

# 商力 廣聯科技控股有限公司

GL-Carlink Technology Holding Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2531



ANNUAL REPORT

# 2024



# Contents

Definitions	2
Corporate Information	6
Financial Summary for 4 Years	8
Chairman's Statement	9
Management Discussion and Analysis	11
Biographies of Directors and Senior Management	25
Directors' Report	34
Corporate Governance Report	59
Independent Auditor's Report	80
Consolidated Statement of Profit or Loss and Other Comprehensive Income	85
Consolidated Statement of Financial Position	86
Consolidated Statement of Changes in Equity	88
Consolidated Statement of Cash Flows	90
Notes to the Consolidated Financial Statements	92

# Definitions

"AGM"	the annual general meeting of the Company
"Articles of Association"	the amended and restated articles of association of the Company, as amended from time to time
"Audit Committee"	the Audit Committee of the Company
"Auditor"	Deloitte Touche Tohmatsu, the auditor of the Company
"Beijing Yesway"	Beijing Yesway Information Technology Co., Ltd. (北京九五智駕信息技術股份有限公司), a company listed on the NEEQ (stock code: 430725)
"Board"	the Board of Directors
"Board Committees"	the Audit Committee, the Remuneration Committee, the Nomination Committee and the Strategy Committee
"Carlink BVI"	Carlink Future Inc., a BVI business company incorporated under the laws of the BVI with limited liability by shares on 24 January 2022, which is wholly owned by our Company
"Carlink HK"	Carlink HongKong Limited, a limited company incorporated in Hong Kong on 8 February 2022 and a wholly-owned subsidiary of the Company
"Company" or "our Company"	GL-Carlink Technology Holding Limited (廣聯科技控股有限公司) (formerly known as Carlink International Limited and GL-Carlink Technology International Holding Limited (廣聯科技國際控股有限公司)), an exempted company incorporated in the Cayman Islands on 12 January 2022 with limited liability under the Companies Act
"Consolidated Affiliated Entities"	GL-Carlink Technology Holding Limited and its subsidiaries and affiliated entities
"Contractual Arrangements"	the series of contractual arrangements entered into by parties including Guanglian Shuke, Guanglian Saixun, the Registered Shareholders, general partners of the Registered Shareholders, Mr. Zhu Lei, Mr. Zhu Hui, Mr. Jiang Zhongyong and Mr. Zhao Zhan and their respective spouses
"Corporate Governance Code" or "CG Code"	the Corporate Governance Code contained in Appendix C1 to the Listing Rules

# Definitions

"Date of the Report"	30 April 2025
"Dijia Smart Cloud"	Shenzhen City Dijia Smart Cloud Service Company Limited (深圳市嘀加智慧雲服務有限公司) (formerly known as Shenzhen City DidiHu Automobile Rental Co., Limited (深圳市滴滴虎汽車租賃有限公司)), a limited company established under the laws of the PRC on 23 July 2015, and wholly owned by Guanglian Shuke
"Director(s)"	the director(s) of the Company
"Global Offering"	the global offering of the Company's shares, the details of which are set out in the Prospectus
"Group", "our Group", "the Group", "we", "us", or "our"	the Company, its subsidiaries and the Consolidated Affiliated Entities (the financial results of which have been consolidated and accounted for as subsidiaries of our Company by virtue of the contractual arrangements) from time to time, and where the context requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries and Consolidated Affiliated Entities, such subsidiaries and Consolidated Affiliated Entities as if they were deemed as subsidiaries and Consolidated Affiliated Entities of our Company at the relevant time
"Guangdong Guanglian"	Guangdong Guanglian Shuke Holdings Co., Ltd. (廣東廣聯數科控股有限公司), a limited company established under the laws of the PRC on 18 October 2024, a wholly-owned subsidiary of Cailink HongKong Limited and an indirect wholly-owned subsidiary of our Company.
"Guanglian Saixun"	Shenzhen Guanglian Saixun Co., Ltd. (深圳廣聯賽訊股份有限公司), a joint stock company established under the laws of the PRC on 4 May 2012, and is our Consolidated Affiliated Entity
"Guanglian Shuke"	Shenzhen Guanglian Shuke Technology Company Limited (深圳廣聯數科科技有限公司) (formerly known as Shenzhen City Weien Technology Co., Limited (深圳市唯恩科技有限公司)), a limited company established under the laws of the PRC on 28 November 2012, and is indirectly wholly-owned by our Company

# Definitions

"Haikou Dijia"	Haikou Dijia Technology Co., Ltd. (海口市嘀加科技有限公司), a limited company established under the laws of the PRC on 27 July 2023, a wholly-owned subsidiary of Guanglian Shuke, and is indirectly wholly owned by our Company
"HK" or "Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HK\$", "HK dollars" or "Hong Kong dollars"	Hong Kong dollars, the legal currency of Hong Kong
"Listing"	the listing of the Shares on the Main Board
"Listing Date"	15 July 2024 (Monday), the date on which the Shares were listed on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"NEEQ"	the National Equities Exchange and Quotation (全國中小企業股份轉讓系統)
"Nomination Committee"	the Nomination Committee under the Board
"PRC" or "China"	the People's Republic of China
"Pre-IPO Investors"	Investors before the listing of the Company
"Prospectus"	the prospectus of the Company, dated 28 June 2024, in relation to the Global Offering
"Registered Shareholders"	Registered shareholders of Guanglian Saixun from time to time; the current registered shareholders are set out in "Contractual Arrangements".
"Remuneration Committee"	the Remuneration Committee under the Board
"Reporting Period"	the period from 1 January 2024 to 31 December 2024



# Definitions

"RMB"	Renminbi, the legal currency of the PRC
"SFO" or "Securities and Futures Ordinance"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	the share(s) in the share capital of our Company with a par value of US\$0.0001 each, as the context so requires
"Shareholder(s)"	holder(s) of our Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Strategy Committee"	the Strategy Committee of the Company
"Tianjin Chejia"	Tianjin Chejia Internet of Things Technology Company Limited (天津車家物聯網科技有限公司), which is indirectly wholly owned by our Company
"Xingmin ITS"	Xingmin Intelligent Transportation Systems (Group) Co., Ltd. (興民智通(集團)股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002355)
"Yantai Longhe"	Yantai Longhe Investment Company Limited (煙台隆赫投資有限公司), one of our substantial shareholders, which is a limited company established under the laws of the PRC on 13 April 2016
"Zhenghe Fangda"	Jiangsu Zhenghe Fangda Investment Holding Co., Ltd. (江蘇正和方達投資控股有限公司), a limited liability company established in the PRC on 27 July 2010 that is owned as to 50.00% by Mr. Zhu Lei, 25.00% by Mr. Zhu Hui and 25.00% by Mr. Jiang Zhongyong
"%"	percentage

Reference is made to the Prospectus. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

# Corporate Information

## The Board of Directors

### Executive Directors:

Mr. Zhu Lei (朱雷) (*Chairman*)  
Mr. Jiang Zhongyong (蔣忠永)  
(*resigned on 25 March 2025*)  
Mr. Zhao Zhan (趙展先生)  
(*Chief Executive Officer*)  
Mr. Zhang Yong (張勇)  
(*Deputy General Manager, Joint  
Company Secretary, Chief Financial  
Officer*)  
(*appointed as a Director on 25 March  
2025*)  
Ms. Yin Fang (尹芳)  
(*Deputy General Manager, Chief  
Capital Officer*)  
(*appointed as a Director on 25 March  
2025*)

### Non-executive Directors:

Mr. Cui Changsheng (崔常晟)  
Mr. Zou Fangzhao (鄒方昭)  
(*resigned on 31 December 2024*)  
Ms. Peng Chao (彭超)

### Independent Non-executive Directors:

Mr. Feng Yuan (馮轅)  
Ms. Wei Chunlan (魏春蘭)  
Ms. Ci Ying (慈瑩)

## Board Committee

### Audit Committee:

Ms. Wei Chunlan (魏春蘭) (*Chairlady*)  
Mr. Feng Yuan (馮轅)  
Ms. Ci Ying (慈瑩)

### Remuneration Committee:

Mr. Feng Yuan (馮轅) (*Chairman*)  
Mr. Zhao Zhan (趙展)  
Ms. Wei Chunlan (魏春蘭)

### Nomination Committee:

Mr. Zhu Lei (朱雷) (*Chairman*)  
Ms. Wei Chunlan (魏春蘭)  
Ms. Ci Ying (慈瑩)

### Strategy Committee:

Mr. Zhu Lei (朱雷) (*Chairman*)  
Mr. Zhao Zhan (趙展)  
Mr. Zhang Yong (張勇) (*appointed on 25  
March 2025*)  
Ms. Yin Fang (尹芳) (*appointed on 25  
March 2025*)

## AUTHORIZED REPRESENTATIVES:

Mr. Zhao Zhan (趙展)  
Mr. Zhang Yong (張勇)

## JOINT COMPANY SECRETARIES:

Mr. Zhang Yong (張勇)  
Ms. Cheung Lai Ha (張麗霞)  
(*resigned on 25 March 2025*)  
Mr. Ng Tung Ching Raphael (吳東澄)  
(*appointed on 25 March 2025*)

## HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

14/F, Building 1  
Chongwen Garden  
Nanshan iPark  
3370 Liuxian Avenue  
Nanshan District  
Shenzhen  
Guangdong Province  
PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

46/F, Hopewell Centre  
183 Queen's Road East  
Wan Chai  
Hong Kong

# Corporate Information

## REGISTERED OFFICE

71 Fort Street  
PO Box 500, George Town  
Grand Cayman, KY1-1106  
Cayman Islands

## AUDITOR

Deloitte Touche Tohmatsu  
*Certified Public Accountants*  
*Registered Public Interest Entity Auditor*  
35/F, One Pacific Place  
88 Queensway  
Hong Kong

## COMPLIANCE ADVISER

Octal Capital Limited  
801-805, 8/F  
Nan Fung Tower  
88 Connaught Road Central  
Central, Hong Kong

## LEGAL ADVISERS

As to Hong Kong laws:  
Fangda Partners  
26/F, One Exchange Square  
8 Connaught Place  
Central  
Hong Kong

## CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Appleby Global Services (Cayman)  
Limited  
71 Fort Street  
PO Box 500, George Town  
Grand Cayman, KY1-1106  
Cayman Islands

## HONG KONG SHARE REGISTRAR

Boardroom Share Registrars (HK)  
Limited  
2103B, 21/F  
148 Electric Road  
North Point  
Hong Kong

## PRINCIPAL BANKS

Shanghai Pudong Development Bank  
Co., Ltd., Shenzhen Branch, Buji  
Sub-Branch  
Building 1, Area D Xinyi Lishan Yuyuan  
No. 69 Luogang Road  
Longgang District, Shenzhen City  
Guangdong Province  
PRC

China Merchant Bank Co., Ltd.,  
Shenzhen Branch, Tairan Sub-Branch  
1/F, Dushi Yangguang Mingyuan  
No. 6017 Shennan Boulevard  
Futian District, Shenzhen City  
Guangdong Province  
PRC

## COMPANY'S WEBSITE

[www.glshuke.com](http://www.glshuke.com)

## STOCK CODE

2531

## LISTING DATE

15 July 2024



# Financial Summary for 4 Years

	2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
<b>Consolidated results</b>				
Revenue	700,418	560,569	413,860	326,774
Gross profit	437,356	251,778	173,189	94,681
Profit before tax	38,858	58,968	53,023	40,364
Income tax credit/(expense)	5,500	(7,426)	(5,606)	(5,291)
Profit for the year	44,358	51,542	47,417	35,073
Adjusted profit for the year (non-IFRS measure) <sup>Note</sup>	65,073	61,737	56,618	36,631
	2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
<b>Consolidated financial position</b>				
Total assets	907,747	565,851	561,977	518,517
Total liabilities	248,525	200,537	250,565	241,602
Total equity	659,222	365,314	311,412	276,915
Non-current assets	208,743	64,085	79,687	196,252
Current assets	699,004	501,766	482,290	322,265
Current liabilities	226,836	175,531	225,346	206,059
Net current assets	472,168	326,235	256,944	116,206
Non-current liabilities	21,689	25,006	25,219	35,543
Net assets	659,222	365,314	311,412	276,915
Total equity	659,222	365,314	311,412	276,915

Note: We define the adjusted profit for the year (non-IFRS measure) by adding back the listing expenses to the profit for the year as presented in accordance with IFRS. Listing expenses are mainly expenses related to the Global Offering and are included mainly because they were incurred for the purpose of the Listing.

# Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors of the Company, I am pleased to present to our shareholders our annual report for the year ended 31 December 2024.

In 2024, the Intelligent Connected Vehicles ("**ICV**") industry in the PRC maintained a high growth rate, presenting favorable market opportunities for the Group's business development. According to the China Association of Automobile Manufacturers ("**CAAM**"), China's automobile sales volume exceeded 31 million units in 2024, of which the sales volume of new energy vehicles ("**NEVs**") exceeded 12.86 million units, representing a year-on-year growth of 35.5%. The share of new energy vehicle sales rose to 40.9%, a record high. China's ongoing automobile consumption promotion policies, including trade-in subsidies and various promotional activities by automobile manufacturers, have continued to energize the Chinese automobile market.

The Group, seizing the opportunity of the rapid growth of the industry and focusing on the field of ICV digital services in China, continued to provide software and value-added services, including in-vehicle hardware products, SaaS marketing and management services, to help automobile manufacturers realize their data value, empower stores to improve their quality and increase their efficiency, and satisfy the car owners' demand for better and smarter car usage throughout the lifecycle of vehicles. In 2024, the Group achieved total revenue of approximately RMB700.4 million, an increase of 24.9% over the same period last year; gross profit of approximately RMB437.4 million, an increase of approximately 73.7%; and adjusted profit of RMB65.1 million, an increase of approximately 5.4%.

In 2024, we continued to expand our customer base of new energy vehicle manufacturers and their delivery service outlets. During the Reporting Period, over 70% of the Group's value-added SaaS service revenue was contributed by customers of new energy vehicle factories and their delivery service outlets. In addition, we continued to enrich the products and service categories of SaaS value-added services, covering the two categories of digital modification and digital rights in the whole life cycle marketing services of new energy car owners, meeting the increasing personalized service needs of new energy car owners. During the Reporting Period, revenue generated from our marketing value-added services for the digital modification and digital rights categories amounted to RMB170.6 million and RMB221.6 million, representing 42.1% and 54.7% of the value-added SaaS service revenue respectively. At the same time, we strengthened our R&D efforts on two major areas of ICV: "Intelligent Vehicle" and "Intelligent Mobility", with an aim to achieve stickiness and differentiated competitiveness for our customers and increase our revenue and profitability.

# Chairman's Statement

Looking forward to 2025, NEVs will become the mainstream of China's new vehicle sales market. We will seize the opportunities in the ICV industry, expanding our customer base, accelerating the pace of store signing and business development, and continuously designing and launching innovative digital products that meet the service needs of new energy vehicle owners throughout the life cycle of vehicles. We will build our core competitiveness of "excellent and efficient operation and innovative digital products" through the empowerment of AI and big data technologies, practise our asset-light company philosophy of "pay-for-performance software", and seek to apply our data value realization methodology to other "intelligent agent" industries, so as to proactively create long-term sustainable returns for the shareholders of the Company.

Finally, on behalf of the Board of Directors, I would like to express our sincere thanks to all shareholders, customers, employees and partners for their support.

*Chairman*  
**Zhu Lei**

# Management Discussion and Analysis

## BUSINESS REVIEW

The Group adhere to its mission of “Co-creating New Value in Automotive Connected Scenarios (共創汽車智能網聯場景新價值)” and its vision of building an asset-light company with “Software Pay for Performance (軟件按效果付費)”, continuously enhancing human efficiency and digital product innovation capabilities through the support of technologies such as artificial intelligence and big data, thereby continuously improving revenue and profitability of the Company. During the Reporting Period, we proactively broadened our customer base among NEV automotive manufacturer and their store customers, constantly augmented and diversified the product and service portfolios of our SaaS value-added services, and strengthened our technological R&D and customer service capabilities. By capitalising on the opportunities of continuously expanding demand for new energy aftermarket services emerging from the transition of China's automotive industry towards new energy and intelligence, we accomplished concurrent growth in business scale and operational excellence. In addition, to further expand our business, we collaborated with independent third parties to jointly invest in associated companies or joint ventures in several major cities in the PRC, facilitating the long-term development of the Group's ICV value-added business. During the Reporting Period, the Group achieved a total revenue of approximately RMB700.4 million, representing an increase of approximately 24.9% compared to RMB560.6 million in the same period of 2023. The total gross profit reached approximately RMB437.4 million in the Reporting Period, representing an increase of approximately 73.7% compared to RMB251.8 million in the same period of 2023. The Group's gross profit margin increased from 44.9% in the same period of 2023 to 62.5% for the Reporting Period.

**Regarding customer development, we have been unwaveringly dedicated to expanding our customer base. Notably, we have achieved substantial progress in extending our reach to NEV automotive manufacturer and their service delivery stores.** Seizing the advantages of the burgeoning NEV market, we focus on collaborating with leading automobile enterprises and their service delivery stores. In 2024, the Group successfully signed contracts with multiple automobile manufacturers, including Seres Group and Chery Automobile, and their subsidiaries. We furnished marketing value-added services across diverse product segments, such as digital light auto modifications and digital member benefits services, to the service delivery stores or 4S stores under these automobile enterprises. During the Reporting Period, the contribution from NEV automotive manufacturer and their service delivery store customers accounted for over 70% of the Group's SaaS value-added service revenue, thus emerging as the pivotal driver of performance growth.

**With respect to category expansion, leveraging our profound expertise in the ICV services domain and our astute data-driven insights, we have been steadily enriching the product and service categories within our SaaS value-added services.** During the Reporting Period, we provided marketing services in the full lifecycle of NEV users, mainly covering two categories, namely

# Management Discussion and Analysis

digital light auto modification and digital member benefits services, and continue to meet the increasing personalized service needs of NEV users. Of which, within the digital light modification category, we further broadened our product line suitable for more comfortable and personalized car scene, building upon basic services such as solar films, car wraps and color alterations, with the demand of car users for digital light modification categories has further extended. During the Reporting Period, the revenue generated by our marketing value-added services for the digital light modification category was RMB170.6 million, accounting for 42.1% of the SaaS value-added service revenue. Simultaneously, car users' demand for digital rights category has been extended to comprehensive service needs, encompassing chauffeur rights, collision repair rights, car paint safeguarding, and battery health rights. During the Reporting Period, the revenue generated from our marketing value-added services for digital member benefits categories was RMB221.6 million, accounting for 54.7% of the SaaS value-added service revenue. During the Reporting Period, the Group achieved revenue from SaaS value-added services of approximately RMB405.2 million, an increase of approximately 102.6% compared to the same period in 2023.

**In terms of product R&D, we continuously strengthened our R&D efforts in the two areas of "intelligent vehicle utilization" and "intelligent mobility" of ICV.** During the Reporting Period, we continuously improved personnel efficiency and the threshold for digital product innovation design through the support of technologies such as artificial intelligence and big data algorithms. We built a technological moat in both dimensions, namely operation and product, achieving customer stickiness and differentiated competitiveness, and helping the Company increase revenue and profitability.

In the field of intelligent vehicle utilization, during the Reporting Period, we continuously optimized the use of AI to assist customers in precise marketing of car users. We focused on automatic tag generation, targeted marketing strategies for different customer groups, personalized service matching and other aspects, constantly improving the transaction conversion rates and customer satisfaction. In the development of an empowered store operation system, we have developed the application of "AI Business Expansion Assistant (AI展業助手)". This application encompasses modules such as reception materials, pre-learning training, salary-linked performance, point-based growth, promotion mechanisms, and reception process monitoring. Furthermore, we have developed products such as "AI Intelligence (AI智鑒)" that refines sales reception scripts using large model capabilities, "AI Fun Practise (AI趣練)" that simulates sales scenarios for practice grounded in large model technologies, and "AI Extraction (AI萃取)" that employs large models to distill outstanding sales scripts. These initiatives are continuously enhancing our digital retail operational prowess. In the management of an empowered store operation system, we have also developed the "Store Surveillance (門店盯防)" system, which incorporates modules like performance dashboards, early-warning notifications, performance analytics, and early-warning handling follow-ups. This system enables us to swiftly identify and analyze the operational bottlenecks of stores, thereby facilitating the improvement of their



# Management Discussion and Analysis

business performance through targeted solutions. In the field of intelligent mobility, during the Reporting Period, with the iterative advancement and growing prevalence of L2+ autonomous driving functions, we initiated the R&D of the "Dijia Autonomous Driving Digital Certificate Space (嘀加自動駕駛數證空間)" underpinned by blockchain and large model technologies. We also concentrated on the R&D of intelligent driving protection benefit solutions, with the aim of productizing autonomous driving protection services and introducing them to the market.

During the Reporting Period, we secured 2 additional invention patents related to automotive intelligent connected scenarios. As of the end of the Reporting Period, we had been granted a total of 28 patents. Our R&D and technological capabilities have also been well recognized by the market. The group standards "Technical Requirements for Security of Interaction between Internet of Vehicles Service Platform and Vehicle Terminal (《車聯網服務平台與車載終端交互安全技術要求》)" (T/KJDL 022-2024) and the "Specifications for Cross-border Trusted Data Operation and Maintenance Management (《跨境可信數據運維管理規範》)" (T/NSSQ 071-2024), which we participated in drafting, have been implemented since 1 March 2024 and 27 November 2024, respectively. On 22 October 2024, under the guidance and organization of the ICDC Automotive Intelligent Industry Research Institute of the Ministry of Industry and Information Technology, we jointly launched the "Automotive Data Fusion Application" Joint Laboratory with multiple industry institutions to promote the safe, compliant and efficient circulation and application of data elements. Moreover, on 7 November 2024, we were conferred the ISO 55013 Data Asset Management System and ISO 55001 Asset Management System certification certificates by SGS, an internationally renowned testing, inspection, and certification body. We are among the first batch of global enterprises to have passed the "ISO 55013 Data Asset Management System Certification".

## BUSINESS OUTLOOK

**Regarding customer development and category expansion**, our focus will remain steadfastly on expanding our customer portfolio among NEV automotive manufacturer. We will expedite the signing of contracts with store customers and drive business expansion. Simultaneously, we will be vigilant in identifying opportunities within emerging sales paradigms in the industry. Moreover, within the domains of "intelligent vehicle utilization (智慧用車)" and "intelligent mobility (智慧出行)", we will methodically develop and introduce innovative products that comprehensively address the needs of vehicle users across the entire vehicle life cycle. Our ambitions extend to attaining novel breakthroughs in areas such as used-car consignment platforms, digital financial services, battery inspection and refurbishment services, and intelligent driving protection benefits. This, in turn, is expected to fuel the continuous growth in the number of store customers, single-store revenue, and gross profit.



# Management Discussion and Analysis

**In terms of product R&D**, we will unwaveringly adhere to the strategy of "operational excellence and efficiency, innovative digital products", with a concentrated focus on improving the Company's operational efficacy and innovative product capabilities. Under the "operational excellence and efficiency" strategy, we will fully leverage AI technology to enhance online marketing automation and offline professional service capabilities. This will involve optimizing content creation and dissemination, virtual experience and interactive shopping guidance, precision marketing and intelligent recommendations, in-store staff training management, and after-sales support mechanisms. The ultimate objective is to achieve a sustained elevation in "Human Efficiency, Store Efficiency, and Product Efficiency (人效、店效、品效)". In line with the "innovative digital products" strategy, we will conduct in-depth explorations of business scenarios, seamlessly integrate ICD and user data, and design and roll out innovative products that are tailor-made for store retail requirements and the needs of vehicle users. In the process, we will continuously refine the data value monetization methodologies grounded in the intelligent agent industry and deepen our collaborative endeavors with other intelligent agent industries (such as robotics) and the "Internet of Vehicles + intelligent space" domain. After the Reporting Period, we entered into a contract to become an ecological partner for the universal technology base of EFOR intelligent robots on 28 February 2025, actively researching and empowering the intelligent agent industry such as robots with our accumulated solution capabilities in the NEV industry.

# Management Discussion and Analysis

## Consolidated Statement of Profit or Loss

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Revenue	700,418	560,569
Cost of sales	(263,062)	(308,791)
Gross profit	437,356	251,778
Other income	13,652	9,737
Other gains and losses	2,538	9,714
Impairment losses under expected credit loss model, ("ECL"), net of reversal	(3,445)	(1,554)
Distribution and selling expenses	(333,329)	(159,126)
Administrative expenses	(30,668)	(21,203)
Research and development expenditure	(27,852)	(18,074)
Share of results of associates	3,776	174
Listing expenses	(20,715)	(10,195)
Finance costs	(2,455)	(2,283)
Profit before tax	38,858	58,968
Income tax credit/(expense)	5,500	(7,426)
Profit for the year	44,358	51,542
Other comprehensive expense		
Item that will not be reclassified to profit or loss:		
Fair value loss on investments in equity instruments at fair value through other comprehensive income ("FVTOCI")	(147)	(1,801)
Total comprehensive income for the year	44,211	49,741

# Management Discussion and Analysis

	Year ended 31 December	
	2024 RMB'000	2023 RMB'000
Profit/(loss) for the year attributable to:		
Owners of the Company	44,440	51,129
Non-controlling interests	(82)	413
	<u>44,358</u>	<u>51,542</u>
Total comprehensive income/(expense) attributable to:		
Owners of the Company	44,293	49,328
Non-controlling interests	(82)	413
	<u>44,211</u>	<u>49,741</u>
Basic earnings per unit (in RMB)	0.13	0.17

## Non-IFRS Measures

To supplement our consolidated financial statements which are presented in accordance with IFRS, we also presented adjusted profit (non-IFRS measure) and adjusted net profit margin (non-IFRS measure) as non-IFRS financial measures which are not required by, or presented in accordance with, IFRS. We believe that the presentation of non-IFRS financial measures when shown in conjunction with the corresponding IFRS financial measures provides useful information to potential investors and management in understanding and evaluating our operating performance from period to period. We believe that such measures provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they assist our management.

We define the adjusted profit for the year (non-IFRS measure) by adding back the listing expenses to the profit for the year as presented in accordance with IFRS. Listing expenses are mainly expenses related to the Global Offering and added back mainly because they were incurred for the purpose of the Listing. We present the adjusted net profit margin (non-IFRS measure) by dividing adjusted net profit for the year by revenue for the year and multiplying the result by 100%.

# Management Discussion and Analysis

The following table sets forth the adjusted profit (non-IFRS measure) and adjusted net profit margin (non-IFRS measure) for the year stated below:

	Year ended 31 December	
	2024	2023
Revenue	700,418	560,569
Gross profit	437,356	251,778
Profit for the year	44,358	51,542
Adjustments for:		
Listing expenses	20,715	10,195
<b>Adjusted profit for the year (Non-IFRS Measure)</b>	<b>65,073</b>	<b>61,737</b>
<b>Adjusted net profit margin for the year (Non-IFRS Measure)</b>	<b>9.3%</b>	<b>11.0%</b>

## Revenue

During the Reporting Period, the Group's total revenue was approximately RMB700.4 million, representing an increase of approximately 24.9% compared to approximately RMB560.6 million in the same period of 2023, mainly due to the Company's increased cooperation with 4S stores of NEV brands and the expansion of SaaS marketing and management services. Among them, revenue from SaaS marketing and management services was approximately RMB538.9 million, representing an increase of approximately 61.1% compared to approximately RMB334.5 million in the same period of 2023, mainly due to the Company's new cooperation with 4S stores of new energy vehicle brands and the service delivery stores, benefiting the SaaS marketing and management services, which leading to increased revenue.

## Gross profit

During the Reporting Period, the gross profit was approximately RMB437.4 million, representing an increase of approximately 73.7% as compared with approximately RMB251.8 million in the same period of 2023. The overall gross profit margin was 62.5%, compared to 44.9% in the same period last year, mainly due to increased cooperation with 4S stores of new energy vehicle brands and the service delivery stores, and the increase in revenue and respective gross profit contribution from SaaS marketing and management services.

# Management Discussion and Analysis

## Other income

During the Reporting Period, other income amounted to approximately RMB13.7 million, representing an increase of approximately 41.2% as compared with approximately RMB9.7 million for the same period in 2023, which was mainly attributable to the increase in interest income from bank deposits of the Group with idle funds.

## Other gains and losses

During the Reporting Period, the amount of other gains and losses amounted to approximately RMB2.5 million, representing a decrease of approximately 74.2% as compared with approximately RMB9.7 million for the same period in 2023, mainly due to the decrease in income from changes in fair value of financial assets at fair value through profit or loss.

## Distribution and selling expenses

During the Reporting Period, distribution and selling expenses amounted to approximately RMB333.3 million, representing an increase of approximately 109.5% as compared with approximately RMB159.1 million for the same period in 2023, which was mainly due to the corresponding increase in selling expenses as a result of our expanded sales scale of SaaS value-added services.

## Administrative expenses

During the Reporting Period, administrative expenses amounted to approximately RMB30.7 million, representing an increase of approximately 44.8% as compared with approximately RMB21.2 million for the same period in 2023, mainly due to the increase in employee compensation and operating and management expenses.

## Research and development expenditure

During the Reporting Period, research and development expenditure amounted to approximately RMB27.9 million, representing an increase of approximately 54.1% as compared with approximately RMB18.1 million for the same period in 2023, mainly due to the increase in employee compensation and software amortization expenses.

## Finance costs

During the Reporting Period, finance costs amounted to approximately RMB2.5 million, representing an increase of approximately 8.7% as compared with approximately RMB2.3 million for the same period in 2023, mainly due to the increase in loan interest.

# Management Discussion and Analysis

## Income tax credit/(expense)

During the Reporting Period, income tax credit amounted to approximately RMB5.5 million, representing a decrease of approximately 174.3% as compared with income tax expense of approximately RMB7.4 million for the same period in 2023, mainly due to the decrease in deferred income tax expense.

## Profit for the year

During the Reporting Period, the Group recorded a net profit of approximately RMB44.4 million, representing a decrease of approximately 13.8% as compared with approximately RMB51.5 million for the same period in 2023. This was mainly due to the increase in listing expenses, research and development expenses and administrative expenses.

## Adjusted profit (non-IFRS measure)

During the Reporting Period, adjusted profit (non-IFRS measure) was approximately RMB65.1 million, representing an increase of approximately 5.5% as compared with approximately RMB61.7 million for the same period in 2023.

## Financial resources and liquidity

The Group's current assets are mainly derived from operating proceeds and also net proceeds from the Global Offering (as defined below). As at 31 December 2024, the Group's cash and cash equivalents was approximately RMB410.3 million, representing an increase approximately 161.0% as compared with approximately RMB157.2 million as at 31 December 2023. As at 31 December 2024, the cash and cash equivalents of the Group denominated in Hong Kong dollars amounted to approximately RMB905,770 (2023: RMB0), those denominated in United States dollars amounted to approximately RMB234,697,893 (2023: RMB6,849,293). All other cash and cash equivalents held by the Group are denominated in RMB. The increase in cash and cash equivalent as at 31 December 2024 was primarily due to completion of the Global Offering.

## Bank and other borrowings

As at 31 December 2024, the carrying amount of the Group's borrowings was approximately RMB42.3 million (as at 31 December 2023, the carrying amount of the borrowings was approximately RMB43.4 million). And the gearing ratio (total borrowings divided by total equity) was approximately 6.4% (as at 31 December 2023, the gearing ratio was approximately 11.9%). As at 31 December 2024, all borrowings were denominated at fixed interest rates in RMB and had maturity within one year. During the Reporting Period, the Group's effective interest rates ranged from 3.1% to 4.9%.



# Management Discussion and Analysis

## Trade and other receivables and prepayments

As at 31 December 2024, the Group's trade and other receivables and prepayments was approximately RMB211.7 million, representing an increase of approximately 58.2% as compared with approximately RMB133.8 million as of 31 December 2023, mainly due to the expansion and growth of the Group's business scale.

## Trade, bills and other payables

As at 31 December 2024, the Group's trade, bills and other payables amounted to approximately RMB122.2 million, representing an increase of approximately 75.8% as compared with approximately RMB69.5 million as of 31 December 2023, mainly due to the increase in settlements paid by the Group using bank bills.

## Significant investments, material acquisitions, and disposals held

During the Reporting Period, there were no significant investments, acquisitions, or disposals of subsidiaries, associates, or joint ventures.

## Pledge of assets

As at 31 December 2024, the Group had restricted bank deposits with a balance of RMB31,342,000 pledged to banks for the issuance of the Group's bills payable. In addition, two of the Group's patents were pledged to secure the Group's borrowing of RMB20,000,000. Save for the foregoing, as at 31 December 2024, the Group had no pledged assets.

## Foreign Exchange Risk Management

The Group's principal activities are carried out in the PRC. The Group mainly operates in the PRC and the vast majority of its transactions are settled in Renminbi. The management believes that the Group's operations are not exposed to any significant foreign exchange risk as the Group does not have significant financial assets or liabilities (other than those assets denominated in foreign currency) denominated in currencies other than the respective functional currencies of the Group's entities. Currently, we do not have any foreign currency hedging policy in place. During the Reporting Period, the Group did not enter into any forward contracts to hedge its exposure to foreign exchange risk. We will closely monitor the exchange rates in the market and adopt appropriate countermeasures and policies as and when necessary.

# Management Discussion and Analysis

## Capital commitments

As at 31 December 2024, we did not have any material capital commitments.

## Contingent liabilities and commitments

As at 31 December 2024, we did not have any material contingent liabilities.

## Subsequent events

No significant events occurred for the Company or the Group subsequent to 31 December 2024.

## Employees and remuneration policies

As at 31 December 2024, we had 247 full-time employees (31 December 2023: 225 full-time employees), of which, the number of male and female employees were 132 and 115, accounting for 53.44% and 46.56%, respectively. In 2024, namely the period from 1 January to 31 December 2024, the total remuneration paid by the Group to its employees amounted to RMB53.59 million. Our full-time employees are primarily located in Shenzhen City, Guangdong Province, the PRC.

We recruit our employees from the open market. We are committed to recruiting, training and retaining skilled and experienced personnel throughout our operations. When we make hiring decisions, we take into account factors such as our business strategies, our development plans, industry trends and the competitive environment. We recruit our employees based on a number of factors such as their work experience, educational background and vacancy needs. We endeavor to attract and retain appropriate and suitable personnel to serve our Group.

The remuneration packages for our employees include salary, bonuses and allowances. As required by the PRC regulations, our PRC subsidiaries participate in social insurance schemes operated by the relevant local government authorities and maintain pension insurance, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance for our employees. These subsidiaries are required to contribute a certain percentage of payroll costs to the social insurance schemes. We also contribute to housing provident funds for our employees.

The Group's only obligation with respect to contributions to the above state-managed social insurance scheme and housing provident funds are to make the required contributions under the relevant scheme. No forfeited contribution is available to be utilised by the Group to reduce the contributions payable in the future years or to reduce the Group's existing level of contributions to the relevant schemes. Details of our contribution schemes are set out in Note 3.2 — Employee benefits to the consolidated financial statements.

# Management Discussion and Analysis

We provide continuing education and training programmes to our employees to improve their skills and develop their potential. We also adopt evaluation programmes through which our employees can receive feedback. We foster strong employee relations by offering various staff benefits and personal development support. Our Company has also established a labour union to protect employees' rights and encourages employee participation in the management of our Company. In addition, we also provide employees with a variety of cultural and sporting welfare activities to enhance employee satisfaction and loyalty to the Company through staff caring and sporting activities. Our Directors considered that our Group has maintained good relationship with our employees.

The Company has adopted a share option scheme (the **"Share Option Scheme"**) as a reward for Directors and eligible employees. The details of the Share Option Scheme are set out in the prospectus of the Company dated 28 June 2024 (the **"Prospectus"**). Since the adoption of the Share Option Plan until the Date of the Report, there have been no share options granted, exercised, cancelled or expired under the Share Option Scheme. Further details of the Share Option Scheme are set out in Directors' Report — Share Options Scheme in this annual report.

## Major Customers and Suppliers

For the year ended 31 December 2024, the revenue derived from the Group's top five customers accounted for 16.81% of the Group's total revenue, and the revenue amount from the Group's single largest customer accounted for 5.57% of the Group's total revenue.

For the year ended 31 December 2024, none of the Group's major customers was also one of the Group's five largest suppliers, and all of the Group's major customers were independent third parties.

For the year ended 31 December 2024, the purchases from the Group's top five suppliers accounted for 40.31% of the Group's total purchase cost and the purchases from the Group's single largest supplier accounted for 13.50% of the Group's total purchases.

For the year ended 31 December 2024, none of the Group's major suppliers was also one of the Group's five largest customers and all of the Group's major suppliers were independent third parties.

None of the Directors, their close associates or any Shareholders who, to the knowledge of the Directors, owned more than 5% of the Shares (excluding treasury shares), had any interest in any of the Group's five largest customers and suppliers.

# Management Discussion and Analysis

## Use of Proceeds from the Global Offering

The Shares were listed on the Main Board of the Stock Exchange on 15 July 2024 (the "**Listing**"). Reference is made to the Prospectus and the announcement of the Company dated 12 July 2024 in relation to the announcement of the Offer Price and allotment results (the "**Announcement**"). As disclosed in the Announcement, the estimated net proceeds from the global offering (as defined in the Prospectus) (the "**Global Offering**") to be received by the Company, after deduction of the underwriting fees and commissions and the estimated Listing expenses payable based on the final Offer Price, amounted to approximately HK\$230.27 million. The actual net proceeds from the Global Offering (the "**Net Proceeds**") (after deduction of the underwriting fees and commissions and other Listing expenses incurred by the Company), after taking into account other certain expenses related to the Listing, amounted to approximately HK\$227.51 million.

The Net Proceeds have been and will be utilized in accordance with the proportionate allocation of the purposes set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

The following table sets out the planned applications of the Net Proceeds and actual usage from the Listing Date up to 31 December 2024:

Use	Percentage of Net Proceeds	Net Proceeds planned for allocation (HK\$ in million)	Net Proceeds planned for allocation (RMB in million) <sup>(2)</sup>	Amount utilised (as at 31 December 2024) (RMB in million)	Amount unutilised (as at 31 December 2024) (RMB in million)	Expected timeline for utilising the unutilised Net Proceeds from the Global Offering <sup>(1)</sup>
Enhance our R&D capabilities	37.3%	84.86	77.50	6.85	70.65	On or before 31 December 2028 <sup>(3)</sup>
Broaden our service offerings to other participants along the industry chain of the automotive industry	32.7%	74.4	67.95	2.80	65.15	On or before 31 December 2028 <sup>(3)</sup>
Seek potential strategic investment and collaboration opportunities	20%	45.5	41.56	10.78	30.78	On or before 31 December 2026 <sup>(3)</sup>
Working capital and general corporate purposes	10%	22.75	20.78	20.78	—	
Total	100%	227.51	207.79	41.21	166.58	

# Management Discussion and Analysis

## Notes:

- (1) The expected timeline for utilising the unutilised Net Proceeds is based on the optimal estimation of market conditions made by the Group.
- (2) Net Proceeds from the Global Offering were received in Hong Kong dollars and translated to Renminbi for use planning purposes. The exchange rate applied for this purpose was HK\$1.00 to RMB0.9133.
- (3) The unutilised Net Proceeds will be used for their respective disclosed purposes as disclosed in the Prospectus and the expected implementation timetable as mentioned above. The Company will deposit the unutilised Net Proceeds into short-term interest-bearing accounts with licensed commercial banks and/or other authorized financial institutions (as defined under the SFO or other applicable laws and regulations in other jurisdictions).

## Future plans for material investments or capital assets

Except as disclosed in this annual report and in the Prospectus of the Company, as at the Date of the Report, the Company does not have any plans for material investments or increase in capital assets.

# Biographies of Directors and Senior Management

The biographies of directors and senior management are set out below:

## Executive Directors:

**Mr. Zhu Lei (朱雷先生)**, aged 60, is one of our founders, our Chairman and executive Director. Mr. Zhu was appointed as a Director on 12 January 2022 and was re-designated as an executive Director on 12 May 2023. Mr. Zhu is primarily responsible for supervising the overall management of our Group and decision-making of external affairs and strategic development of our Group. He was the chairman of the board of directors of Tianjin Chejia from December 2019 to December 2020.

Mr. Zhu has served as the chairman of Guanglian Saixun since its establishment in May 2012. He is also the executive director of Guanglian Shuke since its establishment in November 2012. Since the establishment of Guangdong Guanglian on 18 October 2024, he has served as its executive director. Mr. Zhu is the Chairman of our Nomination Committee and the Chairman of our Strategy Committee, and he is also a director and legal representative of certain of our subsidiaries.

Mr. Zhu has over 30 years of experience in corporate and business management. Mr. Zhu started his career in Nanjing University Science & Technology Industry (Group) Company (南京大學科技實業(集團)公司) (previously known as Nanjing University Science and Technology Development General Company (南京大學科技開發總公司)) from August 1988 to July 1994, where he was primarily responsible for development of technology products and products promotion. He was the chairman of the board of directors of Nanjing Meilihua Footwear Co., Ltd. (南京美麗華鞋業有限公司), a company that is primarily engaged in production of footwear, from December 1995 to May 1996. He served as the vice chairman and president of Sanpower Group Co., Ltd. (三胞集團有限公司) ("**Sanpower**"), a company that primarily engaged in real estate construction and operation, research and development, production and sales of communication equipment, investment management, and bio-medical technology service, from May 1997 to June 2010. He successively served as the supervisor, president, deputy chairman, chairman and director of Jiangsu Hongtu High Technology Co., Ltd. (江蘇宏圖高科技股份有限公司) ("**Jiangsu Hongtu**"), a company that is primarily engaged in retail, financial services, art auction and technology manufacturing, from September 2004 to March 2011.

Mr. Zhu has been the executive director and general manager of Zhenghe Fangda, a company that is primarily engaged in asset management, since August 2010. He has also been a director of Jiangsu Yida Rongjing Capital Service Co., Ltd. (江蘇毅達融京資本服務有限公司), a company that is primarily engaged in investment, since August 2017. He has been a director of Dianmi Network Technology Co., Ltd. (點米網絡科技股份有限公司) (a company listed on NEEQ, stock code: 831235) ("**Dianmi Technology**"), a company that primarily engages in research and development of Internet technology, since February 2022.



# Biographies of Directors and Senior Management

Mr. Zhu obtained a bachelor's degree in library science from Nanjing University in July 1986. He also graduated from Warnborough College in the United Kingdom with a master's and a doctorate degree in business administration in March 2020 and July 2021 through distance learning, respectively.

**Mr. Jiang Zhongyong (蔣忠永先生)**, aged 52, was appointed as our executive Director on 12 January 2022, and resigned on 25 March 2025.

**Mr. Zhao Zhan (趙展先生)**, aged 43, is our executive Director, the chief executive officer and the general manager of our Company. He was appointed as a Director on 12 January 2022 and re-designated as an executive Director on 12 May 2023. Mr. Zhao is primarily responsible for overseeing the overall management and general operations of the Group. He joined our Group in April 2013 as a deputy general manager of Guanglian Saixun and he has been a director and a general manager of Guanglian Saixun since November 2015 and April 2016, respectively. He has also been the general manager of Guanglian Shuke since April 2022. He was the executive director, legal representative and general manager of Dijia Smart Cloud from July 2015 to October 2023. He was a director of Tianjin Chejia from December 2019 to December 2020 and has been the executive director, legal representative and manager of Tianjin Chejia since December 2020. Since 24 January 2022, Mr. Zhao has been a director of Carlink BVI, and since 8 February 2022, Mr. Zhao has been a director of Carlink HK. Mr. Zhao is also a director, legal representative and general manager of certain of our subsidiaries.

Mr. Zhao has over 15 years in development of automotive electronic products and computer software. He was the general manager of Shenzhen Jinli Wang Technology Co. Ltd. (深圳市勁力王科技有限公司), a company that primarily engages in trading and import and export of goods and technologies and production of hardware, from November 2005 to August 2010. He was also the general manager of Shenzhen 365CAR Technology Co., Ltd. (深圳市車友互聯科技有限公司), a company that primarily engages in technology development and sales of electronic products, computer software products and car products, and providing IT service, from September 2012 to April 2013.

Mr. Zhao graduated from the School of Distance Education of Zhejiang University (浙江大學遠程教育學院) with a major in English in June 2004 through distance learning. Mr. Zhao was awarded the Certificate for High-Level Professional in Shenzhen (深圳市高層次專業人才證書) by Human Resources and Social Security Administration of Shenzhen Municipality (深圳市人力資源和社會保障局) on March 2019.

# Biographies of Directors and Senior Management

**Mr. Zhang Yong (張勇先生) ("Mr. Zhang")**, aged 46, joined the Group in May 2018. He is the deputy general manager, chief financial officer, the secretary to the Board and a joint company secretary of our Company. Mr. Zhang has served as a director of Guanglian Saixun since May 2023 and is a partner of Shanghai Xiangru Investment Management Center (Limited Partnership) (上海相濡投資管理中心(有限合夥)), a limited partnership formed in the PRC and owned 99.00% by Mr. Zhu Hui (one of the controlling shareholders of the Company), which holds approximately 16.34% of Guanglian Saixun's equity. Mr. Zhang has also been the deputy general manager of Guanglian Shuke since April 2022; and the executive director and general manager of Haikou Dijia since July 2023, respectively. He is primarily responsible for financial and securities aspects of our Group.

Mr. Zhang has over 20 years of experience in audit and accounting. Mr. Zhang was an auditor of Shenzhen Zhongtian Huazheng Certified Public Accountants Co., Ltd. (深圳中天華正會計師事務所有限公司) from January 2002 to February 2003. He worked as a project manager and a manager in Shenzhen City Fanghe Management Consulting Co., Ltd. (深圳市方和管理諮詢有限公司) (previously known as Shenzhen Nanfang Minhe Certified Public Accountants Co., Ltd. (深圳南方民和會計師事務所有限公司)) from March 2003 to June 2010, and subsequently worked as a manager in Zhongshen International Certified Public Accountants Shenzhen Branch (中審國際會計師事務所深圳分所) from July 2010 to April 2011. He served as a deputy chief financial officer of Xiamen Wanli Stone Stock Co., Ltd. (廈門萬里石股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 002785) from May 2011 to April 2018.

Mr. Zhang received a bachelor's degree in economics from Hangzhou Dianzi University (杭州電子科技大學) (previously known as Hangzhou Electronics Industry Institution (杭州電子工業學院)) in June 2001.

**Ms. Yin Fang (尹芳女士)**, aged 46, joined our Group in May 2023, and is the deputy general manager and chief capital officer of our Group. She has served as the deputy general manager and chief capital officer of Guanglian Shuke since May 2023. She is primarily responsible for strategies and capital market operations aspects of our Group.

Prior to joining our Group, she successively served as a senior specialist, knowledge management officer, investors relations officer and securities affairs representative of Gemdale Corporation (金地(集團)股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600383) from June 2001 to February 2010. She was a partner, director and member of investment decision-making committee of Shenzhen ZS-Capital Ltd (深圳中時鼎誠投資管理有限公司) from April 2011 to April 2015. She was a partner and member of investment decision-making committee of Tianjin Raystone Taihe Equity Investment Funds Management Partnership (Limited Partnership) (天津雷石泰合股權投資基金管理合夥企業(有限合夥)) from April 2015 to December 2019. She was the executive director and general manager of Shenzhen Pianyue Investment Co., Ltd. (深圳譜悅投資有限公司) (formerly known as Shenzhen Chiqiao Investment Consulting Co., Ltd. (深圳赤橋投資諮詢有限公

# Biographies of Directors and Senior Management

司) and Shenzhen Puyue Investment Consulting Co., Ltd. (深圳譜悅投資諮詢有限公司)) from February 2021 to May 2023. She has also been a director of Shenzhen Toyon Biotech Co., Ltd. (深圳市碳源生物科技有限公司) since January 2022.

Ms. Yin received her bachelor's degree in engineering from University of South China (南華大學) in July 2001. She also obtained a master's degree in finance and a part-time degree of master of business administration from Peking University (北京大學) in July 2008 and June 2019, respectively.

## Non-executive Directors

**Mr. Cui Changsheng (崔常晟先生)**, aged 34, is our non-executive Director. He was appointed as a Director on 20 April 2023 and re-designated as a non-executive Director on 12 May 2023. Mr. Cui is primarily responsible for providing general strategic advice on the development of our Group. He joined our Group in May 2016 as a director of Guanglian Saixun, and resigned in May 2023.

Mr. Cui has approximately eight years of experience in vehicle-connected technologies and investment. He served as an assistant to the general manager, a director and the deputy general manager of Xingmin ITS, a company that primarily engages in research, development, production and sales of steel wheels, from August 2014 to August 2022. He has been a director and the general manager of Yantai Longhe, a company that primarily engages in investment since April 2016. He has served as a supervisor of Beijing Woneng Shunda Enterprise Management Co., Ltd (formerly known as Longkou Hengye Enterprise Management Co., Ltd.), a company that primarily engages in business management, economic and trade consulting services since June 2016, and resigned in July 2024. He also served as a supervisor of Beijing Yesway since November 2016, and resigned in February 2024. He has also been a director of Xingmin Lichi Co., Ltd (興民力馳有限責任公司) ("Xingmin Lichi"), a subsidiary of Xingmin ITS and a company that primarily engages in import and export of goods and technologies and transportation services, since July 2018. He has been the executive director and manager of Yantai Enjiada Investment Co., Ltd. (煙台恩佳達投資有限公司), a company that primarily engages in investment, since November 2021.

Mr. Cui received a bachelor's degree in accounting and financial management from University of Sunderland in the United Kingdom in June 2014.

**Mr. Zou Fangzhao (鄒方昭)**, aged 41, was appointed as our non-executive Director on 20 April 2023, and resigned on 31 December 2024.

# Biographies of Directors and Senior Management

**Ms. Peng Chao (彭超女士)**, aged 35, is our non-executive Director. She was appointed as a Director on 20 April 2023 and was re-designated as a non-executive Director on 12 May 2023. Ms. Peng is primarily responsible for providing general strategic advice on the development of our Group.

Ms. Peng has over nine years of experience in the area of risk management and investment. She worked as a risk control specialist in Shenyang Tongfang Multi-Media Technology Co., Ltd. Shenzhen Branch (瀋陽同方多媒體科技有限公司深圳分公司), a company principal engaged in television export trading, and was responsible for risk control of accounts receivable, from April 2013 to November 2015. She has been serving as the director of investment management department in CoStone Venture Capital Co., Ltd. (基石資產管理股份有限公司), a company principally engaged in equity investment, and has been primarily responsible for the post-investment management, since November 2015.

Ms. Peng obtained a bachelor's degree in finance management from Central South University (中南大學) in June 2012 and her MBA degree from Shanghai Jiao Tong University (上海交通大學) in March 2023. She obtained the Securities Investment Fund Qualification issued by the Asset Management Association of China (中國證券投資基金業協會) in November 2017.

## Independent Non-executive Directors

**Mr. Feng Yuan (馮轅先生)**, aged 56, was appointed as our independent non-executive Director on 18 June 2024. He is also a member of our Audit Committee, and the Chairman of our Remuneration Committee. He is primarily responsible for supervising and providing independent judgement and opinion to our Board. He joined our Group as an independent director of Guanglian Saixun in December 2020.

Mr. Feng has approximately 25 years of experience in the legal industry. He started working as a lawyer of Jiangsu Suyuan Law Firm (江蘇蘇源律師事務所) from September 1994 to March 2012. He was an independent director of Phoenix Publishing & Media Inc. (江蘇鳳凰出版傳媒股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 601928), a company that primarily engages in editing, publication and issuing of books, newspapers and periodicals, electronic publications and audio-visual products, from September 2011 to March 2016, an independent director of Estun Automation Co., Ltd. (南京埃斯頓自動化股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 002747), a company that primarily engages in automation components, motion control system, and industrial robot and intelligent manufacturing system, from June 2011 to July 2014, an independent director of Nanjing Sciyan Wisdom Technology Group Co., Ltd. (南京科遠智慧科技集團股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 002380), a company that primarily engages in providing products and solutions of industrial automation and information technology, from March



# Biographies of Directors and Senior Management

2015 to May 2021, and an independent director of Nanjing Chervon Auto Precision Technology Co., Ltd. (南京泉峰汽車精密技術股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 603982), a company that primarily engages in research and development, production and sales of aluminum alloy and ferrous metal automobile parts, from February 2017 to November 2022. He was also a partner of Grandall (Nanjing) Law Firm (國浩律師(南京)事務所) from March 2012 to April 2019.

Mr. Feng was a lawyer of Grandall (Shanghai) Law Firm (國浩律師(上海)事務所) from April 2019 to August 2023. He was a lawyer of Grandall (Nanjing) Law Firm (國浩律師(南京)事務所) from November 2023 to December 2024. He has been a partner of Grandall (Beijing) Law Firm (國浩律師(北京)事務所) since December 2024. He has also served as an independent director of Easy Click Worldwide Network Technology Co., Ltd. (易點天下網絡科技股份有限公司) (a company listed on the Shenzhen Stock Exchange, stock code: 301171), a company that primarily engages in intelligent marketing services, Jiangsu Yuanli Digital Technology Co., Ltd. (江蘇原力數字科技股份有限公司), a company that primarily engages in production of cartoon films and TV series, and Efort Intelligent Equipment Co., Ltd. (埃夫特智能裝備股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 688165), a company that primarily engages in research and development, production and sales of industrial robot and its core parts and system integration, since September 2017, March 2018 and April 2019, respectively.

Mr. Feng received a bachelor's degree and a master's degree in law both from Nanjing University (南京大學) in July 1991 and December 2005, respectively. He obtained the PRC Legal Professional Qualification Certificate issued by Jiangsu Provincial Department of Justice (江蘇省司法廳) in December 1994. He was also granted the qualification of lawyer for engaging in securities law business (律師從事證券法律業務資格證書) by the Ministry of Justice and CSRC in February 2000.

**Ms. Wei Chunlan (魏春蘭女士)**, aged 51, was appointed as our independent non-executive Director on 18 June 2024. She is also the Chairlady of our Audit Committee and a member of our Nomination Committee and Remuneration Committee. She is primarily responsible for supervising and providing independent judgement and opinion to our Board.

Ms. Wei has over 25 years of experience in financial management and corporate management. She was the financial manager of Shenzhen Yongjun Industrial Co., Ltd. (深圳市永駿實業有限公司), a company that primarily engages in import and export of crude oil, from April 1997 to March 2004. She had successively been the general manager of the finance department, the regional general manager (Hainan), the procurement controller and the chief human resources officer of China Resources Cement Holdings Limited (a company listed on Hong Kong Stock Exchange, stock code: 01313) from August 2004 to April 2016. She served as executive vice president of Shenzhen Jushenghua Industrial Development Co., Ltd. (深圳市鉅盛華股份有限公司), a company that primarily engages in investment in industrial projects, from May 2016 to December 2017. She has been the chairlady of Lanpu Holdings (Shenzhen) Co., Ltd. (藍譜控股(深圳)有限公司), a company

# Biographies of Directors and Senior Management

that primarily engages in investment consulting, since December 2018. She has also been the executive director and general manager of Shenzhen City Wanliu Technology Co., Ltd. (深圳市萬流科技有限公司), a company that primarily engages in corporate management and investment consultation since March 2019.

Ms. Wei obtained her master's degree in economics from Jinan University (暨南大學) in June 2005. She was accredited as Accountant and Certified Public Accountant by the MOF in April 1998 and May 1998, respectively.

**Ms. Ci Ying (慈瑩女士)**, aged 57, was appointed as our independent non-executive Director on 18 June 2024. She is also a member of our Audit Committee and Nomination Committee. She is primarily responsible for supervising and providing independent judgement and opinion to our Board.

Ms. Ci has over 20 years of experience in business development and client relationships. She worked at JPMorgan Chase Bank, where her last position was executive director of corporate & investment bank, from February 2003 to April 2008. Ms. Ci served Computershare Hong Kong Investor Services Limited with her last position as managing director in corporate proxy solicitation from May 2008 to October 2020. She was also the president of Shenzhen Mingda Asset Management Co., Ltd. (深圳市明達資產管理有限公司), a company that primarily engages in asset management, from November 2020 to November 2022. She has been the senior adviser of BUILDING STAKEHOLDER CAPITAL (formerly known as Morrow Sodali Limited), a company that primarily engages in corporate governance advisory services and business consultancy, since March 2023.

Ms. Ci obtained her bachelor's degree in pharmaceutical science from Shenyang Pharmaceutical College (瀋陽藥學院) (currently known as Shenyang Pharmaceutical University (瀋陽藥科大學)) in July 1990 and her degree of master of business administration from Fordham University in May 1999. She was admitted as fellow of the Hong Kong Chartered Governance Institute in March 2022.

## Senior Management

**Mr. Zhang Yong (張勇先生)**, aged 46, is an executive Director, a joint company secretary, and the chief financial officer of the Company. Please refer to "Executive Directors" above.

**Ms. Yin Fang (尹芳女士)**, aged 46, is an executive director and the chief capital officer of the Company. Please refer to "Executive Directors" above.



# Biographies of Directors and Senior Management

**Mr. Pu Junpeng (普俊鵬先生)**, aged 38, is the deputy general manager and director of marketing management center of the Company. He is primarily responsible for the marketing and business aspects of our Group. He joined the Group in May 2012 as the director of the marketing management center of Guanglian Saixun and became the assistant general manager of Guanglian Saixun in April 2022. He has also been the deputy general manager of Guanglian Shuke since October 2024.

Mr. Pu has served as executive directors of Shenzhen Dijia Technology Co., Ltd. (深圳市嘀加科技有限公司) since 25 May 2022, Chongqing Dijia Digital Technology Co., Ltd. (重慶市嘀加數科科技有限公司) since 16 June 2022, Chengdu Dijia Digital Technology Co., Ltd. (成都市嘀加數科科技有限公司) since 16 June 2022, Chengdu Dijia Smart Cloud Automobile Service Co., Ltd. (成都市嘀加智慧雲汽車服務有限公司) since 22 June 2022, Chengdu Dijia Zhiyun Technology Co., Ltd. (成都市嘀加智雲科技有限公司) since 16 August 2022, Chongqing Dijia Zhiyun Technology Co., Ltd. (重慶市嘀加智雲科技有限公司) since 18 August 2022, Chengdu Dijia Saixun Technology Co., Ltd. (成都市嘀加賽訊科技有限公司) since 18 August 2022, Chengdu Dijia Huiyun Technology Co., Ltd. (成都市嘀加慧雲科技有限公司) since 18 August 2022, Chengdu Dijia Zhixiang Technology Co., Ltd. (成都市嘀加智享科技有限公司) since 22 August 2022, Shaanxi Hantu Dijia Technology Co., Ltd. (陝西悍途嘀加科技有限公司) since 20 October 2023, and Huizhou Guanglian Shuke Technology Company Limited (惠州廣聯數科科技有限公司) since 21 August 2024.

Mr. Pu has about 15 years of experience in marketing management. Prior to joining the Group, Mr. Pu started his own business in Shenzhen Jinli Wang Technology Co. Ltd. (深圳市勁力王科技有限公司), a company principally engaged in the manufacturing of computers, telecommunication and other electronic social security, from 2010 to 2012.

Mr. Pu graduated from Xi'an Fanyi University (西安翻譯學院) in June 2010 with a Bachelor's degree in Economics.

**Mr. Shen Jian (沈劍先生)**, aged 48, is the deputy general manager and chief technology officer of our Group. He is primarily responsible for management of the R&D team and development of the SaaS systems of our Group. He worked in our Group as a deputy general manager of Guanglian Saixun from January 2016 to June 2017, and he rejoined our Group as a deputy general manager and the chief technology officer of Guanglian Shuke in February 2022.

# Biographies of Directors and Senior Management

Mr. Shen has over 14 years of experience in research and development. Prior to joining our Group, he was an engineering manager of UTStarcom Telecom Co., Ltd (UT斯達康通訊有限公司) (a company listed on the Nasdaq, stock code: UTSI), a company that primarily engages in telecom services, from July 2001 to March 2010. He was a senior system engineer of Ericsson Mobile Data Application Technology Research & Development (Guangzhou) Co., Ltd., Shenzhen Branch (愛立信移動數據應用技術研究開發(廣州)有限公司深圳分公司), a company that primarily engages in research and development of electronic, communication and automatic control technology, from October 2011 to October 2013. He was also the vice president of science and technology development centre of Shenzhen Liandong Yixing Technology Co., Ltd. (深圳聯動易行科技有限公司), a company that primarily engages in development and maintenance of platform and system for automobile rental companies, from July 2018 to January 2022.

Mr. Shen obtained a bachelor's degree in computer and applications from Wuhan University of Hydraulic and Electrical Engineering (武漢水利電力大學) in June 1998. He also received a master's degree in engineering from Wuhan University (武漢大學) in June 2001. He obtained the qualification of intermediate engineer from Human Resources and Social Security Bureau of Shenzhen Municipality (深圳市人事局) in September 2005.

## JOINT COMPANY SECRETARIES

**Ms. Cheung Lai Ha (張麗霞女士)**, resigned on 25 March 2025.

**Mr. Zhang Yong (張勇)**, please refer to "Executive Directors" above.

**Mr. Ng Tung Ching Raphael (吳東澄先生) ("Mr. Ng")**, was appointed as joint company secretary on 25 March 2025. Mr. Ng is a seasoned professional with over 14 years of extensive experience in the legal and company secretarial fields, with particular expertise in corporate governance and compliance. He is currently the assistant vice president of Entity Solutions at Computershare Hong Kong Development Limited.

Mr. Ng holds a Master's degree in Chinese Commercial Law from the Chinese University of Hong Kong and a Master's degree in Professional Accounting and Corporate Governance from the City University of Hong Kong. He received his Bachelor of Laws degree from Manchester Metropolitan University. Mr. Ng is a associate member of The Hong Kong Chartered Governance Institute (formerly known as the Hong Kong Institute of Chartered Secretaries) and the Chartered Governance Institute in the United Kingdom. He also possesses the practitioner's endorsement from HKCGI.

# Directors' Report

The Directors are pleased to present the Directors' Report together with the audited financial statements for the year ended 31 December 2024.

## PRINCIPAL BUSINESS

We are an in-vehicle hardware and SaaS marketing and management service provider for players within the automotive aftermarket industry in China, with a focus on providing (i) sales of in-vehicle hardware products; and (ii) provision of SaaS marketing and management services covering SaaS subscription services and SaaS value-added services to the industry participants along the industry value chain.

## RESULTS

The results of the Group for the Reporting Period are set out in the Consolidated Statement of Profit or Loss on page 85 of the Annual Report.

## ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The Company's annual general meeting (the "**AGM**") will be held on 18 June 2025. The register of members of the Company will be closed from 13 June 2025 (Friday) to 18 June 2025 (Wednesday), both dates inclusive, in order to determine the entitlement to attend and vote at the forthcoming AGM. The record date for determining the entitlement of the shareholders of the Company to attend and vote at the AGM will be 18 June 2025 (Wednesday). To ensure eligibility to attend and vote at the forthcoming AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong Share Registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, for the completion of share transfer registration procedures no later than 4:30 p.m. (Hong Kong time) on Thursday, 12 June 2025.

## FINAL DIVIDEND

The Board does not recommend the payment of any final dividend for the year ended 31 December 2024.

## BUSINESS REVIEW

A review of the Group's business for the year ended 31 December 2024, an analysis of the Group's performance during the year using financial key performance indicators, and a discussion of the Group's future business development are set out in "Management Discussion and Analysis" on pages 11 to 24 of this annual report.

# Directors' Report

## FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last four financial years is set out on page 8 of this report. This summary does not form a part of the audited consolidated financial statements.

## COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

Save as disclosed above, to the best knowledge of the Board and the management, the Group has complied in all material respects with the relevant laws and regulations which have a significant impact on the Group's business and operations. Since the Listing Date, there has been no material breach of or non-compliance with applicable laws and regulations by the Group.

## PRE-EMPTIVE RIGHTS

There are no provisions under the Articles of Association or the laws of the Cayman Islands that require the Company to offer new Shares to existing shareholders on a pro-rata basis under pre-emptive rights.

## TAX RELIEF

The Company is not aware of any tax relief available to shareholders as a result of holding securities of the Company. Shareholders should seek expert advice if they are in any doubt as to the tax implications of purchasing, holding, disposing of, dealing in or exercising any rights in respect of the Shares, including any rights to tax relief.

## Subsidiaries

Details of the subsidiaries of the Company are set out in Note 40 to the consolidated financial statements in this annual report.

## Property and equipment

Details of movements in the property and equipment of the Group for the year ended 31 December 2024 are set out in Note 16 to the consolidated financial statements in this report.

## RESERVES

Movements in the reserves of the Group and the Company during the year are set out in page 87 of this annual report.

# Directors' Report

## Distributable reserves

Our Company was incorporated on 12 January 2022 and is an investment holding company. As at 31 December 2024, our Company had distributable reserves of RMB472.89 million, which were available for distribution to our shareholders.

## Share capital

Details of the movements in the share capital of the Company during the Reporting Period are set out in note 33 to the consolidated financial statements.

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

Neither the Company nor its subsidiary had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any) since the Listing Date and up to 31 December 2024. As at 31 December 2024, the Company did not hold any treasury shares.

## ISSUANCE OF DEBENTURES

During the year ended 31 December 2024, the Group did not issue any debentures.

## DIRECTORS

During the Reporting Period and up to the Date of the Report, the Board of Directors comprised the following directors:

### Executive Directors

Mr. Zhu Lei (朱雷) (*Chairman*)  
Mr. Jiang Zhongyong (蔣忠永) (*resigned on 25 March 2025*)  
Mr. Zhao Zhan (趙展) (*Chief Executive Officer*)  
Mr. Zhang Yong (張勇) (*Deputy General Manager, Joint Company Secretary, Chief Financial Officer*) (*appointed on 25 March 2025*)  
Ms. Yin Fang (尹芳) (*Deputy General Manager, Chief Capital Officer*) (*appointed on 25 March 2025*)

### Non-executive Directors

Mr. Cui Changsheng (崔常晟)  
Mr. Zou Fangzhao (鄒方昭) (*resigned on 31 December 2024*)  
Ms. Peng Chao (彭超)

### Independent Non-executive Directors

Mr. Feng Yuan (馮轅)  
Ms. Wei Chunlan (魏春蘭)  
Ms. Ci Ying (慈瑩)

# Directors' Report

Pursuant to Article 108 of the Articles of Association, Mr. Zhu Lei, Mr. Zhao Zhan and Ms. Peng Chao will retire by rotation and be eligible for re-election at the upcoming AGM.

Pursuant to Article 111 of the Articles of Association, Mr. Zhang Yong and Ms. Yin Fang will hold office only until the upcoming AGM and will be eligible and willing to offer themselves for re-election at the next AGM.

Details of the directors to be re-elected at the AGM are set out in the AGM circular to shareholders.

## **Independence of the independent non-executive Directors**

The Company confirms that it has received annual confirmations from each independent non-executive Director confirming their independence in accordance with Rule 3.13 of the Listing Rules and considers that all independent non-executive Directors have maintained their independence from the Group.

## **Terms of Office and Services Contracts of Directors**

Each of the Executive Directors has entered into a service contract with the Company for an initial term of three years, which may be terminated by either party by prior written notice of not less than one month (or such shorter period as may be agreed in writing by the Parties), provided that a prior written notice of not less than three months is required for Mr. Zhu Lei and Mr. Zhao Zhan (subject to the termination terms of the Agreement), and shall retire and be re-elected at the AGM of the Company in accordance with the Articles of Association or any other laws applicable from time to time.

Each of the independent non-executive Directors and non-executive Directors has entered into a letter of appointment with the Company for an initial term of three years, which may be terminated by either party by prior written notice of not less than one month or payment of an equivalent amount in lieu of notice (subject to the termination terms of the Letter of Appointment), and shall retire in accordance with the provisions on rotation of the Articles of Association or any other laws applicable from time to time.

As at 31 December 2024, none of the Directors has entered into any service contract with any member of the Group that is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Any Director appointed by the Board to fill a casual vacancy or as an additional Director shall hold office only until the first AGM of the Company after his/her appointment and shall then be eligible for re-election.



# Directors' Report

## **Directors' and Controlling Shareholders' interests in transactions, arrangements and contracts of significance**

Other than as disclosed under the headings "Non-exempt Continuing Connected Transactions — Contractual Arrangements" and "Related Party Transactions" in this Directors' Report, no contract of significance was entered in to between the Company or any of its subsidiaries and the controlling shareholders of the Company or any of their subsidiaries during the year ended 31 December 2024 or subsisted at the end of the year, and no Director or controlling shareholder (as defined in the Listing Rules) of the Company, or an entity connected with such Director or controlling shareholder (as defined in the Listing Rules) of the Company has or had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party which was subsisting during or at the end of the year ended 31 December 2024.

## **Remuneration of the Directors and senior management**

The remuneration of the Group's directors and senior management is determined by the Board having regard to the recommendations of the Remuneration Committee and taking into account the Group's business results, individual performance and prevailing market conditions.

Details of the remuneration of the Directors and senior management are set out in Note 12 to the consolidated financial statements in this annual report.

The Group did not pay any remuneration to any Director or senior management during the year as an inducement to join the Group or for joining the Group or as compensation for loss of office, and no Director waived any remuneration during the year.

## **PERMITTED INDEMNITY PROVISION**

Subject to compliance with applicable laws and regulations, each Director shall be indemnified from the assets of the Company against all actions, costs, charges, losses, damages and expenses incurred by him/her or any of them in the performance of their duties in connection with their positions, thereby ensuring protection against any resulting liabilities. These permitted indemnity provisions shall remain in force for the year ended 31 December 2024. The Company has purchased appropriate director and officer liability insurance for the directors and officers of the Group during the year, which remains in force.

## **Biographies of Directors and Senior Management**

Biographies of the directors and senior management of the Company are set out in the "Directors and Senior Management" section of this report.

# Directors' Report

## CHANGE IN INFORMATION OF DIRECTORS

Mr. Jiang resigned as an executive Director and a member of the Strategy Committee, which took effect from 25 March 2025.

Mr. Zou Fangchao ceased to be a non-executive Director with effect from 31 December 2024.

Mr. Zhang Yong and Ms. Yin Fang were appointed as executive Directors and members of the Strategy Committee with effect from 25 March 2025.

Save as disclosed in the document, there is no change in any of the information relating to any director required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

# Directors' Report

## INTERESTS AND SHORT POSITIONS OF OUR DIRECTORS AND THE CHIEF EXECUTIVE OF OUR COMPANY IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF OUR COMPANY AND OUR ASSOCIATED CORPORATIONS

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

### (i) Interest in Shares and underlying Shares of the Company

Name of Director or Chief Executive	Capacity/Nature	Number of Shares Held <sup>(1)</sup>	Approximate Percentage of Shareholding in the Total Issued Shares <sup>(2)</sup> (%)
Mr. Zhu Lei	Beneficial owner <sup>(3)</sup>	32,996,665	9.00
	Interests held jointly with another person <sup>(4)</sup>	112,168,195	30.60
	Interest through voting rights entrustment arrangement <sup>(5)</sup>	43,352,105	11.82
Mr. Jiang Zhongyong <sup>(9)</sup>	Beneficial owner <sup>(6)</sup>	25,943,360	7.08
	Interest in controlled corporation <sup>(6)</sup>	25,943,360	7.08
Mr. Zhao Zhan	Beneficial owner <sup>(7)</sup>	9,000,200	2.45
	Interest in controlled corporation <sup>(7)</sup>	9,000,200	2.45
	Interest in controlled corporation <sup>(8)</sup>	8,408,545	2.29

# Directors' Report

## Notes:

- (1) All interests stated are long positions.
- (2) The calculation is based on the total number of 366,600,000 Shares in issue as at 31 December 2024.
- (3) ZL-expectations Inc. is 100% owned by Future expectations Inc. Future expectations Inc. is 100% owned by Mr. Zhu Lei. By virtue of the SFO, Mr. Zhu Lei is deemed to be interested in the Shares held by ZL-expectations Inc.
- (4) Pursuant to the Acting in Concert Confirmation, Mr. Zhu Hui and Mr. Zhu Lei are persons acting in concert. By virtue of the SFO, Mr. Zhu Hui and Mr. Zhu Lei are deemed to be interested in our Shares in which each other is interested.
- (5) Pursuant to the Voting Rights Entrustment Agreement, Mr. Zhu Lei and Mr. Zhu Hui were entrusted by, among others, J-Visionary Inc., ZZ-Intelligent Inc. and Rongying Future Inc. to exercise the voting rights attached to approximately 11.82% of the total issued share capital of the Company.
- (6) J-Visionary Inc. is 100% owned by Visionary Leader Inc. Visionary Leader Inc. is 100% owned by Mr. Jiang Zhongyong. By virtue of the SFO, Mr. Jiang Zhongyong is deemed to be interested in the Shares held by J-Visionary Inc.
- (7) ZZ-Intelligent Inc. is 100% owned by Intelligent Leader Inc. Intelligent Leader Inc is 100% owned by Mr. Zhao Zhan. By virtue of the SFO, Mr. Zhao Zhan is deemed to be interested in the Shares held by ZZ-Intelligent Inc.
- (8) Rongying Future Inc. is owned as to 67.99% by Mr. Zhao Zhan. By virtue of the SFO, Mr. Zhao Zhan is deemed to be interested in the Shares in which Rongying Future Inc. is interested.
- (9) Mr. Jiang Zhongyong ceased to be a Director with effect from 25 March 2025.

# Directors' Report

## (ii) Interest in shares of associated corporation

Name of Directors	Nature of Interest	Associated corporation	Approximate amount of contribution to registered capital	Approximately percentage of shareholding in associated corporation (%)
Mr. Zhu Lei	Nominee shareholder whose shareholders' rights are subject to contractual arrangements	Guanglian Saixun	RMB6,599,333.84	21.22
Mr. Jiang Zhongyong <sup>(9)</sup>	Nominee shareholder whose shareholders' rights are subject to contractual arrangements	Guanglian Saixun	RMB5,188,673.65	16.68
Mr. Zhao Zhan	Nominee shareholder whose shareholders' rights are subject to contractual arrangements	Guanglian Saixun	RMB2,943,511.53	9.46

Save as disclosed above, as at 31 December 2024, none of our Directors and the chief executive of our Company and/or their respective close associates had any interests or short positions in the shares, underlying shares or debentures of our Company or our associated corporations (within the meaning of Part XV of the SFO) (a) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code.

# Directors' Report

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

According to the register kept by the Company under section 336 of the Securities and Futures Ordinance and to the knowledge of the Directors, as at 31 December 2024, the following persons (not acting in their capacity as directors or chief executives of the Company) have interests or short positions in the shares or underlying shares of the Company which are required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance:

Name	Nature of Interest	Number of the Shares held	Approximate percentage of interest (%)
ZH-tendency Inc.	Beneficial owner	79,171,530	21.60
ZL-expectations Inc.	Beneficial owner	32,996,665	9.00
Future tendency Inc. <sup>(1)</sup>	Interest in controlled corporation	79,171,530	21.60
Future expectations Inc. <sup>(2)</sup>	Interest in controlled corporation	32,996,665	9.00
Mr. Zhu Hui	Interest in controlled corporation <sup>(3)</sup>	79,171,530	21.60
	Interests held jointly with another person <sup>(4)</sup>	112,168,195	30.60
	Interest through voting rights entrustment arrangement <sup>(5)</sup>	43,352,105	11.82
Ms. Chao Lu (巢璐) <sup>(6)</sup>	Interest of spouse	79,171,530	21.60
Mr. Zhu Lei	Interest in controlled corporation <sup>(7)</sup>	32,996,665	9.00
	Interests held jointly with another person <sup>(4)</sup>	112,168,195	30.60
	Interest through voting rights entrustment arrangement <sup>(5)</sup>	43,352,105	11.82



# Directors' Report

Name	Nature of Interest	Number of the Shares held	Approximate percentage of interest (%)
Ms. Wang Ji (王佶) <sup>(8)</sup>	Interest of spouse	32,996,665	9.00
HUAIXIN CO-STONE INVESTMENT LIMITED ("HUAIXIN CO-STONE") <sup>(9)</sup>	Beneficial owner	40,765,800	11.12
Ma' anshan Huaixin Jishi Equity Investment Partnership (Limited Partnership) (馬鞍山懷昕基石股權投資合夥企業(有限合夥)) ("Huaixin Investment")	Interest in controlled corporation	40,765,800	11.12
LINGYU CO-STONE INVESTMENT LIMITED ("LINGYU CO-STONE") <sup>(9)</sup>	Beneficial owner	14,285,700	3.90
Mr. Zhang Wei (張維) <sup>(9)</sup>	Interest in controlled corporation	55,051,500	15.02
Yantai Longhe Investment Company Limited (煙台隆赫投資有限公司) ("Yantai Longhe")	Beneficial owner	36,685,500	10.01
	Beneficial owner	36,685,500 (S)	10.01
Mr. Gao Henan (高赫男) <sup>(10)(11)</sup>	Interest in controlled corporation	36,685,500	10.01
	Interest in controlled corporation	36,685,500 (S)	10.01
Ms. Wang Yan (王艷) <sup>(12)</sup>	Interest of spouse	36,685,500	10.01
	Interest of spouse	36,685,500 (S)	10.01
Guangxi Free Trade Zone HuoZhenDuo Network Technology Co., Ltd (廣西自貿區活真多網絡科技有限公司) <sup>(11)</sup>	Person having a security interest in shares	36,685,500	10.01

# Directors' Report

Name	Nature of Interest	Number of the Shares held	Approximate percentage of interest (%)
Shenzhen Lianxing Yongsheng Investment Enterprise (Limited Partnership) (深圳市聯興永盛投資企業(有限合夥)) ("Lianxing Yongsheng") <sup>(13)</sup>	Beneficial owner	27,514,200	7.51
Xingmin Intelligent Transportation Systems (Group) Co., Ltd. (興民智通(集團)股份有限公司) ("Xingmin ITS") <sup>(13)</sup>	Interest in controlled corporation	27,514,200	7.51
Huizhou Guohuilian Equity Investment Fund Partnership Enterprise (Limited Partnership) (惠州市國惠聯股權投資基金合夥企業(有限合夥)) ("Guohuilian") <sup>(14)</sup>	Beneficial owner	18,723,000	5.11
Yuecai Private Equity Investment (Guangdong) Co., Ltd. (粵財私募股權投資(廣東)有限公司) ("Yuecai") <sup>(15)</sup>	Interest in controlled corporation	18,723,000	5.11
Huizhou Industrial Investment Development Master Fund Co., Ltd. (惠州產業投資發展母基金有限公司) ("Huizhou Industrial Investment Development") <sup>(14)</sup>	Interest in controlled corporation	18,723,000	5.11
Huizhou Huicheng District State-owned Capital Investment and Operation Co., Ltd. (惠州市惠城區國有資本投資運營有限公司) ("Huizhou Huicheng District State-owned Capital Investment and Operation") <sup>(14)</sup>	Interest in controlled corporation	18,723,000	5.11

# Directors' Report

## Notes:

- (1) ZH-tendency Inc. is 100% owned by Future tendency Inc. By virtue of the SFO, Future tendency Inc. is deemed to be interested in the Shares held by ZH-tendency Inc.
- (2) ZL-expectations Inc. is 100% owned by Future expectations Inc. By virtue of the SFO, Future expectations Inc. is deemed to be interested in the Shares held by ZL-expectations Inc.
- (3) ZH-tendency Inc. is 100% owned by Future tendency Inc. Future tendency Inc. is 100% owned by Mr. Zhu Hui. By virtue of the SFO, Mr. Zhu Hui is deemed to be interested in the Shares held by ZH-tendency Inc.
- (4) Pursuant to the Acting in Concert Confirmation, Mr. Zhu Hui and Mr. Zhu Lei are persons acting in concert. By virtue of the SFO, Mr. Zhu Hui and Mr. Zhu Lei are deemed to be interested in our Shares in which each other is interested.
- (5) Pursuant to the Voting Rights Entrustment Agreement, Mr. Zhu Lei and Mr. Zhu Hui were entrusted by, among others, J-Visionary Inc., ZZ-Intelligent Inc. and Rongying Future Inc. to exercise the voting rights attached to approximately 11.82% of the total issued share capital of the Company.
- (6) Ms. Chao Lu is Mr. Zhu Hui's spouse. By virtue of the SFO, Ms. Chao Lu is deemed to be interested in the Shares held by Mr. Zhu Hui.
- (7) ZL-expectations Inc. is 100% owned by Future expectations Inc. Future expectations Inc. is 100% owned by Mr. Zhu Lei. By virtue of the SFO, Mr. Zhu Lei is deemed to be interested in the Shares held by ZL-expectations Inc.
- (8) Ms. Wang Ji is Mr. Zhu Lei's spouse. By virtue of the SFO, Ms. Wang Ji is deemed to be interested in the Shares held by Mr. Zhu Lei.
- (9) Huaixin Co-stone is wholly owned by Huaixin Investment. The general partner of Huaixin Investment is Urumqi Phoenix Equity Investment Management Limited Partnership (烏魯木齊鳳凰基石股權投資管理有限合夥企業) ("**Urumqi Phoenix**"), whose general partner is Shanghai Keshen Management Consulting Co., Ltd. (上海客申管理諮詢有限公司) ("**Shanghai Keshen**"), a limited liability company incorporated under the laws of the PRC and ultimately controlled by Mr. Zhang Wei. Lingyu Co-stone is wholly-owned by Shenzhen Lingyu Co-stone Equity Investment Partnership (Limited Partnership) (深圳市領譽基石股權投資合夥企業(有限合夥)) ("**Lingyu Investment**"), and the general partner of Lingyu Investment is Shenzhen City Lingxin Jishi Equity Investment Fund Management Partnership (Limited Partnership) (深圳市領信基石股權投資基金管理合夥企業(有限合夥)) ("**Lingxin Jishi**"), which in turn is held as to 99.0% by Urumqi Phoenix and 1.0% by Urumqi Kunlun Co-stone Equity Investment Management Company Limited (烏魯木齊昆侖基石創業投資有限公司) ("**Urumqi Kunlun**"). The general partner of Urumqi Phoenix is Shanghai Keshen. Shanghai Keshen is wholly-owned by CoStone Asset Management Co., Ltd. (基石資產管理股份有限公司) ("**CoStone Asset**"). CoStone Asset is held as to 41.7% by Ma' anshan Shenzhou Jishi Equity Investment Partnership (Limited Partnership) (馬鞍山神州基石股權投資合夥企業(有限合夥)). Mr. Zhang Wei, through a number of controlled corporations, directly and indirectly controls CoStone Asset. As such, Shanghai Keshen is ultimately controlled by Mr. Zhang Wei, and Mr. Zhang Wei is the ultimate beneficial owner of both Huaixin Co-stone and Lingyu Co-stone and is deemed to be interested in the respective Shares held by Huaixin Co-stone and Lingyu Co-stone.

# Directors' Report

- (10) Yantai Longhe is held as to 25% by each of Mr. Gao Henan (高赫男), Mr. Cui Changsheng (崔常晟), Mr. Wang Zhicheng (王志成), and Mr. Zou Fangkai (鄒方凱). According to the concerted party agreement, Mr. Gao Henan is deemed to have control over Yantai Longhe and deemed to be interested in the Shares held by Yantai Longhe.
- (11) Pursuant to a deed of equitable share mortgage, ordinary Shares in the Share capital of the Company registered in the name of Yantai Longhe have been mortgaged in favour of Guangxi Free Trade Zone HuoZhenDuo Network Technology Co., Ltd (廣西自貿區活真多網絡科技有限公司).
- (12) Ms. Wang Yan is the spouse of Mr. Gao Henan and is deemed to have interests and short positions in the Shares held by Mr. Gao Henan under the SFO.
- (13) Lianxing Yongsheng is wholly-owned by Xingmin ITS, which is an A-share listed company. Therefore, Xingmin ITS is deemed to be interested in the Shares held by Lianxing Yongsheng under the SFO.
- (14) More than one-third of the partnership interest in Guohuilian is contributed by Huizhou Industrial Investment Development and Huizhou Huicheng District State-owned Capital Investment and Operation, and therefore, each of Huizhou Industrial Investment Development and Huizhou Huicheng District State-owned Capital Investment and Operation is deemed to be interested in the Shares in which Guohuilian is interested under the SFO.
- (15) Yuecai is the fund manager of Guohuilian. Therefore, Yuecai is deemed to be interested in the Shares in which Guohuilian is interested under the SFO.
- (16) As at 31 December 2024, no person had any other relevant interests or short positions in the Shares or underlying Shares of the Company.
- (17) All interests are held in long position, other than those marked (S), which represent short position.
- (18) The calculation is based on the total number of 366,600,000 Shares as at 31 December 2024.

## Directors' Interests in Competing Businesses

Set out below are interests of our Directors in businesses which may compete with our business for the purpose of Rule 8.10(2) of the Hong Kong Listing Rules as at 31 December 2024:

### Disclosable interest of Mr. Zhu Lei and Mr. Jiang Zhongyong

Mr. Zhu Lei, the chairman of the Company and an executive Director, has been a director of Dianmi Network Technology Co., Ltd. (點米網絡科技股份有限公司) (a company listed on NEEQ, stock code: 831235) ("**Dianmi Technology**"), a company that primarily engages in research and development of Internet technology, since February 2022.

# Directors' Report

Mr. Jiang Zhongyong ("**Mr. Jiang**"), one of our former executive Directors during the year ended 31 December 2024, has been the chairman of Dianmi Technology since May 2015. As informed by Mr. Jiang, the majority of the revenue of Dianmi Technology was derived from provision of human resources services including the human resources online and offline services.

Despite Mr. Zhu Lei and Mr. Jiang's directorship in Dianmi Technology, the Company is of the view that (i) any potential competition between the Group and Dianmi Technology is not and is unlikely to be significant, and (ii) Mr. Zhu Lei and Mr. Jiang are capable of avoiding any actual and potential conflicts of interest for the following reasons:

- the business focuses of the Group and Dianmi Technology are different and should be delineated from and do not and are not likely to compete directly with the core business of the Group. As confirmed by Mr. Zhu Lei and Mr. Jiang, the primary business focus of Dianmi Technology is the provision of human resources online and offline services; and
- each of Mr. Zhu Lei and Mr. Jiang has irrevocably confirmed that insofar as they have interest in Dianmi Technology whether as directors or otherwise, they shall abstain from voting as the Director if any conflict of interest or duty arises from the Group's transactions with Dianmi Technology and Jiangsu Hongtu. Furthermore, each of Mr. Zhu Lei and Mr. Jiang are aware of their fiduciary duties as Directors which require that they must, among other things, act in good faith for the benefit of the Company, and avoid actual conflicts between their personal interests (such as their directorship with Dianmi Technology) and the interests of the Company. In particular, if any of Mr. Zhu Lei or Mr. Jiang has material interests, he shall make full disclosure in respect of matters that conflict or potentially conflict with the interest of the Group and absent himself from the Board meetings on matters in which he or his close associates might have a material interest.

As such, the Directors are of the view that the potentially competing interests of Mr. Zhu Lei and Mr. Jiang in Dianmi Technology would be unlikely to give rise to any material conflict of interest for the Group as a whole.

Mr. Jiang has ceased to be a Director on 25 March 2025.

## **Discloseable interest of Mr. Zou Fangzhao**

Mr. Zou, who was our non-executive Director during the year ended 31 December 2024, currently holds positions with Beijing Yesway (a subsidiary of Xingmin ITS that is listed on the NEEQ). Mr. Zou was appointed to our Board in a non-executive capacity to represent Lianxing Yongsheng. For further details of Lianxing Yongsheng, please refer to "History, Reorganisation and Corporate Structure — Pre-IPO Investments — Information about our Pre-IPO Investors" in the Prospectus.

# Directors' Report

As at 31 December 2024, Mr. Zou is a director of Beijing Yesway. Beijing Yesway is a company listed on the NEEQ (Stock Code: NEEQ 430725). For the year ended 31 December 2024, Beijing Yesway was primarily engaged in the provision of vehicle-connected related solutions and services, including navigation, assistance, security, remote diagnosis, information services and concierge services. Beijing Yesway is a subsidiary of Xingmin ITS. For the year ended 31 December 2024, the majority of the revenue of Xingmin ITS was derived from the manufacturing of transport equipment, such as steel wheels.

Despite the directorship held by Mr. Zou in Beijing Yesway, during the year ended 31 December 2024, he did not hold any significant shareholding interest in Beijing Yesway or other subsidiaries of Xingmin ITS.

The Directors note that the business of Beijing Yesway may potentially compete with us as Beijing Yesway's businesses involved solutions and services that involve the services provided to car users based on vehicle-connected technology. However, we are of the view that the positions of Mr. Zou as non-executive Director and a director of Beijing Yesway would not cause a material competition with our Group's business and that any potential competition between our Group and Xingmin ITS is not and is unlikely to be significant for the following reasons:

- the business focuses of our Group, Xingmin ITS and Beijing Yesway are different and should be delineated from and do not and are not likely to compete directly with our core business. As confirmed by Mr. Zou, the primary business focus of Xingmin ITS is steel wheels, while Beijing Yesway engages in the in-vehicle hardware and vehicle-connected related solutions; notwithstanding the above, the targeted customers of our Group and Xingmin ITS and Beijing Yesway should be differentiated. Based on the publicly available information, and as further confirmed by Mr. Zou, the target customers of Xingmin ITS and Beijing Yesway are vehicle manufacturers, whereas the target customers of our Group cover 4S stores and other industry participants within the automotive aftermarket industry; in contrast, our Group primarily engages in (i) sales of in-vehicle hardware products and (ii) the provision of SaaS marketing and management services, primarily targeting 4S store customers and car users;
- Mr. Zou serves our Board in a primarily advisory capacity through providing strategic and business development advice. He is not intended to and do not exert significant influence on the day-to-day management of our Group's operations, which is vested in our executive Directors and our senior management, whose members do not have shareholding relationships or holding senior management roles with Beijing Yesway;
- while Mr. Zou is the director of Beijing Yesway, he does not hold any material shareholding interest in Xingmin ITS or Beijing Yesway, and moreover, he does not have unilateral control over the operations of Xingmin ITS or Beijing Yesway as one member of its board of directors since September 2019, and Mr. Zou himself does not have any decision-making power unless otherwise authorised by Xingmin ITS or Beijing Yesway's board of directors;



# Directors' Report

- Mr. Zou has irrevocably confirmed that insofar as he has interest in Xingmin ITS or Beijing Yesway, whether as a director or otherwise, he shall abstain from voting as our Director if any conflict of interest or duty arises from our Group's transactions with Beijing Yesway. Furthermore, Mr. Zou is aware of his fiduciary duties as a Director which require that he must, among other things, act in good faith for the benefit of our Company, and avoid actual conflicts between his personal interests (such as his directorship with Beijing Yesway) and the interests of our Company. In particular, if Mr. Zou has material interests, he shall make full disclosure in respect of matters that conflict or potentially conflict with our interest and absent himself from the Board meetings on matters in which he or his close associates might have a material interest.

As an additional source of protection, our executive Directors also possess extensive experience in corporate and business management, finance and investment and also the development of electronic products, software and vehicle connected solutions. Our executive Directors (together with our non-executive Directors and independent non-executive Directors) collectively have sufficient caliber and stature to ensure that the above mentioned corporate governance measures are effective.

As such, our Directors are of the view that the potentially competing interests of Mr. Zou is unlikely to give rise to any material conflict of interest for our Group as a whole.

Mr. Zou ceased to be Director on 31 December 2024.

Save for the above named Directors' respective interests, during the year ended 31 December 2024 and up to the Date of the Report, no controlling shareholder of the Company, Director or any of their respective close associates had any interest in any other business apart from the businesses operated by our Group, which competes, or is likely to compete, either directly or indirectly, with the businesses of our Group and would require disclosure pursuant to Rule 8.10 of the Listing Rules.

## Related Party Transactions

The Group has entered into certain transactions with "related parties" as defined under the applicable accounting standards. Details of these transactions are set out in Note 39 to the consolidated financial statements in this annual report.

Except for the continuing connected transactions disclosed in the section headed "Non-exempt Continuing Connected Transactions — Contractual Arrangements" in this Directors' Report, all other related party transactions constitute connected transactions or continuing connected transactions and have been fully exempted under Chapter 14A of the Listing Rules. The Directors confirm that the Company has complied with the disclosure requirements under Chapter 14A of the Listing Rules.

# Directors' Report

## Non-exempt Continuing Connected Transactions — Contractual Arrangements

On 11 December 2001, the State Council promulgated the Regulations on the Administration of Foreign-Invested Telecommunications Enterprises (2016 Revision) (the "**Foreign-Invested Telecom Regulations**"), which was subsequently amended on 10 September 2008 and 6 February 2016. Pursuant to the Foreign-Invested Telecom Regulations, the shareholding percentage of foreign investors in companies engaged in value-added telecommunications businesses shall not exceed 50%.

Furthermore, foreign investors seeking to invest in value-added telecommunications businesses in China must possess operational experience in value-added telecommunications services and a proven track record of overseas business operations (the "**Qualification Requirements**"). Currently, no applicable PRC laws, regulations, or rules provide clear guidelines or interpretations regarding these Qualification Requirements. Consequently, to enable the Company to conduct business in the PRC, the Group has entered into contractual arrangements that entitle the Company to exercise and maintain control over the operations of the consolidated affiliated entities, while enabling the consolidation of their financial results with those of the Company under International Financial Reporting Standards (IFRS) as if they were wholly-owned subsidiaries of the Company. For details, please refer to the section headed "Contractual Arrangements" in the Prospectus.

As at 31 December 2024, there are no further updates regarding the Qualification Requirements.

### Overview of Contractual Arrangements

#### 1. *Details of operating company and registered shareholders*

*Operating company: Guanglian Saixun*

Guanglian Saixun is a limited liability company established in the PRC. The registered shareholders of Guanglian Saixun include Tianjin Zhenghe Futong Equity Investment Partnership Enterprise (Limited Partnership) (天津正和富通股權投資合夥企業(有限合夥)), Xinjiang Rongying Equity Investment Limited Partnership Corporation (新疆融盈股權投資有限合夥企業), Shanghai Xiangru Investment Management Center (Limited Partnership) (上海相濡投資管理中心(有限合夥)) and Mr. Zhao Zhan. The transactions contemplated under the Contractual Arrangements constitute continuing connected transactions of our Company under the Listing Rules upon the Listing as Guanglian Saixun is held as to 41.47% by Zhenghe Futong, 39.68% by Xinjiang Rongying and 16.34% by Shanghai Xiangru, which are entities ultimately controlled by Mr. Zhu Lei (being one of our executive Directors and a member of the Controlling Shareholders Group) and his brother, Mr. Zhu Hui (also a member of the Controlling Shareholders Group), and therefore Guanglian Saixun is a company majority controlled by Mr. Zhu Lei and Mr. Zhu Hui and is therefore also a connected person of our Company under Rule 14A.12(2)(b) of the Listing Rules.

# Directors' Report

## **2. A description of the business of the operating company**

Guanglian Saixun, the principal operating subsidiary of the Group, is primarily engaged in value-added telecommunications service and geolocation service.

## **3. Summary of key contractual arrangement terms**

The contractual arrangements existing as at 31 December 2024 are as follows:

- (1) An Exclusive Business Cooperation Agreement dated 24 March 2023 entered into between Guanglian Shuke and Guanglian Saixun, under which Guanglian Shuke holds the exclusive right to provide or designate any third party to provide technical and management consulting services to Guanglian Saixun.
- (2) An Exclusive Option Agreement dated 24 March 2023 entered into among Guanglian Shuke, Mr. Zhu Lei, Mr. Zhu Hui, Mr. Jiang, the Registered Shareholders, the general partners of the Registered Shareholders, and Guanglian Saixun, under which the Registered Shareholders unconditionally and irrevocably grant Guanglian Shuke the exclusive right to purchase all or part of Guanglian Saixun's equity interests, as the case may be, in the event that Guanglian Shuke or its designated third party is permitted by the PRC law, subject to the minimum consideration amount permitted under applicable PRC laws.
- (3) An Equity Pledge Agreement dated 24 March 2023 entered into among Guanglian Shuke, Guanglian Saixun and each of the Registered Shareholders, under which the Registered Shareholders unconditionally and irrevocably pledge all equity interests in Guanglian Saixun to Guanglian Shuke as security for fulfilling their obligations under the Exclusive Business Cooperation Agreement, the Exclusive Option Agreement, and the Shareholders' Rights Proxy Agreement (as defined below).
- (4) A Shareholders' Rights Proxy Agreement dated 24 March 2023 entered into among Guanglian Shuke, Guanglian Saixun and the Registered Shareholders, under which the Registered Shareholders irrevocably appoint Guanglian Shuke or its designees as their entrusted proxy to exercise specific shareholder rights in Guanglian Saixun.
- (5) Spousal Undertakings signed by each spouse of Mr. Zhu Hui, Mr. Zhu Lei, Mr. Jiang and Mr. Zhao, in relation to, for the purpose of the Shares held by their respective spouse in Guanglian Saixun: (i) The shares are subject to the Equity Pledge Agreement, the Exclusive Option Agreement, and the Shareholders' Rights Proxy Agreement; (ii) Each shareholder's spouse has independent rights and obligations under the Equity Pledge Agreement, the Exclusive Option Agreement, and the Shareholders' Rights Proxy Agreement and does not require spousal authorization or consent for execution of the transaction documents, further modification or termination of such agreements or formation of other documents in lieu of such agreements; and (iii) All claims and other rights arising from or in connection with such agreements against their respective spouses of Guanglian Saixun shall constitute joint liabilities.

# Directors' Report

The Company confirms that, for the year ended 31 December 2024, it has complied with the relevant requirements under Chapter 14A of the Listing Rules relating to all connected transactions and continuing connected transactions to which the Company is a party.

## ***Risks Relating to the Contractual Arrangements***

For details regarding the risks associated with the contractual arrangements, please refer to the section headed "Risk Factors — Risks Related to Our Corporate Structure and Contractual Arrangements" in the Prospectus.

## ***Material Changes to the Contractual Arrangements***

During the year ended 31 December 2024, there had been no material changes to the contractual arrangements and/or the circumstances under which they were adopted.

## ***Termination of the Contractual Arrangements***

If the applicable laws permit the operating company and consolidated affiliated entities to conduct business without maintaining the contractual arrangements, the Company will terminate such arrangements immediately.

However, from the date of listing until the date of this report, none of the contractual arrangements have been terminated, as the regulatory restrictions that necessitated their adoption remain unchanged.

## ***Stock Exchange Waiver***

The Stock Exchange has granted the Company a waiver from strict compliance with the connected transaction requirements under Chapter 14A of the Listing Rules in relation to the contractual arrangements. For details, please refer to the section headed "Connected Transactions" in the Prospectus.

# Directors' Report

## ***Annual Review by Independent Non-executive Directors***

Pursuant to Rule 14A.55 of the Listing Rules, for the year ended 31 December 2024, the independent non-executive Directors have reviewed the contractual arrangements and confirmed that (i) the transactions carried out during the year ended 31 December 2024 have been entered into with the relevant provisions of the contractual arrangements and that the profit generated by Guanglian Saixun has been substantially retained by Guanglian Shuke, (ii) no dividends or other distributions for the relevant financial year have been made by Guanglian Saixun to the holds of its equity interests which are not otherwise subsequently assigned or transferred to the Company. The independent non-executive Directors are also of the view that the contractual arrangements and the transactions contemplated thereunder were entered into in the ordinary and usual course of business of the Group; such arrangements were made on normal commercial terms or better; and the terms of the contractual arrangements are fair and reasonable and in the overall interests of the Company and its shareholders.

## **Auditor**

A resolution will be proposed at the forthcoming AGM to reappoint Deloitte Touche Tohmatsu as the Company's auditor. No changes to the auditors have occurred since the Listing Date.

## **Audit Committee**

The Audit Committee has reviewed the annual results and the Group's accounting policies and practices with the Company's management and Deloitte Touche Tohmatsu, the representative of the external auditors of the Company; and discussed matters relating to audits, risk management, internal controls, and financial reporting, including reviewing the Group's consolidated financial statements for the year ended 31 December 2024.

## **Sufficiency of Public Float**

As of the date of this report and based on publicly available information available to the Company and to the best knowledge of the Directors, the Company has maintained throughout the year ended 31 December 2024 the required public float of not less than 25% of its issued shares as stipulated under the Listing Rules.

# Directors' Report

## Corporate Governance Report

The Company recognizes that sound corporate governance is essential to enhancing management standards and safeguarding the overall interests of shareholders. The Corporate Governance Code set out in Appendix C1 to the Listing Rules has been applicable to the Company since the Listing Date. Since listing, the Company has adopted the principles and provisions of the Code to govern its corporate governance practices. For details on compliance with the Corporate Governance Code, please refer to the section headed "Corporate Governance Practices" under the Corporate Governance Report in this annual report.

Further information on the Group's corporate governance practices is available in the Corporate Governance Report of this annual report.

## Environmental, Social, and Governance (ESG) Responsibility

As a responsible enterprise, the Group is committed to upholding the highest environmental and social standards to ensure its sustainable business practices. The Group is not aware of any material non-compliance with relevant laws and regulations concerning its operations, including those related to health and safety, workplace conditions, employment, and environmental matters. The Group believes that a better future depends on collective participation and contribution of every stakeholder. The Company has encouraged employees, customers, suppliers, and other stakeholders to engage in environmental and social initiatives that benefit the broader community. Additionally, the Group has adopted policies, charters, and codes of conduct to regulate ESG aspects of its daily operations, including reducing energy and water consumption in operations, ensuring health and occupational safety, and making social contributions to environmental protection and corporate governance. The Group is dedicated to fostering sustainable relationships with employees, suppliers, and customers to ensure its sustainable development. For further details on the Company's environmental performance and relationships with its employees, suppliers and customers, please refer to the ESG Report of the Company.

## Management Contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company (within the meaning of section 543 of the Companies Ordinance, Cap. 622 of the Laws of Hong Kong (the "**Companies Ordinance**")) was entered into or existed during the year ended 31 December 2024.



# Directors' Report

## Share Option Scheme

As at 18 June 2024, the Company adopted the Share Option Scheme which falls within the aspects of and is subject to Chapter 17 of the Listing Rules and took effect on the Listing Date. The purpose of the Share Option Scheme is to recognise and for the contribution that eligible participants have made or may have made to the Group. The Directors consider that the Share Option Scheme has an extensive participation basis and will enable the Group to reward employees, directors and other selected participants for their contribution to the Group. It is expected that the Share Option Scheme will (i) attract and retain the best personnel for the development of our Group's businesses; (ii) provide additional incentives or rewards to selected eligible participants for their contribution to the creation of our Company's value; and (iii) promote the long term financial success of our Group by aligning the interest of any eligible participant who accepts an offer of the grant of share options in accordance with the terms of the Share Option Scheme to those of our Shareholders.

The total number of Shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 36,660,000, being 10% of the Shares in issue (excluding treasury shares) as at the Listing Date (366,600,000 shares) and at the Date of the Report. As at the Date of the Report, the number of share options available for grant under the Share Option Scheme is 36,660,000.

The total number of Shares issued and to be issued upon exercise of share options granted under the Share Option Scheme and any other schemes of the Company to each eligible participant (including both exercised and outstanding share options) in any 12-month period must not exceed 1% of the total number of Shares for the time being in issue (excluding treasury shares).

The Share Option Scheme will remain in force for a period of ten years commencing from the Listing Date and the maximum exercise period of the share options granted is ten years subject to compliance with any applicable laws, regulations or rules.

Pursuant to the Share Option Scheme, the subscription price in respect of any share options shall be such price as our Board may in its absolute discretion determine at the time of grant, provided that it shall not be less than the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date on which the Share is granted or deemed to be granted (the "**Grant Date**"); (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the Grant Date; and (iii) the nominal value of a Share.

# Directors' Report

An offer under the Share Option Scheme shall remain open for acceptance by the grantee concerned for a period of 28 days from the date, which shall be a business day, on which the offer is made to the grantee. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined by the Board and specified in the letter to the grantee (the "**Option Period**"), which shall be ten years (or such shorter period as may be separately specified in the letter to the eligible participant from the date on which the option is granted or deemed to have been granted. An offer shall have been accepted by a grantee when the duplicate letter comprising acceptance of the option duly signed by Grantee together with a remittance in favour of our Company of HK\$1.00 as consideration for the grant thereof is received by our Company. Such remittance shall in no circumstances be refundable.

No share options were granted by the Company or exercised, cancelled or lapsed under the Share Option Scheme nor were there outstanding share options under the Share Option Scheme during the year ended 31 December 2024 and up to the Date of the Report.

A summary of the terms of the Share Option Scheme has been set out in the section headed "D. Share Option Scheme" in Appendix IV of the Prospectus.

## Arrangements to Purchase Shares of Debentures

Other than the Share Option Scheme as disclosed under the section headed "Share Option Scheme" in this annual report, 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.

## Equity-Linked Agreements

Save as disclosed in this annual report, the Company did not enter into any equity-linked agreements during the year ended 31 December 2024.

## Material Litigation

During the year ended 31 December 2024, the Group was not involved in any material litigation.

# Directors' Report

## Loans and Guarantees

Please refer to Note 31 to the Consolidated Financial Statements for a breakdown of the Group's borrowings. Save as disclosed in this annual report, the Group did not have any loans or any guarantees made directly or indirectly to Directors, senior management of the Company or their connected persons in connection with the loans during the year ended 31 December 2024.

## Donations

The Group did not make any charitable or other donations during the year ended 31 December 2024.

On behalf of the Board

**Zhu Lei**  
*Chairman*

Hong Kong, 25 March 2025

# Corporate Governance Report

The Board is pleased to report to the shareholders on the corporate governance of the Company for the year ended 31 December 2024.

## Corporate Governance Culture

The Company is committed to establishing and implementing sound corporate governance practices and procedures to ensure a high-caliber Board, robust internal controls, and shareholder transparency & accountability to enhance the Company's credibility and reputation. We firmly believe that exemplary corporate governance practices builds trust with shareholders and stakeholders, and, most importantly, safeguards long-term interests of our shareholders. In addition, a healthy corporate culture is essential to the realization of the Group's vision and strategy. The Group is committed to maintaining a high standard of business ethics and corporate governance in the Company's operations.

The Company will constantly review and, where necessary, adjust our business strategies and keep abreast of changing market conditions to ensure that proactive measures are taken promptly to respond to changes, to meet market needs and to promote the sustainable development of the Group.

## CORPORATE GOVERNANCE PRACTICE

The Company and the Directors are committed to upholding and implementing the highest standards of corporate governance and recognize the importance of safeguarding the rights and interests of all shareholders, including those of minority shareholders. The Company has adopted the CG Code as set out in Appendix C1 to the Listing Rules as its own corporate governance code since the Listing Date.

The Company has complied with all applicable code provisions set out in the CG Code since the Listing Date and up to the Latest Practicable Date.

The Company will continue to review and monitor its corporate governance practices on a regular basis to ensure compliance with the CG Code and to maintain the high standard of corporate governance practices of the Company.

## Model Code for Securities Transactions

The Company has adopted the Model Code as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Directors have confirmed that they have complied with the Model Code throughout the period from the Listing Date up to 31 December 2024.

# Corporate Governance Report

The Board has also adopted a code of conduct regarding securities transactions by employees on terms no less stringent than those set out in the Model Code to govern transactions in the Company's securities by such employees, including any employee or Director or employee of a subsidiary or holding company of the Company who, by virtue of his or her position or employment, may have inside information that has not been publicly disclosed by the Company as referred to in Code Provision D.2.4(e) of the applicable code provisions of the CG Code. Having made reasonable enquiries, no breaches of the Model Code by relevant employees of the Company have been identified throughout the period from the Listing Date up to 31 December 2024.

## Composition of the Board

As at the Date of the Report, the Board comprises four executive Directors, two non-executive Directors and three independent non-executive Directors as set out below:

### Executive Directors

Mr. Zhu Lei (朱雷) (*Chairman*)  
Mr. Zhao Zhan (趙展先生) (*General Manager, Chief Executive Officer*)  
Mr. Zhang Yong (張勇) (*Deputy General Manager, Joint Company Secretary, Chief Financial Officer*) (*appointed as a Director on 25 March 2025*)  
Ms. Yin Fang (尹芳) (*Deputy General Manager, Chief Capital Officer*) (*appointed as a Director on 25 March 2025*)  
Mr. Jiang Zhongyong (蔣忠永) (*resigned on 25 March 2025*)

### Non-executive Directors

Mr. Cui Changsheng (崔常晟)  
Ms. Peng Chao (彭超)

### Independent Non-executive Directors

Ms. Ci Ying (慈瑩)  
Ms. Wei Chunlan (魏春蘭)  
Mr. Feng Yuan (馮轅)

Each of the Directors (except Mr. Zhang Yong and Ms. Yin Fang) has confirmed that he/she had obtained the legal opinion referred to in Rule 3.09D of the Listing Rules on May 2023 and understood his/her obligations as a director of the listed issuer under the Listing Rules, Mr. Zhang Yong and Ms. Yin Fang had obtained the legal advice referred to in Rule 3.09D of the Listing Rules on 24 March 2025, and each of them has confirmed that he/she understood his/her obligations as a Director.

The biographies of Directors and the relationship between the Directors and the senior management are set out in the section headed "Biographies of Directors and Senior Management" in this annual report. Save as disclosed in this report, there is no relationship (including financial, business, family or other material/relevant relationship(s)) among members of the Board and the senior management.

# Corporate Governance Report

## Board Meetings and General Meetings

The Board shall convene at least four meetings each year on an approximately quarterly basis. Additional meetings will be scheduled as necessary. Notice of all regular meetings of the Directors shall be sent to all Directors at least 14 days before the meeting, while the agenda and accompanying Board documents shall be sent to all Directors no later than 3 days before the meeting, to ensure sufficient time for review. Minutes of meetings shall be kept by the board secretary/joint company secretaries and copies are distributed to all Directors or members of Board committees for their information and records. Directors who have a conflict of interest in a Board resolution are required to abstain from voting on such resolution.

Minutes of Board meetings and Board committee meetings will fully record the matters deliberated and decisions reached by the Board and Board committees, including any concerns raised by the Directors/Board committee members. Draft and finalized minutes of each Board meeting and Board committee meeting will be sent to each Director/Board committee member for their comments and records within a reasonable time after the date of the meeting. Minutes of Board meetings are open for inspection by the Directors.

All Directors have full and timely access to all information of the Company and to the services and advice of the joint company secretaries and senior management. Directors may seek independent professional advice in appropriate circumstances upon request to discharge their duties to the Company at the Company's expense. All independent non-executive Directors are invited to attend meetings of the Board and Board committees and are provided with a channel of communication with management and the joint company secretaries at all times. The Board shall at all times include at least three independent non-executive Directors (representing at least one-third of the Board) to ensure that the Board maintains a high degree of independence and can effectively exercise independent judgment. All Directors (including independent non-executive Directors) will be given equal opportunities and channels to communicate with and express their views to the Board and have separate and independent access to the management of the Group to make informed decisions. The Chairman of the Board shall meet with the independent non-executive Directors at least annually to discuss issues and concerns without the participation of other Directors. Any Director or his/her associate(s) with a conflict of interest in a matter under consideration by the Board shall resolve such matter through a physical Board meeting rather than a written resolution. Such Director shall declare his/her interest and abstain from voting before the meeting and shall not be counted in the quorum for the relevant resolution. Independent non-executive Directors and their associates who have no interest in the relevant matters are required to attend Board meetings. The Board shall review the effectiveness of these mechanisms on a regular basis to ensure that independent advice and recommendations are provided to the Board.



# Corporate Governance Report

## Attendance Record of Directors

Attendance of each Director at Board meetings and general meetings during the year ended 31 December 2024 is set out below:

Name of Directors	Board of Directors <sup>(1)</sup>	Audit Committee <sup>(1)</sup>	Remuneration Committee <sup>(1)</sup>	Nomination Committee <sup>(1)</sup>	Strategy Committee <sup>(1)</sup>	Annual General Meeting <sup>(2)</sup>
<b>Executive Directors</b>						
Mr. Zhu Lei (朱雷)	4/4	—	—	—	—	—
Mr. Jiang Zhongyong (蒋忠永) (resigned on 25 March 2025)	4/4	—	—	—	—	—
Mr. Zhao Zhan (赵展)	4/4	—	—	—	—	—
<b>Non-executive Directors</b>						
Mr. Cui Changsheng (崔常晟)	4/4	—	—	—	—	—
Mr. Zou Fangzhao (邹方昭) (resigned on 31 December 2024)	4/4	—	—	—	—	—
Ms. Peng Chao (彭超)	4/4	—	—	—	—	—
<b>Independent Non-executive Directors</b>						
Ms. Ci Ying (慈莹)	4/4	2/2	—	—	—	—
Ms. Wei Chunlan (魏春兰)	4/4	2/2	—	—	—	—
Mr. Feng Yuan (冯轶)	4/4	2/2	—	—	—	—

Notes:

- (1) Code Provision C.5.1 of the CG Code recommends that the Board shall convene meetings on a regular basis and the Board meetings shall be held at least four times a year at approximately quarterly intervals. The Company was recently listed on the Stock Exchange on 15 July 2024 and has been complying with the CG Code since that date. Since the Listing Date and up to the end of the Reporting Period, we held four Board meetings. Nevertheless, the Board maintains regular communication among its members and will continue to hold meetings periodically thereafter to stay updated on the Company's affairs.
- (2) No annual general meeting was held during the period from the Listing Date until the end of the Reporting Period.

During the Reporting Period, the Chairman held meetings with the independent non-executive Directors in the absence of other Directors.

# Corporate Governance Report

## **Roles, Responsibilities and Contributions of the Board and Management**

The Board shall assume leadership and oversight responsibilities for the Company; and collectively guide and supervise the Company's affairs.

Through direct governance and via its committees, the Board leads and provides direction to management, formulates strategies and monitors the implementation, oversees the Group's operational and financial performance, and ensures robust internal control and risk management systems are in place.

All Directors (including non-executive and independent non-executive Directors) possess extensive business experience, expertise and professionalism that enable effective Board functioning. Independent non-executive Directors shall be responsible for ensuring high standards of regulatory reporting on the Company, and providing balanced oversight in the Board to provide effective independent judgment on corporate actions and operations. All Directors have full and timely access to all information of the Company and may seek independent professional advice in appropriate cases upon request to discharge their duties to the Company at the Company's expense. All Directors have full and timely access to all information of the Company. Directors shall disclose to the Company details of other positions held by them.

The Board reserves the right to make decisions on all material matters relating to policy matters, strategy and budget, internal control and risk management, major transactions (particularly those which may involve a conflict of interest), financial information, appointment of Directors and other major operational matters of the Company. Responsibilities relating to the decision-making, direction and coordination of the day-to-day operations and management of the Company by the Executive Board are delegated to the management.

The Company has established mechanisms to ensure that the Board receives independent perspectives and advice by seeking external independent professional opinions from legal advisors and auditors; and requiring the attendance of all independent non-executive Directors at Board and relevant committee meetings. The Board conducts an annual review of the implementation and effectiveness of the aforementioned mechanisms.

The Company maintains appropriate liability insurance for Directors and senior management against legal actions arising from corporate activities.

# Corporate Governance Report

## Board Independence Assessment

The Board has established mechanisms to ensure access to independent opinions and advice. The Board endeavors to ensure the appointment of at least three independent non-executive Directors and at least one-third of them are independent non-executive Directors. The Company also appoints independent non-executive Directors to the Board committees as required and practicable under the Listing Rules to ensure that independent advice and recommendations are obtained. The Nomination Committee strictly adheres to the independence assessment criteria set out in the Listing Rules in the nomination and appointment of independent non-executive Directors, and is authorized to assess the independence of the independent non-executive Directors on an annual basis to ensure that they are able to exercise independent judgment on an ongoing basis.

On the basis of the above measures that have been put into place, the Board is of the view that the above mechanisms was effective in ensuring that independent views and input were available to the Board throughout the Reporting Period.

## Independent Non-executive Directors

During the period from the Listing Date to 31 December 2024, the Company has three independent non-executive Directors who meet the requirements of Rules 3.10(1) and 3.10(2) of the Listing Rules, of which at least one of them possesses appropriate professional qualifications or accounting or related financial management expertise. The number of independent non-executive Directors shall constitute at least one-third of the Board. Pursuant to Rule 3.13 of the Listing Rules, each of Ms. Ci Ying, Ms. Wei Chunlan and Mr. Feng Yuan (being an independent non-executive Director) has given a confirmation to the Company confirming his/her independence for the period from the Listing Date to 31 December 2024. Based on the confirmation from these independent non-executive Directors, the Company considers that each of them has been independent for the Reporting Period.

## Appointment and Re-election of Directors

Code Provision B.2.2 of the CG Code stipulates that every Director shall be subject to retirement by rotation at least once every three years. The procedures for the appointment, reappointment and removal of Directors are set out in the Articles of Association.

All Directors are subject to retirement by rotation and re-election. Pursuant to the Company's Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not 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 Articles of Association also provide that all Directors appointed to fill a casual vacancy on the Board or as an addition to the existing Board shall hold office until the first AGM after their appointment. A retiring Director shall be eligible for re-election.

# Corporate Governance Report

## Continuing Professional Development for Directors

Directors are required to keep abreast of regulatory developments and changes in order to discharge their responsibilities effectively and to ensure that their contribution to the Board remains informed and relevant.

Directors shall engage in appropriate continuing professional development to develop and update their knowledge and skills. The Company has arranged training for its Directors and provided them with reading materials on relevant topics. Each Director has been provided with the necessary induction requirements and information to ensure that he/she has a proper understanding of the Company's operations and business and his/her responsibilities under the relevant statutes, laws, rules and regulations.

All Directors have been kept abreast of the latest developments in relation to the Listing Rules and other applicable regulatory requirements to ensure compliance and to enhance their awareness of good corporate governance practices. In addition, the Company will provide continuous briefing and professional development to the Directors as and when required.

All Directors have complied with Code Provision C.1.4 of the CG Code during the Reporting Period and have participated in continuous professional development to develop and refresh their knowledge and skills.

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

Director	Training Type <sup>Notes</sup>
<b>Executive Directors</b>	
Mr. Zhu Lei (朱雷)	A&B
Mr. Zhao Zhan (趙展)	A&B
Mr. Jiang Zhongyong (蔣忠永) ( <i>resigned on 25 March 2025</i> )	A&B
<b>Non-executive Directors</b>	
Mr. Cui Changsheng (崔常晟)	A&B
Mr. Zou Fangzhao (鄒方昭) ( <i>resigned on 31 December 2024</i> )	A&B
Ms. Peng Chao (彭超)	A&B
<b>Independent Non-executive Directors</b>	
Ms. Ci Ying (慈瑩)	A&B
Ms. Wei Chunlan (魏春蘭)	A&B
Mr. Feng Yuan (馮轅)	A&B

# Corporate Governance Report

Notes:

## Types of Training

A: Attendance at training programs, including but not limited to briefing sessions, seminars, conferences and workshops

B: Review of relevant materials, including news alerts, newspapers, journals, magazines and industry-specific publications

## Board Committees

The Board has established four committees, namely the Audit Committee, the Strategy Committee, the Remuneration Committee and the Nomination Committee to oversee special areas of the Company's affairs. All committees under the Board of the Company have specific written terms of reference which clearly explain their powers and duties. The terms of reference for the committees under the Board that are required to be posted on the Company's website and the website of the Stock Exchange have been uploaded. All terms of reference for the committees are available for inspection by shareholders upon request.

## Audit Committee

During the Reporting Period, the Audit Committee comprised three independent non-executive Directors, namely Ms. Ci Ying, Ms. Wei Chunlan, and Mr. Feng Yuan. Ms. Wei Chunlan served as the Chairlady of the Audit Committee and is a Director qualified under Rules 3.10(2) and 3.21 of the Listing Rules. The primary responsibilities of the Audit Committee include reviewing and overseeing the Company's financial reporting processes, internal control and risk management systems, and the effectiveness of the internal audit function; nominating and monitoring the external auditors; providing recommendations and advice to the Board on corporate governance matters; and performing other duties and responsibilities assigned by the Board. The written terms of reference of the Audit Committee are available on the Company's website and website of the Stock Exchange.

As the Company was listed on the Stock Exchange on 15 July 2024, the Audit Committee held two meetings during the Reporting Period, during the period from the Listing Date and up to the Latest Practicable Date, the Audit Committee held three meetings, during which the Committee performed the following major tasks: 1. reviewed the unaudited the interim report and unaudited interim financial statements for the six months ended 30 June 2024 before submitting to the Board; 2. reviewed the unaudited third quarter results of the Group as of September 30, 2024; 3. reviewed the adequacy of resources, staff qualifications and experience, training programs, and the budgets in the Group's accounting, financial reporting and internal audit functions; 4. reviewed the effectiveness of the Group's risk management, financial control and internal control systems as well as the Company's internal audit function; 5. discussed the re-appointment of the external auditor and make recommendations to the Board; 6. reviewed the audited annual result and annual report of the Group for the year ended 31 December 2024.

# Corporate Governance Report

## Remuneration Committee

During the Reporting Period, the Remuneration Committee comprised three members, namely, Mr. Zhao Zhan, Ms. Wei Chunlan, and Mr. Feng Yuan, the majority of whom were independent non-executive Directors. Mr. Feng Yuan served as the Chairman of the Remuneration Committee. The primary duties of the Remuneration Committee include establishing and reviewing the remuneration policies and framework for the Company's Directors and senior management, and providing recommendations to the Board; reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives; advising the Board on the implementation of formal and transparent procedures for remuneration policies; proposing specific remuneration packages for the Company's executive Directors and senior management; assessing performance of executive directors; approving the terms of executive directors' service contracts; and reviewing and/or approving matters related to share schemes in accordance with Chapter 17 of the Listing Rules. During the Reporting Period, no matters concerning share schemes required review and/or approval by the Remuneration Committee under Chapter 17 of the Listing Rules. The written terms of reference of the Remuneration Committee are available on the websites of the Company and the Stock Exchange.

The emolument range of the members of the senior management for the year ended 31 December 2024 is set out below:

Emolument range (RMB)	Number of people
0 – 1,000,000	3
1,000,001 – 1,500,000	1
Total	4

As the Company was listed on the Stock Exchange on 15 July 2024, the Remuneration Committee did not hold any meeting during the Reporting Period. From the Listing Date to the Date of the Report, the Remuneration Committee held one meeting, during which it proposed remuneration terms, including salaries, bonuses, and other benefits, for Directors and senior management to the Board.



# Corporate Governance Report

## Nomination Committee

During the Reporting Period, the Nomination Committee comprised three members, namely, Mr. Zhu Lei, Ms. Wei Chunlan, and Ms. Ci Ying, the majority of whom are independent non-executive Directors. Mr. Zhu Lei is the Chairman of the Nomination Committee. The primary duties of the Nomination Committee include reviewing the structure, size and composition of the Board and making recommendations to the Board on any proposed changes to the composition of the Board; identifying, selecting or making recommendations to the Board on the nominees to be appointed as Directors, to ensure the diversity of the membership of the Board; and assessing the independence of our independent non-executive Directors and making recommendations to the Board on matters relating to the appointment, reappointment and removal of Directors and succession planning for Directors. The written terms of reference of the Nomination Committee are available on the websites of the Company and the Stock Exchange.

As the Company was listed on the Stock Exchange on 15 July 2024, the Nomination Committee did not hold any meeting during the Reporting Period. During the period from the Listing Date and up to the Latest Practicable Date, the Nomination Committee held one meeting, during which it performed the following major tasks: 1. Reviewed the structure, size and composition of the Board to ensure that it has a balance of expertise, skills and experience appropriate to the requirements for the business of the Group; 2. Made recommendations on the re-election of retiring Directors at the forthcoming annual general meeting; and 3. Assessed the independence of all independent non-executive Directors.

## Strategy Committee

As of the Date of the Report, the Strategy Committee consisted of four members, namely, Mr. Zhu Lei, Mr. Zhao Zhan, Mr. Zhang Yong, and Ms. Yin Fang, the majority of whom were executive Directors. Mr. Zhu Lei, the Chairman of the Board, serves as the chairman of the Strategy Committee. The primary duties of the Strategy Committee include (i) reviewing and proposing the Group's overall development strategy and specific strategic plans; (ii) evaluating factors affecting strategic development and implementation, based on domestic and international financial conditions, market changes, and the Group's overall business progress; (iii) recommending adjustments to strategic plans and advising the Board; and (iv) performing other duties and responsibilities assigned by the Board.

# Corporate Governance Report

As the Company was listed on the Stock Exchange on 15 July 2024, the Strategy Committee did not hold any meeting during the Reporting Period. During the period from the Listing Date up to the Latest Practicable Date, the Strategy Committee has held one meeting, during which the Strategy Committee has performed the following major tasks: made recommendations to the Board in relation to the Company's development plan.

## **Board Diversity Policy**

The Company has adopted a Board Diversity Policy, which outlines the approach to achieving diversity within the Board. The Company recognizes and firmly believes in the benefits of Board diversity and views the increasing diversity, including gender diversity, at the Board level as a key factor in maintaining the Company's competitive edge and enhancing its ability to attract a diverse range of talent and to retain and motivate employees. The Nomination Committee will review annually the Board Diversity Policy and its implementation at least on an annual basis to ensure its implementation and monitor its continued effectiveness. The Board possesses a balanced mix of knowledge and skills, including expertise in business management, finance, investment, audit and accounting. In accordance with the Board Diversity Policy, when reviewing and evaluating candidates for directorship, the Nomination Committee considers multiple factors, including but not limited to gender, age, cultural and educational background, professional qualifications, skills and knowledge, as well as industry and regional experience. In accordance with the Board Diversity Policy, the Nomination Committee will regularly discuss and, where necessary, set measurable targets for achieving Board diversity (including gender diversity); and provide recommendations to the Board for adoptions.

As of the Date of Report, the Board comprised nine Directors, including four female members, in compliance with the gender diversity requirements of the Stock Exchange. The Board considers that it has achieved a high level of gender diversity in the Board composition. To sustain or further improve gender diversity, the Company will continue efforts to cultivate potential Board successors through various channels (e.g., engaging HR agencies to identify candidates). In addition, the Company will implement a comprehensive program to identify and nurture high-potential female employees with leadership capabilities and promote them to the Board level.

# Corporate Governance Report

## Employee Diversity

The Company is committed to promoting gender diversity among employees and management to create a fair, diverse and inclusive workplace. As at 31 December 2024, the gender ratio of the Group's employees (including senior management of the Company) was approximately 53.44% male to 46.56% female. In order to achieve the goal of improving equity and creating more opportunities for female employees, the Group has developed recruitment, employment, training and promotion measures to consider a wide range of candidates. The Group also empowers female employees by providing a healthy, caring, safe workplace environment and communication channels. During the relevant period, the Board was not aware of any mitigating factors or circumstances that made it more challenging or less relevant for the diversity of employees of the Group, including senior management.

For further details on the gender ratio in the workforce, please refer to "Management Discussion and Analysis — Employees and remuneration policies" in this annual report. Given the relatively balanced gender ratio in our work force, the Board considers that the Group has achieved a good level of gender diversity.

In light of the above, the Board has concluded that selection of senior management members and general employees should continue to be based on the above said diversity perspectives instead of setting an express quota or objective. The Board will monitor the gender ratio in our workforce from time to time in order to promote overall Group employee diversity.

## Director Nomination Policy

The Board has adopted a Nomination Policy, which sets out the selection criteria and procedures for the identification, appointment, and re-appointment of Directors. The Policy aims to ensure the Board maintains an appropriate balance of skills, experience, knowledge, and diverse perspectives relevant to the Company's business.

The Nomination Policy outlines factors for assessing a candidate's suitability and potential contribution to the Board, including but not limited to: (a) character & integrity; (b) qualifications (including professional qualifications, skills, knowledge and experience and diversity relevant to the Company's business and corporate strategy) in accordance with the Board's diversity policy; (c) the Board is required under the Listing Rules to have independent non-executive Directors and by reference to the independence criteria set out in Rule 3.13 of the Listing Rules as to whether an individual candidate would be considered as an independent non-executive Director; (d) the potential contribution of the candidate may bring qualifications, skills, experience, independence and gender diversity to the Board; and (e) willingness to serve as a Director and capacity to dedicate sufficient time to Board duties.

# Corporate Governance Report

## Remuneration of Directors and Five Highest Paid Individuals

The remuneration of the Directors and senior management of the Company, which includes fees, salaries, pension scheme contributions, other allowances, other benefits in kind and/or discretionary bonuses, is determined with reference to the remuneration paid by comparable companies, the time commitment and performance of the Directors and senior management concerned and the performance of the Group. The Group regularly reviews and determines the remuneration and compensation packages of its Directors and senior management with reference to, among other things, market levels of remuneration and compensation paid by comparable companies, the responsibilities of each Director and senior management and the performance of the Group. The remuneration policy for independent non-executive Directors ensures that independent non-executive Directors are appropriately remunerated for their efforts and time spent on the Company's affairs, including participation in Board committees. The remuneration of the independent non-executive Directors, which mainly comprises Directors' fees, is determined by the Board with reference to their duties and responsibilities. Individual Directors and senior management are not involved in deciding their own remuneration.

The remuneration of each of the Directors and the chief executive is set out in Note 12 to the consolidated financial statements.

During the reporting period, no emoluments were paid by the Group to any of the Directors or any of the five highest paid individuals as an inducement to join or up on joining the Group or as compensation for loss of office.

No Director has waived or agreed to waive any emoluments during the reporting period. No termination benefits, other loans, quasi-loans or other transactions in favor of the Directors, their controlled corporations or connected entities subsisted at any time during the reporting period. No consideration has been given or received from third parties for services rendered to them as Directors or otherwise in their capacity as Directors during the reporting period.

# Corporate Governance Report

## Directors' Responsibilities for Financial Statements

The Directors acknowledge their responsibility for the preparation of the Company's financial statements during the reporting period. The Directors shall be responsible for supervising the preparation of the financial statements to ensure they present a true and fair view of the Group's financial position; and comply with all applicable statutory, regulatory, and accounting standards. The Board has been provided with the management accounts of the senior management and the relevant accompanying explanations and information to enable the Board to make an informed assessment for the purpose of approving the financial statements. As of 31 December 2024, the Board is unaware of any material uncertainties that would cast significant doubt on the Group's ability to continue as a going concern. It is the responsibility of the external auditors to form an independent opinion, based on their audit, on the consolidated financial statements prepared by the Board and to report their opinion to the shareholders. The reporting responsibilities of the external auditor, Deloitte Touche Tohmatsu, on the consolidated financial statements of the Group are set out in the Independent Auditor's Report in this annual report.

## Corporate Governance Functions

The Board recognizes that corporate governance shall be the collective responsibility of the Directors, including:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

# Corporate Governance Report

## External Auditor

The Company appointed Deloitte Touche Tohmatsu as the external auditor for the year ended 31 December 2024.

The remuneration paid or payable for the audit and non-audit services provided by the Auditor to the Group for the Reporting Period is analyzed below. The remuneration for the audit services also includes the service fees in connection with our Hong Kong IPO. The non-audit services conducted by the Auditor mainly include professional services on Environmental, Social, and Governance, Data Analytics and Review of Interim Financial Information

Type of services provided by the Auditor	Services rendered (RMB'000)
Audit services	3,462
Non-audit service	661

## Effectiveness of Risk Management and Internal Control

The Board is responsible for the risk management and internal control systems and reviewing their effectiveness, and is also responsible for reviewing the effectiveness of the Group's internal control and risk management measures on an annual basis so as to ensure that internal control and risk management measures in place are adequate. These systems are designed to manage, rather than eliminate, the risk of failure to achieve the Group's business objectives and provide reasonable, but not absolute, assurance against material misstatement or loss only.

During the Reporting Period, the Board oversees the design, implementation and monitoring of the risk management and internal control systems and reviews the adequacy and effectiveness of the Group's risk management and internal control systems on an ongoing basis; such reviews cover all major control areas of the Group, including financial reporting, internal audit function, adequacy of resources, staff qualifications and experience, training programs, and the budgets for the Company's accounting, internal audit and financial reporting functions as well as those relating to ESG performance and reporting. The Company has also improved its internal control system through the Board's guidelines.

The Group's risk management and internal control system, which covers all operating divisions, ensures that the Group is able to effectively manage the major factors that could affect the Group's ability to achieve its strategic objectives, including factors such as events, accidents or acts that have a material impact on the Group's reputation, assets, capital, profits or liquidity.



# Corporate Governance Report

The Company has adopted an integrated risk management policy which sets out a risk management framework to identify, evaluate, assess and monitor key risks associated with our strategic objectives on an ongoing basis. Our Audit Committee and Directors ultimately oversee the implementation of the risk management policy. Risks identified by management are analyzed based on likelihood and impact and will be followed up and mitigated and corrected by the Group as appropriate and reported to the Directors. We have adopted or will continue to adopt, among other things, the following principles:

- (i) the establishment of an Audit Committee to review and oversee our financial reporting process and internal control system;
- (ii) the adoption of a number of policies to ensure compliance with the Listing Rules, including, but not limited to, policies on risk management, connected transactions and disclosure of information;
- (iii) the appointment of Mr. Zhang Yong and Mr. Ng Tung Ching Raphael as our joint company secretaries is intended to uphold good corporate governance and ensure compliance with the Listing Rules and applicable Hong Kong laws;
- (iv) appointment of Octal Capital Limited as our compliance adviser to advise on compliance with the Listing Rules after the Listing;
- (v) appointment of external legal adviser to advise on compliance with the Listing Rules and to ensure our compliance with the relevant regulatory requirements and applicable laws;
- (vi) regular anti-corruption, anti-money laundering and sanctioning related compliance training for senior management and employees to enhance their knowledge and compliance with applicable laws and regulations, the Company's anti-corruption policies, whistleblowing policies, and other relevant policies; and
- (vii) arrangements were made for the Directors and senior management to attend training seminars on the requirements of the Listing Rules and their duties as Directors and senior management of a company listed in Hong Kong.

# Corporate Governance Report

(viii) The Board is of the opinion that the Company's risk management and internal control system for the year ended 31 December 2024 is effective and adequate. In addition, the senior management of the Company regularly identifies, obtains and takes measures to address any significant risks faced by the Company and regularly reviews the risk assessment reports and reports to the Board.

## Inside Information

The Group complies with the requirements of the SFO and the Listing Rules and will disclose any such information to the public as soon as reasonably practicable after it has come to the knowledge of the Group, unless the information falls within any of the safe harbors under the SFO. The Group will ensure that such information is kept strictly confidential until it has been fully disclosed to the public. If the Group considers that the required level of confidentiality cannot be maintained or that the information may have been compromised, it will disclose the information to the public immediately. We also endeavor to ensure that the information contained in the annual report is not false or misleading as to a material fact or false or misleading through the omission of a material fact, so as to provide the public with equal, timely and effective access to the inside information disclosed. In the event of a significant risk event, the relevant information will be disclosed to the appropriate departments and personnel to enable the Group to make timely and appropriate decisions and measures to deal with the risk event. Meanwhile, to strengthen the corporate risk management culture and enhance the risk awareness of all staff, the Group has commenced relevant training to increase the risk awareness of its staff and to ensure that a balance is struck between business expansion and risk control in its operating activities.

## Joint Company Secretaries

In order to uphold good corporate governance and ensure compliance with the Listing Rules and applicable Hong Kong laws, the Company engaged Ms. Cheung Lai Ha ("**Ms. Cheung**"), a representative of Computershare Hong Kong Development Limited (a company secretarial services provider), as its joint company secretary. Ms. Cheung resigned from her position as joint company secretary on 25 March 2025 due to her departure from Computershare Hong Kong Development Limited, and Mr. Ng Tung Ching Raphael was appointed as the new company secretary on the same date.

# Corporate Governance Report

The Company has appointed Mr. Ng Tung Ching Raphael ("**Mr. Ng**"), an assistant vice president of Entity Solutions of the external service provider, Computershare Hong Kong Development Limited, as its joint company secretary and is responsible for overseeing the company secretarial work of the Group. The primary corporate contact person for the external service provider within the Company is Mr. Zhang Yong, the executive Director, Chief Financial Officer and joint company secretary. During the year ended 31 December 2024, both Mr. Zhang and Mr. Ng confirmed that they have undertaken not less than 15 hours of relevant professional training pursuant to Rule 3.29 of the Listing Rules.

## Shareholders' Rights

The Company believes that effective communication with its shareholders is key to fostering investor relations and ensuring that investors are informed of the Group's business performance and strategies. The Company has various channels to communicate with its shareholders, including general meetings, annual and interim results and annual and interim reports, announcements and corporate communications such as circulars and performance meetings. To facilitate communication between the Company and investors, the Company holds meetings, briefings and roadshows with investors and analysts from time to time. Shareholders may make enquiries to the Company and provide comments and suggestions to the Directors or the management from time to time through the channels set out below. Upon receipt of written enquiries from shareholders, the Company will provide practical responses to shareholders as soon as practicable.

In addition, the Company upgrades its website from time to time to ensure that shareholders keep abreast of the latest developments of the Company. The Company is committed to maintaining an ongoing dialogue with its shareholders. At annual general meetings, the Directors (or their duly authorized persons) will meet with shareholders and answer shareholders' questions. Since the Listing Date, the Company has published all corporate communications and regulatory announcements on its website and the website of the Stock Exchange in a timely manner. Based on the review of the initiatives taken as mentioned above, the Board considers that the shareholders' communication policy is effective since the Listing Date and up to 31 December 2024.

# Corporate Governance Report

## Dividend Policy

We do not have any fixed dividend policy nor pre-determined dividend payout ratio. The declaration of dividends is subject to the discretion of our Board. Any declaration of final dividend by our Company shall also be subject to the approval of our Shareholders in a Shareholders' meeting. Our Directors may recommend a payment of dividends in the future after taking into account our operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions, capital expenditure and future development requirements, shareholders' interests and other factors which they may deem relevant at such time. Any declaration and payment as well as the amount of the dividends will be subject to constitutional documents, any applicable laws and regulations, including the Cayman Companies Act. Historical dividend distributions are not indicative of our future dividend distribution.

The Dividend Policy will continue to be reviewed from time to time and there can be no assurance that a dividend distribution will be proposed or declared in any specific periods.

The Company is not aware of any Shareholder who has waived or agreed to waive any dividends.

## Procedures For Shareholders to Convene an Extraordinary General Meeting

Pursuant to Article 64 of the Articles of Association, one or more shareholders holding, at the date of deposit of the requisition, Shares in the share capital of the Company that represent not less than one tenth of the voting rights at general meetings of the Company on a one vote per Share basis. Such requisition shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition. 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.

## Procedures and Contact Details for Making Proposals at General Meetings

Annual general meetings and other general meetings provide an important opportunity for shareholders to express their views, and the Company encourages and facilitates shareholders to attend and participate in general meetings. Members of the Board, in particular the chairman or their delegate(s), appropriate members of the management team of the Company and the external auditors will attend the AGMs to answer shareholders' questions. Shareholders attending the AGM and other general meetings will be given reasonable opportunities to raise questions on the items on the agenda of the meeting, including but not limited to questions to the external auditors on the audit and the preparation and contents of the auditors' report.

# Corporate Governance Report

Procedures for making enquiries and sufficient contact details to enable such enquiries to be properly directed may be proposed to the Board.

If you are in any doubt about your shareholding, please write to the Company's Hong Kong share registrar, Boardroom Share Registrars (HK) Limited, or contact them during the following hours:

Address:

2103B, 21/F, 148 Electric Road, North Point, Hong Kong

Tel: +852 2153 1688

Facsimile: +852 3020 5058

Enquiries relating to the Company shall be directed to the Company at the following address:

Address:

14/F

Building No. 1

Chongwen Park

Nanshan District

Shenzhen, Guangdong

the PRC

(Address your correspondence to the Board)

Email: zhangyong@didi.hu.com.cn

## Communication with Shareholders and Investor Relations

The Company recognizes the importance of establishing effective communication with its shareholders in order to enhance 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 to enable shareholders and investors to make informed investment decisions.

The annual general meeting of the Company provides an opportunity for shareholders to communicate directly with the Directors. The chairman of the Company and the chairmen of the Board committees of the Company will attend the AGM to answer shareholders' questions. The auditor will also attend the AGM to answer questions on the audit, preparation and contents of the auditor's report, accounting policies and auditor independence.

# Corporate Governance Report

To facilitate effective communication, the Company has adopted a Shareholders' Communication Policy which aims to establish a two-way relationship and communication between the Company and its shareholders and maintains a website of the Company at [www.glshuke.com](http://www.glshuke.com) for the public to access to the Company's business operations and development, financial information, corporate governance practices and other information. The Board has reviewed the implementation of the Shareholders' Communication Policy and considers it to be effective.

Pursuant to Rule 2.07A of the Listing Rules, the Company will publish future corporate communications of the Company (the "**Corporate Communications**") to the shareholders by electronic means and will only send printed copies of the Corporate Communications to the shareholders upon request. The Company will make the Corporate Communications available on its website ([www.glshuke.com](http://www.glshuke.com)) and the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)).

## Changes in Constitutional Documents

The Company has adopted the amended and restated Memorandum and Articles of Association on 18 June 2024, which has been effective from the Listing Date. There have been no other changes to the said Memorandum and Articles of Association since the Listing Date and up to the Date of the Report.



# Independent Auditor's Report

**Deloitte.**

德勤

TO THE BOARD OF DIRECTORS OF  
GL-CARLINK TECHNOLOGY HOLDING LIMITED  
*(incorporated in Cayman Island with limited liability)*

## OPINION

We have audited the consolidated financial statements of GL-Carlink Technology Holding Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 85 to 182, which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("**IASB**") 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 Hong Kong Institute of Certified Public Accountants ("**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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. This matter was 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.

# Independent Auditor's Report

## KEY AUDIT MATTER (CONTINUED)

Key audit matter	How our audit addressed the key audit matter
<p><b><i>Revenue recognition from software-as-a-service ("SaaS") value-added services</i></b></p> <p>We identified occurrence of revenue recognition from SaaS value-added services as a key audit matter because:</p> <p>(i) its significance to the consolidated financial statements as a whole. For the year ended 31 December 2024, revenue of the Group amounted to RMB700,418,000, of which RMB405,170,000 was derived from SaaS value-added services, representing 58% of the Group's revenue.</p> <p>(ii) revenue from SaaS value-added services increased significantly compared with the year ended 31 December 2023, which is contributed by the Group's expansion on its service categories of SaaS value-added services by acting as an agent in transactions between car users and automobile sales service shop 4S ("<b>4S Stores</b>") for rights products during the year. Revenue are measured on a net basis that reflects the Group's commission or service fee for its agency role; and</p> <p>(iii) the revenue are derived from a large number of transactions in various 4S Stores spreading over different locations in the People's Republic of China.</p>	<p>Our audit procedures in relation to revenue recognition from SaaS value-added services included:</p> <ul style="list-style-type: none"> <li>• Understanding the revenue recognition processes and testing the operating effectiveness of controls relevant to the revenue recognition from SaaS value-added services;</li> <li>• Evaluating the appropriateness of the Group's accounting policy on recognition of revenue by understanding the key terms and the Group's performance obligations in the sales and service contracts with customers and 4S Stores;</li> <li>• Performing analytical procedures on the operating data in different locations including number of orders, sales volume and production capacity and evaluating the reasonableness by comparing these data to the revenue;</li> <li>• Examining the recorded sales transaction by matching the transactions from the sales system with corresponding receipt record in the external electronic payment platform; and</li> <li>• Testing recorded sales transactions on a sample basis by examining the underlying supporting documents such as monthly statements from 4S Stores and sales orders from customers, etc.</li> </ul>

# Independent Auditor's Report

## OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include 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 THOSE CHARGED WITH GOVERNANCE 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 IFRS Accounting Standards as issued by the IASB 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

# Independent Auditor's Report

## 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 solely to you, as a body, in accordance with our agreed terms of engagement, 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 HKSA's 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 HKSA's, we exercise professional judgment and maintain professional skepticism 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.
- 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.

# Independent Auditor's Report

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- 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 Group 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 those charged with governance 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 those charged with governance 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 those charged with governance, 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 Ng Kwok Ho.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong

25 March 2025

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

	NOTES	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
Revenue	5	700,418	560,569
Cost of sales		(263,062)	(308,791)
Gross profit		437,356	251,778
Other income	6	13,652	9,737
Other gains and losses	7	2,538	9,714
Impairment losses under expected credit loss model, ("ECL"), net of reversal	8	(3,445)	(1,554)
Distribution and selling expenses		(333,329)	(159,126)
Administrative expenses		(30,668)	(21,203)
Research and development expenditure		(27,852)	(18,074)
Share of results of associates		3,776	174
Listing expenses		(20,715)	(10,195)
Finance costs	9	(2,455)	(2,283)
Profit before tax		38,858	58,968
Income tax credit/(expense)	10	5,500	(7,426)
Profit for the year	11	44,358	51,542
<b>Other comprehensive expense</b>			
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value loss on investments in equity instruments at fair value through other comprehensive income ("FVTOCI")		(147)	(1,801)
<b>Total comprehensive income for the year</b>		<b>44,211</b>	<b>49,741</b>
Profit/(loss) for the year attributable to:			
Owners of the Company		44,440	51,129
Non-controlling interests		(82)	413
		<b>44,358</b>	<b>51,542</b>
Total comprehensive income/(expense) attributable to:			
Owners of the Company		44,293	49,328
Non-controlling interests		(82)	413
		<b>44,211</b>	<b>49,741</b>
Basic earnings per unit (RMB)	14	0.13	0.17



# Consolidated Statement of Financial Position

At 31 December 2024

	NOTES	31/12/2024 RMB'000	31/12/2023 RMB'000
<b>Non-current Assets</b>			
Property, plant and equipment	16	7,101	7,319
Right-of-use assets	17	3,745	2,602
Intangible assets	18	26,445	25,359
Interests in associates	19	52,239	9,324
Equity instruments at FVTOCI	20	70,228	7,752
Financial assets at fair value through profit or loss ("FVTPL")	21	—	91
Financial assets at amortised cost	22	17,640	—
Deferred tax assets	23	8,484	2,923
Contract costs	24	7,251	8,715
Deposits and prepayments	25	15,610	—
		<b>208,743</b>	<b>64,085</b>
<b>Current Assets</b>			
Contract costs	24	10,943	13,062
Inventories	26	3,767	9,995
Trade and other receivables	27	137,287	97,833
Deposits and prepayments	25	58,834	35,926
Financial assets at FVTPL	21	7,103	158,326
Financial assets at amortised cost	22	38,818	—
Tax recoverable		584	1,555
Restricted bank deposits	28	31,342	27,846
Cash and cash equivalents	28	410,326	157,223
		<b>699,004</b>	<b>501,766</b>
<b>Current Liabilities</b>			
Trade, bills and other payables	29	122,210	69,502
Lease liabilities	30	1,388	2,314
Borrowings	31	42,317	43,417
Contract liabilities	32	59,179	58,975
Tax liabilities		1,742	1,323
		<b>226,836</b>	<b>175,531</b>
<b>Net Current Assets</b>		<b>472,168</b>	<b>326,235</b>
<b>Total Assets less Current Liabilities</b>		<b>680,911</b>	<b>390,320</b>

# Consolidated Statement of Financial Position

At 31 December 2024

	NOTES	31/12/2024 RMB'000	31/12/2023 RMB'000
<b>Non-current Liabilities</b>			
Lease liabilities	30	2,379	436
Contract liabilities	32	19,242	21,884
Deferred income		68	108
Deferred tax liabilities	23	—	2,578
		<u>21,689</u>	<u>25,006</u>
<b>Net Assets</b>		<u>659,222</u>	<u>365,314</u>
<b>Capital and Reserves</b>			
Share capital	33	260	42
Reserves		<u>659,142</u>	<u>365,370</u>
Equity attributable to owners of the Company		659,402	365,412
Non-controlling interests		<u>(180)</u>	<u>(98)</u>
<b>Total Equity</b>		<u>659,222</u>	<u>365,314</u>

The consolidated financial statements on pages 85 to 182 were approved and authorised for issue by the board of directors on 25 March 2025 and are signed on its behalf by:

Mr. Zhu Lei, *DIRECTOR*

Mr. Zhao Zhan, *DIRECTOR*

# Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

	Attributable to owners of the Company								Non-controlling interests	Total
	Share capital	Share premium	Capital reserve (Note a)	Other reserve (Note b)	FVTOCI reserve	Statutory reserves (Note c)	Retained profits	Subtotal		
	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000		
At 1 January 2023	60,000	—	186,408	(5,642)	(19,545)	8,669	76,842	306,732	4,680	311,412
Profit for the year	—	—	—	—	—	—	51,129	51,129	413	51,542
Other comprehensive expense for the year	—	—	—	—	(1,801)	—	—	(1,801)	—	(1,801)
Total comprehensive (expense)/income for the year	—	—	—	—	(1,801)	—	51,129	49,328	413	49,741
Capital reduction (Note d)	(28,896)	—	(186,408)	—	(902)	—	(19,402)	(235,608)	(5,191)	(240,799)
Reduction of interest from a shareholder (Note e)	—	—	—	(491)	—	—	—	(491)	—	(491)
Issue of shares of the Company pursuant to the group reorganisation	42	245,409	—	—	—	—	—	245,451	—	245,451
Effect of group reorganisation (Note f)	(31,104)	—	—	31,104	—	—	—	—	—	—
Appropriation of statutory reserve funds	—	—	—	—	—	7,104	(7,104)	—	—	—
At 31 December 2023	42	245,409	—	24,971	(22,248)	15,773	101,465	365,412	(98)	365,314
Profit/(loss) for the year	—	—	—	—	—	—	44,440	44,440	(82)	44,358
Other comprehensive expense for the year	—	—	—	—	(147)	—	—	(147)	—	(147)
Total comprehensive (expense)/income for the year	—	—	—	—	(147)	—	44,440	44,293	(82)	44,211
Capitalisation issue (Note 33)	173	(173)	—	—	—	—	—	—	—	—
Shares issued upon global offering (Note 33)	45	272,967	—	—	—	—	—	273,012	—	273,012
Transaction costs attributable to issue of new shares	—	(23,315)	—	—	—	—	—	(23,315)	—	(23,315)
Appropriation of statutory reserve funds	—	—	—	—	—	2,529	(2,529)	—	—	—
At 31 December 2024	260	494,888	—	24,971	(22,395)	18,302	143,376	659,402	(180)	659,222

# Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

## Notes:

- (a) It represents the amount received by Shenzhen Guanglian Saixun Company Limited (深圳廣聯賽訊股份有限公司) ("**Guanglian Saixun**") from investors exceeding its share in the registered capital of Guanglian Saixun.
- (b) It mainly represents (i) the difference between consideration and ownership interests in equity transactions, and (ii) the difference between the nominal value of share capital issued by the Company and the capital of Guanglian Saixun acquired in connection with the group reorganisation on 24 March 2024 as described in the section "History, Reorganisation and Corporate Structure" of the prospectus published by the Company dated 28 June 2024 ("**Group Reorganisation**").
- (c) It represents the statutory reserve of certain entities comprising the Group in the People's Republic of China (the "**PRC**"). Pursuant to applicable PRC regulations, the PRC entities comprising the Group is required to appropriate 10% of its profit after tax (after offsetting prior year losses) to the statutory reserve until such reserve reaches 50% of its registered capital. Transfers to this reserve must be made before distribution of dividends to shareholders. Upon approval by relevant authorities, the statutory reserve can be utilised to offset the accumulated losses or to increase the paid-up capital of the entities comprising the Group.
- (d) During the year ended 31 December 2023, the shareholders of Guanglian Saixun reduced the share capital of Guanglian Saixun from RMB60,000,000 to RMB31,104,000 to facilitate the Group Reorganisation. In addition, upon the completion of the capital reduction, Xinjiang Hongsheng Kaiyuan Equity Investment Partnership (Limited Partnership) (新疆宏盛開源股權投資合夥企業(有限合夥)) ("**Hongsheng Investment**"), a shareholder of Guanglian Saixun, ceased to hold any interest in the Group, and the difference between its equity interest in Guanglian Saixun and the consideration paid by Guanglian Saixun was recognised directly in equity and attributed to owners of the Company.
- (e) On 24 March 2023, 0.3866% equity interest in Shenzhen Guanglian Shuke Technology Company Limited (深圳廣聯數科科技有限公司) ("**Guanglian Shuke**") was acquired from a shareholder as part of the Group Reorganisation.
- (f) Upon the completion of the Group Reorganisation, the Company became the holding company of the Group since then. The difference between the capital of Guanglian Saixun acquired in connection with the Group Reorganisation and the nominal value of share capital issued by the Company is accounted for as other reserve under merger basis of accounting.

# Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
<b>OPERATING ACTIVITIES</b>		
Profit before tax	38,858	58,968
Adjustments for:		
Finance costs	2,455	2,283
Interest income	(7,778)	(2,675)
Share of results of associates	(3,776)	(174)
Depreciation of property, plant and equipment	4,660	5,235
Depreciation of right-of-use assets	2,441	2,800
Amortisation of other intangible assets	8,492	5,821
Impairment loss on financial assets under ECL	3,445	1,554
(Gain)/loss on disposal of property, plant and equipment	(76)	132
Fair value changes of financial assets at FVTPL	(533)	(9,637)
Exchange gain	(453)	(209)
Government grants related to assets	(40)	(39)
Operating cash flows before movements in working capital	47,695	64,059
Decrease in inventories	6,228	4,758
Increase in trade and other receivables	(32,899)	(7,007)
Increase in deposits and prepayments	(27,545)	(598)
Decrease in contract costs	3,583	5,817
(Increase)/decrease in restricted bank deposits	(3,496)	22,164
Increase/(decrease) in trade, bills and other payables	55,374	(20,069)
Decrease in contract liabilities	(2,438)	(35,490)
Cash generated from operations	46,502	33,634
Income taxes paid	(1,249)	(7,516)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>45,253</b>	<b>26,118</b>

# Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
<b>INVESTING ACTIVITIES</b>		
Placement of time deposits with maturity over three months	(27,113)	(34,100)
Purchases of property, plant and equipment	(4,487)	(1,568)
Purchases of intangible assets	(9,578)	(14,417)
Purchases of:		
— financial assets at FVTPL	(60,000)	(100,000)
— financial assets at amortised cost	(38,252)	—
— equity instruments at FVTOCI	(62,623)	—
— debt instruments at amortised cost	(17,640)	—
Withdrawal of time deposits with maturity over three months	27,113	54,100
Interest received	7,605	3,157
Dividend received from associates	1,838	—
Proceeds from disposal of financial assets at FVTPL	211,847	90,000
Proceeds on disposal of property, plant and equipment	121	176
Investments in associates	(40,977)	(9,150)
Payments for long term assets	(25,610)	—
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(37,756)</b>	<b>(11,802)</b>
<b>FINANCING ACTIVITIES</b>		
New borrowings raised	48,900	46,900
Payments on capital reduction	—	(240,799)
Acquisition of partial interest of a subsidiary	—	(491)
Issue of shares of the Company	—	245,451
Repayments of borrowings	(50,050)	(39,039)
Repayments of lease liabilities	(2,567)	(2,794)
Interest paid	(2,405)	(2,269)
Payment of share issue costs	(21,344)	(2,278)
Proceeds from issue of shares	273,012	—
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>245,546</b>	<b>4,681</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>253,043</b>	<b>18,997</b>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	<b>157,223</b>	<b>138,241</b>
Effect of foreign exchange rate changes	60	(15)
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>410,326</b>	<b>157,223</b>



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 1. GENERAL INFORMATION

GL-Carlink Technology Holding Limited (the "**Company**") was incorporated and registered in the Cayman Islands on 12 January 2022 as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands. The Company is an investment holding company. The principal activities of the company and its subsidiaries (collectively referred to as the "**Group**") are providing automotive related products and services. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The Company's shares were listed on the Main Board of the Stock Exchange of Hong Kong limited on 15 July 2024.

The consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company.

## 2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

### Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRS Accounting Standards issued by the International Accounting Standards Board ("**IASB**") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and on the disclosures set out in these consolidated financial statements.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS (CONTINUED)

### New and amendments to IFRS Accounting Standards in issue but not yet effective

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

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

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2027.

The Directors anticipate that the application of all other new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

### 3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and by the Hong Kong Companies Ordinance.

The Group conducts certain of its business through Guanglian Saixun due to regulatory restrictions on foreign ownership in the Internet cultural business industry in the People's Republic of China (the "**PRC**"). On 24 March 2023, Guanglian Shuke, Guanglian Saixun and certain shareholders of Guanglian Saixun, entered into a series of contractual arrangements (the "**Contractual Arrangements**"). The Contractual Arrangements enable Guanglian Shuke in a position to:

- exercise effective financial and operational control over Guanglian Saixun;
- exercise equity shareholder's voting rights of Guanglian Saixun;
- receive substantially all of the economic interest returns generated by Guanglian Saixun in consideration for the business support, technical and consulting services provided by Guanglian Shuke;
- obtain an irrevocable and exclusive right to purchase all or part of equity interests in Guanglian Saixun from Guanglian Shuke at a minimum purchase price permitted under applicable PRC laws and regulations, and all or part of the assets of Guanglian Saixun or such minimum purchase price permitted under PRC laws and regulations. Guanglian Shuke or its designated third party may exercise such options at any time until it has acquired all equity interests and/or all assets of Guanglian Saixun; and
- obtain a pledge over the entire equity interest of Guanglian Saixun from certain shareholders of Guanglian Saixun as collateral security to guarantee performance of Guanglian Saixun and certain of its shareholders obligations under the Contractual Arrangements.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.1 Basis of preparation of consolidated financial statements (continued)

Guanglian Shuke does not have any equity interest in Guanglian Saixun. However, as a result of the Contractual Arrangements, Guanglian Shuke has power over Guanglian Saixun, has rights to variable returns from its involvement with Guanglian Saixun and has the ability to affect those returns through its power over Guanglian Saixun and is considered to have control over Guanglian Saixun. Consequently, Guanglian Shuke regards Guanglian Saixun as an indirect subsidiary for accounting purpose. The Company consolidated the assets, liabilities, revenue, income and expenses of Guanglian Saixun since 24 March 2023.

Total assets and total revenue of Guanglian Saixun, which was involved in the Contractual Arrangements, were RMB124,999,000 as of 31 December 2024 (31 December 2023: RMB361,928,000) and RMB29,994,000 for the year ended 31 December 2024 (2023:RMB49,468,000), respectively, and these balances have been reflected in the consolidated financial statements with intercompany balances and transactions eliminated.

### 3.2 Material accounting policy information

#### *Basis of consolidation*

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

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

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Basis of consolidation (continued)*

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

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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

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

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Basis of consolidation (continued)*

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

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

#### *Investments in associates*

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

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

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



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Investments in associates (continued)*

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

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

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

#### *Revenue from contracts with customers*

Information about the Group's accounting policies relating to revenue from contracts with customers is provided in Note 5.

#### *Leases*

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Leases (continued)*

##### *The Group as a lessee*

##### Short-term leases

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

##### Right-of-use assets

The cost of right-of-use assets includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Leases (continued)*

##### *The Group as a lessee (continued)*

##### Lease liabilities

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

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

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments. The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

#### *Foreign currencies*

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

#### *Borrowing costs*

All borrowing costs not directly attributable to the acquisition, construction or production of qualifying assets are recognised in profit or loss in the period in which they are incurred.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Government grants*

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

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

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

#### *Employee benefits*

##### *Retirement benefit costs*

Payments to the retirement funds scheme managed by local social security bureau in accordance with the government regulations in the PRC, are recognised as an expense when employees have rendered service entitling them to the contributions.

##### *Short-term employee benefits*

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Taxation*

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

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

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Taxation (continued)*

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

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

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

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 requirements to the lease liabilities, and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

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

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



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Property, plant and equipment*

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Intangible assets*

##### *Intangible assets acquired separately*

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

##### *Internally-generated intangible assets — research and development expenditure*

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

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Intangible assets (continued)*

##### *Internally-generated intangible assets — research and development expenditure (continued)*

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

#### *Cash and cash equivalents*

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Inventories*

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

#### *Financial instruments*

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

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

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Financial instruments (continued)*

##### *Financial assets*

##### Classification and subsequent measurement of financial assets

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

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

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 Business Combinations applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not a designated and effective hedging instrument.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Financial instruments (continued)*

##### *Financial assets (continued)*

##### Classification and subsequent measurement of financial assets (continued)

##### (i) Amortised cost and interest income

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

##### (ii) Equity instruments designated as at FVTOCI

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

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



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Financial instruments (continued)*

##### *Financial assets (continued)*

##### Classification and subsequent measurement of financial assets (continued)

##### (iii) Financial assets at FVTPL

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

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

##### Impairment of financial assets subject to impairment assessment under IFRS 9

The Group performs impairment assessment under ECL model on financial assets (including trade and other receivables, cash and cash equivalents, deposits paid to customers, time deposits with maturity over three months, restricted bank deposits and financial assets at amortised cost), which are subject to impairment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Financial instruments (continued)*

##### *Financial assets (continued)*

##### Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

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

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

#### (i) Significant increase in credit risk

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Financial instruments (continued)*

#### *Financial assets (continued)*

#### Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

#### (i) Significant increase in credit risk (continued)

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

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

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Financial instruments (continued)*

##### *Financial assets (continued)*

##### Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

##### (i) Significant increase in credit risk (continued)

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

##### (ii) Definition of default

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

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days or 180 days past due, as determined based on the category of debtor concerned, unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Financial instruments (continued)*

#### *Financial assets (continued)*

#### Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

#### (iii) Credit-impaired financial assets

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

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

#### (iv) Write-off policy

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Financial instruments (continued)*

##### *Financial assets (continued)*

##### Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

##### (v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

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

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

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

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

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



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Financial instruments (continued)*

##### *Financial assets (continued)*

##### Impairment of financial assets subject to impairment assessment under IFRS 9 (continued)

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

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

##### Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is not reclassified to profit or loss, and will continue to be held in the FVTOCI reserve.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 3.2 Material accounting policy information (continued)

#### *Financial liabilities and equity*

##### *Classification as debt or equity*

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

##### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

##### *Financial liabilities at amortised cost*

Financial liabilities including trade, bills and other payables and borrowings are subsequently measured at amortised cost, using the effective interest method.

##### *Derecognition of financial liabilities*

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

### **Critical judgements in applying accounting policies**

The following are the critical judgements, apart from those involving estimations (see below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

### ***Contractual Arrangements***

The Group does not have any equity interest in Guanglian Saixun. The Directors assessed whether or not the Group has control over Guanglian Saixun based on whether the Group has the power over Guanglian Saixun, has rights to variable returns from its involvement with Guanglian Saixun and has the ability to affect those returns through its power over Guanglian Saixun. After assessment, the Directors concluded that the Group has control over Guanglian Saixun as a result of the Contractual Arrangements and other measures and accordingly, the Group consolidates the financial statements of Guanglian Saixun under the Contractual Arrangements.

Nevertheless, the Contractual Arrangements and other measures may not be as effective as direct legal ownership in providing the Group with direct control over Guanglian Saixun and the evolving nature presented by the PRC legal system may influence the Group's beneficiary rights of the results, assets and liabilities of Guanglian Saixun. The Directors based on the advice of its legal counsel, consider that the Contractual Arrangements among Guanglian Shuke, Guanglian Saixun and their legal equity holders are in compliance with the relevant PRC laws and regulations and are legally enforceable.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

### Critical judgements in applying accounting policies (continued)

#### *Principal versus agent consideration (agent)*

The Group is considered as an agent for its contracts with customers relating to certain product and service categories of SaaS value-added services, such as extended vehicle warranty, chauffeur rights, collision repair rights, and other rights products ("**SaaS value-added agent service**"), as the Group did not obtain the control over SaaS value-added agent service taking into consideration the Group is not primarily responsible for fulfilling the promise and not exposed to inventory risk. When the Group satisfies the performance obligation, the Group recognises a commission revenue in the amount it expects to be entitled as specified in the contracts.

During the year ended 31 December 2024, the Group recognised commission revenue relating to the SaaS value-added agent service amounted to RMB230,288,000 (2023: RMB21,817,000).

#### **Key sources of estimation uncertainty**

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

#### *Provision of ECL for trade receivables*

Trade receivables for debtors with significant increase in credit risk or credit-impaired are assessed for ECL individually.

In addition, the Group uses practical expedient in estimating ECL on trade receivables which are not assessed individually using a provision matrix. The provision rates are based on aging of debtors as groupings of various debtors taking into consideration the Group's historical default rates and forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in Notes 27 and 36.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

### Key sources of estimation uncertainty (continued)

#### *Fair value measurement of equity instruments at FVTOCI*

As at 31 December 2024, the Group's investment in unlisted equity instruments amounting to RMB70,228,000 (31 December 2023: RMB7,752,000), were measured at fair value with fair value being determined based on significant unobservable inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could result in material adjustments to the fair value of the instrument. See Note 36 for further disclosures.

#### *Deferred tax asset*

As at 31 December 2024, a deferred tax asset of RMB6,778,000 (31 December 2023: RMB1,196,000) in relation to unused tax losses has been recognised in the consolidated statement of financial position. No deferred tax asset has been recognised on the tax losses of RMB5,923,000 due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient taxable profits will be available in the future, which is a key source of estimation uncertainty. In cases where the actual future taxable profits generated are less or more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a material reversal or further recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal or further recognition takes place.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 5. REVENUE AND SEGMENT INFORMATION

### Disaggregation of revenue from contracts with customers

	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
Types of goods or service		
Sales of in-vehicle hardware products	161,474	226,098
Software-as-a-service ("SaaS") marketing and management services		
SaaS subscription services	133,774	134,525
SaaS value-added services	405,170	199,946
<b>Total revenue from contracts with customers</b>	<b>700,418</b>	<b>560,569</b>
Timing of revenue recognition		
A point in time	440,353	272,494
Over time	260,065	288,075
<b>Total</b>	<b>700,418</b>	<b>560,569</b>

### Performance obligations for contracts with customers

The Group provides digitalisation services to customers in the automotive aftermarket industry in the PRC. Performance obligations of sales of in-vehicle hardware products are satisfied at a point in time. Performance obligations of rendering SaaS subscription services and SaaS value-added services are satisfied either at a point in time or over time, depending on the nature of the specific service deliverables.

### Sales of in-vehicle hardware products

Revenue from sales of in-vehicle hardware products represented sales of in-vehicle hardware including in-vehicle infotainment systems and in-vehicle safety systems to 4S Stores, and sales of core boards to in-vehicle devices original brand manufacturers.



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

### Sales of in-vehicle hardware products (continued)

For sales of in-vehicle hardware, revenue is recognised at the point in time when controls of the hardware has transferred, being when the products are accepted by the customers.

The sales of in-vehicle hardware are not subject to refund. The warranty expenses incurred related to in-vehicle hardware sales was immaterial in both years.

### SaaS marketing and management services

The Group offers SaaS marketing and management services through (a) SaaS subscription services by providing software systems to 4S Stores and financing and leasing companies and (b) SaaS value added services by providing integrated online and offline retails services to car users.

#### *(a) SaaS subscription services*

The Group generally sells in-vehicle hardware together with SaaS subscription services to the customer. The Group charges an annual subscription fee to the customers for information subscription services provided to the customers via data collected from in-vehicle hardware sold. Revenue from the SaaS subscription services are recognised over time. Payment received from subscribers in advance are recorded as contract liabilities at contract inception, and amortised over the SaaS subscription period.

For contracts where the in-vehicle hardware sold has utility on their own, the Group concludes that in-vehicle hardware and SaaS subscription services are two separate performance obligations as they are distinct from each other. Specifically, the customers can sell and benefit from the in-vehicle hardware on its own, and they can also benefit from the SaaS subscription with readily available resources. In such arrangements, transaction price is allocated to the two performance obligations based on their relative standalone selling prices.

In contracts where the in-vehicle hardware sold is adapted to the subscribed SaaS service and could not be used and sold separately, the Group determines that the hardware and subscribed SaaS represent one performance obligation, as they are highly interdependent and interrelated. Related revenue is recognised ratably over the SaaS subscription period.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

### SaaS marketing and management services (continued)

#### (b) SaaS value-added services

SaaS value-added services mainly represent value-added operation services for car users. The services include delivery of products and services to car users such as repair and maintenance and car beauty such as instalment of vehicles' covering film, replacement of vehicle's damaged tires, vehicle polishing and grinding and other related services, these services are recognised over the service delivery period, which is generally within a day.

The Group expanded and enriched the product and service categories of SaaS value-added services, such as extended vehicle warranty, chauffeur rights, collision repair rights, and other rights products, to meet the ever-changing needs of car users. The Group acts solely as an agent in transactions between car users and service providers. Revenue is recognised at the point of right products delivery to the car users, measured on a net basis that reflects only the Group's commission or service fee for its agency role. This accounting treatment aligns with the agency model that the Group does not control the right products nor assume significant risks or rewards associated with the right products. During the year ended 31 December 2024, the Group recognised commission revenue relating to the SaaS value-added agent service amounted to RMB230,288,000 (2023: RMB21,817,000).

### Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2024 and 2023 arising from Sales of in-vehicle hardware products and SaaS subscription services, and the expected timing of recognising revenue are as follows:

	31/12/2024	31/12/2023
	RMB'000	RMB'000
Within one year	59,179	58,975
More than one year but not more than two years	14,550	16,222
More than two years	4,692	5,662
	<u>78,421</u>	<u>80,859</u>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

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

### *Segment information*

The Group's chief operating decision makers, who are the executive directors, reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole and hence, the Group has only one reportable segment. The Group does not distinguish between markets or segments for the purpose of internal reports.

### *Geographical information*

As the Group's non-current assets are all located in the PRC and all the Group's revenue are derived from the PRC, no geographical information is presented.

## 6. OTHER INCOME

	Year ended 31/12/2024	Year ended 31/12/2023
	RMB'000	RMB'000
Interest income on bank deposits and time deposits with maturity over three months	7,501	2,494
Refund of PRC value added tax and surcharges	5,021	6,337
Interest income from financial assets at FVTPL	—	181
Government grants (Note)	853	725
Interest income on financial assets at amortised cost	277	—
	<b>13,652</b>	<b>9,737</b>

Note: Government grants mainly represented the government subsidies received by the Group to compensate the interest expense on certain borrowings and public listing subsidy, to support the research and development of the Group and to purchase property, plant and equipment which is recognised as deferred income and being recognised to profit or loss on a systematic basis over the estimated useful life of the related assets.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 7. OTHER GAINS AND LOSSES

	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
Exchange gain, net	1,872	209
Gain from changes in fair value of financial assets as at FVTPL	533	9,637
Gain/(loss) on disposal of property, plant and equipment	76	(132)
Others	57	—
	<u>2,538</u>	<u>9,714</u>

## 8. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
Impairment losses recognised on:		
— Trade receivables	3,358	1,322
— Other receivables	87	232
	<u>3,445</u>	<u>1,554</u>

Details of impairment assessment are set out in Note 36.

## 9. FINANCE COSTS

	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
Interest on borrowings	2,371	2,109
Interest on lease liabilities	84	174
	<u>2,455</u>	<u>2,283</u>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 10. INCOME TAX (CREDIT)/EXPENSE

	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
Current tax — PRC Enterprise Income Tax	2,639	5,191
Deferred tax (Note 23)	(8,139)	2,235
	<u>(5,500)</u>	<u>7,426</u>

### Cayman Islands

Under the current laws of the Cayman Islands, the Company incorporated in the Cayman Islands is not subject to tax on income or capital gains. Additionally, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

### BVI

The entities established in the BVI are exempted from income tax.

### Hong Kong

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "**Bill**") which introduced the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first Hong Kong Dollar ("**HK\$**") 2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

No provision of Hong Kong Profits Tax was made in the consolidated financial statements as the Group has no assessable profit in both years.

### PRC

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the statutory tax rate for PRC entities is 25% in both years.

Guanglian Saixun did not renew its High-New Technology Enterprises ("**HNTE**") since 1 January 2024, accordingly Guanglian Saixun is subject to an income tax rate of 25% from 1 January 2024 onwards.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 10. INCOME TAX (CREDIT)/EXPENSE (CONTINUED)

### PRC (continued)

Guanglian Shuke was qualified as a HNTE since 16 October 2023 and was subject to a preferential income tax rate of 15% until 15 October 2026.

Certain subsidiaries have been approved as small low-profit enterprises. The entitled subsidiaries are subject to a preferential income tax rate of 5% during the year ended 31 December 2024 (2023: 2.5% or 5%).

Taxation for the year can be reconciled to the profit before tax per the consolidated statements of profit or loss and other comprehensive income as follows:

	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
Profit before tax from continuing operations	38,858	58,968
Tax at the PRC statutory income tax rate of 25%	9,715	14,742
Tax effect of expenses not deductible for tax purpose	975	615
Tax effect of share of results of associates	(944)	(43)
Tax effect of tax losses not recognised	1,481	—
Tax benefit for qualifying research and development expenses	(5,343)	(4,977)
Income tax at concessionary rate	(6,190)	(3,395)
Utilisation of deductible temporary previously not recognised	(5,554)	—
Reversal of deductible temporary previously recognised	734	—
Change in opening deferred tax resulting from an increase in applicable tax rate	(374)	484
	(5,500)	7,426



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 11. PROFIT FOR THE YEAR

Profit for the year from continuing operations has been arrived at after charging/(crediting):

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Staff costs (including directors' remuneration as set out in Note 12):		
Salaries and other employee benefits	46,261	47,712
Retirement benefits scheme contributions	4,011	1,731
Discretionary bonus	3,321	3,319
Total employee benefit expenses	53,593	52,762
Less: Capitalised in intangible assets	(1,087)	(8,472)
	52,506	44,290
Depreciation of property, plant and equipment (Note 16)	4,660	5,235
Depreciation of right-of-use assets (Note 17)	2,441	2,800
Amortisation of intangible assets (Note 18)	8,492	5,821
Total depreciation and amortisation	15,593	13,856
Auditor's remuneration	2,255	108
(Reversal)/write-down of inventories	(2)	421
Cost of inventories recognised as expenses	205,257	237,272
Listing expenses	20,715	10,195

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance, is as follows:

For the year ended 31 December 2024

	Fees	Salaries and other benefits in kind	Retirement benefits scheme contributions	Discretionary bonus (Note)	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>EXECUTIVE DIRECTORS</b>					
Zhu Lei	—	386	33	—	419
Jiang Zhongyong	—	50	28	—	78
Zhao Zhan	—	871	38	130	1,039
<b>NON-EXECUTIVE DIRECTORS</b>					
Cui Changsheng	—	—	—	—	—
Peng Chao	—	—	—	—	—
Zou Fangzhao (resigned on 31 December 2024)	—	—	—	—	—
<b>INDEPENDENT NON-EXECUTIVE DIRECTORS</b>					
Feng Yuan (appointed on 18 June 2024)	56	—	—	—	56
Wei Chunlan (appointed on 18 June 2024)	56	—	—	—	56
Ci Ying (appointed on 18 June 2024)	56	—	—	—	56
<b>Total</b>	<b>168</b>	<b>1,307</b>	<b>99</b>	<b>130</b>	<b>1,704</b>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (CONTINUED)

For the year ended 31 December 2023

	Fees	Salaries and other benefits in kind	Retirement benefits scheme contributions	Discretionary bonus (Note)	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>EXECUTIVE DIRECTORS</b>					
Zhu Lei	—	383	25	—	408
Jiang Zhongyong	—	51	25	—	76
Zhao Zhan	—	863	27	56	946
<b>NON-EXECUTIVE DIRECTORS</b>					
Cui Changsheng	—	—	—	—	—
Zou Fangzhao (resigned on 31 December 2024)	—	—	—	—	—
Peng Chao	—	—	—	—	—
<b>INDEPENDENT NON-EXECUTIVE DIRECTOR</b>					
Feng Yuan	20	—	—	—	20
Total	20	1,297	77	56	1,450

Note: The discretionary bonus is based on the performance of the Directors and the Group.

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

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included one (2023: one) director, details of whose remuneration are set out in Note 12. Details of the remuneration for the year of the remaining four (2023: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
Salaries	3,227	2,931
Retirement benefits scheme contributions	143	105
Discretionary bonus	854	381
	<b>4,224</b>	<b>3,417</b>

The number of the highest paid employees who are neither a director nor chief executive of the Company whose remuneration fell within the following bands is as follows:

	2024 No. of employees	2023 No. of employees
Nil to HK\$1,000,000	2	2
HK\$1,000,001 to HK\$1,500,000	1	2
HK\$1,500,001 to HK\$2,000,000	1	—
	<b>4</b>	<b>4</b>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 14. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

Earnings figures are calculated as follows:

	Year ended 31/12/2024	Year ended 31/12/2023
	RMB'000	RMB'000
Profit for the year attributable to owners of the Company	<b>44,440</b>	51,129

### Number of shares

	Year ended 31/12/2024	Year ended 31/12/2023
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>332,447,671</b>	299,309,684

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share for both years has been determined on the assumption that the Group Reorganisation and the capitalisation issue as disclosed in Note 33 had been effective since 1 January 2023.

No diluted earnings per share were presented as there were no potential ordinary shares in issue for both years.

## 15. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the years ended 31 December 2023 and 2024, nor has any dividend been proposed since the end of the reporting period.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 16. PROPERTY, PLANT AND EQUIPMENT

	Furniture, fixtures and equipment RMB'000	Vehicles RMB'000	Construction in progress RMB'000	Leasehold improvement RMB'000	Total RMB'000
<b>COST</b>					
At 1 January 2023	7,342	4,212	—	13,987	25,541
Additions	680	—	888	—	1,568
Transfer	—	—	(852)	852	—
Disposals	(184)	(91)	—	(406)	(681)
At 31 December 2023	7,838	4,121	36	14,433	26,428
Additions	58	1,324	2,409	696	4,487
Transfer	832	—	(832)	—	—
Disposals	(155)	(594)	—	—	(749)
At 31 December 2024	<b>8,573</b>	<b>4,851</b>	<b>1,613</b>	<b>15,129</b>	<b>30,166</b>
<b>DEPRECIATION</b>					
At 1 January 2023	4,585	3,677	—	5,985	14,247
Provided for the year	1,116	301	—	3,818	5,235
Eliminated on disposals	(84)	(86)	—	(203)	(373)
At 31 December 2023	5,617	3,892	—	9,600	19,109
Provided for the year	972	64	—	3,624	4,660
Eliminated on disposals	(139)	(565)	—	—	(704)
At 31 December 2024	<b>6,450</b>	<b>3,391</b>	<b>—</b>	<b>13,224</b>	<b>23,065</b>
<b>CARRYING VALUES</b>					
At 31 December 2024	<b>2,123</b>	<b>1,460</b>	<b>1,613</b>	<b>1,905</b>	<b>7,101</b>
At 31 December 2023	2,221	229	36	4,833	7,319



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 16. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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

Furniture, fixtures and equipment	20%–33%
Vehicles	25%
Leasehold improvement	Over the shorter of the lease term and estimated useful lives, or 20%–33%

## 17. RIGHT-OF-USE ASSETS

	<b>Total</b>	
	<b>RMB'000</b>	
<b>As at 31 December 2024</b>		
Carrying amount		<b>3,745</b>
<b>As at 31 December 2023</b>		
Carrying amount		<b>2,602</b>
<b>For the year ended 31 December 2024</b>		
Depreciation charge		<b>2,441</b>
<b>For the year ended 31 December 2023</b>		
Depreciation charge		<b>2,800</b>
	<b>Year ended 31/12/2024</b>	<b>Year ended 31/12/2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Expense relating to short-term leases	<b>28</b>	25
Total cash outflow for leases	<b>2,679</b>	2,993
Additions to right-of-use assets	<b>3,584</b>	1,159

The Group leases certain of its offices and warehouses which are negotiated for terms ranging from 1 to 5 years. Lease terms are negotiated on an individual basis and contain different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 17. RIGHT-OF-USE ASSETS (CONTINUED)

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group regularly entered into short-term leases for offices. As at 31 December 2024 and 2023, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessors. Leased assets may not be used as security for borrowing purpose.

## 18. INTANGIBLE ASSETS

	Development costs RMB'000	Software RMB'000	Total RMB'000
<b>COST</b>			
At 1 January 2023	—	24,140	24,140
Additions	8,472	5,945	14,417
Transfer to software	(5,816)	5,816	—
At 31 December 2023	2,656	35,901	38,557
Additions	1,087	8,491	9,578
Transfer to software	(3,743)	3,743	—
At 31 December 2024	<b>—</b>	<b>48,135</b>	<b>48,135</b>
<b>AMORTISATION</b>			
At 1 January 2023	—	7,377	7,377
Charge for the year	—	5,821	5,821
At 31 December 2023	—	13,198	13,198
Charge for the year	—	8,492	8,492
At 31 December 2024	<b>—</b>	<b>21,690</b>	<b>21,690</b>
<b>CARRYING VALUES</b>			
At 31 December 2024	<b>—</b>	<b>26,445</b>	<b>26,445</b>
At 31 December 2023	2,656	22,703	25,359

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 18. INTANGIBLE ASSETS (CONTINUED)

All the Group intangible assets having finite useful lives are amortised on a straight-line basis over the following periods:

Software 2–10 years

## 19. INTERESTS IN ASSOCIATES

	31/12/2024	31/12/2023
	RMB'000	RMB'000
Cost of investment in associates	50,127	9,150
Share of post-acquisition profit and other comprehensive income, net of dividends received	2,112	174
	<b>52,239</b>	<b>9,324</b>

Details of each of the Group's associates at the end of the reporting period are as follows:

Name of entities	Country of incorporation/ registration	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activities
			2024	2023	2024	2023	
煙台市鳴加彩一汽車服務有限責任公司 (Yantai City Dijia Caiyi Car Service Co., Ltd) ("Yantai City Dijia")	China	Shandong	29%	29%	29%	29%	Provision of marketing services
鳴加牛膜王(濟南)汽車用品服務有限責任公司 (Dijia Niumowang (Jinan) Automotive Supplies Service Co., Ltd) ("Dijia Niumowang")	China	Shandong	29%	29%	29%	29%	Provision of marketing services
九江鳴科鑫聯汽車服務有限責任公司 (Jiujiang Dike Xinlian Automobile Service Co., Ltd) ("Jiujiang Dike")	China	Jiangxi	29%	29%	29%	29%	Provision of marketing services
洛陽鳴加惠汽車服務有限公司 (Luoyang Dijiahui Automobile Service Co., Ltd) ("Luoyang Dijiahui")	China	Henan	29%	29%	29%	29%	Provision of marketing services
烏魯木齊鳴加藍卡汽車服務有限責任公司 (Urumqi Dijia Lanka Car Service Co., Ltd) ("Urumqi Dijia") (Note)	China	Xinjiang	—	29%	—	29%	Provision of marketing services

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 19. INTERESTS IN ASSOCIATES (CONTINUED)

Details of each of the Group's associates at the end of the reporting period are as follows: (continued)

Name of entities	Country of incorporation/ registration	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activities
			2024	2023	2024	2023	
雲南嘯加嘰哩嘰汽車服務有限公司 (Yunnan Dijia Pilipala Car Service Co., Ltd) ("Yunnan Dijia")	China	Yunnan	29%	29%	29%	29%	Provision of marketing services
陝西萬勝嘯加汽車服務有限公司 (Shanxi Wansheng Dijia Automobile Service Co., Ltd) ("Shanxi Wansheng") (Note)	China	Shanxi	—	29%	—	29%	Provision of marketing services
內蒙古嘯加美圖汽車服務有限公司 (Inner Mongolia Dijia Meitu Automobile Service Co., Ltd) ("Inner Mongolia Dijia")	China	Inner Mongolia	29%	29%	29%	29%	Provision of marketing services
貴陽市嘯加鑫匯達汽車服務有限責任公司 (Guiyang City Dijiaxin Huida Automobile Service Co., Ltd) ("Guiyang City Dijiaxin")	China	Guizhou	29%	29%	29%	29%	Provision of marketing services
西安嘯加萬昇汽車服務有限公司 (Xi'an Dijia Wansheng Automobile Service Co., Ltd) ("Xi'an Dijia Wansheng") (Note)	China	Shanxi	—	29%	—	29%	Provision of marketing services
嘯加金鑫(濟南)汽車用品服務有限責任公司 (Dijia Jinxin (Jinan) Automotive Supplies Service Co., Ltd) ("Dijia Jinxin")	China	Shandong	29%	29%	29%	29%	Provision of marketing services
洛陽嘯惠汽車服務有限公司 (Luoyang Diyinghui Automobile Service Co., Ltd) ("Luoyang Diyinghui") (Note)	China	Henan	—	29%	—	29%	Provision of marketing services
甘肅嘯加一門汽車服務有限責任公司 (Gansu Dijia Yimen Car Automobile Service Co., Ltd) ("Gansu Dijia")	China	Gansu	29%	29%	29%	29%	Provision of marketing services
蘭州嘯加凱信汽車服務有限公司 (Lanzhou Digia Kexin Automobile Service Co., Ltd.) ("Lanzhou Dijia")	China	Gansu	46%	N/A	46%	N/A	Provision of marketing services
廣州新智車主汽車服務有限公司 (Guangzhou XinZhi Car Owner Automobile Service Co., Ltd.) ("Guangzhou Xinzhi")	China	Guangdong	49%	N/A	49%	N/A	Provision of marketing services

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 19. INTERESTS IN ASSOCIATES (CONTINUED)

Details of each of the Group's associates at the end of the reporting period are as follows: (continued)

Name of entities	Country of incorporation/ registration	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activities
			2024	2023	2024	2023	
寧夏新智車主汽車服務有限公司 (Ningxia Xinzhi Car Owner Automobile Service Co., Ltd.) ("Ningxia Xinzhi")	China	Ningxia	49%	N/A	49%	N/A	Provision of marketing services
武漢市新智車主汽車服務有限公司 (Wuhan Xinzhi Car Owner Automobile Service Co., Ltd.) ("Wuhan Xinzhi")	China	Hubei	49%	N/A	49%	N/A	Provision of marketing services
北京市新智車主汽車服務有限公司 (Beijing Xinzhi Car Owner Automobile Service Co., Ltd.) ("Beijing Xinzhi")	China	Beijing	49%	N/A	49%	N/A	Provision of marketing services
龍聯汽車科技(深圳)有限公司 (Longlian Automotive Technology (Shenzhen) Co., Ltd.) ("Longlian Shenzhen")	China	Shenzhen	49%	N/A	49%	N/A	Provision of marketing services
惠州智悅途汽車服務有限公司 (Huizhou Zhiheng Yuetu Automobile Service Co., Ltd.) ("Huizhou Zhiheng")	China	Huizhou	49%	N/A	49%	N/A	Provision of marketing services
甘肅智恒汽車服務有限公司 (Gansu Zhiheng Automobile Service Co., Ltd.) ("Gansu Zhiheng")	China	Gansu	49%	N/A	49%	N/A	Provision of marketing services
廣西智恒汽車服務有限公司 (Guangxi Zhiheng Automobile Service Co., Ltd.) ("Guangxi Zhiheng")	China	Guangxi	49%	N/A	49%	N/A	Provision of marketing services
內蒙古環途汽車服務有限公司 (Inner Mongolia Jingtū Automobile Service Co., Ltd.) ("Inner Mongolia Jingtū")	China	Inner Mongolia	49%	N/A	49%	N/A	Provision of marketing services
陝西騰暢精誠汽車服務有限公司 (Shaanxi Tengchang Jingcheng Automotive Service Co., Ltd.) ("Shanxi Tengchang")	China	Shanxi	49%	N/A	49%	N/A	Provision of marketing services

The English translation of the names for the associates are for reference purpose only. The official names of these entities are in Chinese.

Note: These companies were deregistered during the year ended 31 December 2024.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 19. INTERESTS IN ASSOCIATES (CONTINUED)

### Aggregate information of associates that are not individually material

	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
The Group's share of profit	3,776	174
The Group's share of other comprehensive income and total comprehensive income	3,776	174
Aggregate carrying amount of the Group's interests in these associates	52,239	9,324

## 20. EQUITY INSTRUMENTS AT FVTOCI

	31/12/2024 RMB'000	31/12/2023 RMB'000
Unlisted — Equity investments	70,228	7,752

The above unlisted equity investments represent the Group's equity interests in private entities established in the PRC, of which, three unlisted equity investments were newly acquired during the year ended 31 December 2024 with a total consideration of RMB62,623,000. The Directors have elected to designate these investments in equity instruments as at FVTOCI as they believe that the investments are not held for trading and for long-term strategic purposes.

Details of the fair value measurement are disclosed in Note 36.



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 21. FINANCIAL ASSETS AT FVTPL

	31/12/2024 RMB'000	31/12/2023 RMB'000
Non-current portion:		
Unlisted funds	7,103	147,191
Unlisted trust	—	11,135
	<b>7,103</b>	<b>158,326</b>
Current portion:		
Unlisted equity investment	—	91

Financial assets at FVTPL as at 31 December 2024 and 2023 mainly represented the Group's investments in (i) unlisted funds which represented a portfolio of investments managed by fund managers with most of the portfolio assets are invested in bond investments in the PRC, (ii) unlisted equity investments and (iii) unlisted trust in the PRC. During the year ended 31 December 2024, certain of the investments have been redeemed or disposed.

Details of the fair value measurement are disclosed in Note 36.

## 22. FINANCIAL ASSETS AT AMORTISED COST

	31/12/2024 RMB'000	31/12/2023 RMB'000
Non-current portion:		
Investments in unlisted companies with fixed return of 6%	<b>17,640</b>	—
Current portion:		
Time deposit, with fixed interest of 3.55% per annum	<b>10,865</b>	—
Promissory notes, with fixed interest of 3.80% per annum	<b>27,953</b>	—
	<b>38,818</b>	—

These financial assets are held by the Group within a business model whose objective is to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding. Hence, the debt instruments are classified as at amortised cost.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 23. DEFERRED TAX ASSETS/LIABILITIES

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	31/12/2024	31/12/2023
	RMB'000	RMB'000
Deferred tax assets	8,484	2,923
Deferred tax liabilities	—	(2,578)
	<b>8,484</b>	<b>345</b>

The following are the major deferred tax assets/(liabilities) recognised and movements thereon during the current and prior years:

	ECL on receivables	Tax losses	Unrealised profits	Fair value changes of financial assets at FVTPL	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023	2,428	1,873	16	(2,120)	383	2,580
(Charge)/credit to profit or loss	(60)	(242)	(16)	(1,471)	38	(1,751)
Effect of change in tax rate	(714)	(435)	—	850	(185)	(484)
At 31 December 2023	<b>1,654</b>	<b>1,196</b>	<b>—</b>	<b>(2,741)</b>	<b>236</b>	<b>345</b>
(Charge)/credit to profit or loss	(120)	5,277	—	2,809	(201)	7,765
Effect of change in tax rate	<b>140</b>	<b>305</b>	<b>—</b>	<b>(114)</b>	<b>43</b>	<b>374</b>
At 31 December 2024	<b>1,674</b>	<b>6,778</b>	<b>—</b>	<b>(46)</b>	<b>78</b>	<b>8,484</b>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 23. DEFERRED TAX ASSETS/LIABILITIES (CONTINUED)

At 31 December 2024, the Group had unused tax losses of RMB49,306,000 (31 December 2023: RMB7,262,000) available for offset against future taxable profit. A deferred tax asset has been recognised in respect of such tax losses of RMB43,383,000 (31 December 2023: RMB7,262,000). No deferred tax asset has been recognised for the remaining tax losses of RMB5,923,000 (31 December 2023: nil) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of approximately RMB5,536,000 (31 December 2023: nil) with expiry dates within 1 to 10 years from the end of each reporting period, other losses of RMB387,000 (31 December 2023: nil) arose in Hong Kong may be carried forward indefinitely.

At 31 December 2024, the Group has deductible temporary differences of RMB37,686,000 (31 December 2023: 56,964,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

## 24. CONTRACT COSTS

	31/12/2024	31/12/2023
	RMB'000	RMB'000
Costs to fulfill contracts	18,194	21,777
Analysis as:		
Non-current	7,251	8,715
Current	10,943	13,062
	18,194	21,777

Costs to fulfill contracts capitalised relate to the cost of vehicle-mounted hardware installed in the automobile which cannot be separately used alone and are regarded as set up costs to provide SaaS subscription services. Contract costs are recognised as part of cost of revenue in the consolidated statements of profit or loss and other comprehensive income in the period in which revenue from the related SaaS subscription services are recognised. The amount of capitalised costs recognised in profit or loss during the year ended 31 December 2024 amounting to RMB56,558,000 (2023: RMB57,811,000). There was no impairment in relation to the costs capitalised during the year ended 31 December 2024.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 25. DEPOSITS AND PREPAYMENTS

	31/12/2024	31/12/2023
	RMB'000	RMB'000
Prepayments to SaaS subscription and value-added suppliers (Note)	35,433	12,712
Prepayments for hardware (Note)	18,810	12,980
Prepayments for long term assets	15,610	—
Deposits paid to customers	4,217	5,166
Deferred issue cost	—	4,637
Prepaid listing expense	—	158
Others	374	273
	<b>74,444</b>	<b>35,926</b>
Analysis as:		
Non-current	15,610	—
Current	58,834	35,926
	<b>74,444</b>	<b>35,926</b>

Note:

At 31 December 2024, prepayments to suppliers of RMB19,239,000 (31 December 2023: nil) have been settled through bank acceptance bills which were recorded as bills payable included in Note 29.

Included in prepayments to SaaS subscription and value-added suppliers, RMB660,000 (31 December 2023: nil) were balances due from associates in trade nature as at 31 December 2024.

## 26. INVENTORIES

	31/12/2024	31/12/2023
	RMB'000	RMB'000
Raw materials and consumables	239	1,801
Finished goods	3,528	8,194
	<b>3,767</b>	<b>9,995</b>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 27. TRADE AND OTHER RECEIVABLES

	31/12/2024	31/12/2023
	RMB'000	RMB'000
Trade receivables (Note (i))	148,445	139,086
Less: Allowance for credit losses	(24,402)	(43,261)
	124,043	95,825
Other receivables		
VAT receivables	2,153	993
Others (Note (ii))	11,430	1,267
Less: Allowance for credit losses	(339)	(252)
Total trade and other receivables	137,287	97,833

As at 1 January 2023, trade receivables from contracts with customers amounted to RMB90,648,000.

Notes:

- (i): Included in trade receivables, RMB151,000 (31 December 2023: nil) were balances due from associates in trade nature as at 31 December 2024.
- (ii): Included in the other receivables, RMB10,000,000 were prepayment for an investment which should be returned according to relevant agreement. The Company considered that the amount will be fully recovered, hence no impairment recognised as at 31 December 2024.

The Group usually allows a credit period of 90–180 days to its customers which is interest free with no collateral. Aging of trade receivables net of allowance for credit losses, is prepared based on date of transfer of goods or date of rendering of services, which approximated the respective revenue recognition dates, are as follows:

	31/12/2024	31/12/2023
	RMB'000	RMB'000
0–90 days	67,597	71,908
91–180 days	42,622	18,556
Over 180 days	13,824	5,361
	124,043	95,825

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 27. TRADE AND OTHER RECEIVABLES (CONTINUED)

Aging of trade receivables which were past due but not impaired:

	31/12/2024	31/12/2023
	RMB'000	RMB'000
91-180 days	7,315	6,857
Over 180 days	13,824	5,361
	<u>21,139</u>	<u>12,218</u>

The Directors are in the view that there have been no significant increase in credit risk nor default because the financial condition of the debtors has not undergone a material deterioration and the likelihood of future repayment remains substantial.

## 28. CASH AND CASH EQUIVALENTS/RESTRICTED BANK DEPOSITS

Restricted bank deposits represented balances of RMB31,342,000 (2023: RMB27,846,000) pledged to banks for the issuance of the Group's bills payable as at 31 December 2024. Of which, RMB30,233,000 (2023: nil) were time deposits with original maturity over three months.

Cash and cash equivalents include deposits with original maturity less than three months for the purpose of meeting the Group's short term cash commitments, which carry interest at market rates range from 0.01% to 4.13% (31 December 2023: 0.01% to 4.80%) per annum as at 31 December 2024. Demand deposits carried interest at market interest rate ranging from 0.01% to 0.15% (31 December 2023: 0.01% to 0.35%) per annum as at 31 December 2024.



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 29. TRADE, BILLS AND OTHER PAYABLES

	31/12/2024	31/12/2023
	RMB'000	RMB'000
Trade payables (Note)	33,639	21,121
Bills payable	71,615	27,037
	105,254	48,158
Deposits	896	2,715
Accrued salaries	7,226	7,216
Other tax payables	4,427	6,585
Accrued share issue cost and listing expense	—	3,167
Others	4,407	1,661
	122,210	69,502

Note: Included in trade payables, RMB4,212,000 (31 December 2023: RMB333,000) were balances due to related parties in trade nature as at 31 December 2024.

The following is an aging analysis of trade and bills payables presented based on the invoice dates.

	31/12/2024	31/12/2023
	RMB'000	RMB'000
0-180 days	105,020	47,852
181-365 days	234	306
	105,254	48,158

The average credit period for purchases of goods or services is 180 days.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 30. LEASE LIABILITIES

	31/12/2024	31/12/2023
	RMB'000	RMB'000
<b>Lease liabilities payable:</b>		
Within one year	1,388	2,314
Within a period of more than one year but not exceeding two years	1,139	410
Within a period of more than two years but not exceeding five years	1,240	26
	3,767	2,750
Less: Amount due for settlement within 12 months shown under current liabilities	(1,388)	(2,314)
Amount due for settlement after 12 months shown under non-current liabilities	2,379	436

The lease liabilities were measured at the present value of the lease payments that are not yet paid using incremental borrowing rates. The weighted average incremental borrowing rates applied to lease liabilities range from 3.95% to 4.75% (2023: 4.75%).

## 31. BORROWINGS

	31/12/2024	31/12/2023
	RMB'000	RMB'000
Bank loans	22,287	26,398
Other borrowings	20,030	17,019
	42,317	43,417
Secured	20,000	17,000
Unsecured	22,317	26,417
	42,317	43,417
Represented:		
Fixed-rate borrowings	42,317	43,417

The carrying amounts of the borrowings are repayable within one year.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 31. BORROWINGS (CONTINUED)

The range of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings is as follows:

	<b>31/12/2024</b>	<b>31/12/2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Effective interest rate per annum	<b>3.10% to 4.90%</b>	3.60% to 4.90%

At 31 December 2024, bank borrowings of subsidiaries amounting to RMB16,372,000 were guaranteed by the Company, RMB4,480,000 were jointly guaranteed by the Company and Guanglian Shuke and RMB1,000,000 were jointly guaranteed by Mr. Zhu Lei and and Guanglian Saixun. RMB20,000,000 of the other borrowings were secured by two patents of Guanglian Shuke and jointly guaranteed by Mr. Zhu Lei, Mr. Zhao Zhan, Guanglian Saixun and an independent third party.

At 31 December 2023, the borrowings were jointly guaranteed by Mr. Zhu Lei, Mr. Zhao Zhan, independent third parties (including Shenzhen Hi-tech investment and Financing Guarantee Co., Ltd. and Shenzhen Lihe Technology Financing Guarantee Co., Ltd.), and certain entities comprising the Group. RMB17,000,000 of the other borrowings were secured by two patents of Guanglian Shuke.

## 32. CONTRACT LIABILITIES

	<b>31/12/2024</b>	<b>31/12/2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Sales of in-vehicle hardware products and SaaS marketing and management services	<b>78,421</b>	80,859
Analysed as:		
Current	<b>59,179</b>	58,975
Non-current	<b>19,242</b>	21,884
	<b>78,421</b>	80,859

Contract liabilities represent the Group's obligation to transfer goods or services to customers for which the Group has received consideration (or an amount of consideration is due) from the customers.

As at 1 January 2023, contract liabilities amounted to RMB116,349,000.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 32. CONTRACT LIABILITIES (CONTINUED)

The Directors expect that the current contract liabilities will be recognised as revenue within one year, while the non-current contract liabilities will be recognised as revenue over one year.

During the year ended 31 December 2024, the Group recognised revenue amounting to RMB56,030,000 (2023: RMB93,201,000), which related to the contract liabilities balance at the beginning of the year.

There was no revenue recognised during both years that related to performance obligations that were satisfied in prior years.

## 33. SHARE CAPITAL

### Authorised

	Number of shares	Nominal value	
		USD	RMB'000
Ordinary shares of USD0.0001 each			
At 1 January 2023, 31 December 2023 and 2024	500,000,000	50,000	318

### Issued and fully paid

	Number of shares	Nominal value	
		USD	RMB'000
Ordinary shares of USD0.0001 each			
At 1 January 2023	5	— <sup>^</sup>	— <sup>*</sup>
Issue of share (Note (i))	60,599,995	6,060	42
At 31 December 2023	60,600,000	6,060	42
Capitalisation issue (Note (ii))	242,400,000	24,240	173
Shares issued upon global offering (Note (iii))	63,600,000	6,360	45
At 31 December 2024	366,600,000	36,660	260

\* Amount less than RMB1,000

<sup>^</sup> Amount less than USD1

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 33. SHARE CAPITAL (CONTINUED)

Notes:

- (i): In March 2023, the Company issued 60,599,995 shares with par value of USD0.0001 per share for a consideration of USD35,695,000 (equivalent to approximately RMB245,451,000).
- (ii): On 15 July 2024, the Company capitalised USD24,240 (equivalent to approximately RMB173,000) standing to the credit of the share premium account of the Company by applying that sum in paying up in full at par of 242,400,000 shares for allotment and issue to the holders of shares.
- (iii): On 15 July 2024, 63,600,000 ordinary shares were issued at an offer price of HK\$4.70 per share upon global offering. Gross proceeds from the issuance of these shares amounted to approximately HK\$298,920,000 (equivalent to approximately RMB273,012,000).

## 34. CAPITAL COMMITMENTS

	31/12/2024	31/12/2023
	RMB'000	RMB'000
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	<b>317</b>	57

## 35. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes the borrowings and lease liabilities disclosed in Notes 31 and 30 respectively, net of cash and cash equivalents and equity of the Group, comprising issued share capital and reserves.

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS

### 36a. Categories of financial instruments

	31/12/2024 RMB'000	31/12/2023 RMB'000
<b>Financial assets</b>		
Financial assets at FVTPL	7,103	158,417
Financial assets at amortised cost	637,477	287,075
Equity instruments at FVTOCI	70,228	7,752
	<b>714,808</b>	<b>453,244</b>
<b>Financial liabilities</b>		
Financial liabilities at amortised cost	152,874	99,118
Lease liabilities	3,767	2,750

### 36b. Financial risk management objectives and policies

The Group's major financial instruments include equity instruments at FVTOCI, trade and other receivables, deposits paid to customers, financial assets at FVTPL, financial assets at amortised cost, restricted bank deposits, cash and cash equivalents, trade, bills and other payables and borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk, and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

#### **Market risk**

The Group's activities expose it primarily to the financial risks of interest rates, currency risk and other price risk.

There has been no change to the Group's exposure to market risk or the manner in which it manages and measures the risk during the year ended 31 December 2024.



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36b. Financial risk management objectives and policies (continued)

#### *Market risk (continued)*

##### *(i) Interest rate risk*

The Group is exposed to fair value interest rate risk in relation to fixed-rate financial assets at amortised cost (Note 22), restricted bank deposits (Note 28), borrowings (Note 31) and lease liabilities (Note 30). The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances due to the fluctuation of the prevailing market interest rate on bank balances.

The Group currently do not have interest rate hedging policy. However, management will consider hedging significant interest rate exposure should the need arise.

#### Sensitivity analysis

No sensitivity analysis on interest rate risk on bank balance is presented as management consider the sensitivity on interest rate risk on bank balance is insignificant.

##### *(ii) Currency risk*

The Group has foreign currency bank balances and promissory notes which expose the Group to foreign currency risk. The carrying amounts of the Group's foreign currency denominated monetary assets at the end of the reporting period are as follows:

	31/12/2024	31/12/2023
	RMB'000	RMB'000
USD	234,700	6,849
HKD	28,686	—

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36b. Financial risk management objectives and policies (continued)

#### *Market risk (continued)*

#### *(ii) Currency risk (continued)*

##### Sensitivity analysis

5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. A negative number below indicates a decrease in post-tax profit where RMB strengthens 5% against the relevant currency. For a 5% weakening of RMB against the relevant currency, there would be an equal and opposite impact on post-tax profit and the amounts below would be positive.

	31/12/2024	31/12/2023
	RMB'000	RMB'000
USD	11,684	286
HKD	1,433	—

#### *(iii) Other price risk*

The Group is exposed to equity price risk through its investments in equity securities measured at FVTPL and FVTOCI. The above financial instruments are exposed to price risk because of changes in market prices, where changes are caused by factors specific to the individual financial instruments or their issuers, or factors affecting all similar financial instruments traded in the market. The Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise. Sensitivity analysis of the Group's investments in equity securities measured at FVTPL and FVTOCI has been disclosed in Note 36.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36b. Financial risk management objectives and policies (continued)

#### *Credit risk and impairment assessment*

At the end of reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group is due to failure to discharge an obligation by the counterparties. The Group's credit risk is mainly associated with bank balances, bank deposits, restricted bank deposits, trade and other receivables, deposits paid to customers and financial assets at amortised cost.

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

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

#### *Trade receivables arising from contracts with customers*

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36b. Financial risk management objectives and policies (continued)

#### *Credit risk and impairment assessment (continued)*

*Other receivables, deposits paid to customers and financial assets measured at amortised cost*

For all other instruments including other receivables, deposits paid to customers and financial assets measured at amortised cost, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL.

*Bank balances, restricted bank deposits*

The Group transacts with banks with high credit ratings. The credit risk for bank balances, and restricted bank deposits as at 31 December 2024 and 2023 was considered as insignificant as such amounts were placed in reputable banks.

The Group has no significant concentration of credit risk on trade and other receivables with exposure spreading over a number of counterparties and customers.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36b. Financial risk management objectives and policies (continued)

#### *Credit risk and impairment assessment (continued)*

The Group's internal credit risk grading assessment comprises the following categories:

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

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36b. Financial risk management objectives and policies (continued)

#### *Credit risk and impairment assessment (continued)*

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

	Notes	External Credit rating	Internal credit rating	12m or lifetime ECL	31/12/2014 Gross carrying amount RMB'000	31/12/2013 Gross carrying amount RMB'000
<b>Financial assets at amortised cost</b>						
Trade receivables	27	N/A	Note 1	Lifetime ECL (collective assessment)	128,318	98,454
		N/A	Doubtful	Lifetime ECL (collective assessment)	2,730	2,080
		N/A	Loss/Write-Off	Lifetime ECL (individual assessment)	17,397	38,552
					148,445	139,086
Financial assets at amortised cost	22	N/A	Note 2	12m ECL	56,458	—
Other receivables	27	N/A	Note 2	12m ECL	11,430	1,267
Deposits paid to customers	25	N/A	Note 2	12m ECL	4,217	5,166
Restricted bank deposits	28	AA+	N/A	12m ECL	31,342	27,846
Cash and cash equivalents	28	AA+	N/A	12m ECL	410,326	157,223

Note 1 For trade receivables, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with significant increase in credit risk or credit-impaired, the Group determines the ECL on these items on a collective basis, grouped by internal credit rating.

Note 2 For financial assets at amortised cost, other receivables and deposits paid to customers, the Group has applied the 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL.



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36b. Financial risk management objectives and policies (continued)

#### *Credit risk and impairment assessment (continued)*

As part of the Group's credit risk management, the Group applies internal credit rating for its customers in relation to its operation. The following table provides information about the exposure to credit risk for trade receivables which are assessed based on collective basis within lifetime ECL (not credit-impaired). Debtors with significant increase in credit risk or credit-impaired with gross carrying amounts of RMB20,127,000 as at 31 December 2024 (31 December 2023: RMB40,632,000) were assessed individually.

#### *Gross carrying amount*

Internal credit rating	2024		2023	
	Average loss rate	Trade receivables	Average loss rate	Trade receivables
	%	RMB'000	%	RMB'000
Low risk	4.6	126,306	3.5	90,450
Watch list	10.8	2,012	8.4	8,004
		<u>128,318</u>		<u>98,454</u>

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

During the year ended 31 December 2024, the Group provided RMB2,232,000 (2023: RMB84,000) impairment allowance accordingly for trade receivables based on collective assessment.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36b. Financial risk management objectives and policies (continued)

#### *Gross carrying amount (continued)*

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

	Lifetime ECL (not credit- impaired)	Lifetime ECL (credit impaired)	Total
	RMB'000	RMB'000	RMB'000
As at 1 January 2023	4,808	37,265	42,073
Changes due to financial instruments			
Recognised as at 1 January 2023:			
— Transfer to credit-impaired	(1,421)	1,421	—
— Impairment losses recognised	2,186	—	2,186
— Impairment losses reversed	(1,748)	—	(1,748)
— Write-offs	—	(134)	(134)
New financial assets originated	884	—	884
As at 31 December 2023	<b>4,709</b>	<b>38,552</b>	<b>43,261</b>
Changes due to financial instruments			
Recognised as at 1 January 2024:			
— Transfer to credit-impaired	(1,062)	1,062	—
— Impairment losses recognised	2,155	—	2,155
— Impairment losses reversed	(1,772)	—	(1,772)
— Write-offs	—	(22,217)	(22,217)
New financial assets originated	2,975	—	2,975
As at 31 December 2024	<b>7,005</b>	<b>17,397</b>	<b>24,402</b>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36b. Financial risk management objectives and policies (continued)

#### *Liquidity risk*

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

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

#### *Liquidity tables*

	Weighted average Interest rate	Less than 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash flows	Carrying amount at 31/12/2024
	%	RMB'000	RMB'000	RMB'000	RMB'0000	RMB'000
<b>2024</b>						
<b>Non-derivative financial liabilities</b>						
Borrowings	3.10-4.90	43,756	—	—	43,756	42,317
Trade, bills and other payables	N/A	110,557	—	—	110,557	110,557
Leases liabilities	3.95-4.75	1,490	1,206	1,292	3,988	3,767
		<u>155,803</u>	<u>1,206</u>	<u>1,292</u>	<u>158,301</u>	<u>156,641</u>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36b. Financial risk management objectives and policies (continued)

#### *Liquidity risk (continued)*

#### *Liquidity tables (continued)*

	Weighted average Interest rate	Less than 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total undiscounted cash flows	Carrying amount at 31/12/2023
	%	RMB' 000	RMB' 000	RMB' 000	RMB' 0000	RMB' 000
<b>2023</b>						
<b>Non-derivative financial liabilities</b>						
Borrowings	3.60-4.90	44,415	—	—	44,415	43,417
Trade, bills and other payables	N/A	55,701	—	—	55,701	55,701
Leases liabilities	4.75	2,404	433	27	2,864	2,750
		<u>102,520</u>	<u>433</u>	<u>27</u>	<u>102,980</u>	<u>101,868</u>

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36c. Fair value measurements of financial instruments

#### (i) *Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis*

The Group measures its following financial instruments at fair value at the end of each reporting period on a recurring basis:

Financial assets	Fair value as at 31 December 2024 RMB'000	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Financial assets at FVTPL — Unlisted funds	7,103	Level 2	Price provided by the financial institutions with reference to underlying investment portfolios which have observable quoted price in active markets	N/A	N/A
Equity instruments at FVTOCI — Unlisted equity investments	44,228	Level 3	Market approach-In this approach, the fair value of the equity instruments was derived with reference to the Value-to-Sales Ratio Last Twelve Months (EV/Sales LTM) Multiple of comparable companies and Discount for lack of marketability (DLOM)	Enterprise EV/Sales LTM Multiple of from 0.5 to 5.05, and DLOM from 21.5% to 30% (Note i)	The higher the EV/Sales LTM Multiple, the higher the fair value.  The higher the DLOM, the lower the fair value.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36c. Fair value measurements of financial instruments (continued)

#### (i) *Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)*

The Group measures its following financial instruments at fair value at the end of each reporting period on a recurring basis: (continued)

Financial assets	Fair value as at 31 December 2024 RMB'000	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Equity instruments at FVTOCI — Unlisted equity investments	26,000	Level 3	Income approach — in this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of this investee, based on an appropriate discount rate.	Discount rate of 17% (Note ii)	The higher the discount rate, the lower the fair value.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36c. Fair value measurements of financial instruments (continued)

(i) *Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)*

The Group measures its following financial instruments at fair value at the end of each reporting period on a recurring basis: (continued)

Financial assets	Fair value as at 31 December 2023 RMB'000	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
Financial assets at FVTPL — Unlisted funds	147,191	Level 2	Price provided by the financial institutions with reference to underlying investment portfolios which have observable quoted price in active markets	N/A	N/A
Equity instruments at FVTOCI — Unlisted equity investments	7,752	Level 3	Market approach-In this approach, the fair value of the equity instruments was derived with reference to the EV/Sales LTM Multiple of comparable companies and DLOM	EV/Sales LTM Multiple of 0.5 and DLOM of 30% (Note i)	The higher the EV/Sales LTM Multiple, the higher the fair value.  The higher the DLOM, the lower the fair value.
Financial assets at FVTPL — Unlisted trust	11,135	Level 2	Price provided by the financial institutions with reference to underlying investment portfolios which have observable quoted price in active markets	N/A	N/A



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36c. Fair value measurements of financial instruments (continued)

#### *(i) Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)*

Notes:

- (i) A slight increase in the EV/Sales LTM Multiple used in isolation would result in an increase in the fair value measurement of the equity instruments, and vice versa. A 5% increase/decrease in EV/Sales LTM Multiple, holding all other variables constant, would increase/decrease the carrying amount of the equity instruments at FVTOCI by RMB105,000 (31 December 2023: RMB7,000) as at 31 December 2024.

A slight increase in the DLOM used in isolation would result in a decrease in the fair value measurement of the equity instruments, and vice versa. A 5% increase/decrease in DLOM, holding all other variables constant, would decrease/increase the carrying amount of the equity instruments at FVTOCI by RMB536,000 (31 December 2023: RMB166,000) as at 31 December 2024.

- (ii) A slight increase in the discount rate used in isolation would result in a decrease in the fair value measurement of the equity instruments, and vice versa. A 1% increase/decrease in discount rate, holding all other variables constant, would decrease/increase the carrying amount of the equity instruments at FVTOCI by RMB478,000 (2023: nil) as at 31 December 2024.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### 36c. Fair value measurements of financial instruments (continued)

#### (ii) Reconciliation of Level 3 fair value measurements

The following table represents the reconciliation of Level 3 measurements throughout the Reporting Period.

	Instruments Assets at FVTPL — Unlisted equity investments RMB'000	Equity Instruments at FVTOCI — Unlisted equity investments RMB'000	Total RMB'000
At 1 January 2023	234	9,553	9,787
Net loss in other comprehensive income	—	(1,801)	(1,801)
Loss in fair value	(143)	—	(143)
At 31 December 2023	91	7,752	7,843
Purchased	—	62,623	62,623
Total losses:			
— in other comprehensive income	—	(147)	(147)
— in profit or loss	(91)	—	(91)
At 31 December 2024	—	70,228	70,228

#### (iii) Fair values of financial instruments that are not measured at fair value

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate to their fair values at the end of each reporting period.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 37. STATEMENT OF FINANCIAL POSITION

	31/12/2024	31/12/2023
	RMB'000	RMB'000
<b>Non-current Assets</b>		
Unlisted investments in subsidiaries	245,451	245,451
Amounts due from shareholders	—*	—*
	<u>245,451</u>	<u>245,451</u>
<b>Current Assets</b>		
Deposits and prepayments	—	4,795
Financial assets at amortised cost	27,953	—
Cash and cash equivalents	229,287	—
	<u>257,240</u>	<u>4,795</u>
<b>Current Liabilities</b>		
Trade and other payables	1,686	3,167
Amounts due to subsidiaries	27,857	8,985
	<u>29,543</u>	<u>12,152</u>
<b>Net Current Assets/(Liabilities)</b>	<u>227,697</u>	<u>(7,357)</u>
<b>Net Assets</b>	<u>473,148</u>	<u>238,094</u>
<b>Capital and Reserves</b>		
Share capital	260	42
Reserves (Note)	472,888	238,052
<b>Total equity</b>	<u>473,148</u>	<u>238,094</u>

\* Amount less than RMB1,000

Note: The followings are the movements of the Company's reserves.

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 37. STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Share premium RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2023	—	—	—
Issue of shares (Note 33)	245,409	—	245,409
Loss for the year	—	(7,357)	(7,357)
At 31 December 2023	245,409	(7,357)	238,052
Capitalisation issue (Note 33)	(173)	—	(173)
Shares issued upon global offering (Note 33)	272,967	—	272,967
Transaction costs attributable to issue of new shares	(23,315)	—	(23,315)
Loss for the year	—	(14,643)	(14,643)
At 31 December 2024	494,888	(22,000)	472,888

## 38. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Borrowings RMB'000	Lease liabilities RMB'000	Accrued issue cost RMB'000	Total RMB'000
At 1 January 2023	35,542	4,385	691	40,618
Financing cash flows	5,766	(2,968)	(2,278)	520
New leases entered	—	1,159	—	1,159
Interest expenses	2,109	174	—	2,283
Accrued issue cost	—	—	2,148	2,148
At 31 December 2023	43,417	2,750	561	46,728
Financing cash flows	(3,471)	(2,651)	(21,344)	(27,466)
New leases entered	—	3,584	—	3,584
Interest expenses	2,371	84	—	2,455
Issue of shares	—	—	20,783	20,783
At 31 December 2024	42,317	3,767	—	46,084

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 39. RELATED PARTY TRANSACTIONS

Apart from the balances with related parties as disclosed in respective notes, the Group has entered into the following transactions with related parties:

### (a) Guarantees to bank borrowings by related parties

Details of guarantees to bank borrowings by related parties are set out in Note 31.

### (b) Related party transactions

	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
<b>Associates</b>		
Marketing services expense paid	26,124	2,037
Sales of SaaS value-added services	425	—
Dividends received	1,838	—

### (c) Compensation of key management personnel

Key management personnel of the Group represented Mr. Zhu Lei and Mr. Zhao Zhan, and their remuneration during the year was as follows:

	Year ended 31/12/2024 RMB'000	Year ended 31/12/2023 RMB'000
Salaries	1,257	1,246
Retirement benefits scheme contributions	71	52
Discretionary bonus	130	56
	1,458	1,354

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

### General information of subsidiaries

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below.

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Directly held:					
Carlink Future Inc. (車聯未來有限公司)	BVI business company with liability limited by shares	BVI 23 January 2022	USD1/USD1	100	100
Indirectly held:					
Carlink HK (車聯香港有限公司)	Limited liability company	Hong Kong 8 February 2022	HK\$1/HK\$1	100	100
Guangdong Guanglian Shuke Holdings Co., Ltd. (廣東廣聯數科控股有限公司)	Limited liability company	PRC 18 October 2024	RMB100,000,000/ RMB100,000,000	100	N/A
Guanglian Shuke (深圳廣聯數科科技有限公司)	Limited liability company	PRC 28 November 2012	RMB110,000,000/ RMB110,000,000	100	100
Guanglian Saixun (深圳廣聯賽訊股份有限公司)	Limited liability company	PRC 4 May 2012	RMB31,104,000/ RMB31,104,000	100	100
Dijia Smart Cloud (深圳市嘀加智慧雲服務有限公司)	Limited liability company	PRC 23 July 2015	RMB5,000,000/ RMB5,000,000	100	100

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

### General information of subsidiaries (continued)

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below. (continued)

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Tianjin Chejia (天津車家物聯網科技有限公司)	Limited liability company	PRC 9 December 2019	RMB1,120,000/ RMB10,000,000	100	100
Shenzhen Hanhuaxing Technology Co., Ltd. ("Hanhuaxing Technology") (深圳市瀚華興科技有限公司)	Limited liability company	PRC 16 May 2013	RMB1,000,000/ RMB10,000,000	100	100
Huizhou Dijia Smart Cloud Technology Service Co., Ltd. (惠州市嘀加智慧雲科技服務有限公司)	Limited liability company	PRC 25 December 2013	RMB5,000,000/ RMB5,000,000	100	N/A
Huizhou Guanglian Shuke Technology Co., Ltd. (惠州廣聯數科科技有限公司)	Limited liability company	PRC 21 August 2024	RMB5,000,000/ RMB5,000,000	100	N/A
Chongqing Dijia Technology Co., Ltd. (重慶市嘀加科技有限公司)	Limited liability company	PRC 12 May 2022	Nil/RMB100,000	100	100
Chengdu Dijia Technology Co., Ltd. (成都市嘀加科技有限公司)	Limited liability company	PRC 19 May 2022	Nil/RMB100,000	100	100
Guiyang Dijia Technology Co., Ltd. (貴陽市嘀加科技有限公司)	Limited liability company	PRC 23 May 2022	Nil/RMB100,000	100	100



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

### General information of subsidiaries (continued)

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below. (continued)

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Shenzhen Dijia Technology Co., Ltd. (深圳市嘀加科技有限公司)	Limited liability company	PRC 25 May 2022	Nil/RMB100,000	100	100
Chengdu Dijia Digital Technology Co., Ltd. (成都市嘀加數科科技有限公司)	Limited liability company	PRC 16 June 2022	Nil/RMB100,000	100	100
Chongqing Dijia Digital Technology Co., Ltd. (重慶市嘀加數科科技有限公司)	Limited liability company	PRC 16 June 2022	Nil/RMB100,000	100	100
Chengdu Dijia Smart Cloud Automobile Service Co., Ltd. (成都市嘀加智慧雲汽車服務有限公司)	Limited liability company	PRC 22 June 2022	Nil/RMB100,000	100	100
Hefei Dijia Technology Co., Ltd. (Note) (合肥市嘀加科技有限公司)	Limited liability company	PRC 4 July 2022	Nil/RMB100,000	N/A	100
Zoucheng Dijia Smart Cloud Automobile Service Co., Ltd. (Note) (鄒城市嘀加智慧雲汽車服務有限公司)	Limited liability company	PRC 4 July 2022	Nil/RMB100,000	N/A	100
Foshan Dijia Technology Co., Ltd. (佛山市嘀加科技有限公司)	Limited liability company	PRC 6 July 2022	Nil/RMB100,000	100	100

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

### General information of subsidiaries (continued)

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below. (continued)

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Nanchang Shujia Automobile Service Co., Ltd. (南昌數加汽車服務有限公司)	Limited liability company	PRC 7 July 2022	Nil/RMB100,000	100	100
Guiyang Dijia Digital Technology Co., Ltd. (貴陽市滴加數科科技有限公司)	Limited liability company	PRC 10 August 2022	Nil/RMB100,000	100	100
Chengdu Dijia Zhiyun Technology Co., Ltd. (成都市滴加智雲科技有限公司)	Limited liability company	PRC 16 August 2022	Nil/RMB100,000	100	100
Shenzhen Dijia Zhiyun Technology Co., Ltd. (深圳市滴加智雲科技有限公司)	Limited liability company	PRC 16 August 2022	Nil/RMB100,000	100	100
Chengdu Dijia Huiyun Technology Co., Ltd. (成都市滴加慧雲科技有限公司)	Limited liability company	PRC 18 August 2022	Nil/RMB100,000	100	100
Chengdu Dijia Saixun Technology Co., Ltd. (成都市滴加賽訊科技有限公司)	Limited liability company	PRC 18 August 2022	Nil/RMB100,000	100	100
Chongqing Dijia Saixun Technology Co., Ltd. (重慶市滴加賽訊科技有限公司)	Limited liability company	PRC 18 August 2022	Nil/RMB100,000	100	100

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

### General information of subsidiaries (continued)

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below. (continued)

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Chongqing Dijia Zhiyun Technology Co., Ltd. (重慶市滴加智雲科技有限公司)	Limited liability company	PRC 18 August 2022	Nil/RMB100,000	100	100
Chongqing Dike Technology Co., Ltd. (重慶市滴科科技有限公司)	Limited liability company	PRC 18 August 2022	Nil/RMB100,000	100	100
Chongqing Dixiang Automobile Service Co., Ltd. (重慶市滴享汽車服務有限公司)	Limited liability company	PRC 18 August 2022	Nil/RMB100,000	100	100
Chongqing Shujia Technology Co., Ltd. (重慶市數加科技有限公司)	Limited liability company	PRC 18 August 2022	Nil/RMB100,000	100	100
Jinan Dijia Smart Cloud Automobile Service Co., Ltd. (濟南市滴加智慧雲汽車服務有限公司)	Limited liability company	PRC 19 August 2022	Nil/RMB100,000	100	100
Shenzhen Dijia Digital Technology Co., Ltd. (深圳市滴加數科科技有限公司)	Limited liability company	PRC 19 August 2022	Nil/RMB100,000	100	100
Chengdu Dijia Zhixiang Technology Co., Ltd. (成都市滴加智享科技有限公司)	Limited liability company	PRC 22 August 2022	Nil/RMB100,000	100	100

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

### General information of subsidiaries (continued)

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below. (continued)

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Zibo Dijia Shuke Automobile Service Co., Ltd. (淄博市嘀加數科汽車服務有限公司)	Limited liability company	PRC 23 August 2022	Nil/RMB100,000	100	100
Zibo Dijia Automobile Service Co., Ltd. (淄博市嘀加汽車服務有限公司)	Limited liability company	PRC 24 August 2022	Nil/RMB100,000	100	100
Guiyang Dijia Smart Cloud Technology Co., Ltd. (貴陽市嘀加智慧雲科技有限公司)	Limited liability company	PRC 29 August 2022	Nil/RMB100,000	100	100
Jinan Dijia Automobile Service Co., Ltd. (濟南市嘀加汽車服務有限公司)	Limited liability company	PRC 29 August 2022	Nil/RMB100,000	100	100
Jinan Dijia Shuke Automobile Service Co., Ltd. (濟南市嘀加數科汽車服務有限公司)	Limited liability company	PRC 29 September 2022	Nil/RMB100,000	100	100
Chongqing Dichengfang Technology Co., Ltd. (重慶市嘀乘方科技有限公司)	Limited liability company	PRC 29 September 2022	Nil/RMB100,000	100	100
Chengdu Dichengfang Technology Co., Ltd. (成都市嘀乘方科技有限公司)	Limited liability company	PRC 8 October 2022	Nil/RMB100,000	100	100

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

### General information of subsidiaries (continued)

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below. (continued)

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Chengdu Dichengshujia Technology Co., Ltd. (成都市嘀乘數加科技有限公司)	Limited liability company	PRC 10 October 2022	Nil/RMB100,000	100	100
Shijiazhuang Dijia Shuke Technology Co., Ltd. (石家莊市嘀加數科科技有限公司)	Limited liability company	PRC 14 October 2022	Nil/RMB100,000	100	100
Chongqing Saixun Zhiyun Technology Co., Ltd. (重慶市賽訊智雲科技有限公司)	Limited liability company	PRC 24 October 2022	Nil/RMB100,000	100	100
Chongqing Dichengshujia Technology Co., Ltd. (重慶市嘀乘數加科技有限公司)	Limited liability company	PRC 25 October 2022	Nil/RMB100,000	100	100
Chengdu Saixun Huiyun Technology Co., Ltd. (成都市賽訊慧雲科技有限公司)	Limited liability company	PRC 27 October 2022	Nil/RMB100,000	100	100
Shanghai Dijia Smart Cloud Automobile Service Co., Ltd. (上海嘀加智慧雲汽車服務有限公司)	Limited liability company	PRC 27 October 2022	Nil/RMB100,000	100	100
Chengdu Shuke Zhiyun Technology Co., Ltd. (成都市數科智雲科技有限公司)	Limited liability company	PRC 28 October 2022	Nil/RMB100,000	100	100

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

### General information of subsidiaries (continued)

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below. (continued)

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Shenzhen Saixun Huiyun Technology Co., Ltd. (深圳市賽訊慧雲科技有限公司)	Limited liability company	PRC 9 November 2022	Nil/RMB100,000	100	100
Shenzhen Shuke Smart Technology Co., Ltd. (深圳市數科智慧科技有限公司)	Limited liability company	PRC 9 November 2022	Nil/RMB100,000	100	100
Tianjin Dijia Automobile Service Co., Ltd. (天津市嘀加汽車服務有限公司)	Limited liability company	PRC 7 December 2022	Nil/RMB100,000	100	100
Kunming Dijia Automobile Service Co., Ltd. (昆明嘀加汽車服務有限公司)	Limited liability company	PRC 19 December 2022	Nil/RMB100,000	100	100
Jinan Dicheng Automobile Service Co., Ltd. (濟南市嘀乘汽車服務有限公司)	Limited liability company	PRC 22 December 2022	Nil/RMB100,000	100	100
Jinan Dijiasai Communication Technology Co., Ltd. (濟南市嘀加賽通訊科技有限公司)	Limited liability company	PRC 23 December 2022	Nil/RMB100,000	100	100
Shanxi Hantu Dijia Technology Co., Ltd. (陝西悍途嘀加科技有限公司)	Limited liability company	PRC 20 October 2023	RMB650,000/ RMB3,000,000	51	51

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

### General information of subsidiaries (continued)

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below. (continued)

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Haikou Dijia Technology Co., Ltd. (海口市嘀加科技有限公司)	Limited liability company	PRC 27 July 2023	Nil/RMB100,000	100	100
Chengdu Dijia Feitian Technology Co., Ltd. (成都市嘀加飛天科技有限公司)	Limited liability company	PRC 6 September 2023	Nil/RMB100,000	100	100
Chengdu Dijia Chengxun Technology Co., Ltd. (成都市嘀加乘訊科技有限公司)	Limited liability company	PRC 7 September 2023	Nil/RMB100,000	100	100
Guiyang Xunke Technology Co., Ltd. (貴陽市訊科技術有限公司)	Limited liability company	PRC 1 September 2023	Nil/RMB100,000	100	100
Anshun Xunke Automobile Service Co., Ltd. (安順市訊科汽車服務有限公司)	Limited liability company	PRC 1 September 2023	Nil/RMB100,000	100	100
Jinan Shuke Information Technology Co., Ltd. (濟南市數科信息科技有限公司)	Limited liability company	PRC 1 September 2023	Nil/RMB100,000	100	100
Jinan Dijia Information Technology Co., Ltd. (濟南市嘀加信息科技有限公司)	Limited liability company	PRC 1 September 2023	Nil/RMB100,000	100	100



# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

### General information of subsidiaries (continued)

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below. (continued)

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Yantai Dike Automotive Service Co., Ltd. (煙台市嘀科汽車服務有限公司)	Limited liability company	PRC 5 September 2023	Nil/RMB100,000	100	100
Yantai Shujia Information Technology Co., Ltd. (煙台市數加信息科技有限公司)	Limited liability company	PRC 7 September 2023	Nil/RMB100,000	100	100
Urumqi Dijia Information Technology Co., Ltd. (烏魯木齊嘀加信息科技有限公司)	Limited liability company	PRC 7 September 2023	Nil/RMB100,000	100	100
Urumqi Dike Information Technology Co., Ltd. (烏魯木齊嘀科信息技術有限公司)	Limited liability company	PRC 7 September 2023	Nil/RMB100,000	100	100
Luoyang Dike Automobile Service Co., Ltd. (洛陽市嘀科汽車服務有限公司)	Limited liability company	PRC 20 October 2023	Nil/RMB100,000	100	100
Huangshi Dike Automotive Service Co., Ltd. (黃石嘀科汽車服務有限公司)	Limited liability company	PRC 19 October 2023	Nil/RMB100,000	100	100
Jiujiang Dijia Automobile Service Co., Ltd. (九江嘀加汽車服務有限公司)	Limited liability company	PRC 31 October 2023	Nil/RMB100,000	100	100

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

### General information of subsidiaries (continued)

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below. (continued)

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Ewenki Autonomous Banner Dike Automobile Service Co., Ltd. (鄂溫克族自治旗嘀科汽車服務有限公司)	Limited liability company	PRC 20 October 2023	Nil/RMB100,000	100	100
Zhangye Dike Automobile Service Co., Ltd. (張掖市嘀科汽車服務有限公司)	Limited liability company	PRC 30 October 2023	Nil/RMB100,000	100	100
Xi'an Dijia Automobile Service Co., Ltd. (西安嘀加汽車服務有限公司)	Limited liability company	PRC 13 November 2023	Nil/RMB100,000	100	100
Xi'an Dike Automotive Service Co., Ltd. (西安嘀科汽車服務有限公司)	Limited liability Company	PRC 13 November 2023	Nil/RMB100,000	100	100
Lanzhou Dijia Auto Service Co., Ltd. (蘭州市嘀加汽車服務有限公司)	Limited liability company	PRC 29 January 2024	Nil/RMB100,000	100	N/A
Xining Dijia Auto Service Co., Ltd. (西寧嘀加汽車服務有限公司)	Limited liability company	PRC 22 February 2024	Nil/RMB100,000	100	N/A
Puyang Dike Auto Service Co., Ltd. (濮陽市嘀科汽車服務有限公司)	Limited liability company	PRC 23 February 2024	Nil/RMB100,000	100	N/A

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

### General information of subsidiaries (continued)

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below. (continued)

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Lanzhou Dike Auto Service Co., Ltd. (蘭州市嘀科汽車服務有限公司)	Limited liability company	PRC 26 February 2024	Nil/RMB100,000	100	N/A
Xinyang City Pingqiao District Dijia Auto Service Co., Ltd. (信陽市平橋區嘀加汽車服務有限公司)	Limited liability company	PRC 27 February 2024	Nil/RMB100,000	100	N/A
Beihai Dijia Auto Technology Service Co., Ltd. (北海嘀加汽車技術服務有限公司)	Limited liability company	PRC 28 February 2024	Nil/RMB100,000	100	N/A
Zhengzhou Dike Auto Service Co., Ltd. (鄭州市嘀科汽車服務有限公司)	Limited liability company	PRC 4 March 2024	Nil/RMB100,000	100	N/A
Beijing Dijia Auto Service Co., Ltd. (北京嘀加汽車服務有限公司)	Limited liability company	PRC 8 March 2024	Nil/RMB2,000,000	100	N/A
Yinchuan Dijia Auto Service Co., Ltd. (銀川嘀加汽車服務有限公司)	Limited liability company	PRC 20 March 2024	Nil/RMB100,000	100	N/A
Yinchuan Shujia Auto Service Co., Ltd. (銀川數加汽車服務有限公司)	Limited liability company	PRC 20 March 2024	Nil/RMB100,000	100	N/A

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

## 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

### General information of subsidiaries (continued)

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below. (continued)

Name of subsidiaries	Legal form	Place and date of establishment/ incorporation	Issued fully paid share capital/ registered capital	Shareholding/equity interest attributable to the Company as at 31 December	
				2024 %	2023 %
Hohhot Dijia Auto Service Co., Ltd. (呼和浩特市噶加汽車服務有限公司)	Limited liability company	PRC 22 March 2024	Nil/RMB100,000	100	N/A
Luoyang Dixin Automotive Service Co., Ltd. (洛陽市噶信汽車服務有限公司)	Limited liability company	PRC 13 September 2024	Nil/RMB100,000	100	N/A

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

None of the subsidiaries had issued any debt securities at the end of the year.

The Company did not have non-wholly owned subsidiaries that have material non-controlling interests.

Note: Hefei Dijia Technology Co., Ltd. and Zoucheng Dijia Smart Cloud Automobile Service Co., Ltd. were deregistered during the year ended 31 December 2024.