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Plus Group Holdings Inc.

普樂師集團控股有限公司

(A company incorporated in the Cayman Islands with limited liability)

(Stock Code: 2486)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The board of Directors (the “**Board**”) of Plus Group Holdings Inc. (the “**Company**”) announces the audited consolidated annual results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2024 (the “**Annual Results**”) together with the comparative information for the year ended 31 December 2023. The Annual Results have been prepared in accordance with HKFRS and audited by CL Partners CPA Limited, the independent auditor of the Company. In addition, the Annual Results have also been reviewed by the Audit Committee.

FINANCIAL HIGHLIGHTS

	Year ended 31 December		Year-on-year
	2024	2023	change
	RMB'000	RMB'000	%
	(audited)	(audited)	
Revenue	1,046,361	725,948	44.1
Gross profit	124,377	94,862	31.1
Profit for the year	13,785	11,502	19.8
Profit attributable to owners of the Company	13,008	11,502	13.1

SELECTED FINANCIAL RATIO

	As of or for the year ended 31 December 2024 <i>(Approximate)</i>	As of or for the year ended 31 December 2023 <i>(Approximate)</i>
Revenue growth ¹	44.1%	17.4%
Current ratio (times) ²	2.5	3.6
Gearing ratio ³	N/A (net cash)	N/A (net cash)

Notes:

1. Revenue growth ratio equals revenue growth divided by revenue for the year.
2. Current ratio is calculated based on the total current assets divided by the total current liabilities as of the end of the year.
3. Calculated by using the net debt divided by total equity as of the end of the year. Net debt is calculated as total bank borrowings, amounts due to non-controlling shareholders and lease liabilities less cash and cash equivalents.

	As of 31 December 2024 <i>RMB'000</i> <i>(audited)</i>	As of 31 December 2023 <i>RMB'000</i> <i>(audited)</i>
Total assets	800,708	698,291
Total liabilities	321,043	190,109
Total equity	479,665	508,182
Cash and cash equivalents	159,647	190,976
Bank borrowings	64,148	55,000

OPERATING METRICS

	Year ended 31 December 2024	2023	Year-on-year change %
Number of paying customers	608	238	155.5
Total number of points of sale on a cumulative basis <i>(Note)</i>	4,452,000	4,431,000	0.5
Total number of touchpoints on a cumulative basis <i>(Note)</i>	659,000	519,000	27.0
Average monthly active touchpoints <i>(Note)</i>	88,000	28,000	214.3

Note: The number showing above is rounded to nearest thousand.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The strong rise of artificial intelligence (AI), intensified market competition, industry and business model transformation, difficulties in corporate operation and the resulting measures to earn more income and cut down expense cast a heavy burden on the Group both externally and internally. However, with its sharp insight, innovative spirit and determination to promote the artificial intelligence (AI) application across the board, the Group officially unveiled its “Year of AI” in 2024 and once again achieved rapid progress, driving gratifying growth in the Group’s performance.

In 2024, the Group finally achieved a total revenue of approximately RMB1,046.4 million during the Reporting Period, representing a year-on-year increase of approximately RMB320.5 million or 44.2% as compared to the same period in 2023.

In 2024, the Group achieved a gross profit of approximately RMB124.4 million during the Reporting Period, representing a year-on-year increase of approximately RMB29.5 million or 31.1% as compared to the same period in 2023.

Customised marketing solution

The focus of our service of the customised marketing solution is to develop and implement customised sales and marketing plans for customers with a view to raising the awareness for customers’ brand and promoting the merchandise and its sales.

In 2024, the Group continued to apply the all-out digitalization approach. Particularly through the extensive deployment of artificial intelligence (AI) applications in customised business and increasingly precise and efficient service empowerment, we successfully consolidated and expanded our offline business.

On this basis, the Group efficiently integrated resources and marched into the field of O2O real-time retailing. By using a localised “digital sales AI model”, we greatly improved the high scalability and applicability of our self-developed artificial intelligence (AI) applications, yielding remarkable results in online marketing, and making a major breakthrough and transformation in pushing omni-channel businesses both online and offline. It also gave a fillip to the Group’s strategic plan to seize market share in the fiercely competitive industry.

During the Reporting Period, the Group’s customised marketing solution business achieved a revenue of approximately RMB642.1 million, representing a year-on-year increase of approximately 13.1%.

Tasks and marketers matching service

The focus of the tasks and marketers matching service is to formulate and implement standardised sales and comprehensive service for customers with a view to enhancing customers' sales performance and operation efficiency.

In 2024, with the on-going R&D investment of the Group, the core “intelligent matching” capability of our business kept improving. Especially with the more refined functionality and efficiency of real-life application, the service barriers were further consolidated, which laid a solid foundation for the sustainable development of this business.

In addition, relying on its absolute advantage in intelligent matching as well as extensive know-how in independently developing artificial intelligence (AI) application, the Group foreseeingly broke out of its existing business scope and launched a brand-new comprehensive intelligent business platform based on “matching service” functions, which integrates task publishing, undertaking of intelligent matching, automatic identification and acceptance, etc. It will be applied to more and broader service fields to help us win recognition from numerous new customers and hence achieve explosive growth in performance.

During the Reporting Period, the Group's tasks and marketers matching service business achieved a revenue of approximately RMB362.2 million, representing a year-on-year increase of approximately 216.9% as compared to 2023.

SaaS+ subscription and other services

SaaS+ subscription and other services focused on providing customers with customisation (on an as-needed basis) and subscription for digitalised tools as well as relevant derivative services to enhance and streamline their sales and marketing works.

In 2024, with the continuous enhancement and maturity of the Group's systematic platform, localised AI models and artificial intelligence (AI) applications, the SaaS+ subscription and other services are available in more fields, thereby ensuring the steady growth of our business.

During the Reporting Period, the Group's SaaS+ subscription and other services business achieved a revenue of approximately RMB15.9 million, representing a year-on-year increase of approximately 34.7%.

Marketers assignment service

Our marketers assignment service aimed for top brand customers to enable them to experience the digital sales and marketing advantages with a view to helping us further expand our market and lay a solid foundation for increasing our market share.

Due to the downturn in the market environment, the brand customers served by the Group cut down their promotional efforts to varying degrees. Besides, as the Group's artificial intelligence (AI) application for this business is still in the exploratory stage, we take the initiative in slowing down our speed. As a result, there has been a downsizing in hired marketers assigned by the Group.

During the Reporting Period, the Group's marketers assignment service business achieved a revenue of approximately RMB26.1 million, representing a year-on-year decrease of approximately 18.9%.

FINANCIAL REVIEW

Revenue

The total revenue of the Group for the year ended 31 December 2024 amounted to approximately RMB1,046.4 million, representing an increase of approximately 44.2% as compared to the same period in 2023. The significant increase in revenue was mainly derived from tasks and marketers matching service and customised marketing solution.

The revenue breakdown of the four business segments is as follows:

	Year ended 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue from:		
Customised marketing solution	642,077	567,647
Tasks and marketers matching service	362,240	114,303
Marketers assignment service	26,140	32,173
SaaS+ subscription and other services	15,904	11,825
	<u>1,046,361</u>	<u>725,948</u>

1. Customised marketing solution

Revenue from the business segment of customised marketing solution amounted to approximately RMB642.1 million for the year ended 31 December 2024, representing an increase of approximately RMB74.5 million or approximately 13.1% as compared to the same period in 2023.

The increase was mainly due to the Group's involvement in the field of O2O real-time retailing, which expanded a brand-new online marketing business. This has effectively continued the overall upside trend of the business.

2. Tasks and marketers matching service

Revenue from the business segment of tasks and marketers matching service amounted to approximately RMB362.2 million for the year ended 31 December 2024, representing an increase of approximately RMB247.9 million or approximately 216.9% as compared to the same period in 2023.

This was mainly due to the rapid business growth of the new business platform launched through resource integration. Officially launched in November 2024, it acquired and served over 400 customers in merely 2 months, with average revenue per customer of approximately RMB0.5 million.

3. Marketers assignment service

Revenue from the business segment of marketers assignment service amounted to approximately RMB26.1 million for the year ended 31 December 2024, representing a decrease of approximately RMB6.1 million or 18.9% as compared to the same period in 2023.

This was mainly because the Group further downsized the hired marketers assigned to customers' designated offline retail stores to perform sales and marketing in 2024, which affected the revenue of this business.

4. SaaS+ subscription service and other services

Revenue from the business segment of SaaS+ subscription service and other services amounted to approximately RMB15.9 million for the year ended 31 December 2024, representing an increase of approximately RMB4.1 million or approximately 34.7% as compared to the same period in 2023.

This was mainly due to the continuous increase in SaaS+ related application services and fields provided by the Group, which ensured the steady growth of this business.

Cost of services, gross profit and gross profit margin

The total cost of services of the Group amounted to approximately RMB922.0 million for the year ended 31 December 2024, representing an increase of approximately RMB290.9 million or approximately 46.1% as compared to 2023.

The increase in cost was generally in line with the increase in revenue, with labour service fees up by approximately 121.2%. This was mainly due to the significant increase in revenue from tasks and marketers matching service business.

In 2024, the Group achieved a gross profit of approximately RMB124.4 million during the Reporting Period, representing a year-on-year increase of approximately RMB29.5 million or 31.1% as compared to the same period in 2023.

In 2024, the Group achieved a gross profit margin of approximately 11.9% during the Reporting Period, representing a decrease of approximately 1.2% as compared to 13.1% of the same period in 2023.

This was mainly due to the introduction of new service areas and the launch of new business platforms by the Group in 2024. In order to grab more market share and achieve rapid business expansion, we appropriately lowered our profit expectation while ensuring an absolute increase in gross profit.

Administrative expenses

Administrative expenses primarily consist of employee salaries and benefit expenses, office rent, office expenses, etc. Administrative expenses decreased by approximately 13.8% from approximately RMB92.6 million for the year ended 31 December 2023 to approximately RMB79.8 million for the year ended 31 December 2024, mainly due to the decrease in listing expenses and strict management of cost control during the Reporting Period, which led to the decrease in administrative expenses.

Selling and marketing expenses

Selling and marketing expenses primarily consist of employee salaries. Selling and marketing expenses increased by approximately 36.5% from approximately RMB21.1 million for the year ended 31 December 2023 to approximately RMB28.8 million for the year ended 31 December 2024, mainly due to the increase in matching service and customised marketing business, which led to the increase in selling and marketing expenses.

Research and development expenses

Research and development expenses primarily consist of labour costs and other research and development costs. Research and development expenses decreased by approximately 43.3% from approximately RMB29.3 million for the year ended 31 December 2023 to approximately RMB16.6 million for the year ended 31 December 2024, mainly attributable to the increased efforts in independent development along with the artificial intelligence (AI) application.

Other income

Other income decreased by approximately 41.4% from approximately RMB20.3 million for the year ended 31 December 2023 to approximately RMB11.9 million for the year ended 31 December 2024, which was mainly due to less government financial support.

Other gains — net

Other gains — net decreased by approximately 71.5% from approximately RMB45.6 million for the year ended 31 December 2023 to approximately RMB13.0 million for the year ended 31 December 2024, mainly due to significant decrease in the reversal of refundable amount from social security payments by the government in relation to the relief of the impact of COVID-19 as well as lower exchange gains derived from Hong Kong dollars.

Impairment losses on financial assets

Impairment of financial assets increased by approximately 475.0% from approximately RMB0.4 million for the year ended 31 December 2023 to approximately RMB2.3 million for the year ended 31 December 2024, mainly due to the increased expected credit loss allowance for trade receivables and contract assets as a result of business expansion.

Finance costs — net

The Group recorded approximately RMB0.3 million of finance costs — net for the year ended 31 December 2024 while it was approximately RMB1.6 million of finance income — net for the year ended 31 December 2023. The decrease in finance income was mainly due to the decrease in market interest rate, which led to a decrease in rate of return on assets.

Income tax expense

Income tax increased by approximately 6.7% from approximately RMB7.5 million for the year ended 31 December 2023 to approximately RMB8.0 million for the year ended 31 December 2024.

Profit attributable to equity owners of the Company

Profit attributable to equity owners increased by approximately 13.0% from approximately RMB11.5 million for the year ended 31 December 2023 to approximately RMB13.0 million for the year ended 31 December 2024.

Cash and cash equivalents

Cash and cash equivalents decreased by approximately 16.4% from approximately RMB191.0 million as of 31 December 2023 to approximately RMB159.6 million as of 31 December 2024, mainly due to the increase in sales revenue without timely recovery of cash, which led to an increase in trade receivables and a decrease in cash.

Capital expenditure

Capital expenditure decreased by approximately 33.3% from approximately RMB0.9 million for the year ended 31 December 2023 to approximately RMB0.6 million for the year ended 31 December 2024, mainly due to less acquisition of new equipment in 2024.

Material acquisitions and disposal of subsidiaries, associates and joint ventures

As of 31 December 2024, the Company had no material acquisitions and disposal of subsidiaries, associates and joint ventures.

Plans for material investments or acquisition of capital assets

As of 31 December 2024, save as disclosed in the paragraph headed “Use of Proceeds from the Listing” in this announcement, the Company had no future plans for material investments or acquisition of capital assets.

Pledge of assets

As of 31 December 2024, the Group did not have any material pledge of assets.

Liquidity and capital source

The Group's primary uses of cash are for funding of its working capital requirements, repayment of loans and related interest expenses. As of the date of this announcement, the Group has funded its operations principally with cash generated from operations, borrowings and net proceeds from the listing.

In the future, the Group believes that its liquidity requirements will be satisfied with a combination of cash flows generated from operating activities, bank loans and other funds raised from the capital markets from time to time.

As of 31 December 2024, the Group had cash and cash equivalents of approximately RMB159.6 million. As of 31 December 2024, the balance of borrowings was approximately RMB64.1 million, all of which are due within one year.

The unutilised banking facilities as of 31 December 2024 amounted to RMB3.9 million. The Group has sufficient liquidity to satisfy its day-to-day management and capital expenditure requirements and is able to control its internal operating cash flows.

Foreign exchange risk

The Group's major business operations are located in the PRC, and thus the principal revenue and costs are denominated in RMB. Certain monetary funds are denominated in Hong Kong dollar. As a result, the Group is exposed to foreign exchange risk. The Group currently had no foreign currency hedging plan. However, the management of the Company monitors the foreign exchange fluctuation risk and considers hedging significant foreign exchange fluctuation risk when necessary.

Contingent liabilities

As of 31 December 2024, the Group had no material contingent liabilities, which was the same as of 31 December 2023.

Employees and Remuneration Policies

The Group's employees include its own employees and associates. Its own employees refer to the employees for the Group's operations, including finance and information technology. Associates refer to those who are assigned to work on client premises. As of 31 December 2024, the Group employed 7,342 employees (2023: 8,137).

Employee remuneration is determined with reference to similar market rate and the performance, qualifications and experience of individual employee. In addition to the basic remuneration, year-end discretionary bonus will be offered to employees with outstanding performance to attract and retain eligible employees to contribute to the Group.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

There was no other significant subsequent event undertaken by the Group subsequent to 31 December 2024 and up to the date of this announcement.

OUTLOOK

In 2025, we will focus on the following key directions:

1. By keeping abreast of the times, a) we will continuously strengthen the deployment and iterative training capabilities of localised AI models, and invest in self-developed artificial intelligence (AI) application development, so as to adapt to diversified needs in more scenarios and even new fields of application, and to establish barriers in the field of intelligence, thus enhancing our competitive strengths; b) we aim to build an integrated in-store trial system for intelligent marketing decision-making and deduction that combines perception, decision-making and deduction, by collaborating with the School of Economics and Management at a well-known university to establish an “AI + Digital Sales Joint Laboratory”. By doing so, we will redefine the efficiency and scientificity of marketing under retailing scenario, capture market dynamics via artificial intelligence (AI) technology, and optimise the on-site marketing ecosystem.
2. We will take advantage of our capital to expedite business expansion. Under the principle of prioritising the acquisition of more market share, we actively leverage artificial intelligence (AI) applications to expand into new markets such as pharmaceuticals, tea beverage chains and centralised distribution, while continuously expanding our existing market presence. With a comprehensive development strategy that combines online and offline efforts, we aim to maintain sustainable growth and even achieve a further leap in the Group’s performance.
3. We will deepen cooperation with top retailers, and boost their rapid growth backed by our superior capabilities of self-development and deployment in artificial intelligence (AI) applications. In the mean time, we will focus on the forefront of the market, proactively promote the real-life application of artificial intelligence (AI) technology, and keep up with market trend to seize various business opportunities. Through continuous practice and accumulation, we aim to provide important materials for the training of the Group’s AI models for retailing.

4. We will pay more attention to businesses related to O2O real-time retailing channel, especially in the application scenarios of “local life” (in-store pick-up, home delivery) both online and offline. We will make full use of the Group’s widely distributed touchpoint resources, on-site sales data accumulation, on-site location management, intelligent recommendation and matching, and other advantages in intelligent application, in a bid to contribute to and even change the online-to-offline reach and application mode.
5. We will put more efforts in the matching business, with a focus on further integrating artificial intelligence (AI) applications into business scenarios, and improving the overall penetration of AI in our business to meet diverse customer and service needs. We will continuously diversify the application areas to rapidly improve the Group’s performance and occupy the market.
6. By persistently seeking high-quality resources at home and abroad and establishing strategic cooperation, even investment, acquisition or other capital cooperation, we strive to optimise and integrate various carrier resources to expand the Group’s business presence.

CORPORATE GOVERNANCE

Compliance with the Corporate Governance Code

The Company is committed to maintaining sound corporate governance and had complied with all the code provisions as set out in Part 2 of the Corporate Governance Code in Appendix C1 to the Listing Rules (the “**Corporate Governance Code**”) since 1 January 2024 and up to the date of this announcement, save for the deviation as disclosed below.

Pursuant to code provision C.2.1 of Part 2 of the Corporate Governance Code, the roles of the chairman of the Board and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. Mr. Sun Guangjun is the Chairman and Chief Executive Officer of the Company. He has been primarily involved in developing overall corporate and business strategies of the Group and making significant business and operational decisions of the Group.

The Directors consider that vesting the roles of both the Chairman and the Chief Executive Officer of the Company in Mr. Sun Guangjun is beneficial to the business prospects of the Group by ensuring consistent leadership to the Group as well as prompt and effective decision making and implementation. In addition, the Directors believe that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) the decision to be made by the Board requires approval by at least a majority of the Directors; (ii) Mr. Sun Guangjun and other Directors are aware of and undertake to fulfil their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of the Company and will make decisions for the Company accordingly; (iii) the balance of power and authority is ensured by the operations of the Board, which consists of two executive Directors (including Mr. Sun Guangjun) and three independent non-executive Directors, and has a fairly strong independence element; and (iv) the overall strategic and other key business, financial, and operational policies of the Company are made collectively after thorough discussion at both the Board and senior management levels.

The Board shall review the structure from time to time to ensure that the structure facilitates the execution of the business strategies of the Group and maximizes effectiveness of its operation.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) under Appendix C3 to the Listing Rules. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the requirements for securities transactions of directors set out in the Model Code during the Reporting Period.

Audit Committee

The Company established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code as set out in Appendix C1 to the Listing Rules. As of the date of this announcement, the Audit Committee comprises three independent non-executive Directors (Mr. Lau Man Tak, Ms. Lin Feng and Mr. Ngan Wing Ho). Mr. Lau Man Tak is the chairman of the Audit Committee. The primary responsibilities of the Audit Committee are to inspect, review, supervise and provide independent view of the Company’s financial information and reporting procedure for financial information, the risk management and internal control systems of the Group, and perform other duties and responsibilities as assigned by the Board.

The Audit Committee has reviewed the Company's audited annual consolidated results for the year ended 31 December 2024, and confirms that save for the Qualified Opinion as disclosed in the section headed "Extract of Independent Auditor's Report on the Company's Consolidated Financial Statements for the year ended 31 December 2024" of this announcement, the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. In relation to the qualified opinion (the "**Qualified Opinion**"), the Audit Committee has held a meeting with the auditor and the management to understand the Qualified Opinion and the judgment of the Company's management. Based on the discussion with the auditor and the management, the Audit Committee agreed with the Qualified Opinion. The annual results for the year ended 31 December 2024 are audited by CL Partners CPA Limited, the independent auditor of the Company, in accordance with Hong Kong Standard on Auditing issued by the Hong Kong Institute of Certified Public Accountants.

SCOPE OF WORK OF THE COMPANY'S AUDITOR

The figures in respect of the Company's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Company's independent auditor, CL Partners CPA Limited, to the amounts set out in the audited consolidated financial statements of the Company for the year.

The work performed by CL Partners CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by CL Partners CPA Limited on the preliminary announcement.

OTHER INFORMATION

RSU Scheme

On 13 January 2022, the adoption of the RSU Scheme was approved by the Board. The purpose of the RSU Scheme is to incentivize employees, directors, officers, and consultants for their contribution to the Group, to attract, motivate and retain skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to own equity interests in the Company. Robert Sun Holdings was incorporated in the BVI for the purpose of holding Shares for grant under the RSU Scheme. For details, see "Appendix IV — Statutory and General Information — D. Other Information — 1. RSU Scheme" in the Prospectus.

Details of the underlying Shares under the RSU Scheme during the Reporting Period are set out below:

Name of the grantee	Position held	Grant date ⁽¹⁾	Outstanding as of 1 January 2024	Granted	Vested	Lapsed	Cancelled ⁽²⁾	Outstanding as of 31 December 2024
Mr. Yang Hong	Executive Director and vice president of the Company	31 March 2023	1,000,000	—	—	—	1,000,000	—

Notes:

- (1) All interests stated are long positions. The grantee of the RSUs granted under the RSU Scheme as referred to in the table above was not required to pay for the grant or exercise of any RSUs.
- (2) A total of 1,000,000 shares granted on 31 March 2023 under the RSU Scheme to Mr. Yang Hong have been cancelled with nil purchase price by the Company on 17 May 2024.

As of the date of this announcement, none of the RSUs under the RSU Scheme are outstanding. The Company will not issue or grant further RSUs under the RSU Scheme.

Share Award Scheme

On 26 June 2023, the Board resolved to adopt the Share Award Scheme to (i) recognise and reward certain eligible participants for their performance and contribution to the growth and development of the Group; (ii) to provide such eligible participants with incentives in order to encourage and retain them for the continual operation and development of the Group; and (iii) to attract suitable personnel for further development of the Group. Pursuant to the Share Award Scheme, (i) employees of the Group; and (ii) any persons who have contributed to the Group in the past and/or are in the interests of the long-term growth of the Group are eligible to participate in, and be granted Awards under the Scheme. On the same day, the Company entered into a trust deed (the “**Trust Deed**”) with CMB Wing Lung (the “**Trustee**”) in respect of the appointment of the trustee for the administration of the Share Award Scheme.

According to the scheme rules (the “**Scheme Rules**”), the Board may, either before or after identification of the grantee(s), cause to be paid to the Trustee or the Trust Holdco (a company as a company wholly-owned by the Trustee to act as the Trustee) such amount as may be required for the purchase of existing Shares from the market as the awarded shares (the “**Awarded Shares**”) for the Share Award Scheme and other purposes set out in the Scheme Rules and the Trust Deed. The aggregate number of Shares to be awarded by the Board under the Share Award Scheme shall not exceed 5% of the issued share capital of the Company (i.e. being no more than 6,260,020 Shares) as of the adoption date of the Share Award Scheme (the “**Adoption Date**”) (i.e. 26 June 2023). The number of Shares awarded to each grantee under the Share Award Scheme shall not exceed the percentage cap as determined by the Board of the issued share capital of the Company as of the Adoption Date in accordance with the Listing Rules and all applicable laws. The Board may at any time on any business day during the scheme period grant an award (the

“Award”) to any eligible participant, as the Board may in its absolute discretion select. Subject to and in accordance with the Scheme Rules, the Listing Rules and all applicable laws, the Board may, on a case-by-case basis and at its discretion, impose any conditions, restrictions or limitations before the Award can vest as it sees fit.

The Scheme shall terminate on the earlier of (i) the 10th anniversary of the Adoption Date; (ii) the date the last of the Awarded Shares has been vested and the last of the Awarded Shares transferred to the relevant Grantee or the last of the Awarded Shares has been settled, lapsed, forfeited or cancelled (as the case may be) in accordance with the Scheme Rules; and (iii) such date as determined by the Board provided that such termination shall not affect any subsisting rights of any grantee hereunder.

For details of the Share Award Scheme, please refer to the announcements of the Company dated 26 June 2023 and 28 June 2023.

During the Reporting Period, the Trustee did not purchase any Shares on the open market for the purpose of the Share Award Scheme. No Awarded Shares had been granted to any grantees under the Share Award Scheme as of the date of this announcement. 6,208,000 Shares were available for grant under the Share Award Scheme as of the date of this announcement, representing approximately 5.14% of the total Shares of the Company in issue.

Pursuant to Rule 17.07(3) of the Listing Rules, the total number of shares that may be issued in respect of the Awarded Shares under the Share Award Scheme during the Reporting Period divided by the weighted average number of shares of the relevant class in issue for the period was 0.73.

Pursuant to Rule 17.09(3) of the Listing Rules, the total number of Shares of the Company available for issue under the Share Award Scheme is 52,020 Shares, representing approximately 0.04% of the 120,701,800 Shares of the Company in issue as of the date of this announcement.

Purchase, Sale or Redemption of the Company's Listed Securities

The Directors have been granted a general mandate by the Shareholders at the annual general meeting of the Company held on 24 May 2024 to repurchase no more than 10% of the total number of issued Shares as of the date of passing of the relevant resolution, amounting to 12,070,180 Shares (the “**Repurchase Mandate**”). From September to October 2024, the Company had paid an aggregate of HK\$47,914,846 (excluding the transaction costs) to repurchase a total of 4,891,600 Shares on the Stock Exchange pursuant to the Repurchase Mandate. As of the date of this announcement, 4,891,600 repurchased Shares were held by the Company as treasury Shares. A monthly breakdown of the purchases of Shares are as follows:

Period	Number of Shares repurchased	Highest price paid (excluding the transaction costs) (HK\$)	Lowest price paid (excluding the transaction costs) (HK\$)	Approximate percentage of the Shares repurchased of the total issued Shares as of the end of the period (HK\$)
From 1 September 2024 to 30 September 2024	660,200	9.84	9.78	0.55%
From 1 October 2024 to 31 October 2024	4,231,400	10.38	9.59	3.50%
Total	4,891,600	10.38	9.59	4.05%

The repurchases of the Shares were for the purposes of benefiting Shareholders as a whole in enhancing the return on net assets and earnings per share of the Company.

Save for the aforesaid, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Reporting Period.

Use of Proceeds from the Listing

On 11 May 2023, the Shares of the Company were listed on the Main Board of the Stock Exchange. A total of 25,000,000 Shares with a nominal value of US\$0.0002 per share were issued under the initial public offering. The offer price is HK\$10.6 per Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.005%). The gross proceeds from the Listing were HK\$265.0 million. After careful consideration and detailed evaluation of the Group's operations and business strategy, the Board has resolved to change the use of the unutilised portion of the net proceeds from the initial public offering, details of which were set out in the announcement of the Company dated 22 November 2024. From the Listing Date and up to 31 December 2024, the Group has progressively utilised the proceeds from the initial public offering in accordance with the intended use as set out in the announcement of the Company dated 22 November 2024.

The aggregate net proceeds from the initial public offering of the Company's Shares on the Main Board of the Stock Exchange, after deduction of underwriting fees and other related expenses, amounted to approximately HK\$206.7 million (approximately equivalent to RMB190.6 million). As of 31 December 2024, the Company has utilised approximately HK\$88.1 million of the proceeds in total, representing approximately 42.6% of all raised net proceeds, in accordance with the intended use set out in the announcement of the Company dated 22 November 2024, with the unused portion of the proceeds amounting to approximately HK\$118.6 million. The Company will continue to utilise the balance of the net proceeds from the initial public offering in accordance with the usages and proportions as disclosed in the announcement of the Company dated 22 November 2024. The details are set out as follows:

Use of proceeds	Total amount before change (HK\$ million)	Amount been adjusted (HK\$ million)	Revised percentage (%)	Revised net proceeds (HK\$ million)	Actual net	Revised net	Expected timeline for utilising the unutilised net amount
					amount utilised as of 31 December 2024 (HK\$ million)	amount unutilised as of 31 December 2024 (HK\$ million)	
Enhancing the core technology capabilities and fundamental R&D of the Company	66.1	—(Note 1)	32.0%	66.1	7.0	59.1	will be gradually used up to 31 December 2027
Pursuing strategic investment, acquisition and cooperation	62.0	-62.0	—	—	—	—	—
Enhancing the Company's capabilities in sales and marketing	42.4	+23.7	32.0%	66.1	24.9	41.2	will be gradually used up to 31 December 2027
Repaying the bank borrowings of the Company	15.5	—	7.5%	15.5	15.5	—	fully used as of 30 June 2023
Working capital	20.7	+38.3	28.5%	59.0	40.7	18.3	will be gradually used up to 31 December 2027
Total	206.7	—	100.0%	206.7	88.1	118.6	

Notes:

- (1) The total amount of net proceeds to be used for “Enhancing the core technology capabilities and fundamental R&D of the Group” would not be changed whereas the use of such amount would be extended from the (i) continuous maintaining and upgrading of the FMES platform and digitalized tools; and (ii) the establishment of a cloud-based sales and marketing platform as a service (PaaS) system, to also include (iii) the continuous maintaining and upgrading of the existing information technology systems and to support general R&D needs of the Group.
- (2) The difference between the actual net proceeds from the initial public offering and the previous estimation mainly represents underwriting incentive fees, overtime payment to intermediaries and other disbursements which were determined after the listing.

Dividends

The Board does not recommend the payment of any final dividend for the year ended 31 December 2024 (2023: Nil). Dividends of RMB4,589,000 during the year ended 31 December 2023 represented special dividend paid by the Company to its Shareholders (2024: Nil).

Compliance with Laws and Regulations

As disclosed in the Prospectus, the Group had engaged third-party human resources agencies to pay social insurance and housing provident funds for certain employees of the Group from 2020 to 2022. With a view to rectifying such agency arrangement, the Company plans to set up branch offices in not less than 25 cities in the PRC (i.e. one branch office for one location) according to the rectification schedule where the existing employees work and transfer their social insurance and housing provident fund accounts from third-party agencies to the newly established branch offices of the Group.

As of 31 December 2024, the Company has set up over 50 branches, and the transfer of accounts for around 98.6% of the employees whose social insurance and housing provident funds were made through third-party human resources agencies has been completed. The transfer of accounts for the remaining 1.4%, which represented less than 2.0% of the total number of employees of the Company, is subject to practical difficulties which are beyond the control of the Company, such as employees who were in medical period, suffered injure accident, in the application of housing provident fund loan or would be retired soon.

The Company will closely monitor the situation of the remaining employees whose social insurance and housing provident funds are still made through third-party human resources agencies as of 31 December 2024 and arrange to complete the rectification actions as early as possible. Progress of such rectification actions will be disclosed in the Company's future annual report.

Save as disclosed above, as far as the Board is aware, during the Reporting Period, the Group has complied with the relevant laws and regulations that have a significant impact on the Group in all material respects.

Annual General Meeting and Closure of Register of Members

The annual general meeting (the "AGM") of the Company will be held on Thursday, 22 May 2025.

For determining the eligibility to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 19 May 2025 to Thursday, 22 May 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer of Shares documents, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Friday, 16 May 2025.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

	Notes	Year ended 31 December	
		2024	2023
		RMB'000	RMB'000
Revenue	3	1,046,361	725,948
Cost of services		<u>(921,984)</u>	<u>(631,086)</u>
Gross profit		124,377	94,862
Administrative expenses		(79,811)	(92,643)
Selling and marketing expenses		(28,755)	(21,072)
Research and development expenses		(16,562)	(29,284)
Other income	4	11,941	20,271
Other gains, net	4	13,025	45,614
Impairment losses on trade receivables, contract assets and other receivables		<u>(2,276)</u>	<u>(372)</u>
Operating profit		21,939	17,376
Finance income	5	3,505	4,920
Finance costs	5	(3,811)	(3,360)
Finance (costs) income, net		(306)	1,560
Share of results of associates		<u>119</u>	<u>72</u>
Profit before income tax		21,752	19,008
Income tax expenses	6	<u>(7,967)</u>	<u>(7,506)</u>
Profit for the year		<u>13,785</u>	<u>11,502</u>
Profit and total comprehensive income for the year attributable to:			
Owners of the Company		13,008	11,502
Non-controlling interests		<u>777</u>	<u>—</u>
		13,785	11,502
Earnings per share attributable to the owners of the Company			
Basic and diluted (expressed in RMB per share)	7	<u>0.11</u>	<u>0.10</u>

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 December	
		2024	2023
	Notes	RMB'000	RMB'000
ASSETS			
Non-current assets			
Plant and equipment		1,406	1,363
Right-of-use assets		3,192	279
Investments in associates		4,666	4,547
Deferred tax assets		1,259	1,119
		<u>10,523</u>	<u>7,308</u>
Current assets			
Trade receivables	9	329,443	276,346
Deposits, other receivables and prepayments	9	103,920	21,989
Contract assets	10	197,153	164,442
Contract costs		22	981
Other financial assets at amortised cost	11	—	36,249
Cash and cash equivalents		159,647	190,976
		<u>790,185</u>	<u>690,983</u>
Total assets		<u>800,708</u>	<u>698,291</u>
EQUITY			
Share capital		159	165
Share premium		193,755	213,645
Other reserves		76,638	94,283
Retained earnings		207,003	200,089
		<u>477,555</u>	<u>508,182</u>
Equity attributable to owners of the Company		477,555	508,182
Non-controlling interests		2,110	—
		<u>479,665</u>	<u>508,182</u>
Total equity		<u>479,665</u>	<u>508,182</u>

		As at 31 December	
		2024	2023
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
LIABILITIES			
Non-current liability			
Lease liabilities		<u>1,224</u>	<u>5</u>
Current liabilities			
Trade and other payables	12	176,129	126,534
Contract liabilities	10	38,640	7,259
Amounts due to non-controlling shareholders		33,953	—
Lease liabilities		2,346	231
Borrowings		64,148	55,000
Tax payables		<u>4,603</u>	<u>1,080</u>
		<u>319,819</u>	<u>190,104</u>
Total liabilities		<u>321,043</u>	<u>190,109</u>
Total equity and liabilities		<u>800,708</u>	<u>698,291</u>

NOTES

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 30 September 2021 as an exempted company with limited liability under the Companies Act, Cap. 22 (Law 3 of 1961 as amended or supplemented or otherwise modified from time to time) of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited since May 2023. The address of the Company's registered office is 71 Fort Street, PO Box 500, George Town, Grand Cayman, KY1-1106, Cayman Islands. The Company's principal place of business in Hong Kong is located at Room 1202, 12/F, Sun House, 90 Connaught Road Central, Sheung Wan, Hong Kong.

The Company is an investment holding company and its subsidiaries are principally engaged in the customised marketing solution, tasks and marketers matching service, marketers assignment service and SaaS+ subscription and other services in the People's Republic of China (the "PRC"). The ultimate holding company of the Company is Junshu Holdings Limited. The ultimate controlling party of the Company is Mr. Sun Guangjun ("Mr. Sun").

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 HKFRS ACCOUNTING STANDARDS

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

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") 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 HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRS 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/or on the disclosures set out in these consolidated financial statements.

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

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

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

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

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

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

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

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3 REVENUE AND SEGMENT INFORMATION

The chairman of the Company has been identified as the chief operating decision maker of the Group who review the Group's internal reporting in order to assess performance and allocate resources. The chairman of the Company regards the Group's business as a single operating segment and review the consolidated financial statements accordingly.

(a) Disaggregation of revenue

	Year ended 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue from:		
Customised marketing solution	642,077	567,647
Tasks and marketers matching service	362,240	114,303
Marketers assignment service	26,140	32,173
SaaS+ subscription and other services	15,904	11,825
	<u>1,046,361</u>	<u>725,948</u>

All revenue of the Group is recognised over time during the years ended 31 December 2024 and 2023.

(b) Geographical information

All the revenue and non-current assets are based in the PRC during the years ended 31 December 2024 and 2023.

4 OTHER INCOME AND GAINS, NET

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Other income		
Government grants (<i>Note</i>)	11,880	18,977
Gain on additional deduction of value-added tax	61	1,294
	<u>11,941</u>	<u>20,271</u>
Other gains, net		
Reversal of payables on pension return to customers (<i>note 12</i>)	9,466	38,549
Net foreign exchange gain	3,266	7,069
Gain on redemption of other financial assets at amortised cost	302	—
Loss on disposal of plant and equipment	(1)	(4)
Others	(8)	—
	<u>13,025</u>	<u>45,614</u>

Note: The government grants mainly consisted of job-subsidy programme and companies registration subsidies for the years ended 31 December 2024 and 2023. There are no unfulfilled conditions or other contingencies attaching to these grants. The Group did not benefit directly from any other forms of material government assistance.

5 FINANCE (COSTS) INCOME, NET

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Finance income		
— Bank interest income	3,505	4,813
— Interest income from a related party	—	107
	<u>3,505</u>	<u>4,920</u>
Finance costs		
— Interest expenses for bank borrowings	(1,678)	(2,003)
— Interest for trade receivables factoring	(1,047)	(1,292)
— Interest expenses on lease liabilities	(590)	(65)
— Interest expenses on amounts due to non-controlling shareholders	(496)	—
	<u>(3,811)</u>	<u>(3,360)</u>
	<u>(306)</u>	<u>1,560</u>

6 INCOME TAX EXPENSES

(a) Cayman Islands and BVI Income Tax

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and British Virgin Islands, members of the Group incorporated in the Cayman Islands and British Virgin Islands are not subject to any income tax.

(b) Hong Kong Profits Tax

Hong Kong Profits Tax rate is 16.5%. No provision for Hong Kong Profits Tax was provided as the Group did not have assessable profits in Hong Kong during the years ended 31 December 2024 and 2023.

(c) The PRC withholding tax

According to the applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profits derived after 1 January 2008 are generally subject to a 10% withholding tax. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the PRC and Hong Kong, the relevant withholding tax rate will be reduced from 10% to 5%. The applicable withholding tax rates of the group company in Hong Kong is 10%.

(d) **PRC Enterprise Income Tax**

PRC corporate income tax has been provided at the rate of 25% on the taxable profits of the Group's PRC significant subsidiaries during the years ended 31 December 2024 and 2023.

Shanghai Retail Winner Digital Technologies Co., Ltd. (“**Shanghai Retail Winner**”), a subsidiary of the Company, had applied to the relevant tax bureau and was granted the qualification as High and New Technology Enterprise (“**HNTE**”) in 2022, which will expire in November 2025. It is subject to a preferential income tax rate of 15%. Based on management's assessment, it is highly probable that Shanghai Retail Winner will continue to meet the requirements of HNTE.

Certain subsidiaries of the Group in the PRC were qualified as “Small Low-Profit Enterprise” since 2019. “Small Low-Profit Enterprise” was entitled to a preferential income tax rate that was calculated in accordance with the two-tiered profits tax rates regime. From 1 January 2022 to 31 December 2024, the first RMB1,000,000 of the taxation amount for qualified entities are taxed at 20%, and the taxable income above RMB1,000,000 are taxed at 25%.

	Year ended 31 December	
	2024	2023
	RMB'000	RMB'000
Current income tax		
— The PRC current tax	8,107	7,949
Deferred tax	(140)	(443)
	<u>7,967</u>	<u>7,506</u>
Income tax expenses	<u>7,967</u>	<u>7,506</u>

7 **EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the years ended 31 December 2024 and 2023.

	Year ended 31 December	
	2024	2023
Profit attributable to owners of the Company (RMB'000)	13,008	11,502
Weighted average number of ordinary shares in issue	<u>120,030,562</u>	<u>112,574,824</u>
Basic and diluted earnings per share (in RMB)	<u>0.11</u>	<u>0.10</u>

Diluted earnings per shares for the years ended 31 December 2024 and 2023 were the same as the basic earnings per share as there were no dilutive potential ordinary shares outstanding during the two years.

8 DIVIDENDS

Dividends of RMB4,589,000 during the year ended 31 December 2023 represented special dividend paid by the Company to its shareholders (during the year ended 31 December 2024: Nil). No final dividend in respect of the years ended 31 December 2024 and 2023 was proposed by the Board.

9 TRADE RECEIVABLES, DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS

(a) Trade receivables

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade receivables	331,229	278,257
Less: allowance for impairment of trade receivables	<u>(1,786)</u>	<u>(1,911)</u>
Trade receivables — net	<u>329,443</u>	<u>276,346</u>

The ageing analysis of the gross trade receivables based on invoice date is as follows:

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
1–60 days	218,551	188,884
61–120 days	100,222	74,919
121–180 days	11,955	11,547
Over 180 days	<u>501</u>	<u>2,907</u>
	<u>331,229</u>	<u>278,257</u>

The standard payment terms are generally from 30 days to 180 days.

The ageing of trade receivables is mainly within 180 days after invoicing depending on the nature of services. The Group's trade receivables are denominated in RMB and initially recognised at transaction price on gross amount.

(b) Deposits, other receivables and prepayments

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Value-added tax receivables from customers	9,707	9,437
Deposits to external labour service provider	42,457	—
Other deposits — third parties	1,868	1,693
Other receivables — staff	379	161
Other receivables — others	10	—
	<u>54,421</u>	<u>11,291</u>
Less: allowance for impairment of other receivables	(1,419)	(92)
Other receivables — net	<u>53,002</u>	<u>11,199</u>
Prepaid income taxes	2,564	6,298
Prepayment to online platforms in relation to O2O real-time retail marketing services	16,221	—
Other prepayments to suppliers	32,133	4,492
	<u>103,920</u>	<u>21,989</u>

The Group's deposits, other receivables and prepayments are mainly denominated in RMB.

10 CONTRACT ASSETS AND CONTRACT LIABILITIES

The Group has recognised the following revenue-related contract assets and liabilities.

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Customised marketing solution	125,762	86,236
Tasks and marketers matching service	6,235	11,648
Marketers assignment service	63,147	64,749
SaaS+ subscription and other services	4,346	3,072
	<u>199,490</u>	<u>165,705</u>
Less: allowance for impairment of contract assets	(2,337)	(1,263)
Contract assets — net	<u>197,153</u>	<u>164,442</u>
Customised marketing solution	1,034	—
Tasks and marketers matching service	30,069	—
Marketers assignment service	7,537	7,259
	<u>38,640</u>	<u>7,259</u>

The Group's contract assets are denominated in RMB and initially recognised at transaction price on gross amount.

11 OTHER FINANCIAL ASSETS AT AMORTISED COST

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Investment in private funds (<i>Note</i>)		
— Wealth management product A	—	27,187
— Wealth management product B	—	9,062
	<u>—</u>	<u>36,249</u>

Note: In September 2023, the Group invested HK\$30,000,000 (equivalent to RMB27,187,000) and HK\$10,000,000 (equivalent to RMB9,062,000) respectively in two investments with guaranteed return rates at 5.15% and 5.10% respectively, which were both private offshore funds (the “Funds”) newly established in the Cayman Islands. The investment objectives of the Funds were to invest in bank deposit, bonds, notes, national debt, banker’s acceptance draft, and other similar financial instruments. The Funds were classified as other financial assets measured at amortised cost in the consolidated statement of financial position as at 31 December 2023. In March 2024, the Group redeemed the Funds and collected the investment principal together with return amounted to HK\$40,330,000 (equivalent to RMB36,595,000).

12 TRADE AND OTHER PAYABLES

	As at 31 December	
	2024	2023
	RMB'000	RMB'000
Trade payables	<u>51,513</u>	<u>35,145</u>
Other payables:		
— Accrued staff costs	84,223	65,652
— Accrual expenses	9,278	1,974
— Refund on pension return to customers (<i>Note</i>)	—	9,466
— Reimbursement and refund payables	3,335	924
— Other tax payables	27,780	12,685
— Others	—	688
	<u>124,616</u>	<u>91,389</u>
	<u>176,129</u>	<u>126,534</u>

The trade and other payables are denominated in RMB and the carrying amounts approximate their fair values.

The ageing analysis of the trade payables by invoice date is as follows:

	As at 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Up to 90 days	<u>51,513</u>	<u>35,145</u>

Note: Due to the impact of COVID-19, the Group was entitled to reduce social security payments by the government for certain periods during the year of 2020. The total payment, received from customers related to marketers assignment service for settling the social insurance obligation but subsequently reduced by the government, was approximately RMB70,788,000. The Group had refunded RMB22,773,000 to customers since the year of 2020 (the “**Refund**”), and, reversed the refundable amount of RMB38,549,000 and RMB9,466,000 as other gain for the year ended 31 December 2023 and 2024, respectively because management considered the limitation of action and legal obligation on certain pension refund to customers was expired (the “**Reversal**”). After the Refund and Reversal, the refundable balance as at 31 December 2024 was nil (2023: RMB9,466,000).

EXTRACT OF INDEPENDENT AUDITOR'S REPORT ON THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The following is the extract of the independent auditor's report of the Company:

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, 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 HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Qualified Opinion

As disclosed in the consolidated financial statements for the year ended 31 December 2024, in September 2023, the Group invested HK\$30,000,000 (equivalent to RMB27,187,000) and HK\$10,000,000 (equivalent to RMB9,062,000) respectively in two investments with guaranteed return rates of 5.15% and 5.10% respectively, which were both private offshore funds (the “**Funds**”) newly established in the Cayman Islands. The Funds were classified as other financial assets at amortised cost in the consolidated statement of financial position as at 31 December 2023. The Group did not accrue for any guaranteed returns from the Funds for the years ended 31 December 2023 and 2024. In March 2024, the Group redeemed the Funds and collected the investment principal together with return amounted to HK\$40,330,000 (equivalent to RMB36,595,000). The Group's management was not able to obtain supporting documents about the balance of the Funds, the underlying assets held by the Funds and the value of the Funds as at 31 December 2023 and at the date of redemption.

The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by another auditor (the “**Predecessor Auditor**”) who expressed a qualified opinion due to a limitation of audit scope concerning the Funds on those financial statements. The Predecessor Auditor was unable to obtain sufficient appropriate audit evidence to satisfy themselves as to the commercial substance of the transactions related to the Funds and to the accuracy, existence, classification, valuation, and presentation of the Funds and whether the effects of these transactions related to the Funds, including the related cashflows, have been properly accounted for and disclosed in the consolidated financial statements as at and for the year ended 31 December 2023.

In March 2024, the Group redeemed the Funds resulting in a gain on redemption of other financial assets at amortised cost amounted to approximately HK\$333,000 (equivalent to approximately RMB302,000) which was recognised in profit or loss during the year ended 31 December 2024. The closing balances of the assets and liabilities of the Group as at 31 December 2023 were brought forward as the opening balances as at 1 January 2024 and hence entered into the determination of the financial performance of the Group for the current financial year ended 31 December 2024. Any adjustment that might have been found necessary to the opening balance of the Funds as at 1 January 2024 might have material effects on the Group's results and cash flows for the years ended 31 December 2023 and 2024 and related disclosures in the notes to the consolidated financial statements. Accordingly, we were unable to determine whether adjustments might have been necessary in respect of the performance and cash flows of the Group for the year ended 31 December 2024.

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

DISCLOSURE OF INFORMATION

This announcement is published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<https://www.plscn.com>). The 2024 annual report of the Company will be provided to the Shareholders and published on the afore-mentioned websites in due course.

DEFINITIONS

“AFRC”	the Accounting and Financial Reporting Council of Hong Kong
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors of the Company
“BVI”	the British Virgin Islands
“Chairman”	the chairman of the Board

“Company”	Plus Group Holdings Inc. (普樂師集團控股有限公司), an exempted company incorporated under the laws of the Cayman Islands with limited liability on 30 September 2021, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2486)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards which include standards and interpretations as issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	11 May 2023, being the date on which the Shares are first listed and from which dealings thereof are permitted to commence on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Main Board”	the stock exchange (excluding the options market) operated by the Stock Exchange which is independent from and operating in parallel with GEM of the Stock Exchange
“PRC” or “China”	the People’s Republic of China, but for the purpose of this announcement and unless otherwise indicated, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus of the Company dated 28 April 2023
“Reporting Period”	the year ended 31 December 2024

“RMB”	Renminbi, the lawful currency of the PRC
“RSU(s)”	restricted share unit(s) awarded to a participant under the RSU Scheme
“RSU Scheme”	the restricted share unit scheme of the Company adopted on 13 January 2022
“SaaS”	software as a service, a cloud-based software licensing and delivery model in which software and associated data are centrally hosted
“Share(s)”	ordinary share(s) of par value of US\$0.0002 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Share Award Scheme”	the share award scheme of the Company adopted on 26 June 2023
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board
Plus Group Holdings Inc.
Mr. Sun Guangjun
Chairman, executive Director and chief executive officer

Hong Kong, 31 March 2025

As at the date of this announcement, the Board comprises Mr. Sun Guangjun as the chairman, an executive Director and chief executive officer, and Mr. Yang Hong as an executive Director, and Mr. Lau Man Tak, Ms. Lin Feng and Mr. Ngan Wing Ho as independent non-executive Directors.