International Business Digital Technology Limited
國際商業數字技術有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1782)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

During the year ended 31 December 2024, the operations and business of the Group have recorded the following changes when compared with those for the year ended 31 December 2023.

- Revenue for the year ended 31 December 2024 amounted to approximately RMB104,023,000, representing an decrease of approximately 13.5% from approximately RMB120,205,000 for the year ended 31 December 2023.

- Loss attributable to owners of the Company for the year ended 31 December 2024 amounted to approximately RMB75,068,000, as compared to the loss attributable to owners of the Company for the year ended 31 December 2023 of approximately RMB47,155,000.

- Basic loss per share for the year ended 31 December 2024 was approximately RMB9.85 cents (for the year ended 31 December 2023: basic loss per share was approximately RMB6.19 cents).

- The Board does not recommend the payment of a final dividend for the year ended 31 December 2024 (final dividend for the year ended 31 December 2023: Nil).

The board (the "**Board**") of directors (the "**Directors**") of International Business Digital Technology Limited (the "**Company**") announced the consolidated financial results of the Company and its subsidiaries (collectively, the "**Group**" or "**We**") for the year ended 31 December 2024 together with the audited comparative figures for the year ended 31 December 2023 as follow:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2024

	Notes	**2024** *RMB'000*	2023 *RMB'000*
REVENUE	*4*	**104,023**	120,205
Cost of sales		**(58,445)**	(65,060)
Gross profit		**45,578**	55,145
Other income and gains	*4*	**6,040**	9,326
Selling and distribution expenses		**(23,047)**	(29,173)
Research and development costs		**(32,288)**	(38,922)
Administrative expenses		**(55,756)**	(43,304)
Impairment losses on financial and contract assets, net	*5*	**(1,058)**	(572)
Other expenses		**(13,673)**	(87)
Finance costs	*6*	**(372)**	(367)
LOSS BEFORE TAX	*5*	**(74,576)**	(47,954)
Income tax credit/(expense)	*8*	**(934)**	641
LOSS FOR THE YEAR		**(75,510)**	(47,313)
OTHER COMPREHENSIVE LOSS		**–**	–
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(75,510)**	(47,313)
Attributable to:			
Owners of the parent		**(75,068)**	(47,155)
Non-controlling interests		**(442)**	(158)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*10*		
Basic and Diluted			
— For loss for the year (in RMB cents)		**(9.85)**	(6.19)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	**31 December 2024** *RMB'000*	31 December 2023 *RMB'000*
NON-CURRENT ASSETS			
Property and equipment		**4,164**	2,749
Right-of-use assets		**4,140**	4,296
Other intangible assets		**4,375**	21,535
Contract assets	*12*	**2,392**	3,341
Long term deposits		**527**	64
Deferred tax assets		**–**	896
Restricted cash		**1,100**	647
Total non-current assets		**16,698**	33,528
CURRENT ASSETS			
Inventories		**10,747**	5,989
Trade and bills receivables	*11*	**13,804**	12,844
Contract assets	*12*	**72,450**	96,059
Prepayments, other receivables and other assets		**17,692**	14,365
Pledged time deposits		**–**	4,200
Restricted cash		**96**	252
Cash and cash equivalents		**77,321**	122,620
Total current assets		**192,110**	256,329
CURRENT LIABILITIES			
Trade payables	*13*	**13,134**	9,819
Other payables and accruals		**16,691**	23,518
Interest-bearing bank borrowings		**10,000**	10,000
Lease liabilities		**1,294**	3,948
Total current liabilities		**41,119**	47,285
NET CURRENT ASSETS		**150,991**	209,044
TOTAL ASSETS LESS CURRENT LIABILITIES		**167,689**	242,572

	31 December 2024	31 December 2023
	RMB'000	*RMB'000*
NON-CURRENT LIABILITIES		
Deferred tax liabilities	**–**	429
Other payables and accruals	**104**	–
Lease liabilities	**3,033**	81
Total non-current liabilities	**3,137**	510
Net assets	**164,552**	242,062
EQUITY		
Equity attributable to owners of the parent		
Share capital	**6,686**	6,686
Reserves	**157,866**	235,933
	164,552	242,619
Non-controlling interests	**–**	(557)
Total equity	**164,552**	242,062

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 10 November 2015 as an exempted company with limited liability under the Companies Law (2013 Revision) of the Cayman Islands. The address of the registered office of the Company is Windward 3, Regatta Office Park PO Box 1350, Grand Cayman KY1-1108 Cayman Islands. The shares of the Company were listed on GEM of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 15 December 2016.

The Company has successfully transferred listing from GEM to the Main Board of the Stock Exchange on 29 November 2018 (the "**Listing Date**").

The Company is an investment holding company. Currently, the business of the Group consists of two sectors. The first sector is a new business market under exploration for the Central Bank Digital Currencies ("**CBDC**") network system by utilising cutting-edge digital technology. The second sector is to provide Application Performance Management ("**APM**") products and service solutions to telecommunication operators and large enterprises in Mainland China (the "**PRC**" or "**China**").

The CBDC business under exploration is to provide the target customers with integrated systems, including primarily: (1) software development services; (2) technical services; and (3) sales of hardware.

The business of providing APM products and service solutions for telecommunication operators and large enterprises includes (1) integrated APM system solutions; (2) software development services; (3) technical services; and (4) sales of embedded hardware and standard APM software.

2.1 BASIS OF PRESENTATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current year's 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* (the "2020 Amendments")
Amendments to HKAS 1	*Non-current Liabilities with Covenants* (the "2022 Amendments")
Amendments to HKAS 7 and HKFRS 7	*Supplier Finance Arrangements*

The nature and the impact of the revised HKFRSs are described below:

(a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.

(b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

    The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in the provision of APM solutions in Mainland China.

Under HKFRS 8 *Operating Segments*, it is required that operating segments be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to segments and to assess their performance. The information reported to the directors of the Company, who are the chief operating decision-makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

(a) Revenue from external customers

	2024	2023
	RMB'000	*RMB'000*
Mainland China	**102,601**	119,223
Taiwan	**1,359**	846
Hong Kong	**63**	136
Total revenue	**104,023**	120,205

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2024	2023
	RMB'000	*RMB'000*
Mainland China	**14,005**	32,880
Hong Kong	**2,693**	648
Total non-current assets	**16,698**	33,528

The non-current asset information of continuing operations above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

Revenue of approximately RMB77,465,000 (2023: RMB100,790,000) was derived from sales to a single state-owned telecommunication operator group, including sales to a group of entities which are known to be under common control with that group.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2024	2023
	RMB'000	*RMB'000*
Revenue from contracts with customers	**104,023**	120,205

Revenue from contracts with customers

(a) Disaggregated revenue information

	2024	2023
	RMB'000	*RMB'000*
Types of goods or services		
Integrated APM system solutions	**38,426**	48,723
Software development services	**41,947**	50,974
Technical services	**21,190**	15,031
Sales of embedded hardware and standard APM software	**2,460**	5,477
Total	**104,023**	120,205

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2024	2023
	RMB'000	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Technical services	**477**	137
Sales of embedded hardware and standard APM software	**129**	–
Integrated APM system solutions	**31**	–
Total	**637**	137

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Integrated APM system solutions and software development services

The performance obligation is satisfied over time as services are rendered and payment is generally due within 30 days to 60 days upon issuance of invoice and receipt of certain forms of acceptance. A certain percentage of payment is retained by customers until the end of the retention period.

Technical services

The performance obligation is satisfied over time as services are rendered and the credit period granted to the customers is normally due upon completion of the service. Technical service contracts are for periods of one year or less, or are billed based on the time incurred, except for one contract where payment in advance was received.

Sales of embedded hardware and standard APM software

The performance obligation is satisfied upon acceptance of the hardware and software and payment is generally due within 30 to 60 days from acceptance by customers, except for new customers where payment in advance is normally required.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2024	2023
	RMB'000	*RMB'000*
Amounts expected to be recognised as revenue within one year	**41,681**	28,369
Amounts expected to be recognised as revenue after one year	**2,067**	356
Total	**43,748**	28,725

The amount of transaction prices allocated to remaining performance obligations which are expected to be recognised as revenue after one year relates to integrated APM system solutions, software development services and technical services, of which the performance obligations are to be satisfied within two years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

	2024	2023
	RMB'000	*RMB'000*
Other income and gains		
Bank interest income	**1,129**	2,296
Interest income arising from revenue contracts	**86**	77
Investment income from financial assets at fair value through profit or loss	**513**	422
Government grants — related to income*	**3,638**	5,542
Foreign exchange gains	**674**	989
Total	**6,040**	9,326

* Government grants received from the government of the PRC mainly represent the refund of the value added tax previously paid. There are no unfulfilled conditions or contingencies relating to the grants.

5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	Notes	**2024** **RMB'000**	2023 *RMB'000*
Cost of inventories sold*		**1,021**	2,430
Cost of services rendered*		**57,424**	62,630
Depreciation of property and equipment		**1,348**	980
Depreciation of right-of-use assets		**4,359**	3,677
Amortisation of software copyright		**1,590**	663
Research and development costs:			
Deferred expenditure amortised**		**3,153**	3,871
Current year expenditure		**32,288**	38,922
		35,441	42,793
Lease payments not included in the measurement of lease liabilities		**13,061**	7,178
Auditor's remuneration		**1,400**	1,250
Employee benefit expense (excluding directors' and chief executive's remuneration)			
Wages and salaries		**75,572**	80,973
Pension scheme contributions (defined contribution scheme)***		**4,015**	3,765
		79,587	84,738
Foreign exchange differences, net	*4*	**(674)**	(989)
Impairment of financial and contract assets, net:			
Impairment of trade and bills receivables, net	*11*	**161**	(30)
Impairment of contract assets, net	*12*	**897**	602
Impairment of other intangible assets, net		**13,647**	–
Investment income from financial assets at fair value through profit or loss	*4*	**(513)**	(422)
Bank interest income	*4*	**(1,129)**	(2,296)

* Cost of inventories sold and Cost of services rendered represent "Cost of sales" in the consolidated statement of profit or loss and other comprehensive income.

** The amortisation of deferred development costs for the year is included in "Cost of sales" in the consolidated statement of profit or loss and other comprehensive income.

*** There are no forfeited contributions that may be used by the employer to reduce the existing level of contribution.

6. FINANCE COSTS

An analysis of finance costs from continuing operations is as follows:

	2024	2023
	RMB'000	*RMB'000*
Interest on bank loans	**139**	202
Interest on lease liabilities	**233**	165
Total	**372**	367

7. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Fees	**3,629**	2,810
Other emoluments:		
Salaries, allowances and benefits in kind	**790**	826
Pension scheme contributions	**16**	16
Subtotal	**806**	842
Total	**4,435**	3,652

8. INCOME TAX

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

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Company Law of the Cayman Islands and is not subject to income tax.

No Hong Kong profits tax has been provided since no assessable profit arose in Hong Kong during the year.

Pursuant to the PRC Corporate Income Tax Law and the respective regulations, Vixtel Technologies Limited, Vixtel Software Limited, Depuda (Wuxi) Technologies Limited and Vixtel Yunwang Technologies Limited are subject to corporate income tax at a rate of 25% on the taxable profit. A preferential tax treatment is available to Vixtel Technologies Limited, which was recognised as a High and New Technology Enterprise in 2010 in Mainland China, and a lower corporate income tax of 15% has been applied since then. The certificate of High and New Technology Enterprise must be renewed every three years and Vixtel Technologies Limited must re-apply for it every six years. Vixtel Technologies Limited has re-applied for and obtained the certificate of High and New Technology Enterprise on 30 December 2022. A preferential tax treatment is available to Vixtel Yunwang Technologies Limited, which was recognised as a software enterprise in 2021 in Mainland China, that it can be exempted from the income taxation in the first year and the second year; it should only pay half of the income taxation from the third year to the fifth year.

	2024	2023
	RMB'000	*RMB'000*
Current — Mainland China	**38**	116
Deferred	**896**	(757)
Tax charge/(credit) for the year	**934**	(641)

9. DIVIDENDS

No dividends had been paid or declared by the Group during the year (2023: Nil).

10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amounts for the year is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares outstanding during the year.

No adjustment has been made to the basic loss per share amounts presented for the years ended 31 December 2024 and 2023 in respect of a dilution as the Group had no potentially dilutive ordinary shares outstanding during those years.

The calculation of basic loss per share is based on:

	2024	2023
	RMB'000	*RMB'000*
Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculations	**(75,068)**	(47,155)

	Number of shares	
	2024	2023
Weighted average number of ordinary shares outstanding during the year used in the basic loss per share calculation	**762,000,000**	762,000,000

11. TRADE AND BILLS RECEIVABLES

	2024	2023
	RMB'000	*RMB'000*
Trade receivables	**13,493**	12,056
Bills receivable	**555**	871
	14,048	12,927
Impairment	**(244)**	(83)
Net carrying amount	**13,804**	12,844

Trade and bills receivables represented the outstanding contracted values for integrated APM system solutions, software development services, technical services and sales of embedded hardware and standard APM software receivable from the customers.

The Group's trading terms with its customers are mainly on credit. For integrated APM system solutions and software development services, the credit period granted to the customers is normally 30 to 60 days upon issuance of invoice and receipt of certain forms of acceptance from its customers during the course of contracts. The forms of acceptance evidence the satisfaction from the customers of the progress of completion. For sales of embedded hardware and standard APM software, the credit period granted to the customers is normally 30 to 60 days when the goods were accepted by the customers, except for new customers, where payment in advance is normally required. For technical services, the credit period granted to the customers is normally due upon completion of the service, except for one contract where payment in advance is received.

The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a number of the largest state-owned telecommunication operators in the PRC and a large number of their independently-operated provincial subsidiaries, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 90 days	**6,465**	5,163
91 to 180 days	**2,795**	2,032
181 days to 1 year	**3,120**	3,343
Over 1 year	**1,424**	2,306
Total	**13,804**	12,844

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

	2024	2023
	RMB'000	*RMB'000*
At beginning of year	**83**	524
Impairment losses, net	**161**	(30)
Amount written off as uncollectible	**–**	(411)
At end of year	**244**	83

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of future recovery.

Set out below is the information about the credit risk exposure on the Group's trade and bills receivables using a provision matrix:

As at 31 December 2024	**Trade receivables arising from state-owned telecommunications operator groups**	**Trade receivables arising from other customers**	**Default receivables**	**Total**
Expected credit loss rate	**0.47%**	**7.42%**	**100.00%**	
Gross carrying amount (RMB'000)	**10,892**	**2,601**	**–**	**13,493**
Expected credit losses (RMB'000)	**51**	**193**	**–**	**244**

As at 31 December 2023	Trade and bills receivables arising from state-owned telecommunications operator groups	Trade receivables arising from other customers	Default receivables	Total
Expected credit loss rate	0.45%	2.34%	100.00%	
Gross carrying amount (RMB'000)	11,602	1,325	–	12,927
Expected credit losses (RMB'000)	52	31	–	83

12. CONTRACT ASSETS

	31 December 2024 *RMB'000*	31 December 2023 *RMB'000*	1 January 2023 *RMB'000*
Contract assets arising from:			
Integrated APM system solutions	**35,314**	47,479	61,274
Software development services	**41,892**	53,184	41,210
Sales of embedded hardware and standard APM software	**429**	633	743
Total	**77,635**	101,296	103,227
Impairment	**(2,793)**	(1,896)	(1,887)
Net carrying amount	**74,842**	99,400	101,340
Analysed into:			
Current portion	**72,450**	96,059	99,342
Non-current portion	**2,392**	3,341	1,998

Contract assets are initially recognised for revenue earned from integrated APM system solutions and software development services as the receipt of consideration is conditional on the successful acceptance by the customers. Upon completion of the contracts and acceptance by the customers, the amounts recognised as contract assets are reclassified to trade receivables. The Group's trading terms and credit policy with customers are disclosed in note 11.

The expected timing of recovery or settlement for contract assets as at 31 December is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within one year	**72,450**	96,059
After one year	**2,392**	3,341
Total contract assets	**74,842**	99,400

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

	2024	2023
	RMB'000	*RMB'000*
At beginning of year	**1,896**	1,887
Impairment losses, net (note 5)	**897**	602
Amount written off as uncollectible	**–**	(593)
At end of year	**2,793**	1,896

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates for the measurement of the expected credit losses of the contract assets are based on those of the trade receivables as the contract assets and the trade receivables are from the same customer bases. The provision rates of contract assets are based on days past due of trade receivables for groupings of various customer segments with similar loss patterns (i.e., by customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's contract assets using a provision matrix:

	2024			
	Contract assets arising from state-owned telecommunications operator groups	**Contract assets arising from other customers**	**Default contract assets**	**Total**
Expected credit loss rate	**1.82%**	**16.23%**	**100.00%**	
Gross carrying amount (RMB'000)	**68,076**	**9,559**	**–**	**77,635**
Expected credit losses (RMB'000)	**1,242**	**1,551**	**–**	**2,793**

	2023			
	Contract assets arising from state-owned telecommunications operator groups	Contract assets arising from other customers	Default contract assets	Total
Expected credit loss rate	1.35%	6.93%	100.00%	
Gross carrying amount (RMB'000)	91,785	9,511	–	101,296
Expected credit losses (RMB'000)	1,236	660	–	1,896

13. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2024	2023
	RMB'000	*RMB'000*
Within 90 days	**7,652**	6,940
91 to 180 days	**2,521**	1,845
181 days to 1 year	**1,161**	580
Over 1 year	**1,800**	454
Total	**13,134**	9,819

The trade payables are non-interest-bearing and are normally settled on 180-day terms.

BUSINESS REVIEW

This Group is a pioneering enterprise in the field of digital technology in China. It possesses multiple core digital and information technologies and has earned industry accolade over years of experience in software development. The management's latest strategy is to build upon the Group's existing business while continuously to explore the expansion into broader and more promising development opportunities by leveraging its technological and experiential advantages. Currently, the business of the Group consists of two sectors. The first sector is a new business market under exploration for the Central Bank Digital Currencies ("**CBDC**") network system by utilizing cutting-edge digital technology. The second sector is to provide Application Performance Management ("**APM**") products and service solutions to telecommunication operators and large enterprises in China.

The CBDC business under exploration is to provide the target customers with integrated systems, including primarily: (1) software development services; (2) technical services; and (3) sales of hardware. The Group plans to expand the CBDC products and services to a number of countries. Our goal is to make our CBDC products and services available globally to provide better digital financial services to local users. We have continued our negotiation with local ministries of finance, central banks, commercial banks, and other financial institutions, though these discussions have yet to translate into concrete business cooperations. We are diligently working to convert these relationships into revenue-generating opportunities.

The business of providing APM products and service solutions for telecommunication operators and large enterprises includes (1) integrated APM system solutions; (2) software development services; (3) technical services; and (4) sales of embedded hardware and standard APM software. In 2024, the Group's revenue decreased by approximately 13.5% as compared with last year, primarily due to slower progress in contract signings and project deliveries, as customers remained cautious about new investments amidst the early stage of economic recovery and the influence of the macroeconomic environment.

OUTLOOK

From Q4 2024 to Q1 2025, China has achieved remarkable progress in technology, fixed asset investments, and macroeconomic stability. Technological innovation has surged, particularly in generative Artificial Intelligence ("**AI**"), renewable energy, and high-tech industries, aligning with the ambitions of the 14th Five-Year Plan. The commitment of the government of the People's Republic of China (the "**PRC**") to establishing over 50 national standards for AI and intelligent technologies by 2026 signals a strong push toward a tech-driven future, creating fertile ground for companies like ours. Fixed asset investments of the PRC have climbed steadily, reaching 5.26 trillion yuan by February 2025 — a year-to-date increase of 4.1% — reflecting a robust investment landscape. On the macroeconomic front, China's GDP grew by an impressive 5.4% in Q4 2024, exceeding forecasts and securing a full-year growth of 5.0%. Stimulus measures introduced by the PRC's government since September 2024, such as interest rate cuts and real estate support, have reinforced this stability and are poised to drive continued growth. Against this backdrop of technological advancement and economic resilience, we are strategically positioned to seize opportunities in CBDC and APM businesses.

CBDC Business

CBDCs are digital versions of sovereign currencies. According to the Bank for International Settlements, approximately 90% of central banks are exploring CBDCs, with projects in various stages across over 50 countries. These initiatives aim to address financial challenges and support the digital economy.

We are involved in developing CBDC product modules and engaging with financial institutions to explore potential opportunities. While these efforts are ongoing, they are part of our broader strategy to stay at the forefront of financial technology. While we shape the future of digital finance through CBDCs, our APM business drives immediate growth with cutting-edge solutions.

APM Business

The Group continues to empower various industries, driving intelligent innovation and growth. The following will be our two key APM development focuses in 2025.

Empowering Operators with AIOps (AI for IT Operations) through AI+ Network Solutions

The Group focuses on AI+ network intelligence, providing operators with intelligent and automated operations and maintenance systems to achieve:

- Accurate fault prediction and rapid localization, reducing failure rates and improving cost efficiency.
- Network intelligent optimization based on AI decision models, enhancing performance and user experience.

Advancing AI+ Vertical Industry Solutions

The Group actively promotes the integration of AI with industries, empowering multiple fields through "large models + small models + applications":

- **Smart Video:** Achieving intelligent upgrades such as content detection and behaviour recognition, covering scenarios in security, transportation, film and television, and more.
- **Smart Energy:** Creating unmanned mining solutions through AI, digital twins, and 5G to improve safety and efficiency, and promote green transformation.
- **Smart Transportation:** Optimizing real-time monitoring and autonomous driving through vehicle-road-cloud collaboration solutions, securing cooperative orders from car companies, regulatory units, and others.
- **Smart Manufacturing:** Providing 5G+ smart factory services to support the interconnection of production equipment and digital transformation, expanding clients in steel, chemical, and other industries.

FINANCIAL REVIEW

Revenue

The Group's revenue for the year ended 31 December 2024 amounted to approximately RMB104.0 million, representing a decrease of approximately RMB16.2 million or 13.5% as compared with approximately RMB120.2 million for the year ended 31 December 2023. The decrease was mainly attributable to the combined effect of: (i) the decrease in revenue generated from provision of integrated APM system solutions of approximately RMB10.3 million; (ii) the decrease in revenue generated from provision of software development services of approximately RMB9.0 million; (iii) the increase in revenue generated from provision of technical services of approximately RMB6.2 million; and (iv) the decrease in revenue generated from sales of embedded hardware and standard APM software of approximately RMB3.0 million.

The following analysis sets forth a breakdown of the Group's revenue by service type for the years ended 31 December 2024 and 2023 respectively:

Integrated APM system solutions

This segment provides integrated APM system solutions by tailor-making our APM products to allow our customers to better manage and monitor their applications and networks. The Group has recorded a decrease in the revenue generated from integrated APM system solutions of approximately 21.1% from approximately RMB48.7 million for the year ended 31 December 2023 to approximately RMB38.4 million for the year ended 31 December 2024. The decrease was due to slower progress in contract signings and project deliveries, as customers remained cautious about new investments amidst the early stage of economic recovery and the influence of the macroeconomic environment.

Software development services

The Group's software development services typically involve developing customized supporting software for upgrade and expansion of the APM products which are already integrated with our customers' systems and networks. Our revenue derived from the provision of software development services has decreased by approximately 17.8% from approximately RMB51.0 million for the year ended 31 December 2023 to approximately RMB41.9 million for the year ended 31 December 2024. The decrease was due to the Group reallocating more efforts to meet the demand for technical services.

Technical services

This segment provides operational support, system maintenance, network analysis and optimization of full-chain of internet application and research study of specific topics on application and network performance. Our revenue derived from the provision of technical services has increased by approximately 41.3% from approximately RMB15.0 million for the year ended 31 December 2023 to approximately RMB21.2 million for the year ended 31 December 2024. The increase was primarily because the customers rebalance their needs from APM systems solutions and software development services to maintenance and technical support services.

Sales of embedded hardware and standard APM software

We have from time to time sold embedded hardware and standard APM software to customers who do not require tailor-making services. Our revenue generated from the sales of embedded hardware and standard APM software has decreased by approximately 54.5% from approximately RMB5.5 million for the year ended 31 December 2023 to approximately RMB2.5 million for the year ended 31 December 2024. The decrease was primarily due to lower customers' demand for embedded hardware and standard APM software, as customers remained cautious about new investments amidst the early stage of economic recovery and the influence of the macroeconomic environment.

Gross profit and gross profit margin

The Group's gross profit has decreased by approximately 17.2% from approximately RMB55.1 million for the year ended 31 December 2023 to approximately RMB45.6 million for the year ended 31 December 2024, mainly due to the decrease in overall business volume. The Group's gross profit margin was recorded at approximately 45.8% and approximately 43.8% for the years ended 31 December 2023 and 2024, respectively. This slight decrease reflected the increasing cost of running business in major cities of China.

Other income and gains

The Group recorded other income and gains of approximately RMB9.3 million and approximately RMB6.0 million for the years ended 31 December 2023 and 2024, respectively. Such decrease was mainly due to the decrease in the government grants, bank interest income and exchange gains.

Selling and distribution expenses

The Group's selling and distribution expenses has decreased by approximately 21.2% from approximately RMB29.2 million for the year ended 31 December 2023 to approximately RMB23.0 million for the year ended 31 December 2024. The decrease was mainly due to a reduction in staff costs as a result of a streamlined workforce.

Research and development costs

The Group's R&D costs has decreased by approximately 17.0% from approximately RMB38.9 million for the year ended 31 December 2023 to approximately RMB32.3 million for the year ended 31 December 2024. The decrease was mainly due to a reduction in staff costs as a result of a streamlined workforce.

Administrative expenses

The Group's administrative expenses has increased by approximately 28.9% from approximately RMB43.3 million for the year ended 31 December 2023 to approximately RMB55.8 million for the year ended 31 December 2024. The increase was mainly attributable to the need of further business developments for its software development services and technical services into a new business market of the Central Bank Digital Currency network system, in an attempt to expand the Group's clientele and diversify its sources of income.

Other expenses

The Group has recorded an impairment loss on its software copyrights as intangible assets due to delays in the progress of its CBDC business plan.

Loss attributable to the owners of the Company

Due to the foregoing reasons, the Group recorded a loss attributable to the owners of the Company of approximately RMB75.1 million for the year ended 31 December 2024 as compared to a loss attributable to the owners of the Company of approximate RMB47.2 million for the year ended 31 December 2023.

LIQUIDITY AND FINANCIAL RESOURCES

For the year ended 31 December 2024, the Group's cash and cash equivalents, together with available credit facilities and expected cash flow from operations, were sufficient to satisfy the current operational requirements and the capital expenditures of the Group.

The Group's net current assets decreased from approximately RMB209.0 million as at 31 December 2023 to approximately RMB151.0 million as at 31 December 2024. Our cash and cash equivalents were approximately RMB77.3 million as at 31 December 2024 (as at 31 December 2023: approximately RMB122.6 million).

The Group's current ratio, calculated based on current assets over current liabilities, decreased from 5.4 as at 31 December 2023 to 4.7 as at 31 December 2024. The Group's debt to equity ratio increased from 4.1% as at 31 December 2023 to 6.1% as at 31 December 2024. The calculation of debt-equity ratio is based on the total interest-bearing borrowings divided by total equity and multiplied by 100%.

The decrease in current ratio and the increase in debt to equity ratio was primarily due to the net cash flows used in operating activities and the loss attributable to the owners of the Company.

TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policy and thus maintained a healthy liquidity position for the year ended 31 December 2024. To manage the liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

EXPOSURE TO EXCHANGE RATE FLUCTUATION

The Group's main operations are in China with most of its transactions being settled in RMB. Certain portion of the Group's cash and bank deposits are denominated in Hong Kong dollars ("**HK$**") and US dollars ("**US$**"). The balance of cash and cash equivalents of approximately RMB77.3 million as at 31 December 2024 included HK$15.4 million (equivalent to approximately RMB14.2 million) and US$75,000 (equivalent to approximately RMB0.5 million) held in licenced banks in Hong Kong and Mainland China. The Group did not experience any impact or difficulties in liquidity on its operations resulting from currency exchange and no hedging transaction or forward contract arrangement was made by the Group during the year ended 31 December 2024. In this respect, the management of the Company will closely monitor foreign exchange risk to ensure that appropriate measures are implemented in a timely and effective manner.

CAPITAL STRUCTURE

There was no change in the capital structure of the Company during the year ended 31 December 2024. The capital structure of the Group mainly consists of shareholders' equity, which includes share capital and reserves, and bank borrowings. As at 31 December 2024, the Company's issued share capital comprises only 762,000,000 ordinary shares of HK$0.01 each and amounted to HK$7,620,000 (equivalent to RMB6,686,000). Total shareholders' equity of the Company amounted to approximately RMB164.6 million as at 31 December 2024 (as at 31 December 2023: approximately RMB242.1 million).

As at 31 December 2024, the Group's interest-bearing bank borrowings which were repayable within one year amounted to RMB10.0 million (as at 31 December 2023: RMB10.0 million). There is no material seasonality of borrowing requirements for the Group. The interest rates of the Group's total interest-bearing bank borrowings were denominated in RMB and fixed at approximately 2.72% per annum during the year ended 31 December 2024.

USE OF PROCEEDS

On 20 June 2022, the Company completed a rights issue (the "**Rights Issue**") to raise net proceeds of approximately HK$138.0 million (equivalent to approximately RMB118.0 million) by issuing additional 254,000,000 shares of the Company (the "**Rights Shares**") at the subscription price of HK$0.55 per Rights Share. For further information, please refer to the announcements of the Company dated 21 April 2022 and 17 June 2022 respectively, as well as the prospectus of the Company containing details of the Rights Issue dated 26 May 2022 (the "**Rights Issue Prospectus**").

As disclosed in the Right Issue Prospectus, the Company initially intended to apply approximately HK$117.7 million (equivalent to approximately RMB100.6 million) of the net proceeds towards the investment in and upgrade of big data and AI analysis technologies to expand its existing APM business (the "**Initial Intended Use**"). As discussed in the announcement of the Company dated 16 August 2023 (the "**Announcement**"), the Board considered that the Initial Intended Use will not be sufficiently profitable to the Group. After due and careful consideration of the current business and development needs of the Group, the Board had resolved that the Initial Intended Use shall be changed to the investment in or upgrade of digital technologies (including but not limited to CBDC, big data, AI and their related technologies) to expand the businesses of all its existing business segments (the "**Expansion**"). For further details, please refer to the Announcement.

The following table sets out the details of the said net proceeds that were utilised and unutilised as of 31 December 2024 with reference to the revised intended utilisation of net proceeds in accordance with the Announcement (the "**Change in Use of Proceeds**"):

Intended use of proceeds	Original intended utilisation of net proceeds (unutilised as at 31 December 2022)	Net proceeds utilised up to 30 June 2023	Intended utilisation of net proceeds as revised in the Announcement	Net proceeds utilised from 1 July 2023 to 31 December 2023	Net proceeds utilised from 1 January 2024 to 31 December 2024	Unutilised net proceeds as at 31 December 2024
	RMB million	*RMB million*	*RMB million*	*RMB million*	*RMB million*	*RMB million*
(a) Investment in and upgrade of big data and AI analysis technologies to expand its existing APM business	100.6	17.4	*(Note)*	*(Note)*	*(Note)*	
(b) The Expansion	–	–	83.2	37.4	45.8	–
(c) General corporate and working capital purposes	17.4	3.0	14.4	5.0	9.4	–
Total	**118.0**	**20.4**	**97.6**	**42.4**	**55.2**	**–**

Note: Due to the change in use of proceeds in accordance with the Announcement, the unutilised net proceeds for item (a) shall be reallocated to item (b) in this table.

The Board considers that the Initial Intended Use will not be sufficiently profitable to the Group. After due and careful consideration of the current business and development needs of the Group, the Board is of the view that the Change in Use of Proceeds is to provide with the Group with more flexibility, including to develop cutting-edge digital technologies such as smart contract and privacy computing in new business market of the CBDC network system. Save for the aforementioned changes, there is no change in other intended use of net proceeds from the Rights Issue.

The Board considers that the Change in Use of Proceeds and the Expansion (i) will not have any material adverse impact on the existing business and operations of the Group; (ii) is fair and reasonable as this will allow the Group to deploy its financial resources more effectively to better enhance the profitability of the Group; (iii) is in line with the business strategies of the Group; and (iv) is in the interests of the Group and the Shareholders as whole.

CAPITAL EXPENDITURES

For the year ended 31 December 2024, the Group's capital expenditures amounted to approximately RMB4.2 million (2023: RMB18.8 million).

MATERIAL COMMITMENTS OR CONTINGENT LIABILITIES

As at 31 December 2024, the future lease payments for the Groups' non-cancellable lease contracts are RMB2.9 million (2023: RMB0.2 million) due within one year.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the prospectus of the Company dated 30 November 2016 (the "**2016 Prospectus**"), the Rights Issue Prospectus and the announcement of the Company dated 17 March 2025 as mentioned in the section the section headed "EVENTS AFTER THE REPORTING PERIOD" in this announcement, the Group did not have other substantial future plans for material investments and capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

For the year ended 31 December 2024, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

SIGNIFICANT INVESTMENTS AND ACQUISITION OF CAPITAL ASSETS

For the year ended 31 December 2024, the Group did not hold any significant investments nor made any significant acquisition of capital assets.

CHARGE ON GROUP'S ASSETS

As at 31 December 2024, apart from bank deposits amounting RMB1.2 million were pledged in relation to a letter of guarantee (31 December 2023: RMB4.2 million in relation to a short term bank loan, RMB0.9 million in relation to the guarantee), no other Group's assets were charged to any financial institutions.

EMPLOYEES, TRAINING AND REMUNERATION POLICIES

As of 31 December 2024, the Group had 297 employees (2023: 305). The staff costs including Directors' emoluments were approximately RMB84.0 million for the year ended 31 December 2024 (2023: approximately RMB88.4 million).

The employees' compensation of the Group includes basic salary, bonuses, cash subsidies and pension scheme contributions. The Group determines employees' compensation based on each employee's performance, qualifications, position and seniority.

The Company adopted a share option scheme (the "**Share Option Scheme**") on 21 November 2016 to provide incentives and rewards to eligible persons for their contribution to, and continuing efforts to promote the interest of the Group.

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

The Group provides various training programs to the employees, such as corporate culture training and initial training for new employees with a view to improving staff knowledge in a number of important areas of our services, on a quarterly basis. Internal training programs of our Group are also dynamic and tailored in accordance with the particular stage of the Group's development.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirm that at least 25% of the Company's total issued share capital was held by the public (as defined under the Listing Rules) as at the date of this announcement.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2024.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and the risk of non-compliance with relevant requirements which could lead to adverse impact on the business operation and financial position of the Group. The Board is responsible for ensuring that the Group is in compliance with the relevant laws and regulations. The laws and regulations which have a significant impact on the Group include, among others, the Copyright Law of the PRC, the Regulations on Computer Software Protection, the Patent Law of the PRC, the Trademark Law of the PRC and the provisions on protection of personal Information of Telecommunication and Internet User. To the best knowledge of the Board, the Group has complied with relevant laws and regulations during the year ended 31 December 2024.

EVENTS AFTER THE REPORTING PERIOD

On 17 March 2025 (after trading hours), Imperium International Securities Limited (the "**Placing Agent**") and the Company entered into a placing agreement (the "**Placing Agreement**") pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure, on a best effort basis, not less than six placees, who and whose ultimate beneficial owners (if applicable) shall be independent third parties to the Company and who and whose associates are not expected to become a substantial shareholder (as defined under the Listing Rules) of the Company as a result of the Placing (as defined below), to subscribe for up to 10,000,000 new ordinary shares of the Company (the "**Placing Shares**") at the placing price of HK$3.95 (the "**Placing Price**") per Placing Share (the "**Placing**"). The Placing Shares will be allotted and issued pursuant to the general mandate granted by the shareholders of the Company to the Directors at the annual general meeting of the Company held on 24 May 2024 to allot, issue or deal with 152,400,000 shares of the Company. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK$100,000. The Directors considered that the Placing represents a good opportunity to raise additional funds through the equity market, broaden its shareholder base and will strengthen the Group's financial position.

The Placing Price of HK$3.95 per Placing Share represents (i) a discount of approximately 4.13% to the closing price of HK$4.12 per share of the Company (the "**Shares**") as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 3.09% to the average closing price of approximately HK$4.076 per Share as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Placing Agreement.

Subject to completion of the Placing, it is expected that the maximum gross proceeds and net proceeds (after deducting the placing commission, professional fees and all related expenses which were borne by the Company) from the Placing will be approximately HK$39,500,000 and HK$38,970,000 respectively. On such basis, the net issue price will be approximately HK$3.897 per Placing Share.

Completion of the Placing is conditional upon fulfilment of the certain conditions of the Placing on or before 7 April 2025, or such later day as agreed between the Company and the Placing Agent in writing. For further information, please refer to the announcement of the Company dated 17 March 2025.

Save as disclosed above, there is no significant event of the Group after 31 December 2024 and up to the date of this announcement.

CORPORATE GOVERNANCE PRACTICES

The Group's corporate governance practices are based on the principles and the code provisions in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules.

The Board recognizes the value and importance of achieving high corporate governance standards and is committed to upholding good corporate standards and procedures for the best interest of its shareholders.

During the year ended 31 December 2024, the Group has applied the principles of and is in compliance with all code provisions of the CG Code (the "**Code Provisions**") save as disclosed below.

Code Provision C.2.1 provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. Currently, Mr. Shi Zhimin is both the chairman (the "**Chairman**") and chief executive officer (the "**Chief Executive Officer**") of the Company. In view of the fact that Mr. Shi Zhimin possesses extensive management experience in listed companies, the Board considers that vesting the roles of both the Chief Executive Officer and the Chairman in the same person has the benefit of ensuring consistent leadership with the Company and enables more effective and efficient overall strategic planning for the Company. The Board believes that under the supervision of the Board and its independent non-executive Directors, the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and efficiently. The Board shall nevertheless review the structure from time to time and it will consider the appropriate move to take should suitable circumstance arise.

DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2024 (final dividend for the year ended 31 December 2023: Nil).

CLOSURE OF THE REGISTER OF MEMBERS

The forthcoming annual general meeting (the "**AGM**") is scheduled to be held on Friday, 23 May 2025. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 20 May 2025 to Friday, 23 May 2025, both days inclusive, during which period no transfer of Shares will be registered. In order to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the share registrar of the Company 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 Monday, 19 May 2025.

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code of conduct for dealing in securities of the Company by the Directors.

During the year ended 31 December 2024, the Group has made specific enquiry to all Directors, who have confirmed that, each of them was in compliance with the Model Code.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") was established on 21 November 2016 with written terms of reference revised by the Board with effect from 29 November 2018 and 30 December 2024 in compliance with Rules 3.21 and 3.22 of the Listing Rules and Code Provision D.3.3 of the CG Code.

During the year ended 31 December 2024, the Audit Committee comprised Mr. Yeung Man Simon, Mr. Hu Jianjun and Ms. Ru Tingting, all of them were independent non-executive Directors. The chairman of the Audit Committee was Mr. Yeung Man Simon, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

During the year ended 31 December 2024, none of the members of the Audit Committee are former partners of the Company's existing external auditors.

The Group's consolidated financial results for the year ended 31 December 2024 have been reviewed by the Audit Committee and the management of the Company, which were of the view that the preparation of such financial results has complied with the applicable accounting standards, the requirements under the Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

SCOPE OF WORK OF ERNST & YOUNG

The figures in respect of the Group'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 announcement have been agreed by the Group's auditor, Ernst & Young ("**EY**"), to the amounts set out in the Group's draft consolidated financial statement for the year. The work performed by EY 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 EY on the results announcement.

By Order of the Board
International Business Digital Technology Limited
Shi Zhimin
Chairman, Chief Executive Officer and executive Director

Hong Kong, 25 March 2025

As at the date of this announcement, the Board comprises Mr. Shi Zhimin as executive Director; Mr. Guan Haiqing as non-executive Director and Mr. Yeung Man Simon, Mr. Hu Jianjun and Ms. Ru Tingting as independent non-executive Directors.