandHill College, Zero2IPO SandHill College and Zero2IPO Investment Research Institute, targeting a wide variety of audience including investment professionals, entrepreneurs, government officials, and college students seeking a career in the equity investment industry. We also provide customized training services targeting institutional customers, especially government agencies and large enterprises. Specifically, we provide a series of industry-specific courses, including primarily master courses with prominent industry investors as mentors and equity investment strategy courses, in addition to our regular course offerings at Zero2IPO SandHill College. Our online and offline training services have provided new entrants and experienced professionals with foundational knowledge of and perceptive insights into China's equity investment industry.

OUTLOOK

Driven by the continuous benefits brought by policy and the overall rebound of the secondary market in 2025, multiple signals indicate that the venture capital market is starting to pick up. With the gradual restoration of the capital market ecology, the activity of the A-share and Hong Kong stock markets has steadily increased, injecting a strong impetus for the rebound of the venture capital industry. Meanwhile, the era of AI is profoundly reshaping the industrial pattern. The rise of AI foundation models represented by DeepSeek not only marks a breakthrough in China's AI sector, but also attracts large institutions at home and abroad to reevaluate the value of China's assets, in particular the long-term potential of China's technology assets.

Looking ahead, we are full of confidence and expectations. As a connector of the venture capital industry, We always adhere to the original intention of "maintaining stability and adapting to changes", and is committed to serving the whole chain of venture capital investment in every step of the way. Led by sci-tech innovation, we will continue to build a more perfect venture capital ecosystem with openness and synergy, so as to provide more efficient and accurate services for entrepreneurs, investors and industry participants, inject patient capital for the high-quality development of China's venture capital industry, and empower the cultivation and growth of new productive forces.

In the future, we will actively meet new opportunities and challenges with firm confidence and innovative spirit and make unremitting efforts to realize sustainable growth and long-term value creation. Relying on our profound industry accumulation, strong resource integration capability, and technology-enabled strategic layout, we are confident that we will achieve three-dimensional and diversified business growth in 2025, further consolidating our industry-leading position and contributing more to the prosperity and development of China's venture capital ecosystem.

Management Discussion and Analysis (Continued)

FINANCIAL REVIEW

Revenue

Our revenue decreased by 19.3% from RMB238.5 million in 2023 to RMB192.5 million in 2024, primarily due to (1) a decrease in the number of offline customized industry events for marketing services and (2) a decrease in the number of training courses for training services.

Cost of revenue

Our cost of revenue decreased by 12.4% from RMB143.3 million in 2023 to RMB125.5 million in 2024, primarily due to a decrease in costs for marketing services and training services as a result of a decrease in venue costs and set-up costs for offline events.

Gross profit and gross profit margin

Our gross profit decreased by 29.6% from RMB95.2 million in 2023 to RMB67.0 million in 2024. Our gross profit margin decreased from 39.9% in 2023 to 34.8% in 2024, primarily due to a decrease in the number of offline customized industry events for marketing services and training courses for training services, resulting in a decrease in revenue which led to a decrease in gross profit.

Data services

Our gross profit for data services decreased by 14.7% from RMB39.4 million in 2023 to RMB33.6 million in 2024. Our gross profit margin for data services decreased from 56.0% in 2023 to 48.0% in 2024, primarily due to an increase in costs from iterations of PEDATA MAX, while revenue remained relatively stable.

Marketing services

Our gross profit for marketing services decreased by 26.4% from RMB42.5 million in 2023 to RMB31.3 million in 2024, primarily due to the decrease in revenue exceeded the decrease in costs. Our gross profit margin for marketing services decreased from 49.6% in 2023 to 43.5% in 2024, primarily due to a decrease in the number of offline customized industry events for marketing services, resulting in a decrease in revenue which led to a decrease in gross profit.

Investment banking services

Our gross profit for investment banking services decreased from RMB0.04 million in 2023 to a gross loss of RMB1.7 million in 2024. Our gross margin for investment banking services decreased from 0.14% in 2023 to negative 6.8% in 2024, primarily due to a decrease in the revenue for investment banking services, while costs remained relatively stable.

Training services

Our gross profit for training services decreased from RMB13.2 million in 2023 to RMB3.9 million in 2024. Our gross profit margin for training services decreased from 26.4% in 2023 to 15.6% in 2024, primarily due to a decrease in the number of training courses, resulting in a decrease in revenue which led to a decrease in gross profit.

Management Discussion and Analysis (Continued)

Selling and marketing expenses

Our selling and marketing expenses decreased by 6.1% from RMB18.1 million in 2023 to RMB17.0 million in 2024, primarily due to a decrease in labor costs in the sales department as a result of a decrease in the number of sales personnel.

General and administrative expenses

Our general and administrative expenses decreased by 16.8% from RMB54.1 million in 2023 to RMB45.0 million in 2024, primarily because agency fees and other travel, transportation expenses have decreased.

Research and development expenses

Our research and development expenses decreased by 11.8% from RMB17.8 million in 2023 to RMB15.7 million in 2024, primarily due to a decrease in labor costs as a result of a decrease in the number of R&D personnel for online data product.

Finance income, net

Our net finance income decreased by 9.8% from RMB14.3 million in 2023 to RMB12.9 million in 2024, primarily due to a decrease in interest income from bank deposits as a result of the purchase of WMPs with our funds.

Income tax expense

Our income tax expense decreased by 6.0% from RMB5.0 million in 2023 to RMB4.7 million in 2024, primarily due to a decrease in revenue and profit.

Profit for the year

As a result of the foregoing, our net profit decreased by 23.1% from RMB16.0 million in 2023 to RMB12.3 million in 2024. Our net margin decreased from 6.7% in 2023 to 6.4% in 2024.

Liquidity and Capital Resources

We financed our capital expenditures and working capital requirements principally with cash generated from our operations. Our liquidity and capital resources remained solid as of December 31, 2024, with cash and cash equivalents and short-term bank deposits of approximately RMB299.7 million in multiple currencies. Our working capital, calculated by current assets less current liabilities, decreased from RMB490.3 million as of December 31, 2023 to RMB455.2 million as of December 31, 2024 respectively.

We actively and regularly review and manage our capital structure to maintain a balance between shareholder return and solid capital position. Our management will continue to make adjustments, when necessary, to maintain a stable capital structure and to reduce the cost of capital and manage liquidity risk.

Management Discussion and Analysis (Continued)

Exposure to Exchange Rate Fluctuation

Our operations are mainly carried out in mainland China and Hong Kong, with most transactions settled in Renminbi and Hong Kong dollars. Our cash and cash equivalents and short-term bank deposits were denominated in Renminbi, Hong Kong dollars and U.S. dollars. Our reporting currency is Renminbi. Any significant exchange rate fluctuations of foreign currencies against Renminbi may have an impact on our financial position and performance.

We did not enter into any hedging transaction or forward contract arrangement to hedge our foreign exchange exposure in 2024. We manage our foreign exchange risk by closely monitoring the movement of the foreign currency rates. Our management will continue to closely monitor our capital and operational needs and manage foreign exchange risks accordingly.

Capital Commitments

As of December 31, 2024, we had a capital investment commitment to an investee amounting to RMB1.8 million.

Contingent Liabilities

As of December 31, 2024, we did not have any material contingent liability, guarantee or any litigation or claim of material importance, pending or threatened against any member of our Group.

Future Plans for Material Investments and Capital Assets

Save as disclosed in the prospectus of the Company dated December 16, 2020 and this annual report, as of the date of this annual report, we did not have other substantial future plans for material investments and capital assets.

Significant Investments, Material Acquisitions and Disposals

On December 1, 2023, Beijing Zero2IPO Venture Information Consulting Co., Ltd. (北京清科創業信息諮詢有限公司) (the "Zero2IPO Ventures"), a consolidated affiliated entity of the Company, entered into partnership interest transfer agreements with each of Fuzhou Development Zone Kehulian Information Technology Co., Ltd. (福州開發區科互聯信息科技有限公司), Ms. YANG Zhen, Ms. CHEN Hongying, Mr. YANG Qianchu, and Mr. ZHANG Can (collectively, the "Transferors"), respectively, pursuant to which Zero2IPO Ventures conditionally agreed to purchase, and the Transferors conditionally agreed to sell, approximately 14.72% of the partnership interests in Beijing Zero2IPO Zhida Investment Management Center (Limited Partnership) (北京清科致達投資管理中心(有限合夥)) (the "Fund") in aggregate at a total consideration of RMB28.3 million (the "Partnership Interest Transfer"). The Partnership Interest Transfer was approved at the extraordinary general meeting of the Company on February 27, 2024. For further details, please refer to the announcement of the Company dated December 1, 2023 and the circular of the Company dated January 26, 2024. Taking into account the investment management capabilities and experience of the Group and the Company's business and strategies, participation in investment in the Fund would help broaden and diversify the Group's customer base, and seek potential business opportunities from the investment portfolio of the Fund in line with the Group's strategies. In addition, the investment in the Fund would also provide the Group with possible strong financial returns. Zero2IPO Ventures has fully paid the consideration and completed the registration alterations of its equity interest in the Fund on April 10, 2024.

Management Discussion and Analysis (Continued)

During the Reporting Period, we invested in WMPs to preserve the time value of our cash reserves. Each of the WMPs is characterized by its nature of satisfactory liquidity, and the subscriptions of WMPs were used by the Company for treasury management purpose in order to maximize its return on the surplus cash received from its business operations. The Group expects that the WMPs will earn a better yield than the prevailing fixed-term deposit interest rates generally offered by commercial banks in the PRC and in Hong Kong while at the same time offer flexibility to the Group in terms of treasury management. As such, the Board is of the view that the subscriptions of the WMPs are in the interests of the Company and the shareholders of the Company as a whole. The Group implemented adequate and appropriate internal control procedures to ensure the subscriptions would not affect the working capital or the operations of the Group, and that such investments would be conducted on the principle of protecting the interests of the Group and the shareholders of the Company as a whole.

The following table sets forth a breakdown of the major WMPs held by the Group during the year ended December 31, 2024.

Name of the issuer of the WMPs	Subscription Date	Name of Product	Principal amount of subscription	Term of product	Redeemed/ outstanding	Expected annual return rate	Realized/ Fair value as of December 31, 2024	Percentage of the total assets of the Group as of December 31, 2024
GF Global Capital Limited	18 January 2024	STO principal-guaranteed fixed-interest notes	US$ 1,556,324	Fixed term of 6 months	Redeemed	6.50%	US$ 1.6 million	1.52%
GF Global Capital Limited	30 April 2024	Principal-guaranteed fixed-interest notes	US$ 6,000,000	Fixed term of 1 year	Outstanding	6.03%	US$ 6.2 million	5.89%
Galaxy Jinhui Securities Asset Management Co., Ltd.	17 April 2024	Galaxy Ronghui No. 8	RMB 2,000,000	No fixed term	Outstanding	3.4%-5.51%	RMB 2.0 million	0.27%
Galaxy Jinhui Securities Asset Management Co., Ltd.	17 April 2024	Galaxy Mercury Cash Plus Currency	RMB 2,000,000	No fixed term	Redeemed	1.90%	RMB 2.0 million	0.26%
Galaxy Jinhui Securities Asset Management Co., Ltd.	17 April 2024	Galaxy Mercury Cash Plus Currency	RMB 1,000,000	No fixed term	Redeemed	1.90%	RMB 1.0 million	0.13%
Galaxy Jinhui Securities Asset Management Co., Ltd.	15 May 2024	Galaxy Ronghui No. 8	RMB 2,000,000	Fixed term of 6 months	Redeemed	3.4%-5.49%	RMB 2.0 million	0.27%

Management Discussion and Analysis (Continued)

Name of the issuer of the WMPs	Subscription Date	Name of Product	Principal amount of subscription	Term of product	Redeemed/ outstanding	Expected annual return rate	Realized/ Fair value as of December 31, 2024	Percentage of the total assets of the Group as of December 31, 2024
Galaxy Jinhui Securities Asset Management Co., Ltd.	15 May 2024	Galaxy Shenghui Zunxiang No. 3	RMB 4,000,000	Fixed term of 1 year	Redeemed	3.4%-6.19%	RMB 4.1 million	0.53%
Galaxy Jinhui Securities Asset Management Co., Ltd.	15 May 2024	Galaxy Shenghui Wenjian No. 2	RMB 6,000,000	Fixed term of 1 year	Outstanding	3.6%-6.37%	RMB 6.2 million	0.81%
Galaxy Jinhui Securities Asset Management Co., Ltd.	10 July 2024	Galaxy Ronghui No. 8	RMB 15,000,000	No fixed term	Outstanding	3.4%-5.49%	RMB 15.3 million	2.00%
Galaxy Jinhui Securities Asset Management Co., Ltd.	10 July 2024	Galaxy Mercury No. 6	RMB 15,000,000	No fixed term	Outstanding	3.4%-6.19%	RMB 15.3 million	2.00%
Galaxy Jinhui Securities Asset Management Co., Ltd.	10 July 2024	Galaxy Shenghui Wenjian No. 2	RMB 10,000,000	Fixed term of 1 year	Outstanding	3.6%-5.98%	RMB 10.2 million	1.34%
Galaxy Jinhui Securities Asset Management Co., Ltd.	12 July 2024	Galaxy Shenghui Wenjian No. 3	RMB 10,000,000	No fixed term	Outstanding	3.5%-6.39%	RMB 10.2 million	1.34%
Galaxy Jinhui Securities Asset Management Co., Ltd.	18 November 2024	Galaxy Shenghui Wenjian No. 1	RMB 6,000,000	Fixed term of 1 year	Outstanding	3.60%	RMB 6.0 million	0.79%
Galaxy Jinhui Securities Asset Management Co., Ltd.	18 November 2024	Galaxy Mercury No. 7	RMB 6,000,000	Fixed term of 1 year	Outstanding	3.60%	RMB 6.0 million	0.79%
Galaxy Jinhui Securities Asset Management Co., Ltd.	18 November 2024	Galaxy Shenghui Zunxiang No. 3	RMB 10,000,000	Fixed term of 6 months	Outstanding	3.30%	RMB 10.1 million	1.32%

Management Discussion and Analysis (Continued)

As of December 31, 2024, the total outstanding principal amount of the WMPs offered by GF Global Capital Limited and Galaxy Jinhui Securities Asset Management Co., Ltd. was approximately US$6.2 million and RMB81.3 million, representing 5.7% and 10.5% of the Group's total assets, respectively. Please refer to announcements of the Company dated April 30, 2024, July 10, 2024 and November 18, 2024 for further details of the subscriptions of WMPs by the Company.

Zero2IPO Capital Limited (清科資本有限公司) ("Zero2IPO Capital") as one of the promoters of TechStar Acquisition Corporation ("TechStar") and an indirectly wholly-owned subsidiary of the Company, indirectly held 3,750,000 class B shares of TechStar and 6,000,000 promoter warrants of TechStar. On December 20, 2024, TechStar entered into the business combination agreement with Seyond Holdings Ltd. (the "Target Company") and Seyond Merger Sub Limited, a wholly-owned subsidiary of the Target Company. As a result of the de-SPAC transaction ("De-SPAC Transaction"), upon the closing of the De-SPAC Transaction, Zero2IPO Capital will cease to hold class B shares of TechStar and promoter warrants of TechStar, and will indirectly hold 3,750,000 shares of successor company and 6,000,000 promoter warrant of successor company. Please refer to announcement of the Company dated December 20, 2024 and announcement of TechStar dated December 20, 2024 for further details of the De-SPAC Transaction.

Save as disclosed above, there was no other significant investments held by the Group as of December 31, 2024.

During the Reporting Period, we did not make any material acquisitions or disposals of subsidiaries or affiliated companies.

Charge on Group's Assets

As of December 31, 2024, we had no charges on our assets.

Borrowings

As of December 31, 2024, we did not have any outstanding bank loans or other borrowings.

Gearing Ratio

As of December 31, 2024, our gearing ratio, calculated as total liabilities divided by total assets, was 24.0%, which increased from 23.2% as of December 31, 2023.

Key Financial and Business Performance Indicators

The key financial and business performance indicators comprise profitability growth and return on equity. Details of our profitability growth are shown in the paragraph headed "Profit for the year" in this annual report. Our return on equity decreased from 2.8% for 2023 to 2.1% for 2024, primarily due to a decrease in revenue, resulting in a decrease in net profit.

Directors and Senior Management

OUR DIRECTORS

The Board currently consists of seven Directors, comprised of three executive Directors, one non-executive Director and three independent non-executive Directors. The following table sets forth information regarding the Directors.

Name	Age	Position	Date of Appointment as Director
Executive Directors			
Mr. NI Zhengdong (倪正東)	50	Chairman of the Board, executive Director and chief executive officer	August 1,2019
Ms. FU Xinghua (符星華)	43	Executive Director and senior vice president	May 29, 2020
Ms. ZHANG Yanyan (張妍妍)	43	Executive Director and senior vice president	May 29, 2020
Non-executive Director			
Mr. KUNG Hung Ka (龔虹嘉)	60	Non-executive Director	May 29, 2020
Independent Non-executive Directors			
Mr. YE Daqing	51	Independent non-executive Director	June 8, 2023
Mr. ZHANG Min	56	Independent non-executive Director	December 7, 2020
Ms. YU Bin (余濱)	55	Independent non-executive Director	December 7, 2020

Executive Directors

Mr. NI Zhengdong (倪正東), aged 50, is our chief executive officer, executive Director and chairman of the Board. He is primarily responsible for the overall management of the business, strategy and corporate development of our Group. Mr. Ni started the business of our Group in 2001 and was appointed as an executive Director of our Group in August 2019. He has served as the executive director and then as the chairman of Zero2IPO Group since its inception in 2005. Mr. Ni has also served as the chairman and general manager of Zero2IPO Ventures since November 2017 and September 2013, respectively, and was the executive director of Zero2IPO Ventures from September 2013 to November 2017. He has served as a director and the general manager at Beijing Zero2IPO Innovation and Venture Consulting Co., Ltd. (北京清科新創創業諮詢有限公司) and Beijing Huchuang since August 2019 and June 2020, respectively. Mr. Ni has over 20 years of experience in the equity investment service industry.

Mr. Ni has served as a director of TechStar Acquisition Corporation, a company listed on the Stock Exchange (stock code: 7855), since April 2022, and has been serving as its chairman of the board, an executive Director and the co-chief executive officer since June 2022. He served as an independent non-executive director of GOGOX HOLDINGS LIMITED (快狗打車控股有限公司), a company listed on the Stock Exchange (stock code: 2246), from June 2022 to December 2023. He also served as an independent director of Talkweb Information System Inc. (拓維信息系統股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002261), from September 2017 to May 2022, and has been serving as its director since May 2022. In addition, Mr. Ni served as an independent non-executive director of Kingdee International Software Group Company Limited (金蝶國際軟件集團有限公司), a company listed on the Stock Exchange (stock code: 0268), from January 2021 to December 2021.

Mr. Ni obtained a bachelor's degree in engineering mechanics from Hunan University (湖南大學) in July 1996, and a master's degree in engineering mechanics from Tsinghua University (清華大學) in January 2000. He also graduated from a business administration PhD programme from Tsinghua University in January 2007.

Directors and Senior Management (Continued)

Ms. FU Xinghua (符星華), aged 43, is our executive Director and senior vice president. She is primarily responsible for the overall management of the data services and partial management of the training services of our Group. Ms. Fu joined our Group in August 2009 and was appointed as an executive Director in May 2020. She has served as a director of Zero2IPO Ventures and Beijing Zero2IPO Innovation and Venture Consulting Co., Ltd. since November 2017 and December 2019, respectively. Ms. Fu served various positions at Zero2IPO Group since August 2009, including managing director responsible for fund of funds business, and managing director responsible for the data services, and currently serves as a partner.

Ms. Fu obtained a bachelor's degree in communication engineering from Beihang University (北京航空航天大學) in July 2004 and an EMBA degree from Tsinghua University (清華大學) in 2018.

Ms. ZHANG Yanyan (張妍妍), aged 43, is our executive Director and senior vice president. She is primarily responsible for the overall management of the marketing services and partial management of the training services of our Group. Ms. Zhang joined our Group in March 2006 and was appointed as an executive Director in May 2020. She has also served as a director of Zero2IPO Ventures, Beijing Zero2IPO Innovation and Venture Consulting Co., Ltd. since November 2017 and December 2019, respectively. She also served as a director of Xi'an Zero2IPO Aixi Enterprise Management Consulting Co., Ltd. (西安清科艾西企業管理諮詢有限公司) from June 2018 to October 2021, as a director of Ningbo Zero2IPO Ningfeng Enterprise Management Consulting Co., Ltd. (寧波清科寧豐企業管理諮詢有限責任公司) from April 2020 to March 2022, and as a director of Nanjing Zero2IPO Aining Enterprise Management Consulting Co., Ltd. (南京清科艾寧企業管理諮詢有限責任公司) from August 2019 to July 2022. Ms. Zhang served various positions at Zero2IPO Group since March 2006, including operating manager, vice president, the managing director of marketing service division, and currently serves as a partner.

Ms. Zhang received a bachelor's degree in English literature and business administration from Huazhong University of Science and Technology (華中科技大學) in June 2004, and a master's degree in business administration from China Europe International Business School (中歐國際工商學院) in November 2019.

Non-executive Director

Mr. KUNG Hung Ka (龔虹嘉), aged 60, is a non-executive Director of our Company. He was appointed as a non-executive Director in May 2020 and is primarily responsible for providing guidance and advice on the business strategies of our Group. Mr. Kung has served as a director of Zero2IPO Group since February 2017 and beneficially owns all the equity interest in Wealth Strategy Holding Limited (富策控股有限公司), a Shareholder of our Company. Mr. Kung has over 20 years experience in information technology and electronics industries.

Mr. Kung has served as the chairman of the board of directors of Vcanbio Cell & Gene Engineering Co., Ltd. (中源協和細胞基因工程股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600645), from December 2018 to December 2021 and since March 2022. He also served as a director of Shanghai Fullhan Microelectronics Co., Ltd. (上海富瀚微電子股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 300613), from April 2013 to December 2022. Mr. Kung has founded and/or invested in a number of enterprises in the technology and biotechnology industry, including, among others, Genetron Holdings Limited.

Mr. Kung graduated from the faculty of computer science from Huazhong Institute of Technology (華中工學院) (currently known as Huazhong University of Science and Technology (華中科技大學)) in 1986.

Directors and Senior Management (Continued)

Independent Non-executive Directors

Mr. YE Daqing, aged 51, was appointed as an independent non-executive Director on June 8, 2023. He is primarily responsible for supervising and providing independent judgement to our Board. Mr. Ye has over 20 years of experience in operations and management of internet and financial institutions in the United States and China. Mr. Ye has served as the chairman of board of directors and chief executive officer of Jianpu Technology Inc. since October 2017. He is a co-founder of RONG360 Inc. and has served as its chairman and chief executive officer since its inception in October 2011. He served as head of marketing for PayPal, China from August 2009 to October 2011, as the director of digital marketing capabilities of risk, information & banking group at American Express Company in New York from September 2007 to August 2009, and as a senior manager of marketing analysis at America On Line Inc. from March 2004 to August 2007. Prior to that, Mr. Ye previously worked for Capital One Financial Corporation from September 1998 to March 2004 in McLean, Virginia in positions related to risk strategy analysis, credit management, and market analysis.

Mr. Ye received a bachelor's degree in engineering from Hunan University in China in June 1994, a master's degree in finance from the George Washington University in the United States in May 1998. He obtained an EMBA degree in June 2024 from the PBC School of Finance, Tsinghua University.

Mr. ZHANG Min, aged 56, is an independent non-executive Director of our Company. He is primarily responsible for supervising and providing independent judgement to our Board. Mr. Zhang has over 15 years of experience in investment management. Mr. Zhang has served as the general manager of Shanghai Empower Investment Co., Ltd. (上海合之力投資管理有限公司) since September 2012. Prior to that, Mr. Zhang served as a business development director at Morningstar Information Technology Consulting (Shanghai) Co., Ltd. (晨興信息科技諮詢(上海)有限公司) from December 2005 to October 2008, as a vice president at Media Partners International Limited (上海梅迪派勒廣告有限公司) from December 2002 to December 2005, and as a senior manager in risk control department at PricewaterhouseCoopers from March 2001 to November 2002. Mr. Zhang has served as an independent non-executive director of TechStar Acquisition Corporation, a company listed on the Stock Exchange (stock code: 7855), since December 2022.

Mr. Zhang obtained a bachelor's degree in economics from Sichuan University (四川大學) in July 1989 and a master's degree in international business from The Norwegian School of Economics and Business Administration in the Spring term of 1995.

Ms. YU Bin (余濱), aged 55, is an independent non-executive Director of our Company. She is primarily responsible for supervising and providing independent judgement to our Board. Ms. Yu served as the chief financial officer of LAIX Inc. from September 2017 to January 2020. Prior to that, Ms. Yu served as the chief financial officer of InnoLight Technology Corporation (蘇州旭創科技有限公司). She also served as the chief financial officer of Star China International Media Limited (星空華文國際傳媒有限公司) from May 2013 to January 2015. She also served as the vice president of finance and then as the chief financial officer of Tudou Holdings Limited, which subsequently merged with Youku Inc. in 2012, forming Youku Tudou Inc., a company previously listed on the New York Stock Exchange (symbol: YOKU), from July 2010 to April 2013. She also worked at KPMG during the 2000s.

Ms. Yu has served as an independent non-executive director of DPC Dash Ltd (達勢股份有限公司), a company listed on the Stock Exchange (stock code: 1405), since December 2024, and an independent non-executive director of iDreamSky Technology Holdings Limited (創夢天地科技控股有限公司), a company listed on the Stock Exchange (stock code: 1119), since May 2018, and as an independent director of GDS Holdings Limited, a company listed on NASDAQ (symbol: GDS), since November 2016. Ms. Yu has also served as an independent director of Kuke Music Holding Limited, a company listed on the New York Stock Exchange (symbol: KUKE), from January 2021 to May 2023. She has also served as an independent director of Baozun Inc., a company listed on NASDAQ (symbol: BZUN), from May 2015 to May 2023, and as an independent non-executive director of Tian Ge Interactive Holdings Limited (天鴿互動控股有限公司), a company listed on the Stock Exchange (stock code: 1980), from June 2014 to January 2021.

Directors and Senior Management (Continued)

Ms. Yu obtained a bachelor's degree in English literature from Xi'an International Studies University (西安外國語大學) (formerly known as Xi'an Foreign Language Institute (西安外國語學院)) in the PRC in July 1992, a master of education degree and a master of science degree in accounting from the University of Toledo in the U. S. in August 1998 and May 1999, respectively, and a Tsinghua-INSEAD Executive MBA degree from Tsinghua University (清華大學) and INSEAD in January 2013. She qualified as a Certified Public Accountant (non-practicing) in May 2001, awarded by the Accountancy Board of Ohio.

SENIOR MANAGEMENT

Mr. NI Zhengdong (倪正東), is our founder, chief executive officer, an executive Director and chairman of the Board. See "Directors and Senior Management – Our Directors" for details.

Ms. FU Xinghua (符星華), is our executive Director and senior vice president. See "Directors and Senior Management – Our Directors" for details.

Ms. ZHANG Yanyan (張妍妍), is our executive Director and senior vice president. See "Directors and Senior Management – Our Directors" for details.

Ms. YANG Zhen (楊真), aged 43, is our chief financial officer and joint company secretary. She is primarily responsible for the overall management of financial and accounting affairs as well as secretarial matters of our Group. Ms. Yang joined our Group in June 2017 as the board secretary of Zero2IPO Ventures, and was appointed as our chief financial officer in May 2020 and as a joint company secretary of our Company in June 2020.

From June 2008 to March 2017, Ms. Yang worked at FS Development Investment Holdings (北京福石控股發展股份有限公司), (previously known as Beijing Spearhead Integrated Marketing Communication Co., Ltd. (北京華誼嘉信整合營銷顧問股份有限公司)), a company listed on the Shenzhen Stock Exchange (stock code: 300071), and served various positions, including securities affairs representative, manager of investment development department, board secretary and vice president.

Ms. Yang obtained a bachelor's degree in economics from Qingdao University (青島大學) in July 2004 and a master's degree in economics from Renmin University of China (中國人民大學) in June 2006. Ms. Yang also holds a board secretary qualification certificate issued by the Shenzhen Stock Exchange in July 2010.

Mr. ZHANG Lei (張磊), aged 43, is our chief technology officer. He is primarily responsible for the overall management of research and development and technological issues. Mr. Zhang joined our Group in September 2014 as a deputy general manager responsible for research and development at Zero2IPO Ventures, and was appointed as our chief technology officer in June 2020. He has also served as a director of Hainan Qingyou Venture Information Consulting Co., Ltd. (海南清柚創業信息諮詢有限公司), Qingdao Zero2IPO Aihe Enterprise Management Consulting Service Co., Ltd. (青島清科艾和企業管理諮詢服務有限公司) and Zhuhai Zero2IPO Aiyue Venture Consulting Co., Ltd. (珠海清科艾粵創業諮詢有限公司), since December 2019 and March 2020 and August 2020, respectively.

Prior to joining us, Mr. Zhang worked as a software architect at Beijing Digital Yizhi Technology Development Co., Ltd. (北京數碼易知科技發展有限責任公司) from September 2013 to September 2014, and served as a department manager at Beijing Zhishi Enterprise Management Consulting Co., Ltd. (北京智識企業管理諮詢有限公司) from May 2005 to September 2013.

Mr. Zhang obtained a bachelor's degree in management information systems from Beijing Institute of Information Engineering (北京信息工程學院) in July 2002 and a master's degree in systems engineering from Beihang University (北京航空航天大學) in March 2005.

Directors and Senior Management (Continued)

Ms. JIANG Jun (江君), aged 43, is our senior vice president. She is primarily responsible for the overall management of the investment banking services of our Group. Ms. Jiang joined our Group in July 2021 and was appointed as our senior vice president in December 2021. She also currently serves as a partner at Zero2IPO Group.

Ms. Jiang has served as the chief executive officer of Zero2IPO International Holdings Limited and as a director of Zero2IPO Capital Limited, each being a subsidiary of the Company, since July 2021 and August 2021, respectively. She has also served as an executive director of TechStar Acquisition Corporation, a company listed on the Stock Exchange (stock code: 7855), since June 2022. From September 2018 to June 2021, she served as the chief executive officer at Fortune Financial Capital Limited. From January 2014 to September 2018, she served as a managing director and the head of investment banking department and global capital market department at Orient Finance Holdings (Hong Kong) Limited. From February 2010 to November 2013, she served as an executive director of investment banking department at China Merchants Securities (Hong Kong) Co., Ltd., a subsidiary of China Merchants Securities Co., Ltd., a company listed on the Stock Exchange (stock code: 6099) and on the Shanghai Stock Exchange (stock code: 600999). From February 2008 to February 2010, she worked at CMB International Capital Corporation Limited, a subsidiary of China Merchants Bank Co., Ltd., a company listed on the Stock Exchange (stock code: 3968) and on the Shanghai Stock Exchange (stock code: 600036).

Ms. Jiang obtained a bachelor's degree in economic law from Southeast University (東南大學) in June 2003 and an MBA degree from University of Abertay Dundee in September 2004. She also graduated from an EMBA program from Cheung Kong Graduate School of Business in September 2019.

JOINT COMPANY SECRETARIES

Ms. YANG Zhen (楊真), is our chief financial officer and joint company secretary. See "Directors and Senior Management – Senior Management" for details.

Mr. CHENG Ching Kit (鄭程傑), was appointed as a joint company secretary of our Company in June 2020. Mr. Cheng is an assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited, a professional services provider specialising in corporate services, and has over 10 years of experience in corporate secretarial field. He is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom since 2018. Mr. Cheng obtained a bachelor of commerce degree with a major in finance from the University of Queensland, Australia in December 2010. He also obtained a master of laws degree in Chinese law from the University of Hong Kong in 2022.

Corporate Governance Report

The Board is pleased to present the corporate governance report of the Company for the Reporting Period.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the CG Code as set out in Appendix C1 to the Listing Rules as its own code of corporate governance. Save as disclosed in this annual report, the Company has complied with all code provisions under the CG Code throughout the Reporting Period. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

CORPORATE CULTURE

The Group believes that, in the face of fierce competition in the market, we must have a comprehensive competitive advantage, and a healthy corporate culture is the strategy and foundation for us to comprehensively improve our competitive strength and is essential for the Group to achieve sustainable development. The responsibility of the Board is to foster and promote a corporate culture with the following core values, led by example, and ensure that our mission, vision, values and business strategy are aligned with the corporate culture.

Our mission: To empower the equity investment industry in China and other emerging markets with big data and Internet technologies. We aspire to enlighten industry participants, facilitate their discovery of enterprise value and optimize the allocation of financial resources.

Our vision: To become a leading service platform for equity investment industry, providing data, marketing, investment banking and training services to participants in the equity investment industry in the global market, and help entrepreneurs and investors in their pursuit of business success.

Our values: Customer first, people orientation, solidarity and cooperation, and pursuit of excellence.

For many years, the Group has been adhering to the philosophy of “acting legally, ethically and responsibly” and has rooted our corporate culture in daily operations, committed to maintaining high standards of business ethics and corporate governance in all our activities and businesses. We have established an integrity management system and conduct anti-corruption training from time to time to strengthen the necessary standards of ethical quality. The Group also continuously reviews and adjusts the business strategy to adapt to market changes, so as to ensure that our services and products meet market demand and achieve our long-term objectives.

THE BOARD

Responsibilities

The Board is responsible for the overall leadership of the Group, oversees the Group’s strategic decisions and monitors business and performance. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. To oversee particular aspects of the Company’s affairs, the Board has established three Board committees including the Audit Committee, the Remuneration Committee and the Nomination Committee. The Board has delegated to the Board committees responsibilities as set out in their respective terms of reference which are published on the websites of the Stock Exchange and the Company.

All Directors have carried out duties in good faith and in compliance with applicable laws and regulations, and have acted in the interests of the Company and the Shareholders at all times.

The Company has arranged appropriate liability insurance in respect of legal action against the Directors. The insurance coverage will be reviewed on an annual basis.

Board Composition

As of the date of this annual report, the Board comprises three executive Directors, one non-executive Director and three independent non-executive Directors as follows:

Executive Directors

Mr. NI Zhengdong *(Chairman and CEO)*
Ms. FU Xinghua
Ms. ZHANG Yanyan

Non-executive Director

Mr. KUNG Hung Ka

Independent Non-executive Directors

Mr. YE Daqing
Mr. ZHANG Min
Ms. YU Bin

The biographies of the Directors as at the date of this annual report are set out on pages 17 to 21 in the section headed “Directors and Senior Management” of this annual report.

During the Reporting Period, the Board has met at all times the requirements under Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has also complied with Rule 3.10A of the Listing Rules relating to the appointment of independent non-executive directors representing at least one-third of the Board.

As each of the independent non-executive Directors has confirmed his/her independence pursuant to the factors set out in Rule 3.13 of the Listing Rules, the Company considers all of them to be independent parties.

Save as disclosed in the Prospectus and in this annual report, to the best knowledge of the Company, none of the Directors has any relationship with any other Director or chief executive.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee and the Nomination Committee.

As regards the code provision of the CG Code requiring directors to disclose the number and nature of offices held in public companies or organizations and other significant commitments as well as the identity of the public companies or organizations and the time involved to the issuer, the Directors have agreed to disclose their significant commitments and any subsequent change to the Company in a timely manner.

Corporate Governance Report (Continued)

Board Diversity Policy

The Company believes that the diversity of Board members will be immensely beneficial for the enhancement of the Company's performance. Therefore, the Company has adopted a board diversity policy (the "**Board Diversity Policy**") to ensure that the Company will, when determining the composition of the Board, consider Board diversity in terms of, among other things, gender, skills, age, professional experience, knowledge, culture, education background and length of service. All Board appointments will be based on merits, and candidates will be considered against objective criteria, having due regard for the benefits of diversity of the Board. As of December 31, 2024, the diversity profile of the Board is analyzed as follows:

Position	**Number of Directors**
Executive Director	3
Non-executive Director	1
Independent Non-executive Director	3

Gender	**Number of Directors**
Male	4
Female	3

Age	**Number of Directors**
41 to 50	3
51 or above	4

The Nomination Committee and the Board have reviewed the structure, size, composition and diversity of the Board, the implementation and effectiveness of the Board Diversity Policy as well as the nomination and appointment procedure of directors during the year ended December 31, 2024. The Nomination Committee and the Board considered that the Board was sufficiently diverse in terms of gender and balance of skills and experience.

Gender Diversity

The Company recognizes the importance of gender diversity and recruits employees at all levels based on merits. As of December 31, 2024, female senior management members represented approximately 66.7% of the senior management of the Company, and female employees represented approximately 69.0% of the employees of the Group.

The Company will continue to take steps to promote gender diversity at all levels of the Group, including but not limited to the Board and the senior management.

Corporate Governance Report (Continued)

Board Independence Evaluation

The Company recognizes that independence of the Board is a key element of good corporate governance. The Company has established effective mechanisms, including but not limited to entitling the Board and Board committees to seek independent professional advice on matters relating to the Company where appropriate at the Company's expense, to ensure independent views and input are available to the Board. The Company has also established channels through formal and informal means whereby independent non-executive Directors can express their views.

The Board has reviewed the implementation of the mechanisms in relation to the Board independence and considered it to be effective during the Reporting Period. The Board will continue to review the implementation and effectiveness of such mechanism on an annual basis.

Induction and Continuous Professional Development

Each newly appointed Director is provided with necessary induction and information to ensure that he/she has a proper understanding of the Company's operations and businesses as well as his/her responsibilities under the Listing Rules and relevant regulatory requirements.

In accordance with C.1.4 of the CG Code with regards to continuous professional development, directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. Internally facilitated briefings for Directors will be arranged and reading material on relevant topics will be issued to Directors where appropriate. The Company also arranges trainings to provide Directors with updates on latest development and changes in the Listing Rules and other relevant legal and regulatory requirements from time to time. The Directors are provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties.

Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The joint company secretaries of the Company have from time to time updated and provided written training materials relating to the roles, functions and duties of a director.

Corporate Governance Report (Continued)

During the Reporting Period, written training material and monthly regulatory updates were provided to the Directors and senior management of the Company.

The training records of the Directors during the Reporting Period are summarized as follows:

Name of Director	Attending training sessions on Directors' responsibilities and other related issues	Reading relevant materials on Directors' continuous responsibilities, corporate governance and other related issues
Executive Directors		
Mr. NI Zhengdong *(Chairman and CEO)*	✔	✔
Ms. FU Xinghua	✔	✔
Ms. ZHANG Yanyan	✔	✔
Non-executive Director		
Mr. KUNG Hung Ka	✔	✔
Independent Non-executive Directors		
Mr. YE Daqing	✔	✔
Mr. ZHANG Min	✔	✔
Ms. YU Bin	✔	✔

Chairman and Chief Executive Officers

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and performed by different individuals. The roles of the Chairman and Chief Executive Officer of the Company are held by Mr. NI Zhengdong. The Board believes that vesting the roles of both chairman and chief executive officer in Mr. NI Zhengdong has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. In light of the above, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in the circumstances of the Company.

Corporate Governance Report (Continued)

Appointment and Re-election of Directors

Each of the executive Directors has entered into a service contract with the Company on December 7, 2023 for a fixed term of three years commencing from the date of such service contract.

Mr. YE Daqing was appointed as an independent non-executive Director of the Company on June 8, 2023 and has entered into an appointment letter with the Company on June 8, 2023 for an initial term of three years commencing from the date of such letter of appointment. Save for Mr. YE Daqing, each of the non-executive Director and independent non-executive Directors has entered into an appointment letter with the Company on December 7, 2023 for a fixed term of three years commencing from the date of such appointment letter.

None of the Directors has entered into a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

In accordance with the Articles, any new Director appointed to fill a casual vacancy or as an addition to the Board shall submit himself/herself for re-election by the Shareholders at the next following general meeting of the Company after appointment.

In accordance with the Articles, at every annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years.

The procedures and process of appointment, re-election and removal of Directors are set out in the Articles. The Nomination Committee is responsible for reviewing the Board composition and making recommendations to the Board on the appointment or re-election of Directors and succession planning for Directors, and the Board will determine the relevant matters after taking into account of the recommendations.

Nomination Policy

The Company has adopted a director nomination policy which is contained in the terms of reference of the Nomination Committee that sets out the selection criteria and process in relation to nomination of Directors and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The director nomination policy sets out the factors for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to gender, age, cultural and educational background, professional experience or diversity needed in the future, and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the Nomination Committee shall: (i) use open advertising or the services of external advisors to facilitate the search; (ii) consider candidates from a wide range of backgrounds; and (iii) consider candidates on merit and against objective criteria, taking care that appointees have enough time available to devote to the position.

The Nomination Committee will review the director nomination policy, as appropriate, to ensure its effectiveness.

Corporate Governance Report (Continued)

Board Meetings

The Company adopts the practice of holding Board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices of not less than fourteen days are given for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting.

For other Board and Board committee meetings, reasonable notice is generally given. The agenda and accompanying conference papers are dispatched to the Directors or Board committee members at least three days before the meetings to ensure that they have sufficient time to review the relevant papers and are adequately prepared for the meetings. When Directors or Board committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the Chairman prior to the meeting. Minutes of meetings are kept by the company secretary of the Company with copies circulated to all Directors or Board committee members for information and records.

Minutes of the Board meetings and Board committee meetings are recorded in sufficient detail about the matters considered by the Board and the Board committee and the decisions reached, including any concerns raised by the Directors/Board committee members. Draft and final versions of the minutes of each Board meeting and Board committee meeting are sent to the Directors/Board committee members for comments and records respectively within a reasonable time after the date on which the meeting is held. Minutes of the Board meetings are open for inspection by Directors.

Apart from the regular Board meetings, the Chairman also held a meeting on March 26, 2024 with all independent non-executive Directors without the presence of executive Directors.

For the year ended December 31, 2024, seven Board meetings and two general meetings were held. The attendance of the individual Directors at these meetings is set out in the table below:

	Attended/Eligible to attend	
Name of Director	**Board Meetings**	**General Meeting**
Mr. NI Zhengdong	7/7	2/2
Ms. FU Xinghua	7/7	2/2
Ms. ZHANG Yanyan	7/7	2/2
Mr. KUNG Hung Ka	7/7	2/2
Mr. YE Daqing	7/7	2/2
Mr. ZHANG Min	7/7	2/2
Ms. YU Bin	7/7	2/2

Model Code for Securities Transactions

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code for the Reporting Period.

The Group's employees, who are likely to be in possession of inside information of the Group, are also subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the employees was noted by the Company.

Corporate Governance Report (Continued)

Delegation by the Board

The Board reserves for its decision right for all major matters of the Company, including approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Directors could have recourse to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and to consult with the Company's senior management independently.

The daily management, administration and operation of the Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by the management.

Corporate Governance Function

The Board is responsible for performing the functions set out in code provision A.2.1 of the CG Code. The Board recognizes that corporate governance should be the collective responsibility of the Directors which includes:

1. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

2. to review and monitor the training and continuous professional development of Directors and senior management;

3. to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors;

4. to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board; and

5. to review the Company's compliance with the CG Code and disclosure in the corporate governance report.

BOARD COMMITTEES

Audit Committee

The Company establishes an Audit Committee with written terms of reference in compliance with the Code as set out in Appendix C1 to the Listing Rules. The Audit Committee comprises three independent non-executive Directors, namely Ms. YU Bin, Mr. YE Daqing and Mr. ZHANG Min, with Ms. YU Bin being the chairwoman of the committee.

The primary duties of the Audit Committee are to review and supervise the financial activities of the Company, consider and approve the risk management, internal control evaluation proposal and the audit budget of the Company, and perform other duties and responsibilities as assigned by the Board.

The written terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company.

Corporate Governance Report (Continued)

Code provision D.3.3(e)(i) of the CG Code provides that the terms of reference of the Audit Committee shall have the terms that the members of the Audit Committee should liaise with the Board and senior management and the Audit Committee must meet at least twice a year with the Auditor. The Company has included such terms in relevant terms of reference, and thus complied with the Code provision D.3.3(e)(i) of the CG Code during the Reporting Period.

Three meetings of the Audit Committee were held for the year ended December 31, 2024 and the attendance record of the Audit Committee members is set out in the table below:

Name of Director	Attended/Eligible to attend
Ms. YU Bin *(Chairwoman)*	3/3
Mr. YE Daqing	3/3
Mr. ZHANG Min	3/3

For the year ended December 31, 2024, the Audit Committee reviewed the Group's policies on corporate governance and discussed the same with the Board, reviewed the financial reporting system, compliance procedures, internal control and risk management systems (including the adequacy of resources, staff qualifications and experience, training programs and budget of the Company's accounting, internal audit and financial reporting functions) and associated processes and the reappointment of the external auditor and fulfilled duties as required aforesaid. The Board had not deviated from any recommendation given by the Audit Committee on the selection, appointment, resignation or dismissal of external auditor. There are proper arrangements for employees, in confidence, to raise concerns about possible improprieties in financial reporting, internal control and other matters.

The Audit Committee also reviewed the interim results of the Group for the six months ended June 30, 2024, the annual results of the Group for the year ended December 31, 2024 as well as the report prepared by the external auditor relating to accounting issues and major findings in course of audit.

Nomination Committee

The Company establishes a Nomination Committee with written terms of reference in compliance with the Code as set out in Appendix C1 to the Listing Rules. The Nomination Committee consists of one executive Director and two independent non-executive Directors, namely Mr. NI Zhengdong, Mr. ZHANG Min and Ms. YU Bin, with Mr. NI Zhengdong being the chairman of the committee.

The primary duties of the Nomination Committee include, without limitation, formulating procedures and standards for the election of Directors and senior management, preliminarily examining the eligibility of candidates for Director and senior management positions, and making recommendations to the Board on matters relating to the appointment of Directors and senior management.

In recommending candidates for appointment to the Board, the Nomination Committee will consider candidates on merit against objective criteria and with due regards to the benefits of diversity on the Board in accordance with the board diversity policy adopted by the Company. Diversity of the Board will be considered from a number of perspectives, including but not limited to gender, age, cultural and educational background, industry experience, technical and professional skills and/or qualifications, knowledge, length of services and time to be devoted as a Director. The recommendations of the Nomination Committee will then be put to the Board for decision.

Corporate Governance Report (Continued)

The written terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company.

One meeting of the Nomination Committee was held for the year ended December 31, 2024 and the attendance record of the Nomination Committee members is set out in the table below:

Name of Director	**Attended/Eligible to attend**
Mr. NI Zhengdong *(Chairman)*	1/1
Mr. ZHANG Min	1/1
Ms. YU Bin	1/1

In the meeting held on March 26, 2024, the Nomination Committee reviewed and discussed the policy, procedure and criteria for nomination of the Directors, reviewed and discussed the Board Diversity Policy, assessed the independence of independent non-executive Directors, reviewed the time commitment required from the non-executive Director and fulfilled duties as required aforesaid.

Remuneration Committee

The Company establishes a Remuneration Committee with written terms of reference in compliance with the CG Code as set out in Appendix C1 to the Listing Rules. The Remuneration Committee consists of one executive Director and two independent non-executive Directors members, namely Mr. YE Daqing, Mr. NI Zhengdong and Mr. ZHANG Min, with Mr. YE Daqing being the chairman of the committee.

The primary duties of the Remuneration Committee are to organize and formulate the remuneration policy and plan of Directors and senior management, propose the remuneration distribution plan, review and/or approve matters relating to share schemes under chapter 17 of the Listing Rules, and perform other matters required as authorized by the Board.

The written terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company.

One meeting of the Remuneration Committee was held for the year ended December 31, 2024 and the attendance record of the Remuneration Committee members is set out in the table below:

Name of Director	**Attended/Eligible to attend**
Mr. YE Daqing *(Chairman)*	1/1
Mr. NI Zhengdong	1/1
Mr. ZHANG Min	1/1

For the year ended December 31, 2024, the Remuneration Committee reviewed the policy and the structure for the remuneration of all Directors and senior management and make recommendations to the Board on the remuneration packages of the Directors and senior management.

Corporate Governance Report (Continued)

REMUNERATION OF SENIOR MANAGEMENT

Please refer to Note 8(a) to the consolidated financial statements for details of remuneration of members of the Board for the year ended December 31, 2024.

Details of the remuneration by band of senior management of the Company, whose biographies are set out on pages 20 to 21 of this annual report, for the year ended December 31, 2024 are set out below:

Remuneration band (in HK$)	Number of individual
0 – 1,000,000	1
1,000,001 – 1,500,000	1
1,500,001 – 2,000,000	2
Over 2,000,000	2

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements for the year ended December 31, 2024 which give a true and fair view of the affairs of the Group and of the Group's results and cash flows.

The management has provided the Board with such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval. The Company provides all members of the Board with timely updates on Company's performance, positions and prospects.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

The statement by the Auditor regarding their reporting responsibilities on the consolidated financial statements of the Company is set out in the Independent Auditor's Report included in this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is the Board's responsibility to ensure that the Company has established and maintained adequate and effective risk management and internal control systems. The Board delegates its responsibility to the Audit Committee to review and supervise the risk management and internal control system of the Group. The Board is also responsible for overseeing the key risks of the Company, including determining the level of risk the Company expects and is able to take, and proactively considering, analyzing and formulating strategies to manage the key risks that the Company is exposed to. The Audit Committee oversees the management of the design, implementation and monitoring of risk management and internal control systems. The senior management team also provides all necessary and relevant information to the Board, giving the Directors sufficient explanation and information they need to discharge their responsibilities and make an informed assessment of financial and other information put before them for approval. The internal audit team of the Company conducts independent assessment of risk management and internal control systems, and carried out its work under the leadership of the Board and the Audit Committee. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

Corporate Governance Report (Continued)

We have designated responsible personnel in our Company to monitor the ongoing compliance by our Company with the relevant laws and regulations that govern our business operations and oversee the implementation of any necessary measures. In addition, we plan to provide our Directors, senior management and relevant employees with continuing training programs and/or updates regarding the relevant laws and regulations on a regular basis with a view to proactively identify any concerns and issues relating to any potential non-compliance.

Risk Management

The Company is committed to continuously improving the risk management system, including structure, process and culture, through the enhancement of risk management ability, to ensure long-term growth and sustainable development of the Company's business. The Company has established a risk management system which sets out the roles and responsibilities of each relevant party as well as the relevant risk management policies and processes. Each business group of the Company annually identifies and assesses risk factors that may negatively impact the achievement of its objectives, and formulates appropriate response measures.

The Audit Committee assists the Board in supervising the overall risk status of the Company and evaluating the change in the nature and severity of the Company's major risks. The Audit Committee considers that the management of the Company has taken appropriate measures to address and manage the key risks which they are responsible for at a level acceptable to the Board.

The Audit Committee, on behalf of the Board, continuously reviews the risk management and internal control systems. The review process comprises, among other things, meetings with management of business groups, internal audit team, legal personnel and the external auditors, reviewing the relevant work reports and information of key performance indicators, and discussing the major risks with the senior management of the Company. The Board is of the view that throughout the Reporting Period, the risk management and internal control systems of the Company are effective and adequate.

In addition, the Board believes that the Company's accounting and financial reporting functions have been performed by staff with the appropriate qualifications and experience and that such staff receives appropriate and sufficient training and development. Based on the work report from the Audit Committee, the Board also believes that the Company's internal audit function is adequate with sufficient resources and budget. The relevant staff has appropriate qualifications and experience, and receives sufficient training and development.

DISCLOSURE OF INSIDE INFORMATION

The Group has established and maintained procedures and internal controls for the handling and dissemination of inside information in accordance with the requirements of the Securities and Futures Ordinance and the Listing Rules. The Group has adopted a code of conduct for Directors dealing in the Group's securities and other employees of the Group who may have inside information are also subject to the relevant trading restrictions. The Group will ensure the absolute confidentiality of such information before fully disclosing it to the public. If the Group considers that the required confidentiality cannot be maintained or the information may have been leaked, it will immediately disclose the information to the public. Inside information and other information required to be disclosed under the Listing Rules will be published on the respective websites of the Stock Exchange and the Company.

The Company has put in place control procedures to ensure that unauthorized access and use of inside information is prohibited.

Corporate Governance Report (Continued)

AUDITOR'S REMUNERATION

The remuneration for the audit and audit related services provided by the Auditor to the Group during the year ended December 31, 2024 was approximately as follows:

Type of Services	Amount *(RMB'000)*
Audit and audit related services	1,960
Total	1,960

JOINT COMPANY SECRETARIES

Ms. YANG Zhen and Mr. CHENG Ching Kit have been appointed as our joint company secretaries. Biographical information of Ms. YANG Zhen and Mr. CHENG Ching Kit is set out in the section headed "Directors and Senior Management" in this annual report. Mr. CHENG Ching Kit is an assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited, a professional corporate services provider, and assists Ms. YANG Zhen in company secretarial affairs. The primary corporate contact person of Mr. CHENG Ching Kit at the Company is Ms. YANG Zhen.

For the year ended December 31, 2024, Ms. YANG Zhen and Mr. CHENG Ching Kit have undertaken not less than 15 hours of relevant professional training respectively in compliance with Rule 3.29 of the Listing Rules.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and understanding of the Group's business, performance and strategies. The Company also recognizes the importance of timely and non-selective disclosure of information, which will enable Shareholders and investors to make the informed investment decisions.

To promote effective communication, the Company adopts a shareholders' communication policy which aims at establishing a two-way relationship and communication between the Company and the Shareholders and maintains a website of the Company at www.zero2ipo.cn, where up-to-date information on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access. The shareholders' communication policy sets out a number of ways to ensure effective and efficient communication with shareholders is achieved, including but not limited to our responses to shareholders' enquiries, corporate communications (in both English and Chinese, to facilitate shareholders' understanding), posting of relevant information on the Company's website, shareholders' meetings and investment market communications.

The annual general meeting of the Company provides opportunity for the Shareholders to communicate directly with the Directors. The Chairman of the Board as well as chairmen of the Remuneration Committee Audit Committee and Nomination Committee and, in their absence, other members of the respective committees will be available to answer questions at shareholder meetings. The Auditor will also attend the AGM to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

Corporate Governance Report (Continued)

The 2024 annual general meeting at which the external auditor attended was convened on May 22, 2024 and an extraordinary general meeting was convened on February 27, 2024. All Directors were present at both general meetings.

The Board encourages all its shareholders to participate in the forthcoming AGM where the members of the Board and external auditor will be present and communicate with its shareholders.

The Board has reviewed the shareholders' communication policy of the Company and believes that it was effective during the year ended December 31, 2024.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution will be proposed for each issue at general meetings, including the election of individual Directors.

All resolutions put forward at general meetings will be voted by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange in a timely manner after each general meeting.

Convening of Extraordinary General Meeting and Putting Forward Proposals

Shareholders may put forward proposals for consideration at a general meeting of the Company according to the Articles. Any one or more members holding as of date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or any one of the joint company secretaries of the Company at Units 2101–2109, Air China Century Building, Building No. 1, No. 40 Xiaoyun Road, Chaoyang District, Beijing, the PRC, to require an extraordinary general meeting of the Company to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

As regards proposing a person for election as a Director, the procedures are available on the website of the Company.

Enquiries to the Board

Shareholders who intend to put forward their enquiries about the Company to the Board could send their enquiries to the headquarters of the Company at Units 2101–2109, Air China Century Building, Building No.1, No. 40 Xiaoyun Road, Chaoyang District, Beijing, the PRC.

CONSTITUTIONAL DOCUMENTS

There have been no amendments to the Articles during the Reporting Period.

Environmental, Social and Governance Report

1. ABOUT THE REPORT

Zero2IPO Holdings Inc. and its subsidiaries (collectively referred to as the "Group" or "we") are pleased to publish our fifth Environmental, Social, and Governance ("ESG") Report (the "Report"). The report systematically presents the Group's policies, management measures, implementation strategies, and concrete actions in Environmental, Social, and Governance (ESG) aspects. It demonstrates our strategic objectives and long-term commitment to sustainable development while enabling stakeholders to gain an in-depth understanding of our ESG practices.

Reporting Standard

This Report is prepared in accordance with mandatory disclosure requirements and the "comply or explain" provisions of the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") set out in Appendix C2 of the Main Board Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

According to the Company's actual circumstances, the Report complies with the "comply or explain" requirements of the ESG Reporting Guide.

To ensure the content and quality of the Group's ESG performance disclosure and unbiased reporting, the preparation adheres to the four reporting principles of materiality, quantitative, balance, and consistency.

Materiality:
The Group communicated with stakeholders and conducted the materiality assessment for identifying material ESG factors and the selection criteria from January 1, 2024 to December 31, 2024 (the "Year" or the "Reporting Period"). The Report is structured based on the materiality of respective issues, resulting from materiality assessment and stakeholder engagement.

Quantitative:
The Group has disclosed the information on the statistical standards, methodologies, calculation tools as well as sources of conversion factors in the Report.

Balance:
The Report impartially describes the Group's performance during the Reporting Period, to avoid selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.

Consistency:
The statistical methods and standards for data disclosed in the Report, unless otherwise specified, are consistent with previous years. If there are any changes to the methodologies, calculations, or any other factors that affect meaningful comparison, we will make a clear explanation.

Environmental, Social and Governance Report (Continued)

Reporting Scope

The Report mainly focuses on the Group's sustainable development of the principal business and the overall performance in fulfilling corporate social responsibility during the Reporting Period.

Unless otherwise specified, the Report covers the core businesses of the Group. The reporting boundary of environmental data is as follows*:

– Beijing Zero2IPO Innovation and Venture Consulting Co., Ltd. (北京清科新創創業諮詢有限公司)

– Beijing Zero2IPO Venture Information Consulting Co., Ltd. (北京清科創業信息諮詢有限公司)

– Beijing Zero2IPO Huchuang Management Consulting Service Co., Ltd. (北京清科互創管理諮詢服務有限公司)

– Shenzhen Zero2IPO Venture Information Consulting Co., Ltd. (深圳清科創業信息諮詢有限公司)

– Shanghai Qingyou Enterprise Management Consulting Co., Ltd. (上海清柚企業管理諮詢有限公司)

– Zero2IPO International Holdings Limited (清科國際控股(香港)有限公司)

– Zero2IPO Capital Limited (清科資本有限公司)

– Zero2IPO Digital Technology Limited (清科數科有限公司)

– Zero2IPO Asset Management Limited (清科資產管理有限公司)

– Zero2IPO Credit Finance Limited (清科信貸財務有限公司)

– Zero2IPO Securities Limited (清科證券有限公司)

* *The environmental boundary only covers the businesses that have certain impact on the environment; however, other operations have lesser environmental impacts and are therefore not included in the scope of the environmental report.*

Environmental, Social and Governance Report (Continued)

Languages for the Report

The Report is available in both English and Chinese. If there are inconsistencies between the English and Chinese versions, the English version shall prevail.

Approval of the Report

The Report has been approved by the board of directors (the "Board") of the Group on March 14, 2025.

Report Publications

The Report is available in an electronic version. The electronic version of the Report is available for review and downloading at the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (www.zero2ipo.cn).

Contact Details

The feedback of stakeholders is valuable, which can help the Group establish a more detailed and sound sustainability strategy. Should you have any enquiries or suggestions, please do not hesitate to contact us through the following channels:

Address: Units 2101–2109, Air China Century Building, Building No.1, No. 40 Xiaoyun Road, Chaoyang District, Beijing

E-mail: investor@zero2ipo.com.cn

Tel: (86) 010-64158500

Environmental, Social and Governance Report (Continued)

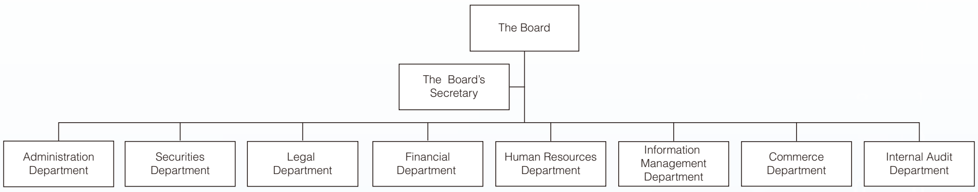
2. SUSTAINABLE GOVERNANCE AND POLICIES

We place sustainable development at the heart of our strategy, firmly believing that an exemplary corporate culture is fundamental to fulfilling our mission and realizing our vision. By deeply integrating ESG principles into our governance framework, we continuously enhance high-standard corporate governance. We are committed to creating long-term value for all stakeholders–including shareholders, employees, partners, and the broader community–driving shared progress and sustainable development for both business and society.

2.1 Board Statement

To comprehensively enhance the level of sustainable development management, the Group has established a systematic ESG governance framework. The Board of Directors oversees the Group's sustainable development efforts in a holistic manner, including regularly reviewing and approving ESG management policies, strategic plans, and risk management systems. To ensure the effectiveness of sustainable development governance, the Board has authorized the formation of an ESG Task Force, which is specifically responsible for coordinating and advancing the implementation of various ESG initiatives. The Board has also established a regular management mechanism, which includes periodically evaluating the effectiveness of ESG strategy implementation, overseeing risk management for critical ESG issues, dynamically optimizing the materiality assessment framework, and monitoring the progress of ESG goals. At the same time, the Board ensures strong alignment between ESG strategy and the Group's development objectives, as well as continuous improvement and operational excellence in sustainable development efforts, by implementing robust oversight mechanisms. This framework is designed to build a clear, accountable, and efficient ESG governance system that creates long-term sustainable value for stakeholders.

2.2 ESG Governance Structure



ESG Governance Structure Chart

The Group has established its internal organizational structure and methodology for ESG work to fully implement ESG management requirements.

The Board of Directors is responsible for monitoring and reviewing the Company's ESG performance. The ESG working group is a specialized organization under the Board. The Secretary of the Board and the heads of several functional departments, form the ESG working group. The Secretary of the Board coordinates the ESG working group, with respective department heads, which oversees the implementation and achievement of the ESG vision, strategy, targets and framework and provides advice.

Environmental, Social and Governance Report (Continued)

The duties of the ESG working group are as below:

- To monitor and advise on the implementation and achievement of ESG vision, strategy, objectives, and structure.
- To guide and monitor, the analysis, identification, assessment, and response of ESG related risks ("ESG risks"), and to integrate ESG risks into the overall enterprise risk management.
- To guide and monitor the structuring of the channels and means of communication with the Company's stakeholders and ensure that relevant policies are in place to effectively promote the Company's relationship with its stakeholders and protect the Company's reputation.
- To review reports and material matters related to ESG matters of the Company and submit them to the Board of Directors for consideration.

2.3 Stakeholder Engagement

The Group fully recognizes that the opinions and expectations of our stakeholders serve as a critical foundation for achieving sustainable development. To this end, we have established diversified communication channels to systematically collect and analyze feedback from all parties. Building on these valuable insights, we continuously refine our environmental and social performance management systems and formulate scientific, pragmatic, and forward-looking sustainability strategies. This ensures our business development remains fully aligned with the expectations of all stakeholders.

In order to understand the stakeholders' expectations and requirements, the Group has adopted the following various channels in an irregular manner to collect opinions regarding its ESG performance.

Key Stakeholders	Main Communication Channels	Major Concerns
Shareholders and Investors	– General meetings – Investor meetings – Shareholder meetings – Corporate communications, such as letter to shareholders – Interim Report and Annual Report	– Business strategies and sustainability – Financial performance – Corporate governance
Government	– Policy documents and guidelines – Information disclosures – Working meetings – Seminars	– Compliance with law and regulations – Business strategies and sustainability

Environmental, Social and Governance Report (Continued)

Key Stakeholders	Main Communication Channels	Major Concerns
Regulatory Authorities	– Regulatory policy – Meetings with regulatory authorities – Visits – Work reporting	– Compliance with law and regulations
Customers	– Customer satisfaction survey and feedback forms – Customer service centre – Customer visits – Daily operation and communication – Online service platform – Telephone and email	– Client information security – Service quality and reliability
Employees	– Staff opinion survey – Channels for staff to express opinions, such as opinion box – Performance assessment – Business briefings – Meetings for staff – Seminars/workshops	– Training and development – Occupational health and safety – Equal opportunities

Environmental, Social and Governance Report (Continued)

Key Stakeholders	Main Communication Channels	Major Concerns
Suppliers	– Supplier management procedure – Supplier assessment system – Supplier meetings – On-site visits	– Fair competition – Business ethics
Business Partners	– Cooperation projects – Business meetings – Visits – Seminars	– Business ethics
Industry Peers	– Strategic cooperation projects – Communication conferences	– Business strategies and sustainability

Environmental, Social and Governance Report (Continued)

2.4 Materiality Assessment

The Group compiles a list of its material ESG issues with the help of its management based on its reporting requirements for business, ESG information as well as study of industry peers, ESG Reporting Guide of the Stock Exchange and the materiality map of the Sustainability Accounting Standards Board (SASB). As a result, the Group has prioritized 19 material issues, with 9 issues of high materiality and 10 of moderate materiality. The outcome serves as the foundation for the Report and helps the Company identify strategies for addressing new risks and opportunities. The results of the materiality assessment are shown below:

ESG Issues of High Materiality
Quality assurance of the service
Safeguarding customer privacy
Information security
Anti-corruption and anti-fraud
Health and safety of employees
Training and development of employees
Integrity and compliance management
Supply chain management
Management of intellectual property

ESG Issues of Moderate Materiality
Diversity and elimination of discrimination
Anti-money laundering and terrorist financing
Employee rights and employment management
Labor standards
Management of operations impacting the environment and natural resources
Addressing climate change
Energy consumption and effectiveness
Greenhouse gas emission control
Waste management
Community involvement and contribution

Environmental, Social and Governance Report (Continued)

3. COMMITMENT TO PRODUCT AND SERVICE QUALITY

Since 2001, the Group has provided various integrated services to the equity investment industry, including data services, marketing services, investment banking services and training services. The Group has four major Internet products: PEDATA MAX, PEdaily, Sand College and Zero2IPO Securities, which provide timely, accurate and effective data statistics, information, online learning and investment banking services for entrepreneurship and investment industry.

Delivering exceptional products and services while continuously improving customer satisfaction is central to sustainable business success. Our Group adheres to a customer-centric approach, ensuring product and service excellence through rigorous quality control systems, robust customer data protection mechanisms, and responsible supply chain management practices.

3.1 Product Responsibility

As a professional integrated service provider in the equity investment industry, we consistently adhere to a "customer-centric" service philosophy. To further enhance customer service quality, optimize management processes, clarify division of responsibilities, and promote sustainable business development, we have established "Customer Management System" (《客戶管理制度》). The system systematically constructs a standardized customer management framework, defines operational procedures for the entire workflow, and clearly delineates the responsibilities of relevant departments, aiming to provide institutional safeguards for the company's steady operations and business expansion.

Upholding Product and Service Quality

The Commerce Department serves as the core division for customer services, primarily responsible for the following functions: accurately identifying customer requirements, coordinating internal and external resources, and collaborating with specialized teams to ensure high-quality delivery of service projects. Our service quality management system covers the entire project lifecycle, requiring staff to thoroughly document customer feedback, service adjustment requests, and complaints, which are then compiled into standardized reports for management review. The Group consistently adheres to a "customer-centric" service philosophy, continuously optimizing service systems, with all business processes strictly complying with internal control standards.

Regarding service product management, we have established a comprehensive quality control mechanism for core business operations, implementing standardized approval procedures at each service phase. Thanks to rigorous service quality standards, the Group did not encounter any major service quality incidents or customer disputes during the reporting period.

Environmental, Social and Governance Report (Continued)

Customer Experience and Complaint Management

Our Customer Service Department operates under the strict implementation of the "First Serve Accountability System (首問責任制)," where a specialized team of professionals handles all customer inquiries and service requirements. The designated first-contact representative assumes full responsibility for managing each case throughout its entire lifecycle while providing professional guidance. We have developed a robust mechanism to monitor complaint handling and systematically assess the quality of customer feedback received across all organizational units.

In coordination with the Commerce Department, we address complaints concerning other services and products, offering specialized support throughout the resolution process. Our operations strictly comply with all relevant national laws, regulations, and internal corporate policies. Guided by our "Customer First" service philosophy, we are committed to meeting reasonable customer expectations while maintaining employee conduct that reflects our corporate values.

When processing customer complaints, we consistently apply three fundamental principles: maintaining meticulous and verifiable documentation of all cases, ensuring prompt resolution through efficient response protocols, and strictly observing all regulatory requirements with careful consideration in every situation. By employing standardized service procedures and implementing systematic management approaches, we continuously enhance our service quality to provide customers with consistently superior service experiences.

During the Reporting Period, the Group did not receive any complaints from customers in relation to its products or services.

3.2 Protection of Customer Privacy

The Group places a strong emphasis on protecting costumers' privacy and adheres carefully to the Regulations on Security Protection of Computer Information Systems of the People's Republic of China (《中華人民共和國計算機信息系統安全保護條例》), the Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》), the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) and the other relevant laws and regulations. To avoid leaking sensitive customer information, it is maintained under strict confidence. Any unauthorized transmission, visit or access is prohibited.

The Group has not broken any privacy-related laws or rules during the Reporting Period.

Customer privacy is among the Group's most critical confidential assets. We prioritize the protection of customer privacy within our information security management system and ensure its security through stringent policies and procedures.

Regarding access and management of customer information, we have established standardized operational protocols. Business departments strictly adhere to defined access control procedures, with department heads serving as the primary custodians of confidentiality, directly responsible for safeguarding customer data. We have implemented detailed customer information access procedures, along with comprehensive logging and audit mechanisms, to ensure full traceability of all data access activities. Additionally, we continuously optimize our dynamic customer record update system and refine access controls to maximize the protection of customer privacy.

Environmental, Social and Governance Report (Continued)

To comprehensively secure customer data, we have built a systematic information security framework, including core policies such as the Computer Management System (《計算機管理制度》), Computer Room Management System (《機房管理制度》), User Authority Management System (《用戶權限管理制度》), Virus Detection and Network Security Vulnerability Detection System (《病毒檢測及網絡安全漏洞檢測制度》). By clarifying security responsibilities, enforcing cybersecurity safeguards, and conducting regular risk assessments and vulnerability scans, we are committed to providing robust and reliable protection for customer information. We uphold the highest standards in safeguarding customer privacy and continuously enhance our data security management practices.

Information Security Management Main Measures
– Install anti-virus software, anti-hacking software and spam elimination software in the server, and regularly update the software
– Regularly provide safety management study and training to network management employee
– When a network violation case is discovered, the incident shall be recorded and the person in charge of network security and department leaders shall be notified in time
– Strengthen the management of user data, discover users with abnormal activities, deal with them in time and filing the data
– Clear information access rights when employees resign, take long vacation, or other situations which leads to a long absent period

We have carried out an Encryption Management System (《加密管理制度》), the Confidential Document Management System (《涉密文件管理制度》) and a Data Confidentiality and Data Backup System (《數據保密及數據備份制度》) to safeguard customer's privacy.

Customer's Privacy Protection Main Measures
– Determine the access rights, access methods and approval procedures of the users according to the confidentiality regulations and purposes of the data
– Stipulate the rules of password setting through password policy management
– Set up a corresponding encryption area for each department in the file server of the Group
– Automatically encrypt the uploaded confidential files by the confidential document management platform

The Group responds to data security risks through various measures by reinforcing information system management, safeguarding the normal operation of the information system of the Company, preventing various factors from damaging the information system of the computer, and ensuring efficient and safe operation. In addition, we prioritize the data of our customers and the Group. We guarantee the security of confidential documents in the office process by preventing leakage due to subjective or objective reasons in the utilization process.

Environmental, Social and Governance Report (Continued)

When a network violation is detected, our network administrator is required to halt the violation immediately, notify the network centre of the computer crimes and violations that take place in the relevant unit, secure the network system at the same time. The incident should be accurately and completely documented, and any pertinent logs should be stored securely. The whistle-blower's identity will be kept in utmost confidence. The Group will actively assist in the review and retribution of unlawful and criminal incidents.

3.3 Supply Chain Management

The Group is committed to embedding sustainability and compliance governance throughout our supply chain. To systematically achieve this strategic objective, we have established a comprehensive framework, including the Supply Chain Management System (《供貨商管理制度》) and Operational Guidelines on Supplier Inventory Application Procedures (《供貨商入庫申請流程操作指引》), ensuring all supply chain partners strictly adhere to our corporate responsibility standards. This framework encompasses the entire supplier lifecycle–from qualification assessment and tiered management to ongoing monitoring–to ensure sustained compliance across the supply chain.

In terms of organizational structure, our Group adopts a collaborative "business-led, audit-supervised" governance model: business units oversee supplier sourcing and daily management, while the internal audit department independently conducts compliance evaluations and risk oversight, ensuring effective checks and balances.

The Group upholds responsible sourcing as a core principle of supply chain management. We require all business units to adhere to the procurement principles of "openness, fairness, and impartiality" and to select partners through standardized tender processes. We also further refined our supplier evaluation criteria by integrating traditional factors–such as price, quality, service, and delivery–with sustainability metrics, including environmental and social performance, to establish a holistic supplier assessment model.

In addition, environmental and social factors are also taken into consideration, with green procurement criteria being incorporated into the supplier selection and procurement process. Suppliers that demonstrate a commitment to environmental protection and corporate social responsibility, and perform well in areas such as employment, occupational safety and health, anti-corruption, and fair trade, are given priority.

During the Reporting Period, we had 30 major suppliers, and the regional distribution of the main suppliers is shown below:

Region	Number of Suppliers
Beijing	12
Jiangsu	3
Fujian	2
Guangdong	2
Zhejiang	2
Hong Kong	2
Anhui	1
Shandong	1
Shanghai	1
Tianjin	1
Yunnan	1
Chongqing	1
America	1

Environmental, Social and Governance Report (Continued)

4. OPERATION MANAGEMENT

Our Group upholds integrity as the fundamental principle of corporate development, adhering to the operational philosophy of "compliance first, risk control as the foundation." We have established a comprehensive anti-money laundering and anti-corruption management system, continuously strengthening compliance capabilities through institutional improvements, process optimization, and information-sharing mechanisms, while fostering a corporate culture of ethical conduct.

We place great emphasis on the foundational role of risk management by establishing an internal control system centered on the Internal Audit Supervision System form (《內部審計制度》). This system ensures the protection of corporate rights and interests, enhances operational efficiency, and provides institutional safeguards for sustainable and high-quality development through regular audits of business processes and evaluations of internal control effectiveness.

As a key component of corporate governance, the Internal Audit Department performs the following core functions: Developing and maintaining the internal audit framework and annual audit plans; Participating in annual financial statement audits; Conducting regular audits of headquarters and subsidiaries, covering critical areas such as financial transactions, budget execution, operational performance, and compliance management; Overseeing supplier due diligence and ongoing management audits.

We have implemented a structured audit accountability system: Major violations identified during audits will be referred to judicial authorities for legal action against responsible entities and individuals; Outstanding auditors–including those who demonstrate professionalism, uphold principles, report misconduct, or safeguard corporate assets–will be recognized with commendations and monetary rewards.

4.1 Anti-Corruption and Anti Money Laundering

The Group strictly abides by relevant laws and regulations such as the Criminal Law of the People's Republic of China (《中華人民共和國刑法》), the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》) and the Prevention of Bribery Ordinance (Chapter 201 of the Criminal Law of Hong Kong).

The Group is committed to establishing a fair and honest corporate culture and has formulated an Integrity Management System (《廉政管理制度》), which strictly requires employees to be always vigilant and honest and fair when performing their duties. By formulating this system, we aim to create a clean and efficient working atmosphere, strengthen the Group's anti-corruption construction, continuously enhance self-discipline awareness, improve the concept of the legal system, and regulate the behaviour of all staff. Employees are not allowed to use the convenience of their positions to embezzle company property, misuse public funds, or accept, give, or introduce bribes. Any violation of the relevant provisions of the Company's anti-corruption, we will strictly investigate the responsibilities of relevant parties and leaders in accordance with regulations.

All of the Board members and our employees took part in anti-corruption training during the Reporting Period. The training raises the awareness of corruption among all employees and directors through training.

Environmental, Social and Governance Report (Continued)

For preventing and combating money laundering and other serious criminal activities through operations, we have formulated an Anti-money Laundering Internal Control System (《反洗錢內部控制制度》) according to the Anti-Money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》) and other relevant laws and regulations. Each operation department is responsible for reviewing anti-money laundering business rules, verifying large and suspicious transactions within each report and reporting to the department head. Each department must require customers to submit relevant documents, review and verify the documents and transaction applications submitted by customers to determine the authenticity, legality and validity of customer identity and transactions.

In order to enhance the anti-money laundering awareness of employees, we have organized related training to all employees, the training content is provided by the Legal Department, including the relevant laws and regulations on anti-money laundering, the Group's internal control system on anti-money laundering, the introduction of money laundering risks and related knowledge, etc. Each employee of the Group must attend the relevant training organized by the Group.

During the Reporting Period, the Group had not involved in any litigation of corruption or bribery, which fully reflected the effectiveness of our anti-corruption work.

4.2 Information Management

To ensure the Group's external publicity work aligns with the principles of transparency and compliance, we have formulated an External Publicity Management System (《信息披露管理制度》) and an Information Release Review System (《信息發佈審核制度》). These systems provide clear guidelines for the review and release of publicity materials. All materials must adhere to the following principles: compliance with laws and regulations; truthfulness, accuracy, and completeness; active and timely disclosure; and openness, fairness, impartiality, and simultaneity. We believe that effective external communication with stakeholders is crucial for building trust and maintaining long-term relationships, and we remain committed to upholding high standards of transparency and integrity in our public communications.

All external publicity materials in the name of the Group, such as recruitment leaflets, online promotion, member manuals, certificates, leaflets, invitations, posters, exhibition boards, etc., can only be implemented after approval. All external publicity materials must be approved by the relevant departments, such as the Brand Department or Securities Department, before their execution.

No laws or regulations relating to advertisements and materials on the Group services nor products had been violated during the Reporting Period.

4.3 Intellectual Property Protection

Intellectual property ("IP") is an important integral part of the Group's core competitiveness. The Group strictly abides by the Patent Law of the People's Republic of China (《中華人民共和國專利法》), the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) and the requirements of Patents Ordinance (Cap. 514 of the Laws of Hong Kong) and other relevant laws and regulations. IP management is the foundation of the Company's management system, we integrate IP work into the management of R&D, operation, marketing, and other aspects of the Company, we set up an IP work leadership team to formulate IP strategies and work plans, development plans, check and supervise the implementation of the plan objectives.

Environmental, Social and Governance Report (Continued)

The measures are as follows:

- Responsible for the publicity and training of our employees on general knowledge of intellectual property rights.
- Organize employees to sign confidentiality agreements.
- Manage trademarks, software copyrights and other intellectual property certificates and provide services.

We have established the "Intellectual Property Management Regulations (《知識產權管理條例》)" to establish a clear framework of responsibilities and obligations, protect the Company's intellectual property rights, and quickly crack down on illegal activities. These regulations are formulated based on national and industry-related laws, regulations, and rules, combined with the actual situation of the Company. We have established a leading group for intellectual property work, with the manager of the legal department as the team leader and the legal department specialist as the deputy team leader. The main responsibilities of the leading group include implementing national laws, regulations, and rules related to intellectual property rights, formulating intellectual property strategies and work plans, deliberating, and deciding major matters related to intellectual property rights, and protecting our intellectual property rights.

The protection of intellectual property rights should be expressly stated in the sales contract when we sell products and services to other parties. The ownership and extent of intellectual property rights must be specified in the contract for overseas products development cooperation. A framework for protecting intellectual property should be established and improved, the management of secret information should be strengthened, and personnel should receive intellectual property training. The protection of intellectual property is a crucial aspect of our Company's operations, Legal Department, which is responsible for the IP training, formulates and implements education and training plans for intellectual property knowledge for employees. All departments of the Company shall encourage employees to participate in intellectual property training. For new employees, education on intellectual property knowledge shall be provided and "Confidentiality Agreement" shall be signed as necessary. For employees who go out to participate in technical services, special education shall be provided in advance on the protection of intellectual property rights to prevent the loss of intellectual property rights. We make it clear to all departing employees that they are still responsible for protecting our intellectual property after leaving the Company, and we require them to return all relevant materials before their departure.

The Group understands the importance of intellectual property rights. We encourage our employees to obtain patents and copyrights to protect their intellectual property rights.

5. CARES FOR EMPLOYEES

Employees are the most valuable asset and the core driving force behind the Group's development. We prioritize their physical and mental well-being as well as professional growth, recognizing these as the foundation for sustainable business success. Guided by a "people-oriented" philosophy, we strongly advocate for work-life harmony. Through comprehensive benefits and employee-centric policies, we fully support our staff in pursuing both career fulfillment and personal happiness. This balanced approach has proven to enhance overall well-being, boost team vitality, and generate lasting value for the Group. We are committed to fostering a cohesive, innovative, and inclusive workplace where every individual can thrive, realize their potential, and grow alongside the organization toward shared success.

5.1 Concern for Employee Rights

The Group places great importance on the well-being of our employees and has established the Employee Handbook (《員工手冊》) to clearly outline their rights, responsibilities, and obligations during their tenure with the Company. This handbook serves as a valuable tool for employees to understand the expectations of the Group and ensures that they are aware of their own rights and interests. Furthermore, the Group adheres strictly to all relevant laws and regulations, including the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Employment Ordinance (Cap. 57 of the Laws of Hong Kong) to ensure that labour rights of our employees are protected.

We firmly believe that a diverse and equal working culture and a harmonious and inclusive working environment are conducive to the sustainable development of the Group and fostering communication between cooperation and employees with different backgrounds can create more possibilities for the Group. We also respect employees of different races, genders, cultural backgrounds, and religious beliefs, provide them with equal job opportunities, and handle all employment matters, including recruitment, salary, promotion, dismissal and retirement, in accordance with the principles of openness, transparency, fairness and zero discrimination and we will consider employing people with disabilities based on the principle of fairness.

The labour contract serves as a two-way representation of the Group's and its employees' legal rights and interests. The Group uses flexible working hours and a five-day workweek. If approved, overtime pay will be given.

We strictly comply with the Labour Law of the People's Republic of China, the Employment Ordinance of Hong Kong and other employment-related laws and regulations to ensure that labour rights of our employees are protected. We strictly comply with the Provisions on the Prohibition Against the Use of Child Labour (《禁止使用童工規定》). As always, we also remove any instances of forced labour and child labour from our operations. The Group's Human Resources Department will check each applicant's identity and age prior to official employment to prevent the use of illegal labour. To prevent forced labour, we protect the right of our employees to freely choose employment and ensure that all employment relationships are voluntary. The Group and its employees may terminate the employment contract for personal reasons or other reasons and need to give an appropriate notice period or payment in lieu of notice.

The Group will promptly terminate the contract if evidence of child labour is found. During the Reporting Period, there was no child labour nor forced labour in the Group.

Environmental, Social and Governance Report (Continued)

Remuneration and Benefits

Every year, the Group evaluates and determines fair salary levels based on changes in the labour market, industry competition, and our overall operating environment. The Group uses fair and transparent performance appraisal and salary mechanisms to recognize exceptional employees and inspire them to grow and develop.

We offer a variety of advantages to our employees in addition to the five insurances and one fund required and mandatory provident fund by law, including employee travel, birthday parties, gifts for the mid-autumn festival, and cash for wedding and births. Our employees are entitled to annual leave, sick leave, wedding leave, maternity leave, nursing leave, paternity leave, funeral leave, and other sorts of leave in addition to the national statutory holiday.

We have organized several events throughout the Reporting Period to show our staff that we value and support them. Their sense of cohesion and belonging may increase as a result of these activities.

Women's Day

Dragon Boat Festival

Environmental, Social and Governance Report (Continued)

Tea gathering

Performance Assessment System

To comprehensively enhance the quality and efficiency of employees' work, fully mobilize their enthusiasm, and ensure the effective implementation of the company's strategic objectives, the company has established the "Performance Assessment System"(《績效考核制度》). The company strictly adheres to the fundamental principles of "fairness, openness, and impartiality" in conducting performance evaluations. The Human Resources Department conducts a comprehensive assessment of employees' daily work performance and achievements every six months, and the evaluation results will serve as an important basis for promotions and salary adjustments. Additionally, the company has established annual honorary titles such as "Outstanding Employee" and "Outstanding Manager" to recognize and commend exceptional performers. This system aims to foster the mutual development of employees and the enterprise through a scientific and reasonable performance evaluation mechanism.

Environmental, Social and Governance Report (Continued)

5.2 Health and Well-being

We place the highest priority on employee health and safety, strictly complying with the Control of Occupational Diseases of the People's Republic of China (《中華人民共和國職業病防治法》), Fire Control Law of the People's Republic of China (《中華人民共和國消防法》) and Occupational Safety and Health Ordinance and other relevant laws and regulations to provide a safe working environment for employees. There were no health and safety laws or regulations broken by the Group throughout the Reporting Period, and neither were there any work-related fatalities or days missed as a result of injuries in the previous three years, including this Year. Additionally, we conduct regular fire drills and emergency response training to enhance employees' fire safety awareness and crisis management capabilities.

The health and safety of our employees are of paramount importance to the Group. We have established a comprehensive healthcare system to safeguard employee well-being: all staff members are provided with annual health check-ups, with customized examination packages tailored to different needs (for male employees, married female employees, and unmarried female employees). Additionally, the Group offers supplementary commercial health insurance to employees, creating a multi-tiered health protection network that ensures comprehensive care for their physical and mental well-being.

5.3 Lifelong Education

The Group firmly believes that employees' professional development is crucial to the company's business growth. We remain committed to providing high-quality training programs to support our employees' career advancement within the Group. Our employees possess a comprehensive understanding of the Group's structure and policies. To ensure skilled employees receive professional training and remain competent in their roles, we tailor training courses according to different business needs.

Training in 2024
• Interpretation of the new rules on climate disclosure of the Stock Exchange and response strategy training
• Training on Duty Crimes and Criminal Liability of Private Enterprise Employees
• Training on in-house contract process
• Anti-Corruption Training for Employees
• Training for Directors of Hong Kong Listed Companies

Environmental, Social and Governance Report (Continued)

6. BUILDING GREEN ENVIRONMENT

The Group's business operations are primarily office-based, with relatively limited impact on the environment and natural resources. Nevertheless, we regard sustainable development as a key responsibility and actively adopt low-carbon business practices. Through energy conservation, emissions reduction, and green office initiatives, we strive to minimize our carbon footprint and contribute to global climate change mitigation. We are committed to integrating environmental stewardship into our daily operations, promoting eco-friendly business practices, and supporting ecological preservation.

The Company is deeply aware that a better future cannot be achieved without emphasis on the sustainable development of the environment. Our environmental management follows the management principle of the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), the Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》, the Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong), the Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong), the Environmental Impact Assessment Ordinance (Cap. 499 of the Laws of Hong Kong) and other relevant laws and regulations. We have adopted significant measures in energy efficiency, sustainable water management, and the relevant laws and regulations on environmental protection.

During the Year, the Group did not find any non-compliance with applicable and relevant environmental laws, regulations, and requirements regarding its business operations.

6.1 Air and GHG Emissions Management

The main contributors to the Group's carbon footprint are its energy consumption and subsequent greenhouse gas ("GHG") emissions. We are committed to combating climate change by voluntarily reducing GHG emissions and energy consumption within our control. We had no air emissions from gaseous fuel consumption and automobiles during the Reporting Period since the Group did not have any fuel consumption from stationary sources or vehicles.

The Group actively responds to the Chinese government's climate change policies and continuously improves our GHG emissions control system. As we do not operate any stationary fuel combustion equipment, we generate no direct GHG emissions. Currently, our emissions primarily come from purchased electricity, including power consumed during the charging of new energy vehicles. To reduce energy consumption, all business units have systematically implemented various energy-saving measures.

We will maintain or reduce GHG emission in the future under the similar business operation level in line with the preliminary directional GHG targets that have been set. During the Reporting Period, we have reviewed the preliminary directional target of GHG emissions and confirmed that this target is applicable for the Year. The GHG emissions of the Group for the Year were basically levelled off as compared to last year.

Environmental, Social and Governance Report (Continued)

6.2 Responsible Use of Resources

In order to respond more effectively to reduce the environment impact of existing facilities, the Group has implemented several measures to reduce environmental impact. The Group has implemented strategies to encourage the conservation of energy, water, and paper throughout the Reporting Period. We take up the duty of preserving the environment to ensure that operations and supply chains are effective in facing environmental problem. We will continue to try to increase energy efficiency and lower carbon emissions at work in addition to adhering to all relevant local environmental laws and regulations.

Energy Saving
Lighting system – Keep lighting fixtures clean and maximize their energy efficiency – Divide office in different lighting area zone and different lighting switches, to increase energy efficiency – Use daylight as much as possible to reduce the use of lighting – Turn off the light when the office is not in use – Use energy-efficient lighting, such as LED Air-conditioning system – Clean and check the filters or fan coil units regularly – Set the minimum temperature of the air conditioning system to 26°C – Use low-emissivity glass to block UV rays – Adopt a central control and monitoring system or building management system – Adopt water-cooled air conditioning system Electronic devices and printing equipment – Use energy-efficient electronic devices and multi-functional printing equipment – Set the computer and printer to enter into power saving mode when idle

We will maintain or reduce energy consumption in the future under the similar business operation level in line with the preliminary directional energy efficiency targets that have been set. During the Reporting Period, we have reviewed the preliminary directional target of energy consumption and confirmed that this target is applicable for the Year. The energy consumption of the Group for the Year were basically levelled off as compared to last year.

Environmental, Social and Governance Report (Continued)

Water Resources Management
Although our business does not consume a large amount of water, we continue to manage water resources and encourage employees to contribute to environmental protection. Our tap water comes from municipal water supply, and we do not have any issue in sourcing water that is fit for purpose. – Post water-saving labels in each restroom – Regularly check the water meter readings and check for the hidden leak

Paper Management
We reduce paper consumption based on the principles of reducing, reusing, and recycling. – Use office automation (OA) system to promote paperless operation – Promote the use of electronic communications – Install recycle bin to recycle paper product – Regular paper volume statistics to monitor paper consumption and take appropriate improvement measures – Monitor paper consumption and set printing quota for users

Waste Disposal Management
The Group promotes waste reduction at source and encourages employees to properly separate waste for reusing and recycling. – Use waste sorting bins – Place used batteries in designated recycling bins – Use rechargeable batteries instead of disposable batteries – Cooperate with electronics companies to recycle old computers and other electronic waste – Reduce the use of single-use and non-recyclable products – Reuse stationary like envelope and folders

Environmental, Social and Governance Report (Continued)

We will maintain or reduce waste production in the future under the similar business operation level in line with the preliminary directional waste reduction targets that have been set. During the Reporting Period, we have reviewed the preliminary directional target of waste reduction and confirmed that this target is applicable for the Year. Our waste production were basically levelled off as compared to last year.

In order to successfully safeguard the environment and value our natural resources, we review the implementation progress of various environmental protection measures and monitor various emission sources to identify more opportunities for energy conservation and emission reduction. In the future, we will set more specific and quantitative environmental targets to ensure the proper use of resources more effectively.

6.3 Alleviating Climate Change

The Group is aware of the direct impacts and associated risks of climate change on its business and society. In the era of transition to a low-carbon economy, the Group still maintains resilience and resourcefulness to cope with changes.

The Group established an overall governance approach to manage climate change risks, and formulated strategies to mitigate the impact of climate change on its operations. The Group will continue to identify risks and opportunities related to climate change and implement several mitigations plans and initiatives to improve energy efficiency and reduce emissions across the properties it manages.

Climate Change Risk	**Extreme weather risk (Physical risk)**
Risk Example	Flooding, typhoons, unusual rainfall patterns, extreme heat
Potential Impact	– Office locations may need to close temporarily – Extreme weather may cause casualties – Damage to equipment, buildings, and property – Inclement weather could cause transactions involving network services to become unreliable
Measures and Responses	– Develop measures to ensure employee safety – Back up important documents – Identify and assess the potential impact of climate change, and comply with any extreme weather guidelines issued by the government

Environmental, Social and Governance Report (Continued)

Climate Change Risk	Transition risk
Risk Example	The development of international policies and regulations on climate change, the central government's introduction of emission reduction regulatory measures, stakeholders attaching importance to climate change issues
Potential Impact	– Bad reputation – Customer credit risk increases – Fined by regulatory authorities – Investor withdrawal
Measures and Responses	– Monitor environmental-related regulatory developments that may affect the Group's business and assess the risks arising – Strive to achieve carbon emission targets and implement plans to reduce carbon emissions

7. COMMUNITY CONTRIBUTION AND INVESTMENT

As a responsible corporate citizen, we have always regarded the fulfillment of social responsibility as a core tenet of our corporate development. Over the years, we have leveraged our industry expertise and resource advantages to continuously carry out diverse community initiatives, giving back to society through concrete actions. Looking ahead, the Group will further strengthen our social responsibility strategy, working hand in hand with all sectors of society to create a sustainable and better future.

Environmental, Social and Governance Report (Continued)

APPENDIX I: SUSTAINABILITY DATA SUMMARY

Environmental Area[1]	Unit	2024
Greenhouse gas emissions[2]		
Direct greenhouse gas emissions (Scope 1)[3]	tonne of CO_2e	0.00
Indirect greenhouse gas emissions (Scope 2)[4]	tonne of CO_2e	102.30
Total greenhouse gas emissions (Scope 1 and 2)	tonne of CO_2e	102.30
Greenhouse gas emission intensity (per square metre)	tonne of CO_2e/m^2	0.02
Greenhouse gas emission intensity (per employee)	tonne of CO_2e/employee	0.41
Energy consumption		
Purchased electricity consumption	kWh	190,642.94
Purchased electricity consumption intensity (per square metre)	kWh/m^2	44.22
Purchased electricity consumption intensity (per employee)	kWh/employee	756.52
Paper consumption		
Total paper consumption	kg	1,417.08
Paper consumption intensity	kg/employee	5.62
Waste generation and recycling		
Non-hazardous waste generation	tonne	5.04
Non-hazardous waste generation intensity	tonne/employee	0.02
Hazardous waste generation – Battery	piece	325
Hazardous waste generation – Waste ink cartridge/toner box	piece	98

1 The environmental boundary can be referred to Reporting Scope in "1 ABOUT THE REPORT".

2 The calculation is based on the "Greenhouse Gas Protocol" issued by the World Resources Institute and the World Business Council on Sustainable Development.

3 Scope 1: Direct greenhouse gas emissions from sources owned and controlled by the Group.

4 Scope 2: Indirect greenhouse gas emissions from electricity generation, heating and cooling, or steam purchased by the Group.

Environmental, Social and Governance Report (Continued)

Social Area[5]	Unit	2024
Total number of employees[6]	number of employees	274
Total number of employees (by gender)		
Female employees	number of employees	189
Male employees	number of employees	85
Total number of employees (by employment type)		
Junior employees	number of employees	235
Middle management	number of employees	33
Senior management	number of employees	6
Total number of employees (by age group)		
Under 30	number of employees	76
30-50	number of employees	195
Over 50	number of employees	3
Total number of employees (by region)		
Employees in North China	number of employees	189
Employees in East China	number of employees	22
Employees in Central China	number of employees	10
Employees in South China	number of employees	38
Employees in Northwest China	number of employees	1
Employees in Hong Kong	number of employees	14
Turnover rate[7] (by gender)		
Female employees	percent	12.77
Male employees	percent	7.30
Turnover rate (by age group)		
Under 30	percent	9.12
30-50	percent	10.95
Over 50	percent	0

5 The reporting boundary of social data covers the whole Group.

6 All employees are full-time staff members. The Group did not hire any part-time staff members in the Reporting Period.

7 Turnover rate = Number of lost employees ÷ (Number of lost employees + Number of employees at year end) × 100%.

Environmental, Social and Governance Report (Continued)

Social Area[5]	Unit	2024
Turnover rate (by region)		
Employees in North China	percent	10.95
Employees in East China	percent	4.01
Employees in Central China	percent	1.09
Employees in South China	percent	2.92
Employees in Northwest China	percent	0.36
Employees in Hong Kong	percent	0.73
Percentage of employees trained[8] (by gender)		
Female employees	percent	68.98
Male employees	percent	31.02
Percentage of employees trained (by employment type)		
Junior employees	percent	85.77
Middle management	percent	12.04
Senior management	percent	2.19
Average training hours per employee (by gender)		
Female employees	hours	6.21
Male employees	hours	6.14
Average training hours per employee (by employment type)		
Junior employees	hours	6.00
Middle management	hours	6.00
Senior management	hours	14.67
Occupational health and safety		
Number of work-related fatalities in 2024	no. of people	0
Number of work-related fatalities in 2023	no. of people	0
Number of work-related fatalities in 2022	no. of people	0
Lost days due to work injury	days	0

8 Percentage of employees trained = T(x)/T × 100
T(x) = Employees in the specified category, x, who took part in training
T = Employees who took part in training

APPENDIX II: CONTENT INDEX OF THE ESG REPORTING GUIDE

Index content			Relevant sections
A. Environmental Area			
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	6 BUILDING GREEN ENVIRONMENT
	A1.1	The types of emissions and respective emissions data.	6.1 Air and GHG Emissions Management
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total and intensity.	APPENDIX I: SUSTAINABILITY DATA SUMMARY
	A1.3	Total hazardous waste produced and intensity.	APPENDIX I: SUSTAINABILITY DATA SUMMARY
	A1.4	Total non-hazardous waste produced and intensity.	APPENDIX I: SUSTAINABILITY DATA SUMMARY
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	6.1 Air and GHG Emissions Management
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	6.2 Responsible Use of Resources
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	6.2 Responsible Use of Resources
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas, or oil) in total and intensity.	APPENDIX I: SUSTAINABILITY DATA SUMMARY

Environmental, Social and Governance Report (Continued)

Index content			Relevant sections
A. Environmental Area			
	A2.2	Water consumption in total and intensity.	The data of water consumption is handled collectively by the property management. The Group has no relevant data and therefore does not disclose it.
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	6.2 Responsible Use of Resources
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	6.2 Responsible Use of Resources As water fee was included in the property fees, the corresponding water consumption cannot be calculated separately, therefore water efficiency target cannot be set.
	A2.5	Total packaging material used for finished products and with reference to per unit produced.	Not applicable as the Group's business does not involve packaging materials
A3: The Environment and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	6 BUILDING GREEN ENVIRONMENT
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	6 BUILDING GREEN ENVIRONMENT
A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	6.3 Alleviating Climate Change
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	6.3 Alleviating Climate Change

Environmental, Social and Governance Report (Continued)

Index content				Relevant sections
B.	**Social Area**			
B1:	Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	5.1 Concern for Employee Rights
		B1.1	Total workforce by gender, employment type, age group and geographical region.	APPENDIX I: SUSTAINABILITY DATA SUMMARY
		B1.2	Employee turnover rate by gender, age group and geographical region.	APPENDIX I: SUSTAINABILITY DATA SUMMARY
B2:	Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	5.2 Health and Well-being
		B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	APPENDIX I: SUSTAINABILITY DATA SUMMARY
		B2.2	Lost days due to work injury.	APPENDIX I: SUSTAINABILITY DATA SUMMARY
		B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	5.2 Health and Well-being

Environmental, Social and Governance Report (Continued)

Index content				Relevant sections
B.	**Social Area**			
B3:	Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	5.3 Lifelong Education
		B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	APPENDIX I: SUSTAINABILITY DATA SUMMARY
		B3.2	The average training hours completed per employee by gender and employee category.	APPENDIX I: SUSTAINABILITY DATA SUMMARY
B4:	Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	5.1 Concern for Employee Rights
		B4.1	Description of measures to review employment practices to avoid child and forced labour.	5.1 Concern for Employee Rights
		B4.2	Description of steps taken to eliminate such practices when discovered.	5.1 Concern for Employee Rights
B5:	Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	3.3 Supply Chain Management
		B5.1	Number of suppliers by geographical region.	3.3 Supply Chain Management
		B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	3.3 Supply Chain Management
		B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	3.3 Supply Chain Management
		B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	3.3 Supply Chain Management

Environmental, Social and Governance Report (Continued)

Index content				Relevant sections
B.	**Social Area**			
B6:	Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	3.2 Protection of Customer Privacy 4.2 Information Management
		B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to business of the Group
		B6.2	Number of products and service-related complaints received and how they are dealt with.	3.1 Product Responsibility
		B6.3	Description of practices relating to observing and protecting intellectual property rights.	4.3 Intellectual Property Protection
		B6.4	Description of quality assurance process and recall procedures.	3.1 Product Responsibility
		B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	3.2 Protection of Customer Privacy
B7:	Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	4 OPERATION MANAGEMENT 4.1 Anti-Corruption and Anti Money Laundering
		B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	4.1 Anti-Corruption and Anti Money Laundering
		B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	4.1 Anti-Corruption and Anti Money Laundering
		B7.3	Description of anti-corruption training provided to directors and staff.	4.1 Anti-Corruption and Anti Money Laundering

Environmental, Social and Governance Report (Continued)

Index content				Relevant sections
B.	**Social Area**			
B8:	Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	7 COMMUNITY CONTRIBUTION AND INVESTMENT
		B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	7 COMMUNITY CONTRIBUTION AND INVESTMENT
		B8.2	Resources contributed to the focus area.	7 COMMUNITY CONTRIBUTION AND INVESTMENT

Directors' Report

The Directors are pleased to present the directors' report together with the audited consolidated financial statements of the Group for the year ended December 31, 2024.

PRINCIPAL ACTIVITIES

The Company was incorporated in the Cayman Islands on August 1, 2019 as an exempted company with limited liability under the Cayman Companies Act. The Company is an investment holding company. The Group is an integrated service platform for equity investment industry, providing data, marketing, investment banking and training services to participants in the equity investment industry, with its operations substantially conducted in the PRC through the subsidiaries and Consolidated Affiliated Entities of the Company.

The activities and particulars of the Company's principal subsidiaries and Consolidated Affiliated Entities are set out in Notes 17(a) and 17(b) to the consolidated financial statements. An analysis of the Group's revenue and operating profit for the year ended December 31, 2024 by principal activities is set out in the section headed "Management Discussion and Analysis" in this annual report and Note 5 to the consolidated financial statements.

BUSINESS REVIEW

A review of the Group's business during the year ended December 31, 2024, which includes a discussion of the principal risks and uncertainties faced by the Group, an analysis of the Group's performance using financial key performance indicators, particulars of important events affecting the Group during the year, and an indication of likely future developments in the Group's business, could be found in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" in this annual report. A discussion on relationships with its key stakeholders is included in the sections headed "Management Discussion and Analysis", "Corporate Governance Report" and "Environmental, Social and Governance Report" in this annual report. In addition, a description of the environmental policies and performance of the Company is set out in the section headed "Environmental, Social and Governance Report" in this annual report. These discussions form part of this directors' report.

PRINCIPAL RISKS AND UNCERTAINTIES

Financial and credit risk

The Group's maximum exposure to credit risk in relation to financial assets is the carrying amounts of cash and cash equivalents, short-term bank deposits, long-term bank deposits, cash held on behalf of customers, accounts receivable, other receivables, contract assets, wealth management products issued by banks carried at fair value through profit or loss and certain investments carried at fair value through profit or loss. See note 3 to the audited consolidated financial statements of the Group for the year ended December 31, 2024 for details. To manage this risk, the Group's deposits are mainly placed with state-owned or reputable financial institutions in the PRC. There has been no recent history of default in relation to these financial institutions. The wealth management products held by the Group are issued by banks, wealth management companies and securities firms investing in low risk underlying assets, which mainly consist of bank deposits, central bank bills, local government debt, corporate bond or debt with high credit ratings. Thus, the Board is of the view that the expected credit loss related to cash and cash equivalents and short-term bank deposits is immaterial, and the credit risk in relation to the financial assets carried at fair value through profit or loss has been reflected in their measurement of fair value.

Directors' Report (Continued)

The Group's exposure to credit risk is also influenced by the characteristics of each customer. The Group performs credit evaluation on customer's history of making payments and current ability to pay. The Group does not obtain collaterals from customers. As of December 31, 2023 and 2024, approximately RMB29.7 million and RMB20.0 million of accounts receivable of the Group, respectively, were due from top five debtors. To mitigate this credit risk, the Group timely monitors its receivable balances and takes necessary actions to reduce and control the overall credit risk, such as timely contact customer for payment notice and getting prepayment from customer with low credit rating. In addition, the Group does not provide any guarantee that would exposes the Group to credit risk.

Foreign exchange risk

An analysis on the Group's exposure to foreign exchange risk is set out in the section headed "Management Discussion and Analysis" in this annual report.

RESULTS AND DIVIDEND

The consolidated results of the Group for the year ended December 31, 2024 are set out in the consolidated statement of comprehensive income on page 98 of this annual report.

The Board has resolved not to recommend payment of any final dividend for the year ended December 31, 2024.

DIVIDEND POLICY

The Company has adopted a dividend policy (the "Dividend Policy"). The Dividend Policy aims to set out the principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the Shareholders.

The Board adopts the Dividend Policy that, in recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value. The Company does not have any pre-determined dividend payout ratio. The Board has the discretion to declare and distribute dividends to the Shareholders, subject to the Articles and all applicable laws and regulations and the factors including without limitation to:

- financial results;
- cash flow situation;
- business conditions and strategies;
- future operations and earnings;
- capital requirements and expenditure plans; and
- interests of Shareholders.

Depending on the financial conditions of the Company and the Group and the conditions and factors as set out above, dividends may be proposed and/or declared by the Board for a financial year or period. The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate. Any dividend unclaimed shall be forfeited and shall revert to the Company in accordance with the Articles. The Board will review the Dividend Policy as appropriate from time to time.

USE OF NET PROCEEDS FROM THE GLOBAL OFFERING

The Shares were listed on the Stock Exchange on December 30, 2020. The net proceeds (after deduction of underwriting fees and commissions and related costs and expenses) received by the Company from the Global Offering amounted to approximately HK$386.9 million, and an additional net proceeds of approximately HK$66.0 million were received by the Company from the allotment and issue of Shares as a result of the full exercise of the over-allotment option (collectively, the "**Net Proceeds**").

The Company published an announcement on June 6, 2022 (the "**2022 Change in Use of Proceeds Announcement**") relating to the change in use of the unutilized Net Proceeds by (a) reallocating approximately HK$50.0 million which was originally allocated for expanding geographical coverage in China and selectively pursuing investment and acquisition opportunities to development of investment banking services (the "**First Re-allocation**"); and (b) extending the expected timeline of the use of the unutilized Net Proceeds from December 2022 or December 2023 (as the case may be) to December 2024. Such changes were made primarily because (i) the Group's plan to expand geographical coverage in China had been delayed because of the impact of the continuous outbreak of the COVID-19 pandemic, (ii) only a small portion of the Net Proceeds which were originally planned by the Group to pursue investment and acquisition opportunities has been utilized, and (iii) the Group's intention to facilitate the expansion of the investment banking services and improve the efficiency of capital use. For further details, please refer to the 2022 Change in Use of Proceeds Announcement.

On November 29, 2024, the Company published an announcement (the "**2024 Change in Use of Proceeds Announcement**") relating to further change in use of the unutilized Net Proceeds by (a) reallocating approximately HK$72.0 million which was originally allocated for enhancing sales and marketing efforts, scaling services into overseas emerging markets and selectively pursuing investment and acquisition opportunities to expand geographical coverage in China, upgrade online platforms and enrich online service offerings and develop investment banking services (the "**Second Re-allocation**"); and (b) extending the expected timeline of the use of the unutilized Net Proceeds from December 2024 to December 2026. Such changes were made primarily because (i) with the nationwide recovery of economic activities, the Company plans to resume its previously postponed geographical expansion in China, (ii) only a small portion of the Net Proceeds which were allocated for scaling services into overseas emerging markets and pursuing investment and acquisition opportunities have been utilized and (iii) the Group's intention to optimize its resource allocation to capture favorable business opportunities and enhance its service offerings.

The Group has applied and intends to apply the remaining Net Proceeds according to the revised plans disclosed in the 2024 Change in Use of Proceeds Announcement.

Directors' Report (Continued)

The following table sets forth the details as of the dates indicated:

	Originally raised Net Proceeds	Unutilized Net Proceeds before the First Re-allocation as of April 30, 2022 as disclosed in the 2022 Change in Use of Proceeds Announcement	Balance of the unutilized Net Proceeds after the First Re-allocation as of April 30, 2022 as disclosed in the 2022 Change in Use of Proceeds Announcement	Unutilized Net Proceeds as of January 1, 2024	Unutilized Net Proceeds before the Second Re- allocation as of October 31, 2024, as disclosed in the 2024 Change in Use of Proceeds Announcement	Balance of the unutilized Net Proceeds after the Second Re- allocation as of October 31, 2024, as disclosed in the 2024 Change in Use of Proceeds Announcement	Utilized Net Proceeds since October 31, 2024 and up to December 31, 2024	Unutilized Net Proceeds as of December 31, 2024
	Amount HK$ in million	*Amount HK$ in million*	*Amount HK$ in million*	*Amount HK$ in million*	*Amount HK$ in million*	*Amount HK$ in million*	*Amount HK$ in million*	*Amount HK$ in million*
To expand geographical coverage in China	178.4	121.8	91.8	25.0	0.7	33.1	8.0	25.1
To improve offline service offerings and capture the industry trend toward online-offline integration	44.4	34.6	34.6	28.2	24.2	24.2	4.1	20.1
To upgrade online platforms and enrich online service offerings	26.3	8.7	8.7	–	–	9.0	2.7	6.3
To enhance sales and marketing efforts	44.8	34.5	34.5	23.7	21.1	2.0	1.6	0.4
To scale services into overseas emerging markets, such as Southeast Asia and India, in order to capture significant growth opportunities	25.4	25.4	25.4	25.4	25.4	–	–	–
To selectively pursue investment and acquisition opportunities	90.6	78.5	58.5	58.5	27.5	–	–	–
To develop investment banking services	–	–	50.0	0.3	–	30.6	4.5	26.1
To be used for additional working capital and other general corporate purposes	43.0	33.8	33.8	23.8	13.8	13.8	3	10.8
Total	**452.9**	**337.3**	**337.3**	**184.9**	**112.7**	**112.7**	**23.9**	**88.8**

Note: The inconsistency between the sum of the numbers in the above table is due to rounding.

The Company currently expects to fully utilize the Net Proceeds by December 2026. The expected timeline is based on estimation of the future market condition made by the Group. It may be subject to change based on the current and future development of market conditions.

CLOSURE OF THE REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the 2025 AGM, the register of members of the Company will be closed from Monday, May 19, 2025 to Thursday, May 22, 2025, both days inclusive, and during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the 2025 AGM, unregistered holders of Shares should ensure that all share transfer documents accompanied by the corresponding share certificates are lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. (Hong Kong time) on Friday, May 16, 2025.

FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 8 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended December 31, 2024 are set out in Note 15 to the consolidated financial statements in this annual report.

SHARE CAPITAL

Details of the movements in share capital of the Company during the year ended December 31, 2024 are set out in Note 31 to the consolidated financial statements in this annual report.

EQUITY-LINKED AGREEMENTS

During the year ended December 31, 2024, other than the Post-IPO RSU Scheme as set out in the section under "Post-IPO RSU Scheme" in this annual report, the Company has not entered into any equity-linked agreement.

RESERVES

Details of the movement in the reserves of the Group and of the Company during the year ended December 31, 2024 are set out in Note 31 and Note 37(b) to the consolidated financial statements in this annual report.

Directors' Report (Continued)

DISTRIBUTABLE RESERVES

As at December 31, 2024, the Company's distributable reserves were RMB504.2 million.

BORROWINGS

The Group had no bank borrowings or other borrowings as at December 31, 2024.

DONATIONS

The Group had no charitable donations for the year ended December 31, 2024 (2023: RMB5.4 million).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, the Company repurchased a total of 5,241,200 Shares at an aggregate consideration of approximately HK$7.07 million on the Stock Exchange in order to reflect the Company's confidence in its long-term business prospects and to enhance the value of the Shares thereby improving the return to shareholders of the Company. The details of the repurchase of such Shares are set out as follows:

Month of repurchase	Number of Shares repurchased	Number of Shares repurchased and held as treasury Shares	Maximum price paid per Share *(HK$)*	Minimum price paid per Share *(HK$)*	Total consideration *(HK$'000)*
January 2024	41,600	–	1.10	0.92	41.79
February 2024	48,800	–	1.05	0.92	48.91
March 2024	116,800	–	0.96	0.88	108.32
April 2024	483,200	–	1.05	0.94	483.36
May 2024	294,400	–	1.06	0.98	301.73
June 2024	449,200	380,800	1.06	0.98	461.69
July 2024	376,000	376,000	1.06	1.00	388.38
August 2024	277,600	277,600	1.06	1.00	288.09
September 2024	443,600	443,600	1.07	0.99	453.32
October 2024	1,173,600	1,173,600	1.90	1.56	2,069.61
November 2024	1,087,600	1,087,600	1.89	1.39	1,738.07
December 2024	448,800	448,800	1.59	1.40	682.39
Total	**5,241,200**	**4,188,000**			**7,065.66**

Note: The inconsistency between the sum of the numbers in the above table is due to rounding.

A total of 1,053,200 Shares repurchased (excluding treasury Shares) during the Reporting Period were cancelled as at the date of this report and the issued share capital of the Company was reduced by the nominal value thereof. The Company held 4,188,000 treasury Shares as of December 31, 2024. During the Reporting Period, no treasury Shares were sold or transferred. The Company intends to resell the treasury Shares or use treasury Shares for other purposes in compliance with the Listing Rules.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

Directors' Report (Continued)

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles, or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to its existing Shareholders.

TAX RELIEF

The Directors are not aware of any tax relief available to the Shareholders by reason of their holding of the Shares.

DIRECTORS

During the Reporting Period, the Board consists of the following Directors:

Executive Directors

Mr. NI Zhengdong *(Chairman and Chief Executive Officer)*
Ms. FU Xinghua
Ms. ZHANG Yanyan

Non-executive Director

Mr. KUNG Hung Ka

Independent Non-executive Directors

Mr. YE Daqing
Mr. ZHANG Min
Ms. YU Bin

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND THE SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group as at the date of this annual report are set out on pages 17 to 21 in the section headed "Directors and Senior Management" of this annual report.

Pursuant to Rule 13.51B (1) of the Listing Rules, the changes in the information of the Director from the date of the Company's 2024 interim report published on August 28, 2024 to the date of this annual report are set out below:

- MS. Yu Bin has served as an independent non-executive director of DPC Dash Ltd (達勢股份有限公司), a company listed on the Stock Exchange (stock code: 1405), since December 2024.

Directors' Report (Continued)

DIRECTORS' SERVICE CONTRACTS

On December 7, 2023, each of the executive Directors entered into a service contract with the Company for an initial fixed term of three years commencing from the date of such service contract, and the non-executive Director entered into a letter of appointment with the Company. For the independent non-executive Directors, Mr. YE Daqing, Mr. ZHANG Min and Ms. Yu Bin entered into an appointment letter with the Company on June 8, 2023, December 7, 2023 and December 7, 2023, respectively. Such service contracts or letters of appointment are for an initial fixed term of three years commencing from the date of such service contracts or letters of appointment.

The service contracts and the letters of appointment are subject to termination in accordance with their respective terms or by either party giving to the other not less than three-month prior written notice. The appointment of the Directors is subject to the provisions of retirement and rotation of Directors under the Articles.

Save as disclosed above, none of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

CONTRACTS WITH CONTROLLING SHAREHOLDER

Save as disclosed in this annual report, no contract of significance has been entered into between the Company or any of its subsidiaries and a Controlling Shareholder or any of its subsidiaries during the year ended December 31, 2024.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in this annual report, no transaction, arrangement or contract of significance in relation to the business of the Group to which the Company or any of its subsidiaries was a party, and in which a Director or his/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended December 31, 2024.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The emoluments of the Directors and senior management of the Group are decided by the Board with reference to the recommendation given by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

The aggregate amount of remuneration (including salaries, remuneration, pension, discretionary bonus and other welfares) paid to our Directors for the year ended December 31, 2024 was approximately RMB5.1 million.

The five highest paid individuals of the Group for the year ended December 31, 2024 included two Directors. The remuneration (including salaries, remuneration, pension, discretionary bonus and other welfares) paid to the Group's remaining three highest paid individuals who are not Directors in aggregate for the year ended December 31, 2024 was approximately RMB6.0 million.

For the year ended December 31, 2024, no emoluments were paid by the Group to any Director or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. Save as disclosed in this annual report, none of the Directors has waived any emoluments for the year ended December 31, 2024.

Details of the Directors' emoluments and emoluments of the five highest paid individuals in the Group are set out in Note 8 to the consolidated financial statements in this annual report.

Save as disclosed above, no other payments have been made or are payable, for the year ended December 31, 2024, by the Group to or on behalf of any of the Directors.

Directors' Report (Continued)

DEED OF NON-COMPETITION

On December 7, 2020, Mr. Ni, the Company's ultimate controlling Shareholder, and JQ Brothers Ltd., through which Mr. Ni holds equity interest in the Company, and the Company entered into the deed of non-competition ("Non-competition Deed"), pursuant to which, subject to and except as mentioned in the Prospectus, the Controlling Shareholders would not, and would procure their close associates (except any member of the Group) not to, directly or indirectly (whether in the capacity of principal or agent, whether for its own benefit or jointly with or on behalf of any person, firm or company, whether within or outside China), commence, engage in, participate in or acquire any business which competes or may compete directly or indirectly with the Group's core business of offering a comprehensive portfolio of both online and offline equity investment services, which can be categorized into data services, marketing services, consulting services and training services, or own any rights or interests in such business. Details of the Non-competition Deed are set out in the section headed "Relationship with Our Controlling Shareholders – Non-competition Undertaking" in the Prospectus.

The Controlling Shareholders confirmed that they have complied with the Non-competition Deed for the year ended December 31, 2024. The independent non-executive Directors have conducted such review for the year ended December 31, 2024 and also reviewed the relevant undertakings and are satisfied that the Non-competition Deed has been fully complied with.

DIRECTORS' AND CONTROLLING SHAREHOLDER'S INTERESTS IN COMPETING BUSINESS

Save as disclosed in this annual report, during the year ended December 31, 2024, none of the Directors nor the Controlling Shareholder or their respective close associate (as defined in the Listing Rules) had any interest in a business that competed or was likely to compete, either directly or indirectly, with the business of the Group in accordance with Rule 8.10 of the Listing Rules.

PENSION SCHEME

Details of the pension scheme of the Company are set out in Note 2.4(i) to the consolidated financial statements in this annual report.

INDEMNITY OF DIRECTORS

Under the Articles, every Director or other officers of the Company acting in relation to any of the affairs of the Company shall be entitled to be indemnified against all actions, costs, charges, losses, damages and expenses which he may incur or sustain in or about the execution of his duties in his office. The Company has arranged appropriate insurance cover in respect of legal action against its Directors and officers.

MANAGEMENT CONTRACTS

Other than the Directors' service contracts and appointment letters as disclosed in this annual report, no contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or in existence as at the end of the year or at any time during the year ended December 31, 2024.

Directors' Report (Continued)

LOAN AND GUARANTEE

During the year ended December 31, 2024, the Group had not made any loan or provided any guarantee for any loan, directly or indirectly, to the Directors, senior management, Controlling Shareholders or their respective connected persons.

DISCLOSURE REQUIRED UNDER RULE 13.18 OF THE LISTING RULES

As at December 31, 2024, there were no matters that gave rise to a disclosure required under Rule 13.18 of the Listing Rules.

POST-IPO RSU SCHEME

The Post-IPO RSU Scheme was adopted on December 7, 2020 and amended on May 17, 2023. The terms of Post-IPO RSU Scheme are subject to Chapter 17 of the Listing Rules. Summary of major terms of the Post-IPO RSU Scheme are as follows:

(1) Purposes of Post-IPO RSU Scheme

The purpose of the Post-IPO RSU Scheme is to recognize the contributions by the grantees and to give incentives thereto in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

(2) Participants of Post-IPO RSU Scheme

Participants of the Post-IPO RSU Scheme include existing employees, directors or officers of the Company or any member of the Group. The Board may, within the term of the Post-IPO RSU Scheme, determine the selected persons to participate in the Post-IPO RSU Scheme.

(3) Total number of Shares available for issue

The maximum aggregate number of Shares may be issued in respect of all options and awards to be granted under the Post-IPO RSU Scheme and any other share schemes of the Company (including options and awards that have been cancelled but excluding any options or awards lapsed in accordance with the terms of the respective share schemes) shall not exceed 30,640,240 Shares (the "**Scheme Mandate Limit**"), representing approximately 10.18% of the total issued Shares of the Company (excluding treasury shares) as at the date of this annual report. The Company may seek approval of the Shareholders in general meeting for refreshing the Scheme Mandate Limit every three years after the amendment date of the Post-IPO RSU Scheme or the shareholder approval date of the last refreshment.

(4) Limit for each participant

The total number of Shares issued and to be issued in respect of all the options and awards granted to each eligible person under the Post-IPO RSU Scheme and any other share schemes of the Company (including options and awards that have been cancelled but excluding schemes of the Company any options or awards lapsed in accordance with the terms of the respective share schemes) in any 12 month period up to and including the date of such grant shall not in aggregate exceed 1% of the Shares (the "**Individual Limit**") in issue from time to time. Any further grant to a selected person which would result in the Shares issued and to be issued exceeding the Individual Limit shall be subject to the Shareholders' approval in general meeting.

As of the date of this annual report, there had been no service provider sublimit set under the Post-IPO RSU Scheme.

(5) Exercise of the awards

Subject to satisfaction of the conditions set forth in the Post-IPO RSU Scheme, awards held by a grantee that are vested as evidenced by the vesting notice may be exercised (in whole or in part) by the grantee serving an exercise notice in writing on the RSU trustee and copied to the Company.

In an exercise notice, the grantee shall request the RSU trustee to, and the Board shall direct and procure the RSU trustee to within five business days, transfer the Shares underlying the awards exercised (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares) to the grantee, subject to the grantee paying the exercise subscription price (where applicable) and all tax, stamp duty, levies and charges applicable to such transfer to the RSU trustee or as the RSU trustee directs.

The Shares to be issued and allotted to a grantee pursuant to the exercise of any award under the Post-IPO RSU Scheme may or may not, at the discretion of the Board (or any duly authorized committee or person by the Board), be subject to any retention period.

(6) Vesting period

The Board has the sole discretion to determine the vesting schedule and vesting criteria (if any) for any grant of award(s) to any grantee, which may also be adjusted and re-determined by the Board from time to time. The vesting period of awards granted to grantees may, at the discretion of the Board (or any duly authorized committee or person by the Board), be shorter under the circumstances set forth in the Post-IPO RSU Scheme. The RSU trustee shall administer the vesting of awards granted to each grantee pursuant to the vesting schedule and vesting criteria (if any) determined by the Board.

Upon fulfillment or waiver of the vesting period and vesting criteria (if any) applicable to each of the grantees, a vesting notice will be sent to the grantee by the Board, or by the RSU trustee under the authorization and instruction by the Board confirming (a) the extent to which the vesting period and vesting criteria (if any) have been fulfilled or waived, and (b) the number of Shares (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of these Shares) the grantee will receive, provided that:

(a) the awards shall be vested based on the vesting schedule and vesting criteria (if any) set forth in the grant letter. For avoidance of doubt, if the vesting of any portion of the granted awards is conditional upon both vesting schedule and performance based vesting criteria (if any), then failure by the grantee to fulfill any of the vesting conditions by their due date will render such portion of the granted awards unvested and un-exercisable; and

Directors' Report (Continued)

(b) subject to the occurrence of the events that may cause all unvested RSUs and vested but unexercised RSUs automatically lapse, any portion of the awards which has already vested pursuant to its applicable vesting schedule and vesting criteria (if any) shall continue to be vested until it is exercised by the relevant grantee of such awards pursuant to the terms of the Post-IPO RSU Scheme.

(7) Purchase price of RSU granted

The grantee(s) shall not be required to bear or pay any price or fee for the grant of RSU(s).

(8) Remaining life of Post-IPO RSU Scheme and outstanding awards

Subject to the fulfillment of the conditions of the Post-IPO RSU Scheme and the termination clause, this Post-IPO RSU Scheme shall be valid and effective for a term of ten years commencing on May 17, 2023.

There were no outstanding or unvested RSUs as of January 1, 2024. During the Reporting Period, no RSUs were granted, agreed to be granted, exercised, cancelled or lapsed under the Post-IPO RSU Scheme, and there were no outstanding or unvested RSUs as of December 31, 2024. The maximum number of Shares underlying all options and awards available for grant under the Scheme Mandate Limit was 30,640,240.

As no RSUs were granted under the Post-IPO RSU Scheme during the Reporting Period, the number of Shares that may be issued in respect of options and awards granted under all share schemes of the Company during the Reporting Period is nil. Accordingly, the value of the number of shares that may be issued in respect of options and awards granted under all share schemes of the Company during the Reporting Period divided by the weighted average number of Shares in issue for the Reporting Period is nil.

For further information of the Post-IPO RSU Scheme, please refer to "Appendix IV – Statutory and General Information – D. Post-IPO RSU Scheme" in the Prospectus, the circulars of the Company dated April 22, 2021, April 13, 2022 and April 20, 2023 and the announcements of the Company dated April 27, 2021, June 4, 2021, May 18, 2022 and May 17, 2023.

Directors' Report (Continued)

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE IN SECURITIES

As of December 31, 2024, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(A) Long position in Shares of the Company

Name	Capacity/Nature of interest	Number of Shares	Approximate percentage of shareholding in the Company
Mr. NI Zhengdong	Interest in controlled corporation	147,120,808(1)	48.23%
		4,188,000(2)	1.37%
Ms. ZHANG Yanyan(3)	Interest in controlled corporation	185,913	0.06%
Ms. FU Xinghua(4)	Interest in controlled corporation	64,500	0.02%
Mr. KUNG Hung Ka(5)	Interest in controlled corporation	11,459,169	3.76%

Notes:

(1) Mr. NI Zhengdong is deemed to be interested in the entire interests held by (i) JQ Brothers Ltd., which is wholly-owned by Mr. NI Zhengdong, and (ii) Hangzhou Sanren Yanxing Capital L.P. (杭州三仁焱興投資合夥企業(有限合夥)) ("Hangzhou Sanren"), a limited partnership established in the PRC and the general partner of which is owned as to 35.0% by Mr. Ni. Hangzhou Sanren was interested in 3,055,778 Shares as of December 31, 2024.

(2) These Shares represent 4,188,000 treasury shares held by the Company as of December 31, 2024. As Mr. NI Zhengdong controls over one-third of the voting rights at general meetings of the Company, he is therefore taken to have an interest in these treasury shares by virtue of the SFO.

(3) Ms. ZHANG Yanyan is deemed to be interested in the entire Shares held by MRJ Holdings Limited, which is wholly-owned by Ms. ZHANG Yanyan.

(4) Ms. FU Xinghua is deemed to be interested in the entire Shares held by HCShanghe Holdings Limited, which is wholly-owned by Ms. FU Xinghua.

(5) Mr. KUNG Hung Ka is deemed to be interested in the entire Shares held by Wealth Strategy Holding Limited, which is wholly-owned by Mr. KUNG Hung Ka.

Directors' Report (Continued)

(B) Long position in associated corporations of our Company

Name	Capacity/Nature of interest	Number of Associated Corporation	Approximate percentage of shareholding in the Associated Corporation
Mr. NI Zhengdong[(1)]	Interest in controlled corporation	Zero2IPO Ventures	100%

Note:

(1) As of December 31, 2024, Mr. NI Zhengdong owned approximately 54.93% of the equity interests in Zero2IPO Group, which is the registered shareholder of 100% equity interest in Zero2IPO Ventures.

Save as disclosed above and to the best knowledge of the Directors, as at December 31, 2024, none of the Directors or the chief executive of the Company has any interests and/or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As of December 31, 2024, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which would be required to be notified to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO:

Long position in Shares of the Company

Name	Capacity/Nature of interest	Number of Shares	Approximate percentage of shareholding in the Company
JQ Brothers Ltd.	Beneficial Interest	144,065,030	47.22%
		4,188,000[(1)]	1.37%

Note:

(1) These Shares represent 4,188,000 treasury shares held by the Company as of December 31, 2024. Therefore, as JQ Brothers Ltd. controls over one-third of the voting rights at general meetings of the Company, it is taken to have an interest in these treasury shares by virtue of the SFO.

Save as disclosed above and to the best knowledge of the Directors, as of December 31, 2024, no person had an interest or a short position in the Shares or underlying Shares of the Company as recorded in the register of interests required to be kept by the Company under section 336 of the SFO.

Directors' Report (Continued)

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the Post-IPO RSU Scheme, at no time during the year under review was the Company, its holding company, or any of its subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, the Group's largest customer accounted for approximately 4.0% of the Group's total revenue from continuing operations. The Group's five largest customers accounted for approximately 14.5% of the Group's total revenue from continuing operations.

In the year under review, the Group's largest supplier accounted for approximately 6.6% of the Group's total cost of sales from continuing operations. The Group's five largest suppliers accounted for 18.5% of the Group's total cost of sales from continuing operations.

None of the Directors or any of their close associates (as defined under the Listing Rules) or any Shareholders (which, to the best knowledge of the Directors, owns more than 5% of the Company's issued share capital) has any beneficial interest in the Group's five largest suppliers or the Group's five largest customers for the year ended December 31, 2024.

EMPLOYEES

The Group had approximately 274 employees as of December 31, 2024, as compared to approximately 306 employees as of December 31, 2023. For the year ended December 31, 2024, the Group incurred a total staff costs (including Directors' emoluments) of RMB112.1 million. The Group enters into employment contracts with its employees to cover matters such as position, term of employment, wage, employee benefits and liabilities for breaches and grounds for termination.

Remuneration of the Group's employees includes salaries, performance-based cash bonuses and other incentives. As required under applicable laws and regulations, the Group makes contributions to social insurance fund, including pension, medical, unemployment, maternity and work-related injury, and to housing provident fund for the Group's employees. The Group has adopted a training protocol, pursuant to which the Group provides pre-employment and regular continuing management and technical training to the Group's employees.

We recognize the importance of keeping the Directors updated with the latest information of duties and obligations of a director of a company whose shares are listed on the Stock Exchange and the general regulatory and environmental requirements for such listed company. To meet this goal, we are committed to our employees' continuing education and development.

Directors' Report (Continued)

RETIREMENT BENEFITS SCHEME

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") for all qualifying employees in Hong Kong under the rules and regulations of the Mandatory Provident Fund Schemes Authority. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of trustees. Contributions are made based on a percentage of the participating employees' relevant income from the Group. When an employee leaves the MPF Scheme, the mandatory contributions are fully vested with the employee. The employees of the PRC subsidiaries are members of the state-managed retirement benefits scheme operated by the PRC government. The employees of the PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to this retirement benefits scheme is to make the required contributions under the scheme.

CONNECTED TRANSACTIONS

During the year ended December 31, 2024, transactions between members of the Group and the Company's connected persons have become connected transactions or continuing connected transactions which should be disclosed pursuant to the requirements in Chapter 14A of the Listing Rules. Details of the transactions are set out below in the sections headed "Acquisition of Interest in a Fund" and "Contractual Arrangements" in this directors' report.

RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group for the year ended December 31, 2024 are set out in Note 34 to the consolidated financial statements contained herein.

None of the related party transactions disclosed in Note 34 to the consolidated financial statements constitutes a connected transaction or continuing connected transaction subject to independent Shareholders' approval, annual review and all disclosure requirements in Chapter 14A of the Listing Rules.

ACQUISITION OF INTEREST IN A FUND

On December 1, 2023, Zero2IPO Ventures, a consolidated affiliated entity of the Company, entered into Partnership Interest Transfer Agreements with each of Fuzhou Development Zone Kehulian Information Technology Co., Ltd. (福州開發區科互聯信息科技有限公司), Ms. YANG Zhen, Ms. CHEN Hongying, Mr. YANG Qianchu, and Mr. ZHANG Can (the "Transferors"), respectively, pursuant to which Zero2IPO Ventures conditionally agreed to purchase, and the Transferors conditionally agreed to sell, approximately 14.72% of the partnership interests in Beijing Zero2IPO Zhida Investment Management Center (Limited Partnership) (北京清科致達投資管理中心(有限合夥)) (the "Fund") in aggregate at a total consideration of RMB28.3 million (the "Partnership Interest Transfer").

The general partner of the Fund (namely, Beijing Zero2IPO Venture Capital Management Center (Limited Partnership) (北京清科創業投資管理中心(有限合夥)) and a limited partner of the Fund (namely, Beijing Zero2IPO Investment Management Ltd. (北京清科投資管理有限公司)), holding approximately 2.45% and 31.29% of the partnership interests in the Fund as at December 1, 2023, respectively, are wholly owned by Zero2IPO Group, which is in turn owned as to 54.93% by Mr. NI Zhengdong as at December 1, 2023, who is an executive Director, chief executive officer and a controlling shareholder of the Company. Therefore, the Partnership Interest Transfer constitutes a connected transaction of the Company in accordance with Rule 14A.28 of the Listing Rules.

The purpose of the Partnership Interest Transfer is to broaden and diversify the Group's customer base, and seek potential business opportunities from the investment portfolio of the Fund in line with the Group's strategies. In addition, the investment in the Fund would also provide the Group with possible strong financial returns.

Please refer to the announcement dated December 1, 2023 and the circular dated January 26, 2024 of the Company for details.

Directors' Report (Continued)

TECHSTAR DE-SPAC TRANSACTION

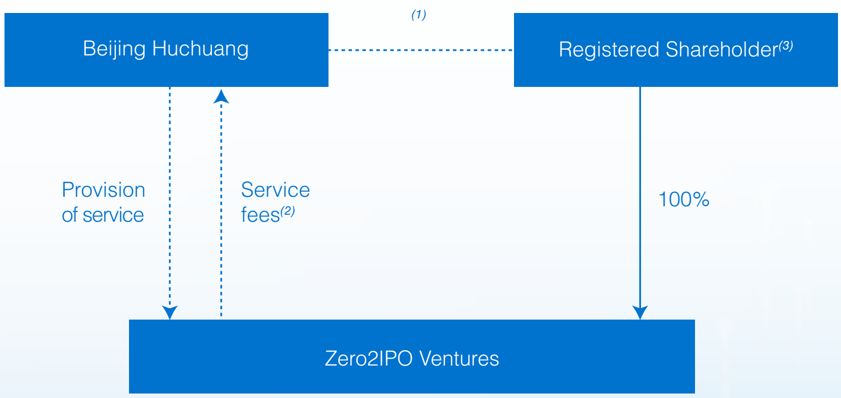
Zero2IPO Capital Limited (清科資本有限公司) ("**Zero2IPO Capital**") as one of the promoters of TechStar Acquisition Corporation ("**TechStar**") and an indirectly wholly-owned subsidiary of the Company, indirectly held 3,750,000 class B shares of TechStar and 6,000,000 promoter warrants of TechStar. On December 20, 2024, TechStar entered into the business combination agreement with Seyond Holdings Ltd. (the "**Target Company**") and Seyond Merger Sub Limited, a wholly-owned subsidiary of the Target Company. As a result of the de-SPAC transaction ("**De-SPAC Transaction**"), upon the closing of the De-SPAC Transaction, Zero2IPO Capital will cease to hold class B shares of TechStar and promoter warrants of TechStar, and will indirectly hold 3,750,000 shares of successor company and 6,000,000 promoter warrant of successor company. Please refer to announcement of the Company dated December 20, 2024 and announcement of TechStar dated December 20, 2024 for further details of the De-SPAC Transaction.

CONTRACTUAL ARRANGEMENTS

Overview

Our online businesses under our data services, marketing services and investment banking services are subject to foreign investment restrictions under PRC laws. To comply with the relevant PRC laws, our Relevant Businesses are directly conducted by our PRC operating entity, namely Zero2IPO Ventures, which has obtained the ICP License (a type of VATS license) that is essential to the operation of our Relevant Businesses. On June 24, 2020, we entered into the Contractual Arrangements through which we are able to exercise control over and enjoy all the economic benefits derived from the operations of Zero2IPO Ventures. The Contractual Arrangements have been narrowly tailored to achieve our business purpose and minimize the potential conflict with relevant PRC laws and regulations.

The following simplified diagram illustrates the flow of economic benefits from the Zero2IPO Ventures to our Group stipulated under the Contractual Arrangements.



Notes:

(1) Control of Beijing Huchuang over Zero2IPO Ventures through the following agreements with the Registered Shareholder: (i) Powers of Attorney, (ii) Exclusive Option Agreement, and (iii) Share Pledge Agreement.

(2) Control of Beijing Huchuang over Zero2IPO Ventures through Exclusive Business Cooperation Agreement.

(3) Registered Shareholder refers to the registered shareholder of Zero2IPO Ventures, namely Zero2IPO Group, which is controlled by Mr. Ni.

Directors' Report (Continued)

A description of each of the specific agreements that comprise the Contractual Arrangements is set out below.

Exclusive Option Agreement

Zero2IPO Ventures and the Registered Shareholder, namely Zero2IPO Group, entered into an exclusive option agreement with Beijing Huchuang on June 24, 2020 (the "Exclusive Option Agreement"), pursuant to which Beijing Huchuang (or its designee) has an irrevocable and exclusive right to purchase from the Registered Shareholder all or any part of its equity interests in Zero2IPO Ventures, and an irrevocable and exclusive right to purchase from Zero2IPO Ventures all or any part of its assets at a minimal price required by the relevant government authorities or PRC laws. To the extent permitted by applicable PRC laws and regulations, the Registered Shareholder and/or Zero2IPO Ventures shall return the amount of purchase price they have received in full to Beijing Huchuang. At Beijing Huchuang's request, the Registered Shareholder and/or Zero2IPO Ventures will promptly and unconditionally transfer their respective equity interests and/or assets to Beijing Huchuang (or its designee) after Beijing Huchuang exercises its this option. The Exclusive Option Agreement will not terminate until the purchased equity interests and/or the acquired assets have been transferred to Beijing Huchuang (or its designee) in accordance with the Exclusive Option Agreement. However, Beijing Huchuang has the right to unilaterally and unconditionally terminate the Exclusive Option Agreement at any time in written notice.

In order to prevent the flow of the assets and value of Zero2IPO Ventures to the Registered Shareholder, during the terms of the Exclusive Option Agreement, none of the assets of Zero2IPO Ventures shall be sold, transferred, pledged or otherwise disposed of without the prior written consent of Beijing Huchuang.

In addition, Zero2IPO Ventures is not allowed to make any distributions to the Registered Shareholder without the prior written consent of Beijing Huchuang. In the event that the Registered Shareholder receives any profit distribution or dividend from Zero2IPO Ventures, the Registered Shareholder must immediately pay or transfer such amount to Beijing Huchuang (or its designee). If Beijing Huchuang exercises this option, all or any part of the equity interests of Zero2IPO Ventures acquired would be transferred to Beijing Huchuang and the benefits of equity ownership would flow to the Company and our Shareholders.

Exclusive Business Cooperation Agreement

Zero2IPO Ventures entered into an exclusive business cooperation agreement with Beijing Huchuang on June 24, 2020 (the "Exclusive Business Cooperation Agreement"), pursuant to which Beijing Huchuang agreed to be engaged as the exclusive provider to Zero2IPO Ventures of business support, technical and consulting services, including technology services, network support and maintenance, research and development, business and management consultancy, intellectual property licensing, equipment leasing, market research and other services, in exchange for service fees. Under these arrangements, the service fees, subject to Beijing Huchuang's adjustment, are equal to 100% of the total profit of Zero2IPO Ventures, after deduction of necessary costs, expenses, taxes and other statutory contribution in relation to the respective fiscal year.

The Exclusive Business Cooperation Agreement is for an initial term of ten years and may be extended by Beijing Huchuang for a term of ten years.

Directors' Report (Continued)

Share Pledge Agreement

Zero2IPO Ventures, the Registered Shareholder and Beijing Huchuang entered into a share pledge agreement on June 24, 2020 (the "Share Pledge Agreement"). Under the Share Pledge Agreement, the Registered Shareholder pledged all of its equity interests in Zero2IPO Ventures to Beijing Huchuang as collateral security for all of its payments due to Beijing Huchuang and to secure performance of all obligations of Zero2IPO Ventures and the Registered Shareholder under the Contractual Arrangements. The Share Pledge Agreement will not terminate until (1) all obligations of Zero2IPO Ventures and the Registered Shareholder under the Contractual Arrangements are satisfied in full; (2) Beijing Huchuang (or its designee) exercises its exclusive options to purchase the entire equity interests of the Registered Shareholder and/or the entire assets of Zero2IPO Ventures pursuant to the terms of the Exclusive Option Agreement when it is permitted to do so under the applicable PRC laws and Beijing Huchuang (or its designee) may conduct the business of Zero2IPO Ventures; (3) Beijing Huchuang exercises its unilateral and unconditional right of termination; or (4) the agreement is required to be terminated in accordance with applicable PRC laws and regulations.

Powers of Attorney

An irrevocable power of attorney was entered into by and among the Registered Shareholder, Beijing Huchuang and Zero2IPO Ventures on June 24, 2020 (the "Powers of Attorney"), whereby the Registered Shareholder appointed Beijing Huchuang, or any Director of the Company or other person designated by it (excluding any person who may give rise to conflicts of interest), as its exclusive agent and attorney to act on its behalf to exercise all of its rights as registered shareholder of Zero2IPO Ventures. These rights include but not limited to (1) the right to propose, convene and attend shareholders' meetings; (2) the right to sell, transfer, pledge or dispose of equity interests; (3) the right to exercise shareholders' voting rights; and (4) the right to appoint the legal representative (chairperson), the director, supervisor, the chief executive officer (general manager) and other senior management members of Zero2IPO Ventures. The authorized person is entitled to sign minutes, file documents with the relevant authorities and exercise voting rights on the winding up of Zero2IPO Ventures on behalf of the Registered Shareholder. The Registered Shareholder has undertaken to transfer all assets obtained after the winding up of Zero2IPO Ventures to Beijing Huchuang at nil consideration or the lowest price allowed under the then applicable PRC laws and regulations. As a result of the Powers of Attorney, the Company, through Beijing Huchuang, is able to exercise management control over the activities that most significantly impact the economic performance of Zero2IPO Ventures.

The Powers of Attorney also provides that, in order to avoid potential conflicts of interest, where the officers or directors of the Registered Shareholder are officers or directors of the Company, the power of attorney is granted to officers or directors of the Company other than those who are officers or directors of the Registered Shareholder.

The Powers of Attorney shall automatically terminate once Beijing Huchuang (or any member of the Group other than Zero2IPO Ventures) directly holds the entire equity interests in and/or the entire assets of Zero2IPO Ventures once permitted under the then PRC laws and Beijing Huchuang (or its subsidiaries) is allowed to conduct the Relevant Businesses under the then PRC laws, following which Beijing Huchuang shall be registered as the sole shareholder of Zero2IPO Ventures.

Directors' Report (Continued)

Save as disclosed above, there were no other new contractual arrangements entered into, renewed and/or reproduced between our Group and our Consolidated Affiliated Entities during the year ended December 31, 2024. There was no material change in the Contractual Arrangements and/or the circumstances under which they were adopted during the year ended December 31, 2024.

For the year ended December 31, 2024, none of the Contractual Arrangements had been unwound on the basis that none of the restrictions that led to the adoption of the Contractual Arrangements had been removed. As of December 31, 2024, we had not encountered interference or encumbrance from any PRC governing bodies in operating our businesses through our Consolidated Affiliated Entities under the Contractual Arrangements.

The revenue of the Relevant Businesses amounted to RMB29.5 million for the year ended December 31, 2024, representing a decrease by 5.8% from RMB31.3 million for the year ended December 31, 2023. For the year ended December 31, 2024, the revenue of the Relevant Businesses accounted for approximately 15.3% of the revenue for the year of our Group (2023: 13.1%).

Reasons for Adopting the Contractual Arrangements

Our Relevant Businesses fall within the scope of VATS business and are thus subject to foreign investment restrictions in accordance with the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2021) (《外商投資准入特別管理措施(負面清單)(2021年版)》).

On December 11, 2001, the State Council promulgated the Regulations for the Administration of Foreign-Invested Telecommunications Enterprises (《外商投資電信企業管理規定》) (the "FITE Regulations"), which were amended on September 10, 2008, February 6, 2016 and March 29, 2022, respectively. According to the FITE Regulations, foreign investors are not allowed to hold more than 50% of the equity interests of a company providing value-added telecommunications services. The qualification requirements for the main foreign investors, for which the main foreign investor who invests in a value-added telecommunications business must possess prior experience in operating value-added telecommunications businesses and a proven track record of business operations in such industry, has been cancelled since May 1, 2022. Nevertheless, under the amended FITE Regulations, investments by foreign investors in entities holding ICP Licenses are limited to a maximum of 50 per cent equity ownership, and whether an entity held by foreign shareholders may hold a value-added telecommunication license is still subject to the examination of substance by relevant authorities.

Given that (i) the foreign investment in the VATS business is restricted under current PRC laws and regulations; (ii) there were substantial uncertainties for a sino-foreign equity joint venture to obtain the VATS license, pursuant to the current PRC regulatory framework and subject to foreign investment restrictions and qualification requirements, in order to realize our business and operational objectives, the Company would gain effective control over, and receive all the economic benefits generated by the business currently operated by Zero2IPO Ventures to minimize the possibility of any potential conflicts with PRC laws and regulations through the Contractual Arrangements among Beijing Huchuang, Zero2IPO Ventures and the Registered Shareholder. The Contractual Arrangements allow the financials and results of operations of Zero2IPO Ventures to be consolidated into our financials and results of operations under HKFRSs as if it were a wholly-owned subsidiary of our Group.

Risk Factors Related to Contractual Arrangements and Actions to be Taken

There are certain risks that are associated with the Contractual Arrangements, including:

- If the PRC government finds that the agreements that establish the structure for operating our businesses in China do not comply with applicable PRC laws and regulations, or if these regulations or their interpretations change in the future, we could be subject to severe consequences, including the nullification of the Contractual Arrangements and the relinquishment of our interest in our Consolidated Affiliated Entities.

- Our Contractual Arrangements may not be as effective in providing operational control as direct ownership. Zero2IPO Ventures or its shareholder may fail to perform their obligations under our Contractual Arrangements.

- We may lose the ability to use and enjoy assets held by Zero2IPO Ventures that are material to our business operations if Zero2IPO Ventures were to declare bankruptcy or become subject to a dissolution or liquidation proceeding.

- The ultimate shareholders of Zero2IPO Ventures may have conflicts of interest with us, which may materially and adversely affect our business.

- Certain terms of the Contractual Arrangements may not be enforceable under PRC laws.

- Uncertainties exist with respect to the interpretation and implementation of the Foreign Investment Law and how it may impact the viability of our current corporate structure, corporate governance, business, financial condition, results of operations and prospects.

- Our Contractual Arrangements may be subject to scrutiny by the PRC tax authorities, and a finding that we owe additional taxes could substantially reduce our consolidated net income and the value of your investment.

Further details of these risks are set out in the section headed "Risk Factors – Risks related to Our Contractual Arrangements" of the Prospectus.

Our Group has adopted measures to ensure the effective operation of our Group's businesses with the implementation of the Contractual Arrangements and our compliance with the Contractual Arrangements, including:

- major issues arising from the implementation and compliance with the Contractual Arrangements or any regulatory enquiries from government authorities will be submitted to our Board, if necessary, for review and discussion on an occurrence basis;

- our Board will review the overall performance of and compliance with the Contractual Arrangements at least once a year;

- our Company will disclose the overall performance and compliance with the Contractual Arrangements in our annual reports; and

- our Company will engage external legal advisors or other professional advisors, if necessary, to assist the Board to review the implementation of the Contractual Arrangements, review the legal compliance of Beijing Huchuang and our Consolidated Affiliated Entities to deal with specific issues or matters arising from the Contractual Arrangements.

Directors' Report (Continued)

Listing Rules Implications and Waivers from the Stock Exchange

Zero2IPO Group is an entity controlled by Mr. Ni, our chairman of the Board, an executive Director, chief executive officer and our Controlling Shareholder, and thus is a connected person of our Group pursuant to Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the Contractual Arrangements constitute continuing connected transactions of our Company under the Listing Rules upon the Listing.

One or more of the applicable percentage ratios of transactions contemplated under the Contractual Arrangements are expected to be more than 5%. Therefore, the transactions will constitute non-exempt continuing connected transactions of our Group and will be subject to reporting, announcement, circular, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

In view of the Contractual Arrangements, we have applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with (1) the announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the transactions contemplated under the Contractual Arrangements pursuant to Rule 14A.105 of the Listing Rules, (2) the requirement of setting an annual cap for the transactions under the Contractual Arrangements under Rule 14A.53 of the Listing Rules, and (3) the requirement of limiting the terms for the Contractual Arrangements to three years or less under Rule 14A.52 of the Listing Rules, for so long as our Shares are listed on the Stock Exchange subject however to the following conditions:

(a) no change without independent non-executive Directors' approval;

(b) no change without independent Shareholders' approval;

(c) the Contractual Arrangements shall continue to enable our Group to receive the economic benefits derived by the Consolidated Affiliated Entities;

(d) on the basis that the Contractual Arrangements provide an acceptable framework for the relationship between our Company and its subsidiaries in which our Company has direct shareholding, on one hand, and our Consolidated Affiliated Entities, on the other hand, that framework may be renewed and/or reproduced upon the expiry of the existing arrangements or in relation to any existing or new wholly foreign-owned enterprise or operating company (including branch company) engaging in the same business as that of our Group which our Group might wish to establish when justified by business expediency, without obtaining the approval of the Shareholders, on substantially the same terms and conditions as the existing Contractual Arrangements; and

(e) the Group will disclose details relating to the Contractual Arrangements on an ongoing basis.

Annual Review by the Independent Non-Executive Directors and the Auditor

The independent non-executive Directors have reviewed the Contractual Arrangements and confirmed that:

(a) the transactions carried out for the year ended December 31, 2024 had been entered into in accordance with the relevant provisions of the Contractual Arrangements;

(b) no dividends or other distributions had been made by the Consolidated Affiliated Entities to the holders of its equity interests which were not otherwise subsequently assigned or transferred to the Group;

(c) no new contracts had been entered into, renewed and/or reproduced between the Group and the Consolidated Affiliated Entities for the year ended December 31, 2024; and

(d) the Contractual Arrangements had been entered into in the ordinary and usual course of business of the Group, are on normal commercial terms and are fair and reasonable and in the interest of the Group and the Shareholders as a whole.

The auditor of the Company has confirmed in a letter to the Board that, with respect to the aforesaid continuing connected transactions entered into in the year ended December 31, 2024:

(a) nothing has come to their attention that causes the auditor to believe that the Contractual Arrangements have not been approved by the Board;

(b) nothing has come to their attention that causes the auditor to believe that the transactions were not entered into, in all material respects, in accordance with the Contractual Arrangements as disclosed in the section headed "Contractual Arrangements" in the Prospectus;

(c) nothing has come to their attention that causes the auditor to believe that dividends or other distributions have been made by Zero2IPO Ventures to the holders of its equity interests which are not otherwise subsequently assigned or transferred to the Group.

For details of the Contractual Arrangements, please refer to the sections headed "Contractual Arrangements" and "Connected Transactions" in the Prospectus.

Directors' Report (Continued)

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Board, as at the date of this annual report, the Company has maintained the public float as required under the Listing Rules.

SUBSEQUENT EVENT

Save for (1) the repurchase of 424,400 Shares by the Company on the Stock Exchange during the period from January 1, 2025 to March 14, 2025 and (2) the subscriptions of WMPs with an aggregated principal amount of US$3.5 million and US$7.5 million by Zero2IPO Ventures Limited (清科創業有限公司), a subsidiary of the Company, from Fosun Hani Global Limited (復星恒利環球有限公司) and UBS AG on January 22, 2025, respectively, the details of which are set out in the Company's announcement dated January 22, 2025, there has been no other significant event subsequent to December 31, 2024 and up to the date of this report that is required to be disclosed by the Company.

AUDITOR

PricewaterhouseCoopers was appointed as the Auditor during the Reporting Period. The consolidated financial statements of the Group for the year ended December 31, 2024 were audited by PricewaterhouseCoopers.

PricewaterhouseCoopers shall retire at the forthcoming annual general meeting and, being eligible, will offer itself for re-appointment. A resolution for the re-appointment of PricewaterhouseCoopers as Auditor will be proposed at the 2025 AGM.

There was no change in auditors of the Company in any of the preceding three years.

COMPLIANCE WITH LAWS AND REGULATIONS

For the year ended December 31, 2024, the Company is in compliance with the applicable laws and regulations in all material respects.

On behalf of the Board
NI Zhengdong
Chairman

Beijing, the PRC, March 14, 2025

Independent Auditor's Report

To the Shareholders of Zero2IPO Holdings Inc.
(incorporated in the Cayman Islands with limited liability)

OPINION

What we have audited

The consolidated financial statements of Zero2IPO Holdings Inc. (the "Company") and its subsidiaries (the "Group"), which are set out on pages 98 to 174, comprise:

- the consolidated balance sheet as at December 31,2024;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Independent Auditor's Report (Continued)

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Revenue recognition
- Expected credit losses of accounts receivable and contract assets

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue recognition	
Refer to note 2.3(g), note 4.3, note 5 and note 6 to the consolidated financial statements. The Group recognized revenue of RMB192,477,000 for the year ended December 31, 2024, including data services, marketing services, investment banking services and training services of RMB69,925,000, RMB71,862,000, RMB25,790,000, and RMB24,900,000, respectively. We focused on this area due to (i) significant management's judgements and subjective assumptions were involved to estimate the stand-alone selling price of each performance obligation, and to allocate the total transaction prices to each performance obligation of multiple-element arrangements based on its relative stand-alone selling price, and (ii) significant effort was spent auditing the revenue recognized due to the large volume of transactions.	In response to this key audit matter, we performed the following procedures: • Obtained an understanding of the management's internal control of revenue recognition, including the assessment process of estimating the stand-alone selling price, and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as subjectivity of management's estimates; • Evaluated and tested the key controls over revenue recognition, including the estimation of the stand-alone selling price; • Assessed the appropriateness of management's assessments on the identification of performance obligations, on a sample basis, based on the contractual agreements and our knowledge of the business; • Assessed the reasonableness of management's judgements and estimates used to determine the stand-alone selling price of each performance obligation by comparing the estimated stand-alone selling price to competitive pricing information for comparable services and with reference to observable market data; • Tested, on a sample basis, the calculation and allocation of total transaction prices to each performance obligation of multiple-element arrangements; and • Checked, on a sample basis, the revenue transactions to supporting documents, such as contractual agreements, evidence of attendance of events and trainings by customers, underlying invoices and cash receipts. Based on the procedures performed, the revenue recognized was supported by the audit evidence that we obtained.

Independent Auditor's Report (Continued)

KEY AUDIT MATTERS (CONTINUED)

Key Audit Matter	How our audit addressed the Key Audit Matter
Expected credit losses of accounts receivable and contract assets	
Refer to note 2.3(e)(iv), note 3.1(b), note 4.2, note 6(a) and note 20 to the consolidated financial statements. As of December 31, 2024, the gross amounts of accounts receivable and contract assets amounted to RMB30,073,000 and RMB6,530,000, respectively, with loss allowances amounted to RMB12,328,000 and RMB6,530,000, respectively. Provision for credit loss allowance of accounts receivable and contract assets was made based on an assessment of the lifetime expected credit losses. The estimate requires significant management judgement in making assumptions about the risk of default and expected credit loss rates and selecting the inputs to the calculation of expected credit loss allowance. For accounts receivable and contract assets that do not share same risk characteristics with others, management assessed their expected credit losses on an individual basis. For accounts receivable and contract assets that share same risk characteristics with others, the management calculated the expected credit loss by referring to the historical credit loss experience, combining with the current situation and the forecast of future economic conditions and measuring the accounts receivable and contract assets aging and expected credit loss rate during the lifetime. We focus on auditing the expected credit losses assessment of accounts receivable and contract assets because the estimation of the recoverable amount of accounts receivable and contract assets is subject to high degree of estimation uncertainty. The inherent risk in relation to the expected credit losses assessment of accounts receivable and contract assets is considered higher due to the complexity of the model, and the significant amount of the related balance.	In response to this key audit matter, we performed the following procedures: • Assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud; • Obtained an understanding and evaluated the design and operating effectiveness of the internal control over assessing the expected credit losses of accounts receivable and contract assets; • Evaluated the outcome of prior period assessment of provision for loss allowances of accounts receivable and contract assets to assess the effectiveness of management's estimation process by comparing the expected credit losses in the prior year to the actual collection performance of debtors in the current year; • Assessed the reasonableness of methods and assumptions used and judgments made by management by (1) assessing the appropriateness of the expected credit loss provisioning methodology, (2) inquiring management regarding the credit worthiness of customers, (3) analyzing historical payment pattern of customers, (4) checking the accuracy, on a sample basis, of the key data inputs such as the aging schedule of accounts receivable and contract assets, (5) testing the accuracy of the calculations of expected credit loss rates based on the historical loss and forward-looking information, and (6) evaluating the reasonableness of the forward-looking adjustments made by management; • Tested the mathematical accuracy of the calculation of the expected credit losses; and • Assessed the adequacy of the disclosures related to expected credit losses assessment of accounts receivable and contract assets in the context of HKFRSs. Based the procedures performed, we considered that the significant judgments and estimates made by management were supported by the audit evidence that we obtained.

Independent Auditor's Report (Continued)

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Cheng Kwong On.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, March 14, 2025

Consolidated Statement of Comprehensive Income

for the year ended December 31, 2024
(Expressed in Renminbi ("RMB"))

		Year ended December 31,	
		2024	2023
	Note	***RMB'000***	*RMB'000*
Revenue from contracts with customers	6	**192,477**	238,461
Cost of revenue	7	**(125,497)**	(143,265)
Gross profit		**66,980**	95,196
Selling and marketing expenses	7	**(16,972)**	(18,117)
General and administrative expenses	7	**(44,959)**	(54,069)
Research and development expenses	7	**(15,662)**	(17,753)
Net impairment losses on financial and contract assets	9	**(2,867)**	(6,905)
Other income	10(a)	**7,109**	7,203
Other gains/(losses) – net	10(b)	**9,204**	(259)
Operating profit		**2,833**	5,296
Finance income	11	**14,506**	16,192
Finance costs	11	**(1,568)**	(1,936)
Finance income – net	11	**12,938**	14,256
Share of profit of associates accounted for using the equity method	17(b)	**1,290**	1,450
Profit before income tax		**17,061**	21,002
Income tax expense	12	**(4,730)**	(4,967)
Profit for the year		**12,331**	16,035
Profit attributable to:			
Owners of the Company		**12,139**	16,125
Non-controlling interests		**192**	(90)
		12,331	16,035
Other comprehensive income, net of tax			
Items that will not be reclassified to profit or loss:			
– Currency translation differences		**5,772**	6,156
Total comprehensive income for the year		**18,103**	22,191
Total comprehensive income attributable to:			
Owners of the Company		**17,911**	22,281
Non-controlling interests		**192**	(90)
		18,103	22,191
Earnings per share for profit attributable to owners of the Company			
Basic and diluted *(RMB per share)*	13	**0.04**	0.05

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

as at December 31, 2024
(Expressed in RMB)

	Note	As at December 31, 2024 RMB'000	2023 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	15	**67,068**	45,379
Intangible assets	16	**2,895**	2,998
Investments accounted for using the equity method	17(b)	**4,228**	3,773
Deferred income tax assets	30	**7,076**	8,094
Financial assets measured at fair value through profit or loss	19	**74,866**	31,908
Other non-current assets	21	**20,380**	20,918
Total non-current assets		**176,513**	113,070
Current assets			
Other receivables	20(b)	**6,212**	3,335
Accounts receivable	20(a)	**17,745**	28,009
Contract assets	6(a)	**–**	3,488
Prepayments and other current assets	22	**9,671**	10,227
Financial assets measured at fair value through profit or loss	19	**244,417**	163,043
Cash held on behalf of customers	24	**7,318**	5,123
Short-term bank deposits	23(b)	**229,476**	309,470
Cash and cash equivalents	23(a)	**70,254**	103,682
Total current assets		**585,093**	626,377
Total assets		**761,606**	739,447

Consolidated Balance Sheet (Continued)

as at December 31, 2024
(Expressed in RMB)

	Note	As at December 31, 2024 RMB'000	2023 RMB'000
LIABILITIES			
Non-current liabilities			
Deferred income	29	**9,676**	10,063
Lease liabilities	18	**43,072**	25,510
Deferred income tax liabilities	30	**7**	52
Total non-current liabilities		**52,755**	35,625
Current liabilities			
Accounts payable	25	**3,501**	4,488
Other payables	26	**22,956**	26,888
Income tax payable		**6,317**	5,911
Contract liabilities	27	**66,378**	72,273
Lease liabilities	18	**21,004**	18,620
Customer brokerage deposits	28	**7,318**	5,123
Other current liabilities		**2,395**	2,769
Total current liabilities		**129,869**	136,072
Total liabilities		**182,624**	171,697
EQUITY			
Equity attributable to the owners of the Company			
Share capital	31	**199**	200
Share premium	31	**413,441**	414,530
Other reserves	32	**85,295**	83,939
Retained earnings		**80,621**	69,442
		579,556	568,111
Non-controlling interests		**(574)**	(361)
Total equity		**578,982**	567,750
Total equity and liabilities		**761,606**	739,447

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

The consolidated financial statements on pages 98 to 174 were approved by the Board of Directors on March 14, 2025 and were signed on its behalf.

Ni Zhengdong
Director

Zhang Yanyan
Director

Consolidated Statement of Cash Flows

for the year ended December 31, 2024
(Expressed in RMB)

	Note	Year ended December 31, 2024 RMB'000	2023 RMB'000
Cash flows from operating activities			
Cash generated from operations	33(a)	**9,633**	29,626
Income taxes paid		**(3,351)**	(8,737)
Net cash inflow from operating activities		**6,282**	20,889
Cash flows from investing activities			
Purchase of wealth management products ("WMPs") measured at fair value through profit or loss		**(531,089)**	(454,697)
Proceeds from disposal of WMPs measured at fair value through profit or loss		**447,109**	416,168
Consideration paid for the acquisition of the partnership interest in Beijing Zero2IPO Zhida Investment Management Center (Limited Partnership) ("Zhida Fund")		**(28,295)**	–
Increase in short-term bank deposits		**(407,893)**	(744,778)
Decrease in short-term bank deposits		**504,732**	740,155
Purchase of property, plant and equipment and intangible assets		**(1,359)**	(4,154)
Disposal of property, plant and equipment and intangible assets		**10**	–
Dividend from an associate		**835**	–
Dividend from Zhida Fund		**469**	–
Others		**(150)**	–
Net cash outflow from investing activities		**(15,631)**	(47,306)
Cash flows from financing activities			
Repurchase of own shares	31	**(6,466)**	(1,875)
Repayment of lease liabilities (including interest paid)		**(22,187)**	(16,123)
Divestment of a non-controlling interest shareholder in a subsidiary		**(405)**	–
Net cash outflow from financing activities		**(29,058)**	(17,998)
Net decrease in cash and cash equivalents		**(38,407)**	(44,415)
Cash and cash equivalents at the beginning of the financial year	23(a)	**103,682**	142,281
Effects of exchange rate changes on cash and cash equivalents		**4,979**	5,816
Cash and cash equivalents at end of year	23(a)	**70,254**	103,682

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

for the year ended December 31, 2024
(Expressed in RMB)

		Attributable to owners of the Company							
				Other reserves					
	Note	Share capital *RMB'000*	Share premium *RMB'000*	Treasury shares *RMB'000*	Others *RMB'000*	Retained earnings *RMB'000*	Sub-Total *RMB'000*	Non-controlling interests *RMB'000*	Total equity *RMB'000*
Balance at January 1, 2023		201	418,332	(1,994)	76,959	55,635	549,133	(271)	548,862
Profit for the year		–	–	–	–	16,125	16,125	(90)	16,035
Other comprehensive income		–	–	–	6,156	–	6,156	–	6,156
Total comprehensive income		–	–	–	6,156	16,125	22,281	(90)	22,191
Transaction with owners:									
Repurchase of own shares	31,32	–	–	(3,303)	–	–	(3,303)	–	(3,303)
Cancellation of shares	31,32	(1)	(3,802)	3,803	–	–	–	–	–
Appropriation to statutory reserves		–	–	–	2,318	(2,318)	–	–	–
Balance at December 31, 2023		200	414,530	(1,494)	85,433	69,442	568,111	(361)	567,750

Consolidated Statement of Changes in Equity (Continued)

for the year ended December 31, 2024
(Expressed in RMB)

		Attributable to owners of the Company							
				Other reserves					
	Note	Share capital RMB'000	Share premium RMB'000	Treasury shares RMB'000	Others RMB'000	Retained earnings RMB'000	Sub-Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
Balance at January 1, 2024		200	414,530	(1,494)	85,433	69,442	568,111	(361)	567,750
Profit for the year		–	–	–	–	12,139	12,139	192	12,331
Other comprehensive income		–	–	–	5,772	–	5,772	–	5,772
Total comprehensive income		–	–	–	5,772	12,139	17,911	192	18,103
Transaction with owners:									
Divestment of non-controlling interest in a subsidiary		–	–	–	–	–	–	(405)	(405)
Repurchase of own shares	31,32	–	–	(6,466)	–	–	(6,466)	–	(6,466)
Cancellation of shares	31,32	(1)	(1,089)	1,090	–	–	–	–	–
Appropriation to statutory reserves		–	–	–	960	(960)	–	–	–
Balance at December 31, 2024		199	413,441	(6,870)	92,165	80,621	579,556	(574)	578,982

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)

1 GENERAL INFORMATION AND SIGNIFICANT EVENTS

1.1 General information

Zero2IPO Holdings Inc. (the "Company") was incorporated in the Cayman Islands on August 1, 2019, as an exempted company with limited liability under the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together referred as to the "Group") are principally engaged in providing integrated equity investment service, namely data services, marketing services, investment banking services and training services (collectively, the "Business") in the People's Republic of China (the "PRC").

Mr. Ni Zhengdong (倪正東) is the controlling shareholder of the Group.

1.2 Significant events in the current reporting period

Investment in Zhida Fund

On December 1, 2023, Beijing Zero2IPO Venture Information Consulting Co., Ltd. ("Zero2IPO Ventures"), a subsidiary of the Company, entered into a series of fund partnership interest transfer agreements ("Zhida Agreements") with each of the transferors (including Fuzhou Development Zone Kehulian Information Technology Co., Ltd., Ms. Yang Zhen, Ms. Chen Hongying, Mr. Yang Qianchu and Mr. Zhang Can, each being a Limited Partner in Zhida Fund), respectively, and acquired the partnership interests in Zhida Fund totalling approximately 14.72% with a total consideration of RMB28.3 million. The Zhida Agreements and the transactions contemplated thereunder were approved by the independent shareholders of the Company during Company's extraordinary general meeting held on February 27, 2024. Zero2IPO Ventures has fully paid the consideration and completed the registration alterations of its equity interest in Zhida Fund on April 10, 2024.

The purpose of the investment in Zhida Fund is to look for capital appreciation, such investment is measured at fair value through profit or loss ("FVPL") in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") 9 "Financial Instruments".

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied throughout the periods presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with principal accounting policies as set out below which are in accordance with Hong Kong Financial Reporting Standards ("HKFRS") as issued by Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

HKFRS comprise the following authoritative literature:

- Hong Kong Financial Reporting Standards
- Hong Kong Accounting Standards
- Interpretations developed by the Hong Kong Institute of Certified Public Accountants

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

2.2 Changes in accounting policies

(a) New and amended standards adopted by the Group

The Group has applied the following amendments for the first time for its annual reporting period commencing January 1, 2024:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to HKAS1;
- Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause – Hong Kong Interpretation 5 (Revised);
- Lease Liability in a Sale and Leaseback – Amendments to HKFRS 16;
- Supplier Finance Arrangements – Amendments to HKAS 7 and HKFRS 7.

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies (Continued)

(b) New and amended standards and annual improvements not yet adopted

The following new or amended accounting standards and annual improvements have been published which are not mandatory for December 31, 2024 reporting period and have not been early adopted by the Group:

	Effective date
Amendments to HKAS 21 – Lack of Exchangeability	January 1, 2025
Amendments to HKFRS 9 and HKFRS 7 – Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	January 1, 2026
HKFRS 18 – Presentation and Disclosure in Financial Statements and HK Interpretation 5 – Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	January 1, 2027
HKFRS 19 – Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to HKAS 28 and HKFRS 10 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

These new or amended accounting standards and annual improvements are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions, except that the adoption of HKFRS 18 upon its effective date is expected to have certain pervasive impact on the presentation and disclosures of the Group's financial statements as described below.

HKFRS 18 assessment

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the income statement and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies (Continued)

(b) New and amended standards and annual improvements not yet adopted (Continued)

HKFRS 18 assessment (Continued)

- Although the adoption of HKFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the income statement into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, certain items items might potentially impact operating profit, such as fair value gains or losses on investments measured at fair value through profit or loss currently aggregated in the line item 'other gains – net' in operating profit need to be presented below operating profit

- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.

- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the enhanced aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

  - management-defined performance measures;

  - a break-down of the nature of expenses for line items presented by function in the operating category of the income statement – this break-down is only required for certain nature expenses; and

  - for the first annual period of application of HKFRS 18, a reconciliation for each line item in the income statement between the restated amounts presented by applying HKFRS 18 and the amounts previously presented applying HKAS 1.

The Group will apply the new standard from its mandatory effective date of January 1, 2027. Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with HKFRS 18.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies

(a) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The merger accounting is used to account for business combinations under common control by the Group.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Subsidiaries controlled through Contractual Arrangements

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated balance sheet, respectively.

Current PRC laws and regulations impose certain restrictions or prohibitions on foreign ownership of companies that engage in value-added telecommunications services. Certain internet-based businesses of the Group under data services, marketing services and investment banking services are categorized as value-added telecommunications services. The value-added telecommunications services in the PRC were carried out through Beijing Zero2IPO Venture Information Consulting Co., Ltd. ("Zero2IPO Ventures") and its subsidiary. To comply with the relevant PRC laws and regulations, the wholly-owned subsidiary of the Company, Beijing Zero2IPO Huchuang Management Consulting Service Co., Ltd. ("Beijing Huchuang"), has entered into a series of contractual arrangements (the "Contractual Agreements") with Zero2IPO Ventures and its respective equity holders, which enable the Group to:

- irrevocably exercise equity holders' voting rights of Zero2IPO Ventures,
- exercise effective financial and operational control over of Zero2IPO Ventures,
- receive substantially all of the economic interest returns generated by Zero2IPO Ventures by way of technical and consulting services provided by Beijing Huchuang,

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(a) Principles of consolidation and equity accounting (Continued)

(i) Subsidiaries (Continued)

Subsidiaries controlled through Contractual Arrangements (Continued)

- obtain an irrevocable and exclusive right to purchase from the respective equity holders all or part of the equity interests in Zero2IPO Ventures and all or any part of its assets in Zero2IPO Ventures at a minimum purchase price permitted under the PRC laws and regulations. The excess of the nominal price should be returned to the wholly owned subsidiary of the Company or the nominee, and

- obtain a pledge over the entire equity interests of Zero2IPO Ventures from its respective equity holders as collateral security for all of Zero2IPO Ventures payments due to Beijing Huchuang and to secure performance of all obligations of Zero2IPO Ventures and the respective equity holders under the Contractual Agreements.

Nevertheless, there are still uncertainties regarding the interpretation and application of current and future PRC laws and regulations. The directors of the Company, based on the advice of its legal counsel, consider that the use of Contractual Arrangements is currently enforceable in the PRC except for certain provisions and does not constitute a breach of the relevant laws and regulations. Accordingly, the subsidiaries controlled through Contractual Agreements were consolidated in the financial statements.

As a result of the Contractual Arrangements, the Group is considered to control Zero2IPO Ventures as it has rights to exercise power over Zero2IPO Ventures, receive variable returns from its involvement with Zero2IPO Ventures, and has the ability to affect those returns through its power over Zero2IPO Ventures. Consequently, the Company regarded Zero2IPO Ventures and its subsidiary as controlled entities and consolidated the financial position and results of operations of these entities in the consolidated financial statement of the Group.

The Group has rights to exercise power over these structured entities, receives variable returns from its involvement in these structured entities, and has the ability to affect those returns through its power over these structured entities. As a result, they are presented as controlled structured entities of the Group.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(a) Principles of consolidation and equity accounting (Continued)

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Over its management, including participation in the financial and operating policy decisions. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. When an investment in an associate is held by, or is held indirectly through, an entity that is a venture capital organisation, or a mutual fund within the Group, the Group may elect to measure those investments at fair value through profit or loss in accordance with HKFRS 9. Such accounting policy election can be made separately for each associate, at initial recognition of the associate.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.3(d).

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(b) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The initial recognition and subsequent measurement of right-of-use is discussed in Note 2.3(h).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of right-of-use assets, the lease term, if shorter, as follows:

	Estimated useful lives
Computers and other electric equipment	3 years
Office equipment	2-5 years
Buildings	30 years
Vehicles	5 years
Right-of-use assets	Shorter of estimated useful life and the lease term

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.3(d)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(c) Intangible assets

(i) Initial recognition

Software

Purchased software is stated at cost less any impairment losses and is amortised on the straight-line basis over its useful lives.

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

– it is technically feasible to complete the software so that it will be available for use,

– management intends to complete the software and use or sell it,

– there is an ability to use or sell the software,

– it can be demonstrated how the software will generate probable future economic benefits,

– adequate technical, financial and other resources to complete the development and to use or sell the software are available, and

– the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Research and development

Research expenditure and development expenditure that do not meet the criteria listed above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. There was no expenditure being capitalised during the year ended December 31, 2024.

Trading Rights

Trading rights acquired in an acquisition are recognised at fair value at the acquisition date. They are amortised from the point at which the asset is ready for use.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(c) Intangible assets (Continued)

(ii) Amortisation methods and periods

The management estimates the useful lives to reflect the Group's intention to derive future economic benefits from the use of these assets. The Group amortises intangible assets with an estimated useful life using the straight-line method over the following periods:

	Estimated useful lives
Software	3-10 years
Trading rights	10 years

(d) Impairment of non-financial assets

The non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(e) Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

– those to be measured subsequently at fair value (either through OCI or through profit or loss), and

– those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(e) Investments and other financial assets (Continued)

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

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

Debt instruments

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

– Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains-net together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of comprehensive income.

– FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gain-net. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gain-net and impairment expenses are presented as separate line item in the statement of comprehensive income.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(e) Investments and other financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

– FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gain-net in the period in which it arises.

(iv) Impairment

The Group has following types of assets subject to HKFRS 9's new expected credit loss model:

– accounts receivable

– contract assets and

– other financial assets at amortised cost (mainly including other receivables).

Measurement of expected credit losses

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For accounts receivable and contract assets, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 3.1b for further details.

Impairment on other financial assets at amortised cost is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(e) Investments and other financial assets (Continued)

(iv) Impairment (Continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. 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 since initial recognition:

– failure to make payments of principal or interest on their contractually due dates;

– an actual or expected significant deterioration in a financial instrument's external or internal credit rating, if available;

– an actual or expected significant deterioration in the operating results of the debtor; and

– existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

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

Expected credit losses are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the expected credit loss amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Write-off policy

Financial assets are written off when the Group is satisfied that recovery is remote. Where loans or receivables have been written off, the Group continues to attempt to recover the receivable due. Where recoveries are made, the recovered amount is recognised in profit or loss.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(f) Current and deferred income tax

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet dates in countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred income tax

Inside basis differences

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(f) Current and deferred income tax (Continued)

(ii) Deferred income tax (Continued)

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries and associates only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(g) Revenue recognition

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

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

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

Contracts with customers may include multiple performance obligations. For such arrangements, the Group allocates transaction price to each performance obligation based on its relative standalone selling price. The Group generally determines standalone selling prices based on the prices charged to customers. If the stand-alone selling price is not directly observable, it is estimated using expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information. Assumptions and estimations have been made in estimating the relative selling price of each distinct performance obligation, and changes in judgements on these assumptions and estimates may impact the revenue recognition.

A contract asset is the Group's right to consideration in exchange for services that the Group has transferred to a customer. A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers services to the customer, the Group has a contract liability when the payment is received or a receivable is recorded (whichever is earlier). A contract liability is the Group's obligation to transfer services to a customer for which the Group has received consideration from the customer.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(g) Revenue recognition (Continued)

Incremental costs incurred to obtain a contract, which mainly comprise sales commissions payable to third party channels for the training service, are amortized on a systemic basis that is consistent with the transfer to the customer of the goods or services to which the costs incurred to obtain a customer contract relates, if it is expected to be recovered. The Group didn't utilize the practical expedient to expense the costs as incurred when the expected amortization period is one year or less. And capitalized incremental costs incurred to obtain a contract is recorded as other current assets.

The Group mainly provides data services, marketing services, investment banking services and training services.

(i) Data services

– Revenue from "PEdata" database

The Group operates its PEDATA MAX, an upgraded SaaS-based version of the Group's "PEdata" database and provides access to PEDATA MAX to its customers that subscribed the right to access and made a corresponding membership payment. The contract usually has a fixed contract term with a fixed consideration that need to pay upon subscription. As the Group has the obligation to continuously update the content of the database, which will significantly impact and benefit the customers, thus it is a right to access license and revenue recognised on a straight-line basis over the contract term.

– Revenue from customized and standardized research reports

The Group provides customized or standardized research reports to its customers. As the customer can't benefit from the performance of the Group before the delivery of the reports, nor control the work in progress and also have no right to payment for the work performed, thus cannot meet the criteria of recognizing revenue over time. The revenue is recognised when the reports are delivered to the customers.

(ii) Marketing services

– Offline brand and customized events

The Group holds offline events under "Zero2IPO" brand and customized events to meet some customer's specific requirement. The revenue is mainly from sponsors fee and on-site advertisement fee. The revenue is recognised during the event period when the Group satisfies its performance.

– Online platforms

The Group provides promotion and advertising services to its customers on its own media platform. The Group recognises media advertising revenue over the promotion and advertising period, during which the Group satisfies its performance.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(g) Revenue recognition (Continued)

(iii) Investment banking services

– Underwriting, sponsoring and financial advisory service

The performance obligation for underwriting, sponsoring and financial advisory services are fulfilled when all the relevant duties of a sponsor or a financial advisor as stated in the contract are completed.

Revenue from underwriting services is recognized when the outcome of the underwriting services provided can be reliably estimated and reasonable recognised. The revenue is usually recognized upon completion of the offering. Revenue from sponsoring fee is recognised at a point in time when all the relevant duties of a sponsor as stated in the contract are completed. Financial advisory service represents advisory fees associated with private placement transactions and mergers and acquisitions. Revenue is recognised at the point when the underlying transactions completed under the terms of respective contract and the Group has a present right to payment from the customers for the service performed.

– Other consulting services

Other consulting service fees are mainly for the services provided to the enterprises through the road shows organized. Revenue is recognised during the period when the services have been rendered.

(iv) Training services

– Investment training service

The Group provides a variety of equity investment-related online and offline training courses primarily through online Sand College, Zero2IPO SandHill College and Zero2IPO Investment Research Institute. For those training services provided, the revenue is recognised during the period when the training delivered as the customer benefit and consumes the benefit simultaneously.

– Online training platform

The Group provides online courses through its Sandhill Class online training platform. The customers can purchase courses for a use right and the revenue is recognised when the courses are delivered. The customers can also subscribe a package of courses which provided continuously online for a period and the revenue is recognised on the over the subscription period based on the course's consumption.

The Group also provides services pack to VIP customers and one-stop services pack to local governments. The pack normally includes licenses to access PEdata database, standardized reports, offline events and online media advertising services as well as investment training services. The total transaction price of the services pack is allocated to each identified performance obligation, based on the stand-alone selling price.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(h) Leases

(i) Group as a lessee

The Group leases properties for operation. Rental contracts are typically made for fixed periods with fixed lease payments. Lease terms are negotiated on an individual basis and do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance costs. The finance cost is charged to the consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities arising from leases are initially measured on the present value of the fixed payment or in-substance fixed payments.

The lease payments are discounted using the Group's incremental borrowing rate. When determining the incremental borrowing rate, specific condition, term and currency to the contract, as well as the recent debt issuances and public available data for instrument with similar characteristics were considered.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and the lease payment made before the lease commencement.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The payments associated with short-term leases and leases of the low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Right-of-use assets are presented in "Property, plant and equipment" on face of the Group's consolidated balance sheet.

(ii) Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of material accounting policies (Continued)

(h) Leases (Continued)

(ii) Group as a lessor (Continued)

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis.

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in Note 2.3(h)i, then the Group classifies the sub-lease as an operating lease.

2.4 Summary of other accounting policies

(a) Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Group on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the Company is United States dollar ("USD"). The Company's primary subsidiaries operate in the PRC and these subsidiaries consider RMB as their functional currency. The presentation currency of the Group is RMB.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.4 Summary of other accounting policies (Continued)

(b) Foreign currency translation (Continued)

(ii) Transactions and balances (Continued)

Foreign exchange gains and losses that relate to borrowings are presented in the statement of comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the statement of comprehensive income on a net basis within other gain – net.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at FVPL are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income ("FVOCI") are recognised in other comprehensive income ("OCI").

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

– assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet

– income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

– all resulting exchange differences are recognised in OCI.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in OCI. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.4 Summary of other accounting policies (Continued)

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that makes strategic decisions.

(d) Accounts receivable

Accounts receivable are amounts due from customers for services performed in the ordinary course of business.

Accounts receivable are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the accounts receivable with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 2.3(e)(iv) for a description of the Group's impairment policies.

(e) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(f) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(g) Accounts and other payables

These amounts primarily represent liabilities for services provided to the Group prior to the end of financial year which are unpaid. Accounts and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(h) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends approved by the Company's shareholders or directors, where appropriate.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

2.4 Summary of other accounting policies (Continued)

(i) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are included in other payables in the consolidated balance sheet.

(ii) Pension obligations

The Group has to make contribution to staff retirement scheme managed by China local government authorities in accordance with the relevant rules and regulations. Contributions to these schemes are charged to the consolidated statement of comprehensive income as and when incurred. The Group has no legal or constructive obligations to pay further contributions.

The Company's subsidiaries incorporated in Hong Kong are required to make contributions to Mandatory Provident Funds under the Hong Kong Mandatory Provident Fund Schemes Ordinance. Such contributions are recognized as an expense in profit or loss as incurred.

(j) Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(k) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to cost are deferred and recognised as other income in the consolidated statement of comprehensive income over the period necessary to match them with the expense that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the consolidated statement of comprehensive income on a straight-line basis over the expected lives of the related assets.

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the senior management of the Group.

3.1 Financial risk factors

(a) Market risk

Interest rate risk

Financial assets/liabilities with variable interest rate expose the Group to cash flow interest-rate risk. And financial assets/liabilities with fixed interest rate expose the Group to fair value interest-rate risk. Other than interest-bearing cash and cash equivalents, short-term bank deposits, long-term bank deposits, cash held on behalf of customers and lease liabilities, the Group has no other significant interest-bearing assets or liabilities. The directors of the Company do not anticipate there is any significant impact resulted from the changes in interest rate.

(b) Credit risk

The Group's maximum exposure to credit risk in relation to financial assets is the carrying amounts of cash and cash equivalents, short-term bank deposits, long-term bank deposits, cash held on behalf of customers, accounts receivable, other receivables, contract assets.

(i) Risk management

Credit risk is managed on a group basis.

The Group is exposed to credit risk primarily in relation to its cash and cash equivalent, short-term bank deposits, long-term bank deposits and cash held on behalf of customers, as well as accounts and other receivables and contract assets. The carrying amount of each class of the above mentioned assets represents the Group's maximum exposure to credit risk in relation to the corresponding class of financial assets.

To manage risk arising from cash and cash equivalent, short-term bank deposits, long-term bank deposits and cash held on behalf of customers. Deposits are mainly placed with state-owned or reputable financial institutions in the PRC. There has been no recent history of default in relation to these financial institutions. Thus, the directors of the Company were of the view the expected credit loss related to cash and cash equivalent and short-term bank deposits was immaterial.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

For accounts receivable and contract assets, the Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group performed credit evaluation which focus on the customer's past history of making payments and current ability to pay. The Group does not obtain collateral from customers. As at December 31, 2024 and 2023, approximately RMB21,014,000 and RMB29,675,000 of the Group's gross accounts receivables were due from the largest five debtors respectively. To mitigate this credit risk, the Group timely monitors its receivable balances and takes necessary actions to reduce and control the overall credit risk, such as timely contact customer for payment notice and getting prepayment from customer with low credit rating.

For other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experiences. In view of the history of cooperation with debtors and the sound collection history of receivables due from them, management believes that the credit risk inherent in the Group's outstanding other receivable balances due from them is not significant.

The Group does not provide any guarantees which would expose the Group to credit risk.

(ii) Impairment of financial assets and contract assets

Accounts receivable and contract assets

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all accounts receivable and contract assets. Accounts receivable included amounts due from customers grouped based on similar credit risk characteristics and from customers with increased credit risks. And the recognition and measurement method of loss allowance for each category is measured separately.

For accounts receivable and contract assets due from customers grouped based on similar credit risk characteristics, the Group calculates the expected credit loss by referring to the historical credit loss experience, combining with the current situation and the forecast of future economic conditions and measuring the accounts receivable aging and expected credit loss rate during the lifetime. The contract assets related to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts.

For accounts receivable due from customers with specific credit risks, such as the customers that the Group has renegotiated with specific payment schedule or the Group has identified with financial difficulties, the Group applies the individual identification method based on the characteristics of credit risk of each individual balance.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets and contract assets (Continued)

Accounts receivable and contract assets (Continued)

The expected loss rates are based on the payment profiles of sales over a period of 36 months before December 31, 2024 or January 1, 2025 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables, such as Fiscal Balance, and accordingly the Group adjusts the historical loss rates based on expected changes in these factors.

The loss allowance for the customers grouped based on similar credit risk characteristics as at December 31, 2024 and 2023 was determined as follows for accounts receivable and contract assets:

	Less than 3 months *RMB'000*	3 months to 12 months *RMB'000*	12 months to 18 months *RMB'000*	18 months to 24 months *RMB'000*	Over 24 months *RMB'000*	Total *RMB'000*
As at December 31, 2024						
Expected loss rate	1.77%	13.39%	46.08%	90%~100%	100.00%	
Accounts receivable	13,588	4,826	306	245	10,970	29,935
Less: allowance	(240)	(646)	(141)	(193)	(10,970)	(12,190)
	13,348	4,180	165	52	–	17,745
Expected loss rate	–	–	–	100.00%	100.00%	
Contract assets	–	–	–	1,900	4,630	6,530
Less: allowance	–	–	–	(1,900)	(4,630)	(6,530)
	–	–	–	–	–	–

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets and contract assets (Continued)

Accounts receivable and contract assets (CONTINUED)

	Less than 3 months RMB'000	3 months to 12 months RMB'000	12 months to 18 months RMB'000	18 months to 24 months RMB'000	Over 24 months RMB'000	Total RMB'000
As at December 31, 2023						
Expected loss rate	4.17%	11.14%	41.94%	82%~100%	100.00%	
Accounts receivable	22,869	5,285	2,346	200	10,383	41,083
Less: allowance	(954)	(589)	(984)	(164)	(10,383)	(13,074)
	21,915	4,696	1,362	36	–	28,009
Expected loss rate	5.86%	25.74%	53.79%	85.00%	100.00%	
Contract assets	–	1,900	4,430	200	–	6,530
Less: allowance	–	(489)	(2,383)	(170)	–	(3,042)
	–	1,411	2,047	30	–	3,488

As at December 31, 2024, the Group also provided the loss allowance of RMB138,000 (December 31, 2023: RMB197,000) for accounts receivable due from customers with specific credit risks amounting to RMB138,000 (December 31, 2023: RMB197,000).

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets and contract assets (Continued)

Accounts receivable and contract assets (Continued)

Accounts receivable and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a bankrupt of a debtor.

Impairment losses on accounts receivable and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other financial assets at amortised cost

Other financial assets at amortised cost mainly include rental deposits and cash held on behalf of customers. As no significant increase of credit risk since initial recognition, management considers that the expected credit loss is insignificant.

(c) Liquidity risk

To manage the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The table below analyses the Group's financial liabilities into relevant maturity grouping 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.

	Less than 1 year *RMB'000*	Between 1 and 2 years *RMB'000*	Between 2 and 5 years *RMB'000*	Above 5 years *RMB'000*	Total *RMB'000*
As at December 31, 2024					
Accounts payable	3,501	–	–	–	3,501
Other payables (excluding employee benefits payables and other tax payables)	4,077	–	–	–	4,077
Lease liabilities	21,569	18,932	27,829	–	68,330
	29,147	18,932	27,829	–	75,908

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Above 5 years	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
As at December 31, 2023					
Accounts payable	4,488	–	–	–	4,488
Other payables (excluding employee benefits payables and other tax payables)	5,807	–	–	–	5,807
Lease liabilities	19,526	11,838	14,505	–	45,869
	29,821	11,838	14,505	–	56,164

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total liabilities divided by total assets. The Group aims to maintain its gearing ratio below 60%. The gearing ratios at December 31, 2024 and 2023 were as follows:

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Total liabilities	**182,624**	171,697
Total assets	**761,606**	739,447
Gearing ratio	**23.98%**	23.22%

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair values

(a) Fair value hierarchy

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. The quoted market price already incorporates the market's assumptions with respect to changes in economic climate such as rising interest rates and inflation, as well as changes due to ESG risk. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and for instruments where ESG risk gives rise to a significant unobservable adjustment.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair values (Continued)

(a) Fair value hierarchy (Continued)

The following table presents the Group's asset that are measured at fair value:

	Level 1 *RMB'000*	**Level 2** *RMB'000*	**Level 3** *RMB'000*	**Total** *RMB'000*
As at December 31, 2024				
Assets:				
Financial assets measured at FVPL				
– WMPs	**–**	**–**	**256,373**	**256,373**
– Investment in TechStar Class B Shares with the conversion right and Promoter Warrants	**–**	**–**	**34,092**	**34,092**
– Investment in Zhida fund *(Note 1.2)*	**–**	**–**	**28,668**	**28,668**
– Others	**–**	**–**	**150**	**150**
As at December 31, 2023				
Assets:				
Financial assets measured at FVPL				
– WMPs	–	–	163,043	163,043
– Investment in TechStar Class B Shares with the conversion right and Promoter Warrants	–	–	31,908	31,908

The Group did not have any financial liabilities that were measured at fair value as of December 31, 2024 and 2023. There were no transfers between levels for recurring fair value measurements during all periods presented.

The following table presents the changes in level 3 instruments of investment in WMPs measured at FVPL for the year ended December 31, 2024:

	Year ended December 31, **2024** *RMB'000*	2023 *RMB'000*
At the beginning of the year	**163,043**	115,127
Additions	**531,089**	454,697
Disposals	**(447,109)**	(416,168)
Changes in fair value	**8,258**	5,144
Exchange differences	**1,092**	4,243
At the end of the year	**256,373**	163,043
Net unrealized gain for the year	**4,218**	1,545

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair values (Continued)

(a) Fair value hierarchy (Continued)

The following table presents the changes in level 3 instruments of investment in TechStar's Class B Shares and Promoter Warrants measured at FVPL for the year ended December 31, 2024:

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
At the beginning of the year	**31,908**	30,973
Additions	**–**	–
Changes in fair value	**1,464**	483
Exchange differences	**720**	452
At the end of the year	**34,092**	31,908
Net unrealized gains for the year	**1,464**	483

The following table presents the changes in level 3 instruments of investment in Zhida Fund measured at FVPL for the year ended December 31, 2024:

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
At the beginning of the year	–	–
Additions	28,295	–
Disposals	–	
Changes in fair value	373	–
Exchange gains	–	–
At the end of the year	28,668	–
Net unrealized gains for the year	373	–

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair values (Continued)

(b) Valuation process and valuation techniques used to determine level 3 fair value

The Group has a team that manages the valuation exercise of level 3 instruments for financial reporting purpose. The team manages the valuation exercise of level 3 instrument on a case by case basis. At least once every year, the team would use valuation techniques to determine the fair value of the Group's level 3 instruments. External valuation experts will be involved when necessary.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- Discounted cash flow model and unobservable inputs mainly including assumptions of expected future cash flows and discount rate; and
- A combination of observable and unobservable inputs, including risk-free rate, expected volatility, discount rate for lack of marketability, market multiples, etc.

The Group did not change any valuation techniques in determining the level 2 and level 3 fair values.

(c) Fair value measurements using significant unobservable inputs.

The valuation of level 3 instruments included investment in WMPs issued by banks, wealth management companies and securities firms, investments in TechStar's Class B Shares and Promoter Warrants and investments in Zhida Fund.

The WMPs held by the Group mainly will mature within one year with variable return rates indexed to the performance of underlying assets. The fair values were determined based on cash flow discounted assuming the expected return will be obtained upon maturity. The following table summarizes the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements of WMPs:

	Significant unobservable inputs	**Range of inputs As at December 31,**		**Relationship of unobservable inputs to fair values**
		2024	2023	
Investment in WMPs	Expected return rate	**2.0%~10.46%**	1.7%~6.5%	The higher the expected return rate, the higher the fair value

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For investment in WMPs, the estimated carrying amount as at December 31, 2024 would have been RMB2,521,310 higher/lower (2023: RMB523,723) should the expected return rate used in discounted cash flow analysis be higher/lower by 1% from management's estimates.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

3 FINANCIAL RISK MANAGEMENT (CONTINUED)

3.3 Fair values (Continued)

(c) Fair value measurements using significant unobservable inputs. (Continued)

For the investments in TechStar's Class B Shares and Promoter Warrants carried at FVPL, Zero2IPO Capital Limited ("Zero2IPO Capital"), a wholly owned subsidiary of the Company, is acting as one of the promoters of this special purpose acquisition company ("SPAC"), and TechStar is established solely for the purpose of effecting a business combination with one or more businesses (the "De-SPAC Transaction"). The management makes periodic assessment based on its understanding and involvement in TechStar's De-SPAC Transaction process. The Group adopts scenario-based analysis to determine the fair value of those investments. Specifically, the Monte-Carlo method was adopted to determine the fair value of Promoter Warrants. The significant unobservable inputs used include the probability of a successful De-SPAC Transaction, the estimated dates of De-SPAC Transaction and the offering price for the De-SPAC Transaction. The estimated carrying amount as at December 31, 2024 would have been RMB4,909,000 (2023: RMB4,695,000) higher/lower should the expected probability of De-SPAC Transaction be higher/lower by 10% from management's estimates.

The holding interest in Zhida Fund measured at FVPL. The investments held by Zhida Fund comprise various investment portfolios measured at FVPL. It uses asset approach to determine the fair value of the holding interest in Zhida fund, where mainly using market approach and asset approach to estimate the fair values of each of Zhida Fund's investments. The significant unobservable inputs used for fair value assessment include the the valuation multiples and discount for lack of marketability, management of the Company determined these inputs based on its judgement after considering market conditions and company-specific factors such as the developmental stage of the investment portfolios, and the ranges of these inputs as at December 31, 2024 are 0.6 ~ 4.0 and 18.46% ~ 39.06%, respectively.

4 CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

4 CRITICAL ESTIMATES AND JUDGEMENTS (CONTINUED)

4.1 Current and deferred income tax

The Group is subject to income taxes in different areas. Judgment is required in determining the provision for income taxes in each of these jurisdictions. There are transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and taxation charges in the period in which such estimate is changed.

4.2 Impairment of accounts receivables and contract assets

The loss allowances for accounts receivables and contract assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history existing market conditions as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the tables in Note 3.1b.

4.3 Revenue recognition

Contracts with customers may include multiple performance obligations. For such arrangements, the Group allocates transaction price to each performance obligation based on its relative standalone selling price. The Group generally determines standalone selling prices based on the prices charged to customers. If the stand-alone selling price is not directly observable, it is estimated using expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information. Assumptions and estimations have been made in estimating the relative selling price of each distinct performance obligation, and changes in judgements on these assumptions and estimates may impact the revenue recognition. Further details are included in Note 2.3(g).

4.4 Fair value of financial instruments

Fair value of financial assets, in the absence of an active market, is estimated by using appropriate valuation techniques. Such valuations were based on certain assumptions associated with the instruments, which are subject to uncertainty and might materially differ from the actual results. Further details are included in Note 3.3.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

5 SEGMENT INFORMATION

The Group's business activities are mainly in data services, marketing services, investment banking services and training services and are regularly reviewed and evaluated by the CODM. As a result of this evaluation, the Group is organised into four reportable segments according to the revenue streams of the Group, and the revenue streams of the Group are data services, marketing services, investment banking services and training services.

The CODM assesses the performance of the operating segments based on the gross profit. The reconciliation of gross profit to profit before income tax is shown in the consolidated statement of comprehensive income. There were no separate segment assets and segment liabilities information provide to the CODM, as the CODM does not use this information to allocate resources or to evaluate the performance of the operating segments.

The segment results for the years ended December 31, 2024 and 2023 are as follows:

	Data services *RMB'000*	Marketing services *RMB'000*	Investment banking services *RMB'000*	Training services *RMB'000*	Total *RMB'000*
2024					
Revenue	**69,925**	**71,862**	**25,790**	**24,900**	**192,477**
Cost of revenue	**(36,374)**	**(40,567)**	**(27,537)**	**(21,019)**	**(125,497)**
Gross profit/(loss)	**33,551**	**31,295**	**(1,747)**	**3,881**	**66,980**
2023					
Revenue	70,425	85,722	32,376	49,938	238,461
Cost of revenue	(30,992)	(43,176)	(32,332)	(36,765)	(143,265)
Gross profit	39,433	42,546	44	13,173	95,196

The Company is domiciled in the Cayman Islands while the Group mainly operates its businesses in the PRC and earns substantially all of the revenues from external customers in the PRC, while substantially all of the non-current assets of the Group were located in the PRC. Thus, no geographical segment information is presented.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS

An analysis of the Group's revenue by category for the years ended December 31, 2024 and 2023 was as follows:

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Revenue from contracts with customers		
Recognised over time		
Data services	**22,793**	21,622
Marketing services	**71,862**	85,722
Investment banking services	**11,331**	17,145
Training services	**21,855**	44,563
Recognised at a point in time		
Data services	**47,132**	48,803
Investment banking services	**14,459**	15,231
Training services	**3,045**	5,375
Total	**192,477**	238,461

The Group generally enters into service contracts with customers for a contract term less than one year. Therefore, the Group has applied the practical expedient permitted under HKFRS 15 not to disclose the transaction price allocated to the unsatisfied performance obligations.

(a) Assets and liabilities related to contacts with customers

Assets and liabilities related to contracts with customers recognised by the Group:

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Contract assets relating to contracts	**6,530**	6,530
Less: allowance for impairment	**(6,530)**	(3,042)
Total contract assets	**–**	3,488
Contract costs incurred to obtain a contract *(Note 22)*	**2,351**	4,309
Contract liabilities relating to contracts *(Note 27)*	**66,378**	72,273

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

(a) Assets and liabilities related to contacts with customers (Continued)

Significant changes in contract assets relating to satisfaction of performance obligation:

	Gross Amount *RMB'000*	**Loss allowance** *RMB'000*
As at December 31, 2022	13,098	(657)
Transfer to accounts receivables	(8,468)	314
Increase resulting from satisfaction of performance obligation	1,900	–
Increase resulting from expected credit loss and aging	–	(2,699)
As at December 31, 2023	6,530	(3,042)
Increase resulting from expected credit loss and aging	–	(3,488)
As at December 31, 2024	6,530	(6,530)

7 EXPENSES BY NATURE

The details of cost of revenue, selling and marketing expenses, general and administrative expenses and research and development expense are as follows:

	Note	**Year ended December 31,** **2024** ***RMB'000***	2023 *RMB'000*
Employee benefit expense	8	**112,057**	120,363
Offline event costs		**27,209**	41,113
Professional service fee		**16,452**	22,615
Depreciation and amortisation		**21,176**	20,630
Travel expenses		**8,853**	10,928
Office expenses		**4,455**	4,510
Advertisement expenses		**4,354**	3,224
Utilities and property management fee		**3,038**	3,112
Auditor's remuneration			
– Audit service		**1,960**	2,400
– Non-audit service		**–**	100
Others		**3,536**	4,209
Total		**203,090**	233,204

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

8 EMPLOYEE BENEFIT EXPENSE

	Year ended December 31, 2024 RMB'000	2023 RMB'000
Salaries and other benefits	**82,219**	88,259
Pension cost: contributions to defined contribution plans	**8,894**	9,514
Other social security costs (such as housing benefits and others)	**20,944**	22,590
Total	**112,057**	120,363

As at December 31, 2024, defined contribution plans payables were RMB632,000 (2023: RMB675,000).

During the year ended December 31, 2024, no forfeited contributions were utilised by the Group to reduce its contributions for the current year (2023: nil).

(a) Benefits and interests of directors

(i) Director's and Chief Executive's emoluments

For the year ended December 31, 2024:

	Fees RMB'000	Salary RMB'000	Discretionary bonuses RMB'000	Allowances and benefits in kind RMB'000	Employer's contribution to a retirement benefit scheme RMB'000	Other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking benefits RMB'000	Total RMB'000
Chairman, chief executive							
Mr. Ni*	–	1,148	–	94	99	–	1,341
Executive Directors							
Ms. Fu**	–	1,038	200	94	83	–	1,415
Ms. Zhang**	–	1,475	298	94	83	–	1,950
Non-executive Director							
Mr. Kung***	–	–	–	–	–	–	–
Independent Non-executive Directors							
Ms. Yu****	116	–	–	–	–	–	116
Mr. Zhang****	116	–	–	–	–	–	116
Mr. Ye******	137	–	–	–	–	–	137
	369	3,661	498	282	265	–	5,075

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

8 EMPLOYEE BENEFIT EXPENSE (CONTINUED)

(a) Benefits and interests of directors (Continued)

(i) Director's and Chief Executive's emoluments (Continued)

For the year ended December 31, 2023:

	Fees RMB'000	Salary RMB'000	Discretionary bonuses RMB'000	Allowances and benefits in kind RMB'000	Employer's contribution to a retirement benefit scheme RMB'000	Other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertaking benefits RMB'000	Total RMB'000
Chairman, chief executive							
Mr. Ni*	–	1,005	–	90	78	–	1,173
Executive Directors							
Ms. Fu**	–	890	200	90	77	–	1,257
Ms. Zhang**	–	996	200	90	73	–	1,359
Non-executive Director							
Mr. Kung***	–	–	–	–	–	–	–
Independent Non-executive Directors							
Ms. Yu****	115	–	–	–	–	–	115
Mr. Zhang****	115	–	–	–	–	–	115
Mr. Huang*****	64	–	–	–	–	–	64
Mr. Ye******	79	–	–	–	–	–	79
	373	2,891	400	270	228	–	4,162

* Mr. Ni Zhengdong was appointed as a director of the Company on August 1, 2019. The amounts presented above represent the salary, bonus, other social security costs, housing benefits and other employee benefits paid during 2024 and 2023.

** Ms. Fu Xinghua and Ms. Zhang Yanyan were appointed as executive directors of the Company on May 29, 2020. The amounts presented above represent the salary, bonus, other social security costs, housing benefits and other employee benefits paid during 2024 and 2023.

*** Mr. Kung Hung Ka was appointed as a non-executive director of the Company on May 29, 2020. Mr. Kung Hung Ka voluntarily gave up and did not receive any remuneration during 2024 and 2023.

**** Ms. Yu Bin and Mr. Zhang Min were appointed as independent non-executive directors on December 7, 2020.

***** Mr. Huang Xubin was appointed as an independent non-executive director with effect from June 6, 2022 and resigned as an independent non-executive director with effect from June 8, 2023.

****** Mr. YE Daqing was appointed as an independent non-executive director with effect from June 8, 2023.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

8 EMPLOYEE BENEFIT EXPENSE (CONTINUED)

(a) Benefits and interests of directors (Continued)

(ii) Director's retirement and termination benefits

No retirement or termination benefits have been paid to the Company's directors during 2024 and 2023.

(iii) Consideration provided to third parties for making available directors' services

No consideration provided to third parties for making available directors' services subsisted at the end of the year or at any time during 2024 and 2023.

(iv) Information about loans, quasi-loans and other dealings in favor of directors, controlled bodies corporate by and connected entities with such directors

No loans, quasi-loans or other dealings are entered into by the Company in favor of directors, controlled bodies corporate by and connected entities with such directors during 2024 and 2023.

(v) Directors' material interests in transactions, arrangements or contract

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted during 2024 and 2023.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

8 EMPLOYEE BENEFIT EXPENSE (CONTINUED)

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include two directors for the year ended December 31, 2024 (2023: two). The directors' emoluments are reflected in the analysis shown in Note 8(a). The emoluments payable to the remaining three individuals during 2024 and 2023 are as follows:

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Salaries and other benefits	**5,798**	5,952
Pension cost: contributions to defined contribution plans	**116**	47
Other social security costs (such as housing benefits and others)	**94**	–
Total employee benefit expense	**6,008**	5,999

The emoluments fell within the following bands.

	Year ended December 31,	
	2024	2023
Emolument bands (in HKD)		
Nil – 500,000	**–**	–
500,001 – 1,000,000	**–**	–
1,000,001 – 1,500,000	**2**	1
1,500,001 – 2,000,000	**–**	1
2,000,001 – 2,500,000	**–**	–
2,500,001 – 3,000,000	**–**	–
3,000,001 – 4,500,000	**1**	1
	3	3

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

9 NET IMPAIRMENT LOSSES ON FINANCIAL AND CONTRACT ASSETS

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Impairment loss provided for the year from:		
– Accounts receivable	**(604)**	4,201
– Contract assets	**3,488**	2,385
– Other receivables	**(17)**	319
	2,867	6,905

10 OTHER INCOME AND OTHER GAINS/(LOSSES) – NET

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
(a) Other income		
Rental income, net	**5,552**	6,119
Government grants	**957**	625
Dividend	**469**	–
Others	**131**	459
Total	**7,109**	7,203
(b) Other gains/(losses)		
Net fair value gains of financial assets measured at FVPL	**10,095**	5,627
Exchange loss	**(411)**	(345)
Loss on disposal of property, plant and equipment/termination of lease contract	**(140)**	(31)
Donations	**–**	(5,420)
Others	**(340)**	(90)
Total	**9,204**	(259)

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

11 FINANCE INCOME – NET

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Finance income		
Interest income from bank deposits	**14,506**	16,192
Finance costs		
Interest expense for lease liabilities	**(1,568)**	(1,936)
Finance income – net	**12,938**	14,256

12 INCOME TAX EXPENSE

(i) Cayman Islands Income Tax

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

(ii) Hong Kong Income Tax

According to the two-tiered profits tax regime, Hong Kong profits tax rate is 8.25% for assessable profits in the first HKD2 million and 16.5% for any assessable profits in excess.

(iii) PRC Enterprise Income Tax ("EIT")

The income tax provision of the Group in respect of its operations in the PRC was subject to statutory tax rate of 25% on the assessable profits for the year ended December 31, 2024 and 2023, based on the exiting legislation, interpretations and practices in respect, therefore.

Several subsidiaries of the Company qualify as "Small and micro enterprises" under the relevant PRC laws and regulations. According to the EIT Law and its implementation rules, the qualified enterprises are entitled a preferential tax rate under the newly issued EIT treatment, which applied from January 1, 2023 to December 31, 2027. Under such treatment, the annual assessable profits are eligible for a 25% deduction, which are all entitled to a reduced enterprise income tax rate of 20%.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

12 INCOME TAX EXPENSE (CONTINUED)

(iii) PRC Enterprise Income Tax ("EIT") (Continued)

(a) Income tax expense

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Current income tax		
Current tax on profits for the year	**3,757**	2,938
Deferred income tax		
Changes in deferred tax assets/liabilities *(Note 30)*	**973**	2,029
Income tax expense	**4,730**	4,967

(b) Reconciliation of income tax expense

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Profit before income tax	**17,061**	21,002
Tax at the PRC tax rate of 25%	**4,265**	5,251
Effect of different tax rates in different jurisdiction	**(274)**	(710)
Preferential income tax rates applicable to subsidiaries	**(511)**	(617)
Tax losses and temporary differences for which no deferred income tax assets was recognized	**1,105**	1,018
Tax effect of non-deductible expenses	**145**	25
Income tax expense	**4,730**	4,967

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

13 EARNINGS PER SHARE

(a) Basic

The basic earnings per share is calculated based on the profit attributable to equity holders of the Company for the year ended December 31, 2024 and 2023 divided by the weighted average number of ordinary shares in issued during the year.

	Year ended December 31,	
	2024	2023
Profit attributable to owners of the Company (RMB'000)	**12,139**	16,125
Weighted average number of ordinary shares in issue (thousand) (i)	**304,463**	307,101
Basic earnings per share (RMB per share)	**0.04**	0.05

(i) The repurchase of shares for the year ended December 31, 2023 and 2024 were accounted at time portion basis.

(b) Diluted

For the years ended December 31, 2024 and 2023, there were no dilutive potential ordinary shares on the Company outstanding. Therefore, there was no dilution impact on weighted average number of shares on the Company.

14 DIVIDENDS

No dividend has been paid or declared paid by the Company during the year ended December 31, 2024 (2023: nil).

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

15 PROPERTY, PLANT AND EQUIPMENT

	Computers and other electric equipment RMB'000	Office equipment RMB'000	Vehicles RMB'000	Buildings RMB'000	Right-of-use assets RMB'000	Total RMB'000
Year ended December 31, 2023						
Opening net book amount	1,201	1,516	–	6,980	44,388	54,085
Additions	343	3,755	270	–	16,932	21,300
Exchange differences	4	3	–	–	37	44
Depreciation charge	(657)	(1,647)	(13)	(265)	(17,649)	(20,231)
Disposals/termination of lease contracts	(20)	(53)	–	–	(9,746)	(9,819)
Closing net book amount	871	3,574	257	6,715	33,962	45,379
As at December 31, 2023						
Cost	3,931	15,296	270	7,959	99,690	127,146
Accumulated depreciation	(3,060)	(11,722)	(13)	(1,244)	(65,728)	(81,767)
Net book amount	871	3,574	257	6,715	33,962	45,379
Year ended December 31, 2024						
Opening net book amount	**871**	**3,574**	**257**	**6,715**	**33,962**	**45,379**
Additions	**144**	**144**	**734**	**–**	**41,697**	**42,719**
Exchange differences	**2**	**1**	**–**	**–**	**48**	**51**
Depreciation charge	**(467)**	**(1,203)**	**(151)**	**(265)**	**(18,593)**	**(20,679)**
Disposals/termination of lease contracts	**(32)**	**(54)**	**–**	**–**	**(316)**	**(402)**
Closing net book amount	**518**	**2,462**	**840**	**6,450**	**56,798**	**67,068**
As at December 31, 2024						
Cost	**3,959**	**15,360**	**1,004**	**7,959**	**137,740**	**166,022**
Accumulated depreciation	**(3,441)**	**(12,898)**	**(164)**	**(1,509)**	**(80,942)**	**(98,954)**
Net book amount	**518**	**2,462**	**840**	**6,450**	**56,798**	**67,068**

Depreciation charges were expensed off (Note 7) in the following categories in the consolidated statement of comprehensive income:

	Year ended December 31, 2024 RMB'000	2023 RMB'000
Cost of revenue	**12,030**	11,046
General and administrative expenses	**5,825**	5,462
Selling and marketing expenses	**2,405**	2,384
Research and development expenses	**419**	1,339
	20,679	20,231

The Group obtains right to control the use of properties through entering respective lease arrangement. The leased assets cannot be used as security for borrowing purposes.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

16 INTANGIBLE ASSETS

	Trading rights *RMB'000*	Software *RMB'000*	Total *RMB'000*
Year ended December 31, 2023			
Opening net book amount	3,251	101	3,352
Exchange differences	45	–	45
Amortisation charge	(378)	(21)	(399)
Closing net book amount	2,918	80	2,998
At December 31, 2023			
Cost	3,771	212	3,983
Accumulated amortisation and impairment	(853)	(132)	(985)
Net book amount	2,918	80	2,998
Year ended December 31, 2024			
Opening net book amount	**2,918**	**80**	**2,998**
Additions	**–**	**336**	**336**
Exchange differences	**58**	**–**	**58**
Amortisation charge	**(383)**	**(114)**	**(497)**
Closing net book amount	**2,593**	**302**	**2,895**
At December 31, 2024			
Cost	**3,889**	**548**	**4,437**
Accumulated amortisation and impairment	**(1,296)**	**(246)**	**(1,542)**
Net book amount	**2,593**	**302**	**2,895**

Amortisation charges were expensed off (Note 7) in the following categories in the consolidated statement of comprehensive income:

	Year ended December 31,	
	2024 ***RMB'000***	2023 *RMB'000*
General and administrative expenses	**497**	399

Notes to the Consolidated Financial Statements (Continued)

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17 (a) Principal subsidiaries

As at December 31, 2024 and 2023, the Company had direct or indirect interests in the following principal subsidiaries:

Company Name	Kind of legal entity	Place of establishment/ date of incorporation	Principal activities/ Place of operation	Issued and paid-in/registered capital	% of attributable equity interest
Zero2IPO Investment Management Limited	Limited liability company	British Virgin Island/ February 3, 2021	Investment holding in Hong Kong	USD 100.00/ 100.00	100%
Zero2IPO International Holdings Limited	Limited liability company	Hong Kong, China February 19, 2021	Investment holding in Hong Kong	HKD 50 million/ HKD 70 million	100%
Zero2IPO Capital Limited	Limited liability company	Hong Kong, China March 5, 2021	Corporate Finance in Hong Kong	HKD 10 million/ HKD 10 million	100%
Zero2IPO Securities Limited	Limited liability company	Hong Kong, China September 16, 2021	Financial Service in Hong Kong	HKD 42 million/ HKD 42 million	100%
Zero2IPO Global Strategy Limited	Limited liability company	British Virgin Island August 17, 2022	Consulting service in Hong Kong	USD 1.00/–	100%
Beijing Huchuang	Limited liability company	Beijing, China/ June 8, 2020	Investment holding in Mainland China	–/HKD 50 million	100%
Beijing Zero2IPO Venture Information Consulting Co., Ltd. ("北京清科創業信息諮詢有限公司")	Limited liability company	Beijing, China/ September 10, 2013	Data, marketing and other related service business in Mainland China	RMB30 million/ RMB30 million	100%
Hangzhou Zero2IPO Sandhill Investment Management Co., Ltd. ("杭州清科沙丘投資管理有限公司")	Limited liability company	Hangzhou, China/ July 14, 2017	Training service business in Mainland China	RMB5 million/ RMB 5 million	100%
Ningbo Zero2IPO Ningfeng Enterprise Management Consulting Co., Ltd. ("寧波清科寧豐企業管理諮詢有限責任公司")	Limited liability company	Zhejiang, China/ December 21, 2017	Training and other related services business in Mainland China	RMB1.2 million/ RMB 30 million	100%
Hainan Qingyou Venture Information Consulting Co., Ltd. ("海南清柚創業信息諮詢有限公司")	Limited liability company	Hainan, China/ March 20, 2018	Training, consulting and other related services business in Mainland China	RMB1 million/ RMB1 million	100%
Shanghai Qingyou Enterprise Management Consulting Co., Ltd. ("上海清柚企業管理諮詢有限公司")	Limited liability company	Shanghai, China/ May 8, 2018	Marketing and other related service business in Mainland China	RMB5 million/ RMB 5 million	100%
Xi'an Zero2IPO Aixi Enterprise Management Consulting Co., Ltd. ("西安清科艾西企業管理諮詢有限公司")	Limited liability company	Xi'an, China/ June 29, 2018	Training and other related services business in Mainland China	RMB5 million/ RMB 5 million	100%

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

17 (a) Principal subsidiaries (Continued)

As at December 31, 2024 and 2023, the Company had direct or indirect interests in the following principal subsidiaries: (Continued)

Company Name	Kind of legal entity	Place of establishment/ date of incorporation	Principal activities/ Place of operation	Issued and paid-in/registered capital	% of attributable equity interest
Nanjing Zero2IPO Aining Enterprise Management Consulting Co., Ltd. ("南京清科艾寧企業管理諮詢有限責任公司")	Limited liability company	Nanjing, China/ August 21, 2019	Consulting services business in Mainland China	RMB5 million/ RMB5 million	100%
Qingdao Zero2IPO Aihe Enterprise Management Consulting Service Co., Ltd. ("青島清科艾和企業管理諮詢服務有限公司")	Limited liability company	Shandong, China/ November 28, 2019	Training and other related services business in Mainland China	RMB-/ RMB5 million	100%
Beijing Zero2IPO Innovation and Venture Consulting Co., Ltd. ("北京清科新創創業諮詢有限公司")	Limited liability company	Beijing, China/ August 14, 2019	Marketing and other related service business in Mainland China	RMB1.053 million/ RMB1.053 million	100%
Hangzhou Zero2IPO Sandhill Venture Service Co. Ltd. ("杭州清科沙丘創業服務有限公司")	Limited liability company	Hangzhou, China/ November 19, 2020	Consulting services business in Mainland China	RMB-/ RMB 1 million	100%
Wuhan Zero2IPO Aijiang Enterprise Management Consulting Co, Ltd. ("武漢清科艾江企業管理有限公司")	Limited liability company	Wuhan, China/ May 28, 2021	Data service business in Mainland China	RMB-/ RMB5 million	100%
Hubei Zero2IPO Venture Service Co. Ltd. ("湖北清科創業服務有限公司")	Limited liability company	Wuhan, China/ July 26, 2021	Consulting and other related services business in Mainland China	RMB-/ RMB 1 million	100%
Jinhua Zero2IPO Venture Service Co., Ltd. ("金华清科創業服務有限公司")	Limited liability company	Jinhua, China/ December 16, 2021	Consulting and other related services business in Mainland China	RMB-/ RMB1 million	100%
Suzhou Zero2IPO Aisu Enterprise Management Co., Ltd. ("蘇州清科艾蘇企業管理有限公司")	Limited liability company	Suzhou, China/ February 8, 2022	Consulting and other related services business in Mainland China	RMB10 million/RMB10 million	100%
Suzhou Zero2IPO Aidong Operations and Management Co., Ltd ("蘇州清科艾東運營管理有限公司") *(Note)*	Limited liability company	Suzhou, China/ March 8, 2022	House Leasing services in Mainland China	RMB0.1 million/RMB0.1 million	55%
Chongqing Zero2IP Aiyu Enterprise Management Co., Ltd. ("重慶清科艾渝企業管理有限公司")	Limited liability company	Chongqing, China/ May 18, 2022	Consulting and other related services business in Mainland China	RMB100 million/RMB100 million	100%
Wuxi Zero2IPO Venture Consulting Co., Ltd. ("無錫清科創業諮詢有限公司")	Limited liability company	Wuxi, China/ August 2, 2022	Consulting and other related services business in Mainland China	RMB-/ RMB1 million	100%
Shenzhen Zero2IPO Venture ("深圳清科創業資訊諮詢有限公司")	Limited liability company	Shenzhen, China/ December 12, 2022	Consulting and other related services business in Mainland China	RMB-/ RMB50 million	100%
Hunan Zero2IPO Venture Service Co., Ltd. ("湖南清科創業服務有限公司")	Limited liability company	Hunan, China/ December 12, 2021	Consulting and other related services business in Mainland China	RMB-/ RMB5 million	100%

Note: No subsidiaries of the Group have material non-controlling interests.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

17 (b) Investments accounted for using the equity method

Set out below is the associate of the Group as at December 31, 2024 and 2023.

Company Name	Kind of legal entity	Place of establishment/ date of incorporation	Principal activities/ Place of operation	Issued and paid-in/registered capital	% of attributable equity interest
Beijing Zhongguancun International Exhibition Co., Ltd. ("北京中關村國際會展運營管理有限公司") *(Note)*	Limited liability company	Beijing, China/ May 25, 2020	Exhibition and marketing services in Mainland China	RMB11.0 million/ RMB20 million	20%

	As at December 31, 2024 RMB'000	2023 RMB'000
At the beginning of the year	**3,773**	2,323
Share of profit of associates accounted for using the equity method	**1,290**	1,450
Dividends received	**(835)**	–
At the end of the year	**4,228**	3,773

Note: the associate is not considered material to the Group, therefore the summarized financial information is not disclosed.

18 LEASE

(a) Amounts recognised in the consolidated balance sheet

Other than the right-of-use assets presented in property, plant and equipment in Note 15, the consolidated balance sheet shows the following amounts relating to leases:

	As at December 31, 2024 RMB'000	2023 RMB'000
Lease liabilities		
Current	21,004	18,620
Non-current	43,072	25,510
	64,076	44,130

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

18 LEASE (CONTINUED)

(b) Amounts recognised in the consolidated statement of comprehensive income

The consolidated statement of comprehensive income shows the following amounts relating to leases:

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Depreciation charge of right-of-use assets *(Note 15)*	**18,593**	17,649
Interest expense (included in finance costs) *(Note 11)*	**1,568**	1,936
Expense relating to short-term leases (included in cost of revenue and administrative expenses)	**3,684**	4,037
	23,845	23,622

The total cash outflow for leases for the year ended December 31, 2024 is RMB25,871,000 (2023: RMB20,160,000).

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

19 FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments:

		As at December 31,	
		2024	2023
	Notes	***RMB'000***	*RMB'000*
Financial assets			
Financial assets at amortised cost	(a)		
– Accounts receivable	20(a)	**17,745**	28,009
– Contract assets		**–**	3,488
– Other receivables (including current and non-current portion)		**14,077**	14,085
– Cash held on behalf of customers	24	**7,318**	5,123
– Short-term bank deposits	23(b)	**229,476**	309,470
– Long-term bank deposits	21	**10,479**	10,168
– Cash and cash equivalents	23(a)	**70,254**	103,682
Financial assets at FVPL			
– Investment in WMPs	(b)	**256,373**	163,043
– Investment in TechStar Class B Share and Promoter Warrant	3	**34,092**	31,908
– Investment in Zhida Fund	3	**28,668**	–
– Others	3	**150**	–
		668,632	668,976
Financial liabilities			
Financial liabilities at amortised cost	(a)		
– Accounts payable	25	**(3,501)**	(4,488)
– Other payables (excluding employee benefits payables, accrual expense and other tax payables)	26	**(4,077)**	(5,807)
– Lease liabilities	18	**(64,076)**	(44,130)
– Customer brokerage deposits	28	**(7,318)**	(5,123)
		(78,972)	(59,548)

(a) As at December 31, 2024 and 2023, the fair value of the financial assets and financial liabilities at amortised cost approximated their respective carrying amounts.

(b) The WMPs were not principal or performance guaranteed, and were therefore classified as financial assets as FVPL. The fair value measurement of these assets is disclosed in Note 3.3.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

20 ACCOUNTS AND OTHER RECEIVABLES

(a) Accounts receivable

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
From third parties	**30,073**	41,280
Less: allowance for impairment *(Note 9)*	**(12,328)**	(13,271)
Total accounts receivable	**17,745**	28,009

An aging analysis of the gross accounts receivable as at December 31, 2024 and 2023 based on date of recognition, is as follows:

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Less than 3 months	**13,588**	22,869
3 months to 12 months	**4,826**	5,285
12 months to 18 months	**306**	2,346
18 months to 24 months	**245**	200
Over 24 months	**11,108**	10,580
	30,073	41,280

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9. Movement in lifetime expected credit loss that has been recognised for accounts receivable as follows:

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
As at January 1	**13,271**	9,689
(Reversal)/Provision for impairment charged for the year	**(604)**	4,201
Write off allowance	**(339)**	(619)
At the end of the year	**12,328**	13,271

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

20 ACCOUNTS AND OTHER RECEIVABLES (CONTINUED)

(a) Accounts receivable (Continued)

As at December 31, 2024 and 2023, the carrying amounts of the Group's accounts receivable are denominated in the following currencies:

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Denominated in RMB	**17,745**	26,230
Denominated in HKD	**–**	1,779
	17,745	28,009

(b) Other receivables

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Current assets		
Rental and other deposits	**5,014**	2,762
Others	**1,408**	995
Less: allowance for impairment	**(210)**	(422)
	6,212	3,335

As at December 31, 2024 and 2023, other receivables were mainly dominated in RMB.

21 OTHER NON-CURRENT ASSETS

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Long-term bank deposits	**10,479**	10,168
Rental deposit and others	**9,901**	10,750
	20,380	20,918

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

22 PREPAYMENTS AND OTHER CURRENT ASSETS

	As at December 31, 2024 RMB'000	2023 RMB'000
Contract costs incurred to obtain contracts *(Note)*	2,351	4,309
Work in progress for customized and standardized research reports	3,366	3,818
Prepayment of property management charges	860	146
Prepayment of professional fee	1,907	614
Others	1,187	1,340
	9,671	10,227

Note: Contract costs incurred to obtain contracts mainly comprise sales commissions payable to third party channels for the training service. The amount of capitalised costs recognised in profit or loss during the year ended December 31, 2024 was RMB2,250,000 (2023: RMB8,255,000).

23 CASH AND BANK BALANCES

(a) Cash and cash equivalents

	As at December 31, 2024 RMB'000	2023 RMB'000
Cash at hand	**38**	–
Demand deposits	**69,626**	103,390
Others	**590**	292
	70,254	103,682

As at December 31, 2024 and 2023, the analysis of carrying amounts of cash and cash equivalents denominated in different currencies is as follows:

	As at December 31, 2024 RMB'000	2023 RMB'000
Denominated in RMB	**32,988**	52,419
Denominated in HKD	**32,043**	27,485
Denominated in USD	**5,223**	23,778
	70,254	103,682

For the years ended December 31, 2024 and 2023, the average interest rates of cash and cash equivalents at bank were 1.26% and 1.11% per annum respectively.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

23 CASH AND BANK BALANCES (CONTINUED)

(b) Short-term bank deposits

An analysis of the Group's bank deposits with maturity exceeding three months as at December 31, 2024 and 2023 are listed as below:

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Denominated in RMB	**27,796**	29,128
Denominated in USD	**201,680**	280,342
	229,476	309,470

Short-term bank deposits are bank deposits with original maturities exceeding three months, under twelve months and redeemable on maturity. The effective interest rate of the short-term bank deposits of the Group ranges from 2.1% to 5.33% per annum for the year ended December 31, 2024 (2023: 2.1% to 5.85%). As at December 31, 2024, the carrying amount of short-term bank deposits includes interest receivable amounting to RMB9,461,000 (December 31, 2023: RMB10,384,000).

24 CASH HELD ON BEHALF OF CUSTOMERS

With the development of the investment banking services in Hong Kong, Zero2IPO Securities Limited ("Zero2IPO Securities"), a wholly owned subsidiary of the Company launched its Zero2IPO Securities mobile application in Hong Kong. The mobile application is a secondary marketing trading platform focusing on Hong Kong stock market, provides investors with a full range of trading services, including real-time quotes, online trading, IPO subscription, equity capital market information and financial information. Zero2IPO Securities maintains segregated deposit accounts with banks and authorised institutions to hold cash on behalf of customers arising from business related to the trading platform. The Group has recorded the related amounts as cash held on behalf of customers and the corresponding liabilities as customer brokerage deposits (Note 28). In Hong Kong, the use of cash held on behalf of customers for security and the settlement of their transactions is restricted and governed by relevant third-party deposit regulations like the "Securities and Futures (Client Money) Rules" together with the related provisions of the Securities and Futures Ordinance.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

25 ACCOUNTS PAYABLE

Aging analysis of the accounts payables as at December 31, 2024 and 2023 based on the date of recognition are as follows:

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Up to 6 months	**1,989**	2,779
6 months to 1 year	**302**	285
1 to 2 years	**515**	924
2 to 3 years	**695**	500
	3,501	4,488

As at December 31, 2024 and 2023, all of the accounts payable were primarily dominated in RMB.

26 OTHER PAYABLES

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Employee benefits payable	**14,480**	15,703
Deposits payable	**1,842**	1,954
Other tax payables	**4,399**	5,378
Others	**2,235**	3,853
	22,956	26,888

Other payables are unsecured and are usually paid within one year of recognition.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

27 CONTRACT LIABILITIES

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Promoter services to TechStar	**26,462**	25,896
Advance from customers	**39,916**	46,377
	66,378	72,273

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Revenue recognised that was included in the contract liabilities balance at the beginning of the year:	**45,457**	72,338

Promoter services to TechStar represents that Zero2IPO Capital needs to satisfy its performance obligation in relation to being one of the promoters of TechStar. Advance from customers represents advance payments received from customers for services that have not yet been transferred to the customers, mainly included the advance payments received from training services and offline events as well as subscription fee of PEdata database, and these services are mainly expected to be recognised as revenue to the customers within one year.

28 CUSTOMER BROKERAGE DEPOSITS

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Customer brokerage deposits	**7,318**	5,123

Customer brokerage deposits represent the amounts received from and repayable to clients arising from the ordinary course of the Group's securities brokerage activities (Note 24).

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

29 DEFERRED INCOME

	As at December 31, 2024 RMB'000	2023 RMB'000
Non-current liabilities		
Government grants relating to assets	**9,676**	10,063

Government grants relating to certain assets are deferred and recognised in profit and loss on a straight-line basis over the expected useful lives of the related assets.

	Year ended December 31, 2024 RMB'000	2023 RMB'000
Opening balance	**10,063**	10,451
Debited to the consolidated statement of comprehensive income	**(387)**	(388)
	9,676	10,063

30 DEFERRED INCOME TAX

Deferred income taxes are calculated in full on temporary differences under the liability method using the tax rates at which are expected to be applied at the time of reversal of the temporary differences.

	As at December 31, 2024 RMB'000	2023 RMB'000
Deferred income tax assets		
– to be recovered after 12 months	**15,428**	15,273
– to be recovered within 12 months	**6,421**	1,478
	21,849	16,751
Deferred income tax liabilities		
– to be recovered after 12 months	**(8,778)**	(8,305)
– to be recovered within 12 months	**(6,002)**	(404)
	(14,780)	(8,709)

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

30 DEFERRED INCOME TAX (CONTINUED)

(a) Deferred income tax assets

The amount of offsetting deferred income tax assets is RMB14,773,000 and RMB8,657,000 as at December 31, 2024 and 2023. The analysis of deferred income tax assets and liabilities before offsetting is as follows:

	As at December 31, 2024 RMB'000	2023 RMB'000
The balance comprises temporary differences attributable to:		
– Deferred income	**1,935**	2,516
– Lease liabilities	**14,754**	9,065
– Allowance for accounts receivable and contract assets	**1,900**	1,478
– Accumulated tax loss	**2,739**	2,730
– Others	**521**	962
Total deferred tax assets	**21,849**	16,751
Set-off of deferred tax liabilities pursuant to set-off provisions *(Note 30(b))*	**(14,773)**	(8,657)
	7,076	8,094

Movements	Deferred income RMB'000	Lease liabilities RMB'000	Allowance for accounts receivable and contract assets RMB'000	Accumulated tax loss RMB'000	Others RMB'000	Total RMB'000
At January 1, 2023	2,613	9,670	2,226	5,131	137	19,777
Credited/(debited) to profit or loss	(97)	(605)	(748)	(2,401)	825	(3,026)
At December 31, 2023	2,516	9,065	1,478	2,730	962	16,751
Credited/(debited) to profit or loss	(581)	5,689	422	9	(441)	5,098
At December 31, 2024	1,935	14,754	1,900	2,739	521	21,849

As at December 31, 2024, the Group did not recognize deferred income tax assets in respect of deductible temporary differences and cumulative tax losses amounting RMB67,980,000 (2023: RMB46,437,000), that can be carried forward against future taxable income.

Deferred income tax assets are recognised for deductible temporary differences and tax losses to the extent that the realisation of the related tax benefits through future tax profit is probable.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

30 DEFERRED INCOME TAX (CONTINUED)

(b) Deferred income tax liabilities

	As at December 31, 2024 *RMB'000*	2023 *RMB'000*
The balance comprises temporary differences attributable to:		
Fair value changes	**557**	404
Right-of-use assets	**14,223**	8,305
	14,780	8,709
Set-off of deferred tax liabilities pursuant to set-off provisions	**(14,773)**	(8,657)
	7	52

As at December 31, 2024 and 2023, the Group did not recognise deferred income tax liabilities in respect of undistributed retained earnings of the subsidiaries in PRC amounting to RMB104,037,000 and RMB95,897,000 respectively, as the Company is able to control the timing of the distribution of the retained earnings of these group companies. After the dividend for the year of 2019 declared and paid in May 2020, it is probable that the subsidiaries in the Group would not make distribution in the foreseeable future.

Movements	**Fair value** *RMB'000*	**Right-of-use assets** *RMB'000*	**Total** *RMB'000*
At January 1, 2023	125	9,581	9,706
Credited/(debited) to profit or loss	279	(1,276)	(997)
At December 31, 2023	404	8,305	8,709
Credited to profit or loss	5,598	473	6,071
At December 31, 2024	6,002	8,778	14,780

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

31 SHARE CAPITAL

The Company	Note	Number of shares authorised for issue	Number of shares in issue	Share capital	Equivalent share capital	Treasury shares	Share Premium
				USD'000	*RMB'000*	*RMB'000*	*RMB'000*
As at January 1, 2023		500,000,000	307,785,200	31	201	(1,994)	418,332
Purchase of own shares	(i)	–	–	–	–	(3,303)	–
Cancellation of shares	(i)	–	(1,436,400)	-*	(1)	3,803	(3,802)
As at December 31, 2023		500,000,000	306,348,800	31	200	(1,494)	414,530
Repurchase of own shares	(ii)	–	–	–	–	(6,466)	–
Cancellation of shares	(ii)	–	(1,173,600)	–	(1)	1,090	(1,089)
As at December 31, 2024		500,000,000	305,175,200	31	199	(6,870)	413,441

* The amount is less than USD1,000.

(i) During the year of 2023, the Company repurchased a total of 882,400 shares at an aggregate consideration of approximately HKD2,144,000 (equivalent to RMB1,875,000) on The Stock Exchange of Hong Kong Limited (the "SEHK"). And total 1,436,400 shares had been cancelled before December 31, 2023. The buy-back and cancellation were pre-approved by shareholders.

(ii) During the year of 2024, the Company repurchased a total of 5,241,200 shares at an aggregate consideration of approximately HKD7,065,000 (equivalent to RMB6,466,000) on the SEHK. And total 1,173,600 shares had been cancelled before December 31, 2024. The buy-back and cancellation were pre-approved by shareholders. The details of repurchased of such shares are set out as below:

Month/Year	Number of shares	Highest price paid per share	Lowest price paid per share	Aggregate price paid
		HK$	*HK$*	*HK$'000*
January 2024	41,600	1.10	0.92	42
February 2024	48,800	1.05	0.92	49
March 2024	116,800	0.96	0.88	108
April 2024	483,200	1.05	0.94	483
May 2024	294,400	1.06	0.98	302
June 2024	449,200	1.06	0.98	462
July 2024	376,000	1.06	1.00	388
August 2024	277,600	1.06	1.00	288
September 2024	443,600	1.07	0.99	453
October 2024	1,173,600	1.90	1.56	2,070
November 2024	1,087,600	1.89	1.39	1,738
December 2024	448,800	1.59	1.40	682
	5,241,200			7,065

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

32 OTHER RESERVES

The Group

	Statutory reserve *RMB'000*	Treasury reserve *RMB'000*	Capital reserve *RMB'000*	Translation reserve *RMB'000*	Total other reserves *RMB'000*
As at January 1, 2023	15,473	(1,994)	35,709	25,777	74,965
Other comprehensive income	–	–	–	6,156	6,156
Appropriation to statutory reserve(i)	2,318	–	–	–	2,318
Repurchase of shares	–	(3,303)	–	–	(3,303)
Cancellation of shares	–	3,803	–	–	3,803
As at December 31, 2023	17,791	(1,494)	35,709	31,933	83,939
As at January 1, 2024	17,791	(1,494)	35,709	31,933	83,939
Other comprehensive income	–	–	–	5,772	5,772
Appropriation to statutory reserve(i)	960	–	–	–	960
Repurchase of shares	–	(6,466)	–	–	(6,466)
Cancellation of shares	–	1,090	–	–	1,090
As at December 31, 2024	18,751	(6,870)	35,709	37,705	85,295

(i) Statutory reserves

The statutory surplus reserves mainly comprise the following:

In accordance with the Company Law of the PRC, domestic enterprises in Mainland China are required to transfer 10% of their profit after taxation, as determined under accounting principles generally accepted in the PRC ("PRC GAAP"), to the statutory surplus reserve until such reserve balance reaches 50% of the registered capital of such entities. Moreover, upon a resolution made by the shareholders, a certain percentage of domestic enterprises' profit after taxation, as determined under PRC GAAP, is transferred to the discretionary surplus reserve.

The statutory surplus reserves can be used to reduce previous years' losses, if any, and may be converted into paid-in capital, provided that the statutory reserve after such conversion is not less than 25% of the registered capital of relevant subsidiaries.

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(Expressed in RMB unless otherwise indicated)

33 CASH FLOW INFORMATION

(a) Cash generated from operations

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Profit before income tax	**17,061**	21,002
Adjustments for		
Depreciation and amortisation	**21,176**	20,630
Provisions of impairment of financial and contract assets	**2,867**	6,905
Loss on disposal of property, plant and equipment/termination of lease contract	**140**	31
Share of net profit of an associate	**(1,290)**	(1,450)
Interest income	**(13,412)**	(10,546)
Finance costs	**1,568**	1,936
Fair value change of financial assets measured at FVPL	**(10,095)**	(5,627)
Dividend received from Zhida Fund	**(469)**	–
Exchange loss	**411**	345
Other income	**(387)**	(388)
Change in operating assets and liabilities:		
Decrease in accounts receivable and contract assets	**10,672**	29,321
(Increase)/decrease in cash held on behalf of customers	**(2,195)**	2,331
Decrease/(increase) in other current assets	**452**	(614)
Decrease in prepayments	**122**	7,388
(Increase)/decrease in other receivables	**(1,831)**	1,638
Decrease in accounts payable	**(988)**	(2,683)
Increase/(decrease) in customer brokerage deposits	**2,195**	(2,331)
Decrease in other payables and other current liabilities	**(9,903)**	(7,787)
Decrease in contract liabilities	**(6,461)**	(30,475)
Cash generated from operations	**9,633**	29,626

(b) Non-cash investing and financing activities

- Acquisition of right-of-use assets, details of which are set out in Note 15.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

33 CASH FLOW INFORMATION (CONTINUED)

(c) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	As at December 31, 2024 *RMB'000*	2023 *RMB'000*
Cash and cash equivalents	**70,254**	103,682
Lease liabilities	**(64,076)**	(44,130)
Net cash	**6,178**	59,552

	Cash and cash equivalents *RMB'000*	Lease liabilities due within 1 year *RMB'000*	Lease liabilities due after 1 year *RMB'000*	Total *RMB'000*
Net debt as at January 1, 2023	142,281	(14,360)	(32,175)	95,746
Cash flows	(44,415)	16,123	–	(28,292)
Non-cash movement	–	(20,383)	6,665	(13,718)
Effects of exchange rate changes	5,816	–	–	5,816
Net debt as at December 31, 2023	103,682	(18,620)	(25,510)	59,552
Cash flows	(38,407)	22,187	–	(16,220)
Non-cash movement	–	(24,571)	(17,562)	(42,133)
Effects of exchange rate changes	4,979	–	–	4,979
Net debt as at December 31, 2024	**70,254**	**(21,004)**	**(43,072)**	**6,178**

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

34 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family members of the Group are also considered as related parties.

The following significant transactions were carried out between the Group and its related parties during the periods presented. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

(a) Names and relationships with related parties

The following companies are significant related parties of the Group that had transactions and/or balances with the Group during all periods presented.

Relationship	Individuals/Companies
Ultimately controlled by the majority shareholder of the Company	Beijing Zero2IPO Investment Management Ltd. ("北京清科投資管理有限公司")
Ultimately controlled by the majority shareholder of the Company	Beijing Zero2IPO Chuangying Venture Capital Management Co., Ltd. ("北京清科創盈創業投資管理有限公司")
Associates	TechStar

34 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties

The transactions with related parties are conducted in the ordinary course of the Group's business on terms comparable to the terms of transactions with other entities that are not related parties. The Group prices its services based on commercial negotiations with reference to rules and regulations stipulated by related authorities of the PRC Government, where applicable. The Group has also established its procurement policies and approval processes for purchases of services, which do not depend on whether the counterparties are related parties or not.

The following transactions occurred with related parties:

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Services provided to related parties		
Beijing Zero2IPO Investment Management Ltd.	**6**	5
TechStar	**146**	–
	152	5
Services obtained from related parties		
Beijing Zero2IPO Chuangying Venture Capital Management Co., Ltd.	**1,497**	1,498
	1,497	1,498

(c) Key management personnel remuneration

	Year ended December 31,	
	2024	2023
	RMB'000	*RMB'000*
Employee benefit expense-Short-term benefits	**5,271**	6,363

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

34 RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Outstanding balances with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties and certain collection/payment on behalf of the Group:

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Other receivable from related parties		
TechStar	**695**	–
Contract liability to related parties		
TechStar *(Note 27)*	**26,462**	25,896
Beijing Zero2IPO Investment Management Ltd.	**5**	5
	26,467	25,901

35 COMMITMENTS

Capital expenditure contracted for at the end of the year but not yet incurred is as follows:

	As at December 31,	
	2024	2023
	RMB'000	*RMB'000*
Capital investment in investees	1,800	1,800

The Group and other investors newly set up a company, Beijing Zhongguancun International Exhibition Co., Ltd., in PRC to operate marketing business in June 2020. Zhongguancun International Exhibition Co., Ltd., is accounted for as associate using the equity method. Based on the investment agreement, the Group would hold 20% equity share and have one director in the Board of Directors. As at December 31, 2024, the Group has invested capital injection of RMB2.2 million and recorded it as an investment in an associate. The rest of RMB1.8 million is expected to be injected within five years after set up. As at December 31, 2024, the effective equity interest percentage was 20%.

36 EVENTS AFTER THE REPORTING PERIOD

(a) Repurchase and cancellation of ordinary shares

From January 1, 2025 to March 14, 2025, the Company repurchased 424,000 ordinary shares from the market. The buy-back were pre-approved by shareholders.

(b) Subscriptions of WMPs

On January 22, 2025, the Group subscribed for WMPs with an aggregated principal amount of US$3.5 million and US$7.5 million from Fosun Hani Global Limited and UBS AG, respectively.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

37 BALANCE SHEET AND OTHER RESERVES MOVEMENT OF THE COMPANY

(a) Balance sheet of the Company

	Notes	As at December 31, 2024 RMB'000	2023 RMB'000
ASSETS			
Non-current assets			
Investment in subsidiaries		**147,585**	145,415
Current assets			
Cash and cash equivalents		**2,857**	23,297
Short-term bank deposits		**–**	234,065
Financial assets measured at fair value through profit or loss		**44,855**	10,989
Prepayments and other receivables		**309,336**	89,726
Total assets		**504,633**	503,492
LIABILITIES			
Current liabilities			
Other payables		**273**	777
Total liabilities		**273**	777
EQUITY			
Share capital	31	**199**	200
Share premium	37(b)	**413,441**	414,530
Other reserves	37(b)	**79,384**	77,306
Retained earnings		**11,336**	10,679
Total equity		**504,360**	502,715
Total liabilities and equity		**504,633**	503,492

The balance sheet of the Company was approved by the Board of Directors on March 14, 2025 and were signed on its behalf.

Ni Zhengdong
Director

Zhang Yanyan
Director

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

37 BALANCE SHEET AND OTHER RESERVES MOVEMENT OF THE COMPANY (CONTINUED)

(b) Share premium and other reserves movement of the Company

		Other reserves			
	Share premium *RMB'000*	Treasury shares *RMB'000*	Capital reserve *RMB'000*	Translation reserve *RMB'000*	Total share premium and other reserve *RMB'000*
As at January 1, 2023	418,332	(1,994)	38,704	31,862	486,904
Repurchase of shares	–	(3,303)	–	–	(3,303)
Cancellation of shares	(3,802)	3,803	–	–	1
Other comprehensive income	–	–	–	8,234	8,234
As at December 31, 2023	414,530	(1,494)	38,704	40,096	491,836
Repurchase of shares	–	(6,466)	–	–	(6,466)
Cancellation of shares	(1,089)	1,090	–	–	1
Other comprehensive income	–	–	–	7,454	7,454
As at December 31, 2024	413,441	(6,870)	38,704	47,550	492,825