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Voicecomm Technology Co., Ltd.*

聲通科技股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2495)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2024

The Board is pleased to announce the audited consolidated results of the Group for the year ended December 31, 2024. These results have been prepared in accordance with the applicable requirements of the Listing Rules and the IFRS and have been reviewed by the Audit Committee.

SUMMARY

Financial Overview

| | For the year ended December 31, | | Year- on-year change |
|---|--|----------------|-------------------------------------|
| | 2024 | 2023 | |
| | RMB'000 | RMB'000 | % |
| Revenue | 941,414 | 813,017 | 15.8 |
| – Enterprise-level solutions | 932,484 | 801,060 | 16.4 |
| – Others ⁽¹⁾ | 8,930 | 11,957 | (25.3) |
| Gross profit | 510,422 | 325,417 | 56.9 |
| Gross profit margin ⁽²⁾ | 54.2% | 40.0% | 14.2 |
| | | | Percentage points |
| Loss for the year | (481,451) | (29,201) | 1,548.7 |
| Adjusted net profit (a non-IFRS measure) ⁽³⁾ | 151,369 | 117,691 | 28.6 |
| Adjusted net margin (a non-IFRS measure) ⁽⁴⁾ | 16.1% | 14.5% | 1.6 |
| | | | Percentage points |

Notes:

- (1) Primarily related to promoting products empowered by our conversational AI technologies for our customers, from which we generated revenue.
- (2) Gross profit margin equals gross profit divided by revenue for the period and multiplied by 100%.
- (3) We define the adjusted net profit (a non-IFRS measure) as profit for the period by eliminating the impacts of changes in carrying amount of redeemable capital contributions.
- (4) Adjusted net margin (a non-IFRS measure) equals adjusted net profit (a non-IFRS measure) divided by revenue for the period and multiplied by 100%.

Key Operating Data

The following table sets forth the number of our projects and the rolling backlog of our projects by outstanding contract sum at the end of each period presented.

| | For the year ended December 31, | | Year- on-year change |
|---|--|------------------|-------------------------------------|
| | 2024 | 2023 | % |
| Number of ongoing projects at the beginning of the year | 150 | 84 | 78.6 |
| Add: Number of newly awarded projects | 377 | 298 | 26.5 |
| Less: Number of projects completed | 301 | 232 | 29.7 |
| Number of ongoing projects at the end of the year | 226 | 150 | 50.7 |
| | (RMB'000) | (RMB'000) | |
| Outstanding balance at the beginning of the year | 500,850 | 382,476 | 30.9 |
| Add: Contract value of newly awarded projects | 1,311,040 | 1,013,744 | 29.3 |
| Less: Revenue (VAT inclusive) recognized during the year ⁽¹⁾ | 1,145,659 | 895,370 | 28.0 |
| Outstanding contract sum at the end of the year | 666,231 | 500,850 | 33.0 |

Note:

- (1) As the contract value according to the agreement is inclusive of VAT, for the purposes of calculating the project backlog, the revenue recognized during the relevant year also includes VAT. Moreover, to reflect the implementation and completion of the agreement, the effect of net basis on revenue recognition has not been taken into consideration in the calculation methodology.

MANAGEMENT DISCUSSION AND ANALYSIS

I. OVERVIEW

We are an IT solution provider in China committed to providing services for enterprise customers to improve the level of convenience and intelligence for their information exchanges and business interactions. Based on unified communications technologies, core conversational AI technologies and product engine technologies, we are capable of addressing enterprise-level users' demand for “communication”, “thinking” and “execution”, facilitating a comprehensive enterprise-level conversational AI experience.

We recorded a revenue of RMB941.4 million in 2024, representing a year-on-year increase of 15.8%, and a gross profit of RMB510.4 million, representing a year-on-year increase of 56.9% with gross profit margin up by 14.2 percentage points to 54.2%. The adjusted net profit amounted to RMB151.4 million in 2024, representing a year-on-year increase of 28.6%, and the adjusted net profit margin increased by 1.6 percentage points to 16.1%. Overall results showed a steady growth trend.

In 2024, we continued to advance our conversational AI technology, developing highly mature and commercially valuable products and solutions. Our efforts remained focused on our four core application scenarios including city management and administration, automotive and transportation, telecommunications, and finance. At the same time, we actively expanded into emerging application scenarios such as energy management and holistic healthcare.

In terms of research and development, we are actively monitoring technological advancements in AI and continuously innovating by integrating them with real-world business scenarios. We have launched products such as intelligent work badge and video-information integrated media customer service platform and we have integrated DeepSeek into our smart government affairs solutions framework to better meet customer needs and continuously improve user experience. In terms of capital strategy, we co-established an investment and M&A fund aligned with our industrial strategy to foster an AI industrial ecosystem. In terms of brand recognition, we were recognized in renowned AI industry rankings, including those by Forbes and Hurun. In addition, we hosted the Yanxi Lake Artificial Intelligence Forum (嚴西湖人工智能論壇), bringing together experts, academics, and entrepreneurs across the industry, academia, and research sectors, demonstrating our influence in the field of artificial intelligence.

II. BUSINESS REVIEW

Continuously Enriching Our Solutions based on Conversational AI Technologies

Since our inception, we have evolved from integrated communications to conversational AI-driven technological innovation. Guided by our steadfast commitment to the philosophy of “building an ecosystem with technology as the core” (科技為核，構建生態), we are committed to advancing industry transformation and developing intelligent ecosystems.

We focus on targeted development in core areas and emerging industries, covering four major application scenarios including city management and administration, automotive and transportation, telecommunications, and finance while actively expanding into emerging areas such as energy management and holistic healthcare.

City Management and Administration

We have developed an integrated intelligent community ecosystem, covering diverse application scenarios ranging from community property owners and property service companies to public areas and surrounding businesses. Through this platform, property owners can enjoy convenient services such as smart home control, online payment and community interaction, while property service companies can make use of digitalization to achieve efficient property management and resource scheduling. In addition, the IoT and 5G technology are used to realize the interconnection and interoperability of all smart devices in the community, including smart access control, elevator control and parking management. Residents in the community can remotely control their equipment at home through the one-stop service mobile application and enjoy seamless property services, such as online repair reports, payment notifications and community activity participation. In addition, public areas in the community are equipped with intelligent surveillance systems and emergency alarm devices, combined with AI technology for real-time analysis and risk warning to ensure a safe environment for the community.

Jinxun Digital Intelligence, our non-wholly-owned subsidiary, specializes in the field of public services and has made breakthroughs in practical applications. It has fully integrated DeepSeek into its smart government affairs solutions framework, significantly enhancing the smart government affairs system’s core capabilities in intelligent interactions and data governance. This achievement demonstrates the profound value of advanced AI technologies in practical industry applications.

In the field of government affairs hotlines, our solutions have successfully covered more than 130 prefecture-level cities, making us one of the service providers with the leading number of prefecture-level cities covered in the full-stack enterprise-level conversational AI solution market in China in 2024, laying a solid foundation for the popularization and development of smart government affairs.

Automotive and Transportation

Unmanned Driving Project in Mianyang Sci-Tech City New Area

We kickstarted and implemented the first local unmanned driving project, an important practice in the field of intelligent transportation, in the Mianyang Sci-Tech City New Area (綿陽市科技城新區). The integration of conversational AI technologies and unmanned driving technologies provides broad development prospects for the construction of a smart city in the Mianyang Sci-Tech City New Area.

The “Mianyang City Pilot Project for Autonomous Driving Applications in Urban Travel and Logistics Services” (綿陽城市出行與物流服務自動駕駛先導應用試點) is also the only autonomous driving pilot project in Sichuan Province. As of the end of December 2024, the project has put 52 trial vehicles into operation, which are under testing by the customer, and five major application scenarios have been planned. These include 17 self-driving buses, 4 self-driving shuttle vehicles, 12 outdoor unmanned delivery vehicles, 6 unmanned retail vehicles, 4 unmanned cleaning vehicles, and 9 sets of indoor unmanned delivery robots. The buses and shuttles have travelled a total of more than 85,000 kilometers, serving more than 95,000 people in total; the unmanned retail vehicles have sold more than 1,900 food and beverage items; and the unmanned cleaning vehicles have cleaned an area of more than 4.75 million square meters. To date the project is still undergoing tests. By virtue of its innovation and practical applications in the field of intelligent transportation, the project was successfully selected for inclusion in the “2024 Artificial Intelligence Application Benchmark TOP100” (2024人工智能應用標桿TOP100). With its notable achievements, the “National Intelligent Transportation Pilot Project – Construction of Mianyang Intelligent Connected Vehicles” (全國智能交通試點項目——綿陽智能網聯車構建) has demonstrated its exemplary effect in the field of intelligent transportation.

Telecommunications

We continue to upgrade our intelligent work badge products to integrate functions such as voice recognition, attendance management, and intelligent voice quality inspection to automate service management and supervision processes. The intelligent work badge supports real-time voice recording and analysis, which provides reliable digital support for performance assessments. In addition, the product also supports access management and multi-level data encryption technology to ensure safer data transmission.

We have entered into a strategic cooperation framework agreement with Microware Group Limited (1985.HK) (“**Microware**”) to provide a full range of services from IT infrastructure solutions to service operations and maintenance, primarily for the Chinese mainland, Hong Kong, and Macau markets. With nearly four decades of history as a professional enterprise, Microware serves more than 60% of Hong Kong’s top 100 listed companies, demonstrating its strong brand recognition and extensive industry expertise across the Chinese mainland, Hong Kong, and Macau markets. This collaboration leverages both parties’ technological advantages, market resources, and service networks to create a synergistic ecosystem. We aim to promote the strengthening of the market-oriented technical services and platform-based development, and jointly enhance the diversity of customer service systems. For details of the strategic cooperation framework agreement, please refer to the Company’s voluntary announcement dated July 25, 2024.

Finance

We provide intelligent financial solutions for the financial industry, covering three core functions: video-information integrated media customer service platform, intelligent voice quality inspection and data analysis, and multi-channel integration and security protection. The platform helps banks and insurance companies improve the quality of customer services through the integration of audio and video conversations, remote wealth management consultation, and remote signature with facial recognition in video conferences. The AI-driven voice quality inspection function enables the real-time analysis of customer interactions to ensure service quality. At the same time, the system's multi-channel support and powerful data encryption mechanism provide financial institutions with secure and compliant digital services. Such solutions simplify business processes and promote the intelligent transformation of the financial industry.

III. MILESTONES

Ranked among Forbes China's 2024 Top 50 AI Technology Enterprises (2024福布斯中國人工智能科技企業TOP50榜單)

On April 28, 2024, the results of Forbes China's 2024 Top 50 AI Technology Enterprises were officially released. The Company made it onto Forbes China's 2024 Top 50 AI Technology Enterprises with its outstanding performance in enterprise-level full-stack conversational AI solutions, which demonstrated that the Company excelled in AI technology development, application scenarios and industrial ecology and was recognized by the industry.

Present at the 2024 World Artificial Intelligence Conference

The 2024 World Artificial Intelligence Conference was held in Shanghai on July 4, 2024. The Company's Chief Scientist, Academician Jifeng He, attended the opening ceremony. Mr. Tang Jinghua, our chairman, delivered a keynote speech titled "Multimodal Fusion for AI Evolution" (《多模融合，AI進化》) to discuss the application and development trend of multimodal AI technology. Mr. Sun Qi, the Company's general manager, attended the round-table forum on "Artificial Intelligence and Future Life" (《人工智能與未來生活》) where he discussed with industry experts the impact of AI on future life. At the same time, as an exhibitor in the metaverse technology exhibition area, the Company showcased technologies and products such as digital humans and human-computer interaction.

Listed on the Stock Exchange

The H Shares of the Company were successfully listed on the Main Board of the Stock Exchange on July 10, 2024 with the stock code of 2495. This major milestone marks a brand-new stage in the Company's development, which not only manifests the capital market's high recognition of the Company's business model, core competitiveness and future growth potential, but also provides greater room for the Company's future development.

Headquartered in Wuhan Optics Valley

On September 6, 2024, the Company officially located its headquarters in Wuhan Donghu New Technology Development Zone (“**Wuhan Optics Valley**”), marking an important step forward for the Company in regional layout and strategic development. Furthermore, the Company is accelerating the construction of its headquarters building in Wuhan which is expected to be officially put into use in 2025, and will by then become a vital base for the Company’s technological research and development, industrial collaboration and innovation incubation.

With its strong industrial foundation, big talent pool and superior location advantages, Wuhan Optics Valley provides unique conditions for the Company to further promote technological innovation and industrial ecological construction. Relying on its Wuhan headquarters, the Company will conduct in-depth research and development of core AI technologies, focus on technological breakthroughs and application innovation, and actively expand new AI application scenarios. The Company will also join hands with upstream and downstream industrial chain partners to build an AI-centered industrial ecosystem and promote resource integration and collaborative development.

Construction of AI ecosystem

Financial Investment

Hukou Ruili High Quality Development Private Equity Fund Partnership (Limited Partnership) (湖口瑞力高品質發展私募股權基金合夥企業(有限合夥))

In December 2024, the Company, together with Hukou County Xinghu Holding Industry Group Co., Ltd. (湖口縣興湖控股產業集團有限公司) and Shanghai Haixuan Enterprise Management Partnership (Limited Partnership) (上海海榭企業管理合夥企業(有限合夥)), set up a partnership, namely Hukou Ruili High Quality Development Private Equity Fund Partnership (Limited Partnership) (湖口瑞力高品質發展私募股權基金合夥企業(有限合夥)), with a total scale of RMB600 million, of which the Company contributed 29%. The partnership shall focus on investments in the following sectors: new energy and new materials, fine chemicals, advanced manufacturing, electronic information and digital economy, medical and healthcare, intelligent logistics port, steel and non-ferrous metals, biomedicine, intelligent manufacturing, electronic information, piers, consumption and rural revitalization, biotechnology, culture and tourism, and other industries. For further details of the establishment of the partnership, please refer to the Company’s announcement dated December 3, 2024.

Brand Communication

Yanxi Lake Artificial Intelligence Forum

On August 31, 2024, the “Connect the World with AI and Embrace the Future – Yanxi Lake Artificial Intelligence Forum” (智通四海，擁抱未來——嚴西湖人工智能論壇) was successfully held in Wuhan Optics Valley by the Company. This event brought together officials and experts from the government, academia, industry, finance and media sectors to engage in multi-dimensional discussions on the technological innovation and industrial application of AI, with an aim to promote technological exchange and cooperation and jointly draw a new blueprint for the intelligent era.

During the event, important cooperation agreements were signed by multiple parties in relation to, inter alia, the location of the Company’s Wuhan headquarters, AI application scenarios and projects related to industry funds. On top of that, the Company displayed innovative products such as virtual digital humans and intelligent video inspection platforms. Experts from academia, e.g. Shanghai Jiao Tong University and Wuhan University, were assembled in the industry-academia-research exchange to jointly explore the technology implementation and talent cultivation model of AI.

The 22nd China Intelligent Customer Service Conference (第二十二屆中國智能客服發佈會)

The Company successfully hosted the 22nd China Information Technology Services & Intelligent Customer Service Best Practice Conference (第二十二屆中國信息技術服務智能客戶服務最佳實踐發佈會) in Chongming, Shanghai from December 12 to December 13, 2024. Titled “New Business Forms, New Models and New Abilities” (新業態•新模式•新能力), this conference gathered government, enterprise and industry experts to discuss how intelligent customer services can promote industrial digital transformation and improve service quality and efficiency. As a leader in the field of conversational AI in China, the Company will as always uphold the spirit of innovation, enhance its intelligent customer service capabilities, and provide efficient solutions for enterprises to underpin the development of the digital economy. It will also contribute to the development of the industry and the improvement of public service quality under the “people-oriented” (以人民為中心) service tenet.

Strategic Cooperation Agreements

Microware

The Company has entered into a strategic cooperation framework agreement with Microware. Please refer to the section headed “II. BUSINESS REVIEW – Telecommunications” above.

Qinghai Hydropower (Group) Co., Ltd. (青海省水利水電(集團)有限責任公司) (“Qinghai Hydropower Group”)

The Company has entered into a memorandum of understanding with Qinghai Hydropower Group, under which both parties agreed to engage in in-depth cooperation in the industries of intelligent hydropower, clean energy, artificial intelligence (AI) and big data. Both parties will share their resources in the areas of research and development, marketing and industry convergence, with a view to co-build a new informational and intelligent service platform and ecosystem catering to the needs of the intelligent hydropower industry. By leveraging Qinghai Hydropower Group’s resource advantage in existing hydropower projects and the Company’s technology advantage in AI, the parties will establish a sustainable strategic partnership to realize mutual benefits. They will also assist each other in gaining market share and creating business value by implementing multiple projects. For details of the memorandum of understanding, please refer to the Company’s voluntary announcement dated September 30, 2024.

China Construction First Building Group Construction Development Co., Ltd. (中建一局集團建設發展有限公司) (“China Construction First Building Construction Development”)

The Company entered into a strategic cooperation agreement with China Construction First Building Construction Development, pursuant to which both parties will engage in in-depth cooperation across multiple fields. According to the strategic cooperation agreement, the Company will gradually participate in industrial park construction projects located in Shanghai, Wuhan and Malaysia. China Construction First Building Construction Development will fully leverage its expertise and experiences in the area of construction to provide high quality construction service in tandem with the Company, and ensure the quality, safety and timely delivery of the projects, thereby offering comprehensive support for further expansion of the Company’s business.

Meanwhile, the subsidiary of China Construction First Building Construction Development, CSCEC-CP Science & Technology Co., Ltd., has rolled out “Linker”, a smart construction site system and an intelligent construction platform, which is poised to offer all-round smart management for multiple upcoming construction projects. Building upon this foundation, both parties will forge in-depth cooperation and jointly promote the intelligent transformation of construction projects during the construction process, setting a benchmark for industry advancement.

In addition, both parties will engage in comprehensive cooperation in terms of intelligent operations. By establishing a collaboration model on the industry value chain, both parties aim to consolidate resources and complement strengths to bring about mutual benefits. The Company will be responsible for the comprehensive operation services of the industrial park project, while China Construction First Building Construction Development will focus on leading the construction phase. Both parties will integrate multiple resources, work sincerely together, and jointly promote the efficient implementation and successful execution of the project. For details of the strategic cooperation agreement, please refer to the Company’s voluntary announcement dated September 2, 2024.

IV. BUSINESS OUTLOOK

Expanding Application Scenarios to Create the Second Growth Curve

With the backing of the four core scenarios that we have cultivated over the years, the Company will fully leverage its advantages in technological accumulation, market experience and resource integration to identify the horizontal expansion of its business areas as the second growth curve driving the future development of the Company. Through continuous exploration and discovery of new application scenarios, the Company is committed to creating innovative solutions with high added value in the fields of energy management and holistic healthcare.

Energy Management

Our AI-empowered intelligent charging solution is designed to connect charging piles, intelligent parking lots and other ecosystems, achieving seamless connection between piles and vehicles, automatic recognition and automatic charging services. Meanwhile, we have integrated China's charging pile resources and covered mainstream charging pile networks in various Southeast Asian countries, offering car owners more charging options with high standards. Besides, the self-developed intelligent charging algorithm based on an AI foundation can help charging enterprises and governments optimize the charging equipment deployment and energy management.

Specifically, our one-stop charging solution is based on an integrated digital platform, which provides consumers with one-stop services such as checking, guiding, charging and paying; offering business operators with operational tools such as station management, order management and data analytics etc.; and supplying government departments with a unified platform for access, supervision and services, to support the formulation of policies and collaborations within the industry. Meanwhile, the solution supports various hardware compatibilities and protocol standards to meet the needs of different brands and types of charging piles. It provides users with convenient services such as route planning, energy consumption prediction, and QR-code charging activation through smart charging maps on the mobile-end and vehicle-end. In addition, we offer users life cycle management, benefits allocation, campaign operation as well as after-sales support to help customers optimize operational efficiency and enhance user experience. The flexible and customizable overall solution adapts to diverse market needs and drives the intelligent and sustainable development of the global charging network.

Holistic Healthcare

Intelligentized Elderly Care

As population aging intensifies and family-based elderly care as a tradition weakens, the existing healthcare system struggles to meet the new business demands for integrated medical and elderly care services. To address this societal challenge, we have introduced an intelligent elderly care solution.

The intelligent elderly care platform project aims to improve elderly care services across the board and establishes a comprehensive service system that combines home-based elderly care, community-based elderly care and institutional elderly care through informatization and intelligentization. Built on an elderly database, a call center, and smart terminal devices, the platform delivers three core services: emergency response, living assistance, and proactive care. It provides an efficient and convenient service medium while empowering governments with operational and management tools, ultimately strengthening public governance capabilities.

The platform covers the application of advanced technologies including mental health monitoring and evaluation, large-model for emotional analysis, and large-model for health analysis. For instance, it employs multi-modal data analysis such as voice, text, and facial expressions, to evaluate the emotional states of elderly people, identify emotional fluctuations such as depression or anxiety, and generate emotional trend curves. These insights enable personalized companionship recommendations for family members and caregivers. In addition, by collecting physiological data such as heart rate and blood pressure, the platform creates dynamic health profiles to predict risks, generates tailored health management advice, and automatically produces health reports. This holistic approach ensures the comprehensive safeguarding of the physical and mental well-being of the elderly.

Intelligent Work Badge Project for Chongqing Pharmaceutical (Group) Co., Ltd.

We established deep business collaborations with Chongqing Pharmaceutical (Group) Co., Ltd. (“**Chongqing Pharmaceutical Group**”). As an industry leader, Chongqing Pharmaceutical Group’s front-line sales services encompass processes such as medication recommendations, prescription reminders, and client relationship management, which require not only extensive expertise, but also sophisticated sales and service techniques. However, Chongqing Pharmaceutical Group still lacks efficient solutions in terms of hands-on training and operational supervision.

To address this pain point, we proposed a solution centered around the intelligent work badge. Predicated on advanced technologies such as automatic speech recognition (ASR), natural language processing (NLP), and a customizable quality inspection platform, we created an intelligent training and quality inspection system to holistically improve the average professional skills and service level of employees.

By collecting and uploading real-time, front-line sales and service data, intelligent work badges enable comprehensive supervision over employees' service and marketing processes as well as the accurate identification of procedural deviations through a customized scoring system. This solution not only helps Chongqing Pharmaceutical Group optimize its employee training system by strengthening employees' professional know-how and marketing capabilities, but also markedly enhances the conversion ability of "one customer, multiple orders". Leveraging the solution, Chongqing Pharmaceutical Group precisely aligned employees' execution with management's strategic objectives, injecting powerful impetus into its performance growth.

Establishing an AI Industry Ecosystem by Getting Involved in Investments and Mergers and Acquisitions

The Company will fully utilize its resource endowment and brand influence as a listed company, actively deploying and highly engaging in the integration of upstream and downstream industry chain with the Company as the core by means of direct investment or the establishment of industrial funds. At the same time, the Company will focus on quality enterprises in the field of artificial intelligence and digital economy, accelerating the expansion of its core business and the release of synergies through strategic mergers and acquisitions or investments.

Through this series of initiatives, the Company aims to establish an AI technology and industry ecosystem with itself as the core, further strengthen the collaborative relationships with partners and achieve closed-loop production with resource sharing, technology co-creation and co-benefits, so as to consolidate the competitive advantage of the Company in the emerging technology field and realize sustainable growth and value creation.

Developing Overseas Markets while Adhering to International Brand Strategy

In February 2025, the Company has successfully completed the registration of its Malaysian subsidiary, Voicecomm Technology (Malaysia) SDN. BHD. With Malaysia as the core, the Company will continue to deepen its channel expansion and market layout in the ASEAN region, fully tapping into the huge potential of emerging markets for enterprise-level artificial intelligence solutions. The Company will promote the extensive application of its core technologies and innovative products in the ASEAN market by establishing strategic partnerships with leading local technology enterprises, further enhancing the technological influence and brand awareness of the Company in the international market. In the meantime, the Company will integrate the market characteristics and policy advantages of ASEAN countries, optimize the allocation of resources, and strengthen localized operational capabilities to ensure the efficiency and effectiveness of the implementation of the strategy.

Based on the above, the Company will also deploy its business system in the Middle East in a timely manner, focusing on countries with rapid growth economies and high technology demand, such as the United Arab Emirates, Saudi Arabia, and Oman. By the export of advanced technology solutions, the Company will actively empower the local industrial upgrading and digital transformation to help the Middle East realize technological modernization and sustainable development.

The Company is of the view that, with its technological advantages in the field of artificial intelligence and its global vision, it is capable of establishing a long-term and solid business foundation in the ASEAN and Middle East markets, injecting strong momentum into the advancement of the Company's overall internationalization strategy.

V. FINANCIAL REVIEW

The following table sets forth our audited condensed consolidated statements of profit or loss for the Reporting Period together with the change (expressed in percentages) for the year ended December 31, 2023 to the corresponding period in 2024:

| | For the year ended December 31, | | Year- on-year change |
|--|------------------------------------|-----------|----------------------------|
| | 2024 | 2023 | |
| | RMB'000 | RMB'000 | % |
| Revenue | 941,414 | 813,017 | 15.8 |
| Cost of revenue | (430,992) | (487,600) | (11.6) |
| Gross profit | 510,422 | 325,417 | 56.9 |
| Other revenue | 10,893 | 27,226 | (60.0) |
| Other net gain/(loss) | 747 | (25) | (3,088.0) |
| Research and development expenses | (133,728) | (98,798) | 35.4 |
| Selling and marketing expenses | (21,589) | (10,347) | 108.6 |
| Administrative and other operating expenses | (77,340) | (58,499) | 32.2 |
| Impairment loss on trade receivables | (121,253) | (55,379) | 119.0 |
| Profit from operations | 168,152 | 129,595 | 29.8 |
| Net finance costs | (18,239) | (11,696) | 55.9 |
| Changes in carrying amount of redeemable capital contributions | (632,820) | (146,892) | 330.8 |
| Changes in fair value of financial assets measured at fair value through profit or loss | 3,952 | 258 | 1,431.8 |
| Share of gain/(loss) of an associate | 1 | (20) | (105.0) |
| Loss before taxation | (478,954) | (28,755) | 1,565.6 |
| Income tax | (2,497) | (446) | 459.9 |
| Loss for the year | (481,451) | (29,201) | 1,548.7 |
| Attributable to | | | |
| <i>Equity shareholder of the Company</i> | (488,675) | (33,754) | 1,347.8 |
| <i>Non-controlling interests</i> | 7,224 | 4,553 | 58.7 |

Revenue

During the Reporting Period, we generated our revenue on a project basis mainly from offering enterprise-level solutions enabled primarily by our technologies on unified communications and AI to our customers. Depending upon specific users' concrete needs, the extent to which a certain solution involves each category of technologies may vary. The following table sets forth a breakdown of our total revenue by offering categories for the years indicated:

| | For the year ended December 31, | | Year- on year change |
|----------------------------|------------------------------------|----------------|----------------------------|
| | 2024 | 2023 | |
| | <i>RMB'000</i> | <i>RMB'000</i> | % |
| Enterprise-level solutions | 932,484 | 801,060 | 16.4 |
| Others ⁽¹⁾ | 8,930 | 11,957 | (25.3) |
| Total | 941,414 | 813,017 | 15.8 |

Note:

- (1) Primarily related to promoting products empowered by our conversational AI technologies for our customers, from which we generated revenue.

During the Reporting Period, our customers for our solutions included: (i) system integrators that embedded our solutions into their offerings to enterprise-level users; and (ii) enterprise-level users that used our solutions directly. The following table sets forth a breakdown of our revenue generated from offering solutions by customer types, in absolute amounts and as a percentage of total solution revenue, for the periods indicated:

| | For the year ended December 31, | | Year- on-year change |
|---------------------------------|------------------------------------|----------------|----------------------------|
| | 2024 | 2023 | |
| | <i>RMB'000</i> | <i>RMB'000</i> | % |
| Revenue from | | | |
| – <i>System integrators</i> | 754,134 | 638,528 | 18.1 |
| – <i>Enterprise-Level users</i> | 178,350 | 162,532 | 9.7 |
| Total | 932,484 | 801,060 | 16.4 |

Our total revenue increased from RMB813.0 million for the year ended December 31, 2023 to RMB941.4 million for the same period in 2024, representing a year-on-year increase of 15.8%, primarily due to the fact that we continue to invest in research and development and continue to enhance the practicality and commercial value of our solutions through technological innovation and product iteration, to meet the diverse needs of the market and our customers more efficiently and accurately. Meanwhile, we closely track industry trends and changes in the market environment and make timely adjustments to our marketing strategies and business development focus, to maintain the leading advantage in the competition. At the same time, our strong customer stickiness has ensured the continued contribution of stable income from other revenue sources. Continuous and stable customer repurchase, and rapid development of new customer channels constituted the dual drivers for revenue growth.

During the Reporting Period, we generated our revenue primarily from providing our solutions in a number of end-customer industries, mainly including city management and administration, automotive and transportation, telecommunications, and finance. The following table sets forth a breakdown of our revenue generated from offering solutions by end-customer industries, in absolute amounts and as a percentage of total solution revenue, for the periods indicated:

| | For the year ended December 31, | | | | Year-on-year |
|------------------------------------|---------------------------------|--------------|----------------|--------------|--------------|
| | 2024 | | 2023 | | change |
| | <i>RMB'000</i> | <i>%</i> | <i>RMB'000</i> | <i>%</i> | <i>%</i> |
| City management and administration | 388,545 | 41.7 | 321,239 | 40.1 | 21.0 |
| Automotive and transportation | 198,696 | 21.3 | 191,077 | 23.9 | 4.0 |
| Telecommunications | 172,220 | 18.5 | 173,976 | 21.7 | (1.0) |
| Finance | 100,674 | 10.8 | 84,530 | 10.6 | 19.1 |
| Other industries | 72,349 | 7.7 | 30,238 | 3.7 | 139.3 |
| Total | 932,484 | 100.0 | 801,060 | 100.0 | 16.4 |

Our revenue from city management and administration increased from RMB321.2 million for the year ended December 31, 2023 to RMB388.5 million for the same period in 2024, representing a year-on-year increase of 21.0%, primarily due to the fact that we continue to enrich products and solutions for the construction of smart city, digital intelligence government governance, smart community intelligence and other scenarios, as well as actively expand new city cooperation projects and continuously develop new customer resources.

Our revenue from automotive and transportation increased from RMB191.1 million for the year ended December 31, 2023 to RMB198.7 million for the same period in 2024, representing a year-on-year increase of 4.0%, primarily due to the fact that the commercial vehicle market remains in a period of adjustment in 2024, with downward pressure on the overall market, while the new energy commercial vehicle market continues to grow robustly. While maintaining our existing customers, we actively explore the new energy commercial vehicle market and maintain the revenue of automotive and transportation scenarios stable.

Our revenue from telecommunications decreased from RMB174.0 million for the year ended December 31, 2023 to RMB172.2 million for the same period in 2024, representing a year-on-year decrease of 1.0%, primarily due to the fact that the Company generally cooperate with large telecommunication operators and the projects usually bear cyclicity, which in turn affects the Company's revenue, which remains stable overall.

Our revenue from the finance industry increased from RMB84.5 million for the year ended December 31, 2023 to RMB100.7 million for the same period in 2024, representing a year-on-year increase of 19.1%, primarily due to the fact that the Company continues to enrich its related product portfolio, launch innovative digital solutions such as the intelligent employee training platform and Internet video customer service and expand its customer base through the new provision of service to various first-class enterprises in the fields of banking, securities and fund.

Our revenue from other industries increased from RMB30.2 million for the year ended December 31, 2023 to RMB72.3 million for the same period in 2024, representing a year-on-year increase of 139.3%, primarily due to the fact that the Company actively explores diversified businesses. The new business segments have started to generate revenue, which represents a rapid growth.

With the steady increase in the Company's market presence and strengthening of our brand image, we have earned a high level of customer recognition in the market. This significant increase in recognition has consolidated our leading position in the four major end-customer industries. The trust and reliance of these customers on our products further proves that our products not only have excellent applicability in specific fields, but also have the potential for a wide range of cross-industry and cross-domain applications.

Costs and Expenses

During the Reporting Period, our cost of revenue primarily consisted of (i) equipment costs in relation to hardware devices such as communication devices, servers and computers that were integrated into our solutions; (ii) network and other telecommunication resource costs, which primarily represented the network resources we procured for our city management and administration projects; (iii) employee benefit expenses; (iv) depreciation and amortization; (v) costs mainly in relation to providing promotion services for the sales of telecommunications terminals and other telecommunications resources and services; (vi) externally outsourced services primarily on developing project-specific software tailoring to certain customers' specific demand on functionalities that are incidental to our technologies in order to enable offering total solutions; and (vii) other costs.

The following table sets forth a breakdown of our cost of revenue by nature, in absolute amounts and as a percentage of the total cost of revenue for the periods indicated:

| | For the year ended December 31, | | | |
|--|---------------------------------|--------------|----------------|--------------|
| | 2024 | | 2023 | |
| | <i>RMB'000</i> | <i>%</i> | <i>RMB'000</i> | <i>%</i> |
| Equipment costs | 152,616 | 35.4 | 300,593 | 61.7 |
| Network and other telecommunication resource costs | 100,348 | 23.3 | 100,390 | 20.6 |
| Employee benefit expenses | 7,209 | 1.7 | 10,908 | 2.2 |
| Depreciation and amortization | 16,099 | 3.7 | 4,367 | 0.9 |
| Promotion service costs | 11,836 | 2.7 | 11,670 | 2.4 |
| Costs of outsourced services | 117,792 | 27.3 | 53,775 | 11.0 |
| Others | 25,092 | 5.9 | 5,897 | 1.2 |
| Total | 430,992 | 100.0 | 487,600 | 100.0 |

Our cost of revenue decreased from RMB487.6 million for the year ended December 31, 2023 to RMB431.0 million for the same period in 2024, representing a year-on-year decrease of 11.6%, which was mainly due to the increase in the proportion of high net profit projects and decrease of hardware delivery.

Gross Profit and Gross Profit Margin

As a result of the foregoing, for the Reporting Period, we recorded a gross profit of RMB510.4 million, representing a year-on-year increase of 56.9%, due to the overall growth of our revenue and the increase in the proportion of high net profit projects. Our gross profit margin increased by 14.2 percentage points from 40.0% for the year ended December 31, 2023 to 54.2% for the same period in 2024.

Other Revenue

Our other revenue decreased from RMB27.2 million for the year ended December 31, 2023 to RMB10.9 million for the same period in 2024, primarily due to (i) the Company receiving a tax refund of approximately RMB18.6 million in early 2023 and (ii) the one-off government subsidy of approximately RMB8.5 million received by the Company in 2023. Excluding these two factors, the overall other revenue remained consistent.

Research and Development Expenses

Our research and development expenses increased from RMB98.8 million for the year ended December 31, 2023 to RMB133.7 million for the same period in 2024, primarily due to the continuous increase in our research and development efforts to enhance our technological capabilities and to meet the needs of our business growth, including the addition of property and equipment such as servers and intangible assets that incurred more depreciation and amortization and implementation of technical services from third parties.

Selling and Marketing Expenses

Our selling and marketing expenses increased from RMB10.3 million for the year ended December 31, 2023 to RMB21.6 million for the same period in 2024, primarily due to (i) the increased headcounts and compensation level of our selling and marketing staff as a result of the expansion of our sales team, and (ii) increased marketing activities to further develop customers and markets.

Administrative and Other Operating Expenses

Our administrative and other operating expenses increased from RMB58.5 million for the year ended December 31, 2023 to RMB77.3 million for the same period in 2024, primarily due to (i) the increased headcounts and compensation level of our administrative staff, (ii) increase in depreciation as a result of an increase in assets and office leased premises, and (iii) an increase in consulting service fee.

Impairment Loss on Trade Receivables

Our impairment loss on trade receivables increased from RMB55.4 million for the year ended December 31, 2023 to RMB121.3 million for the same period in 2024, primarily due to (i) the increase in the balance of trade receivables with the growth of revenue, (ii) the change in the aging structure of trade receivables, of which long-term trade receivables took up a larger proportion, and (iii) change of registered address of the Company and change of the Company's name in the second half of 2024 which involved registration of industrial and commercial change, leading to delays in the progress of billing and collection of payments.

Net Finance Costs

Our net finance costs increased from RMB11.7 million for the year ended December 31, 2023 to RMB18.2 million for the same period in 2024, primarily due to an increase in bank loans and a corresponding increase in interest on bank loans.

Changes in Carrying Amount of Redeemable Capital Contributions

As of June 30, 2024, December 31, 2023, June 30, 2023 and December 31, 2022, redeemable capital contributions were measured at the fair value of the shares of the Company held by the Pre-IPO Investors (as described in the Prospectus). Our changes in carrying amount of redeemable capital contributions increased from RMB146.9 million as of 2023 to RMB632.8 million in 2024, primarily due to increase of carrying amount of redeemable capital contributions before the completion of the Global Offering from RMB852.9 million as of December 31, 2023 to RMB1,485.7 million as of the date of completion of the Global Offering. The balance were reclassified as equity upon Listing due to the special rights associated with the investors were unconditionally terminated.

Changes in Fair Value of Financial Assets Measured at Fair Value through Profit or Loss

Our changes in fair value of financial assets measured at fair value through profit or loss increased from a fair value gain of RMB0.3 million for the year ended December 31, 2023 to a fair value gain of RMB4.0 million for the same period in 2024. This was mainly due to the increase of RMB6.5 million in fair value of wealth management products purchased by the Company during the Reporting Period.

Income Tax

Our income tax increased from a tax charge of RMB0.4 million for the year ended December 31, 2023 to a tax charge of RMB2.5 million for the same period in 2024, primarily due to the increase in the tax charge in line with the increase in profit of this year.

Loss for the year

As a result of the foregoing, our loss for the year increased from RMB29.2 million for the year ended December 31, 2023 to a loss of RMB481.5 million for the same period in 2024, primarily due to the increase of changes in carrying amount of redeemable capital contributions.

Non-IFRS Measure

To supplement our consolidated financial statements which are presented in accordance with IFRS, we also use the adjusted net profit (a non-IFRS measure) as an additional financial measure, which is not required by, or presented in accordance with, IFRS. We believe that such non-IFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impacts of certain items. We believe that such measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of the adjusted net profit (a non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

We define the adjusted net profit (a non-IFRS measure) as profit for the period by eliminating the impacts of changes in carrying amount of redeemable capital contributions. The following table reconciles our adjusted net profit (a non-IFRS measure) presented to the financial measure calculated and presented in accordance with IFRS, namely profit/loss for the year:

| | For the year ended December 31, | | Year- |
|---|--|-----------------------|--------------------|
| | 2024 | 2023 | on-year |
| | RMB'000 | RMB'000 | change |
| | | | % |
| Reconciliation of loss for the year and adjusted net profit (a non-IFRS measure) | | | |
| Loss for the year | (481,451) | (29,201) | 1,548.7 |
| Add: | | | |
| Changes in carrying amount of redeemable capital contributions | <u>632,820</u> | <u>146,892</u> | <u>330.8</u> |
| Adjusted net profit (a non-IFRS measure) | <u>151,369</u> | <u>117,691</u> | <u>28.6</u> |

Our management considers that changes in carrying amount of redeemable capital contributions is a non-cash item, primarily due to which we incurred net loss as of July 10, 2024 and the balance of the redeemable capital contributions were reclassified from financial liabilities to equity upon Listing. Therefore, by eliminating the impacts of the said item in the calculation of the adjusted net profit (a non-IFRS measure), such measure could better reflect our underlying operating performance and could better facilitate the comparison of operating performance from year to year.

Liquidity and Capital Resources

We have maintained a comprehensive treasury policy detailing specific functions and internal control measures for capital use. These functions and measures include but are not limited to procedures of capital management and liquidity management. We manage and maintain our liquidity through the use of internally generated cash flows from operations and bank borrowings. We regularly review our major funding positions to ensure that we have adequate financial resources in meeting our financial obligations.

For the Reporting Period, we funded our working capital and other capital expenditure requirements through a combination of income generated from operations and investments received. The following table sets forth a summary of our cash flows for the periods indicated:

| | For the year ended December 31, | |
|--|--|-----------------------|
| | 2024 | 2023 |
| | <i>RMB'000</i> | <i>RMB'000</i> |
| Net cash used in operating activities | (129,211) | (68,069) |
| Net cash used in investing activities | (613,424) | (184,386) |
| Net cash generated from financing activities | <u>790,448</u> | <u>278,897</u> |
| Net increase in cash | 47,813 | 26,442 |
| Cash at beginning of the period | 46,876 | 20,434 |
| Effect of foreign exchange rate changes | <u>454</u> | <u>—</u> |
| Cash at the end of the period | <u>95,143</u> | <u>46,876</u> |

Cash

For the Reporting Period, our net cash used in operating activities was RMB129.2 million, which was primarily attributable to the increase in our trade and other receivables and prepayments.

For the Reporting Period, our net cash used in investing activities was RMB613.4 million, primarily as a result of payment for the acquisition of property and equipment and intangible assets of RMB399.1 million and the purchase of wealth management products of RMB219.2 million.

For the Reporting Period, our net cash generated from financing activities was RMB790.4 million, primarily as a result of proceeds from bank loans of RMB689.8 million, partially offset by repayment of bank loans of RMB455.7 million and Global Offering funds of RMB620.3 million.

As a result of the foregoing, our cash, which were primarily held in Renminbi, increased by 102.8% from RMB46.9 million as of December 31, 2023 to RMB95.1 million as of December 31, 2024.

As of December 31, 2024, the Group and its subsidiaries and branches mainly operated in China and overseas regions such as Hong Kong. In order to meet daily business needs, we held a certain amount of Hong Kong dollars and offshore RMB, and were therefore exposed to foreign exchange risks due to exchange rate fluctuations. We will continue to monitor changes in exchange rate and make prudent analyses. We will take measures such as hedging and fund structure optimization where necessary to mitigate impact from exchange rate fluctuations.

Indebtedness

As of December 31, 2024, as we had utilized a credit limit of RMB421.0 million for bank borrowings, our unutilized banking facilities were RMB229.9 million. Our bank loans carry fixed or floating interest rates. As at December 31, 2024, approximately 86.3% of our bank loans were at fixed interest rates and the remainder was at floating rates. Our bank loans carried an interest rate ranging from 2.7% to 7.0% per annum and matured within one year. To manage our interest rate exposure, we optimise our debt portfolio and enter into hedges (if appropriate).

Gearing Ratio

As of December 31, 2024, our gearing ratio, being total liabilities divided by total assets and multiplied by 100%, was 33.2%.

Capital Expenditures

We regularly incur capital expenditures to purchase our property and equipment, as well as intangible assets, in order to enhance our research and development and commercialization capabilities, and expand our business operations. The following table sets forth our capital expenditure for the periods indicated:

| | As of December 31, | |
|---|---------------------------|-----------------------|
| | 2024 | 2023 |
| | <i>RMB'000</i> | <i>RMB'000</i> |
| Payment for the acquisition of property and equipment and intangible assets | <u>399,080</u> | <u>182,914</u> |
| Total | <u>399,080</u> | <u>182,914</u> |

Contingent Liabilities

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

Significant Investments and Future Plans for Material Investments or Capital Assets

As of December 31, 2024, we did not hold any significant investment. In addition, save for the expansion plans as disclosed in the sections headed “Business” and “Future Plans and Use of Proceeds” in the Prospectus, we have no future plans for material investments or capital assets.

Material Acquisitions and Disposals

For the Reporting Period, we did not conduct any material acquisitions or disposals of subsidiaries, associates or joint ventures.

Charges on Group Assets

As of December 31, 2024, we did not have any charged assets.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2024**

(Expressed in Renminbi)

| | <i>Note</i> | 2024 RMB'000 | 2023 RMB'000 |
|---|-------------|-------------------------------|-------------------------------|
| Revenue | 4 | 941,414 | 813,017 |
| Cost of revenue | | <u>(430,992)</u> | <u>(487,600)</u> |
| Gross profit | | 510,422 | 325,417 |
| Other revenue | 5(a) | 10,893 | 27,226 |
| Other net gain/(loss) | 5(b) | 747 | (25) |
| Research and development expenses | | (133,728) | (98,798) |
| Selling and marketing expenses | | (21,589) | (10,347) |
| Administrative and other operating expenses | | (77,340) | (58,499) |
| Impairment loss on trade receivables | | <u>(121,253)</u> | <u>(55,379)</u> |
| Profit from operations | | 168,152 | 129,595 |
| Net finance costs | | (18,239) | (11,696) |
| Changes in carrying amount of redeemable capital contributions | | (632,820) | (146,892) |
| Changes in fair value of financial assets measured at fair value through profit or loss | | 3,952 | 258 |
| Share of gain/(loss) of an associate | | <u>1</u> | <u>(20)</u> |
| Loss before taxation | 6 | (478,954) | (28,755) |
| Income tax | 7 | <u>(2,497)</u> | <u>(446)</u> |
| Loss for the year | | <u>(481,451)</u> | <u>(29,201)</u> |
| Attributable to: | | | |
| Equity shareholders of the Company | | (488,675) | (33,754) |
| Non-controlling interests | | <u>7,224</u> | <u>4,553</u> |
| Loss for the year | | <u>(481,451)</u> | <u>(29,201)</u> |
| Loss per share | 8 | | |
| Basic (RMB) | | <u>(8.62)</u> | <u>(1.13)</u> |
| Diluted (RMB) | | <u>(8.62)</u> | <u>(1.13)</u> |

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**
(Expressed in Renminbi)

| | <i>Note</i> | 2024 RMB'000 | 2023 RMB'000 |
|--|-------------|-------------------------------|------------------------|
| Loss for the year | | (481,451) | (29,201) |
| Other comprehensive income for the year (after tax and reclassification adjustments) | | | |
| Item that will not be reclassified to profit or loss: | | | |
| Equity investments at FVOCI – net movement in fair value reserves (non-recycling) (net of tax RMB23,000 (2023: RMB31,000)) | | <u>(129)</u> | 180 |
| | | <u>(129)</u> | 180 |
| Item that may be reclassified subsequently to profit or loss: | | | |
| Exchange differences on translation of: | | | |
| – financial statements of an overseas subsidiary | | <u>(6)</u> | – |
| | | <u>(6)</u> | – |
| Other comprehensive income for the year | | (135) | 180 |
| Total comprehensive income for the year | | <u>(481,586)</u> | <u>(29,021)</u> |
| Attributable to: | | | |
| Equity shareholders of the Company | | (488,810) | (33,574) |
| Non-controlling interests | | <u>7,224</u> | <u>4,553</u> |
| Total comprehensive income for the year | | <u>(481,586)</u> | <u>(29,021)</u> |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in Renminbi)

| | Note | 2024 RMB'000 | 2023 RMB'000 |
|---|------|------------------|------------------|
| Non-current assets | | | |
| Property and equipment | | 115,130 | 96,647 |
| Right-of-use assets | | 16,070 | 14,616 |
| Intangible assets | | 139,154 | 110,682 |
| Goodwill | | 39,168 | 39,168 |
| Interests in associates | | 231 | 230 |
| Equity security designated at fair value through other comprehensive income (“FVOCI”) | | 619 | 771 |
| Financial assets measured at fair value through profit or loss (“FVPL”) | | 26,341 | 28,595 |
| Prepayments | | 467,446 | 179,956 |
| Other receivables | | 12,000 | — |
| Deferred tax assets | | 49,304 | 18,399 |
| | | <u>865,463</u> | <u>489,064</u> |
| Current assets | | | |
| Inventories and other contract costs | 9 | 44,771 | 7,653 |
| Trade and other receivables | 10 | 926,615 | 602,705 |
| Prepayments | 10 | 244,488 | 233,834 |
| Financial assets measured at fair value through profit or loss (“FVPL”) | | 218,841 | — |
| Cash | | 95,143 | 46,876 |
| | | <u>1,529,858</u> | <u>891,068</u> |
| Current liabilities | | | |
| Trade and other payables | 11 | 84,040 | 43,389 |
| Contract liabilities | | 67,632 | 97,423 |
| Bank loans | | 586,100 | 342,000 |
| Lease liabilities | | 11,349 | 8,115 |
| Taxation payable | | 32,089 | 3,169 |
| Redeemable capital contributions | | — | 852,912 |
| | | <u>781,210</u> | <u>1,347,008</u> |
| Net current assets/(liabilities) | | <u>748,648</u> | <u>(455,940)</u> |
| Total assets less current liabilities | | <u>1,614,111</u> | <u>33,124</u> |

| | <i>Note</i> | 2024 <i>RMB'000</i> | 2023 <i>RMB'000</i> |
|--|-------------|--------------------------------------|--------------------------------------|
| Non-current liabilities | | | |
| Bank loans | | – | 10,000 |
| Lease liabilities | | 10,608 | 10,684 |
| Deferred tax liabilities | | 1,724 | 2,832 |
| Deferred income | | 1,022 | 2,036 |
| | | 13,354 | 25,552 |
| NET ASSETS | | 1,600,757 | 7,572 |
| CAPITAL AND RESERVES | | | |
| Share capital | <i>12</i> | 35,524 | 31,059 |
| Reserves | | 1,536,304 | (42,742) |
| Total equity/(deficit) attributable to equity shareholders of the Company | | 1,571,828 | (11,683) |
| Non-controlling interests | | 28,929 | 19,255 |
| TOTAL EQUITY | | 1,600,757 | 7,572 |

NOTES

1 General Information

Voicecomm Technology Co., Ltd.* (previously known as “Shanghai Voicecomm Information Technology Co., Ltd.*”, the “Company”) was incorporated in the People’s Republic of China (the “PRC”) on 5 December 2005 as a limited liability company under the Company Law of the PRC. Upon approval by the Company’s board meeting held on 26 April 2015, the Company was converted from a limited liability company into a joint stock limited liability company. The Company’s H shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited on 10 July 2024. Upon approval by the Company’s extraordinary general meeting held on 6 September 2024, the name of the Company was changed from Shanghai Voicecomm Information Technology Co., Ltd.* to Voicecomm Technology Co., Ltd.* and the registered office of the Company was changed from Unit 418, Building 2, No. 508, Chundong Road, Minhang District, Shanghai to 4th Floor, F11 Building, Phase 4.1, Wuhan Software New City, East Lake High-tech Development Zone, Wuhan, Hubei Province.

The Company and its subsidiaries (collectively referred to as “the Group”) are principally engaged in the provision of enterprise-level solutions including audio and video communication hardware and software to enterprise customers. The Group’s principal operations and geographic markets are in the PRC.

2 Basis of preparation

These consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”) and Interpretations issued by the International Accounting Standards Board (“IASB”) and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial information relating to the year ended 31 December 2024 that is included in this annual results announcement does not constitute the Group’s consolidated financial statements for the year ended 31 December 2024 but is derived from these financial statements.

The consolidated financial statements for the year ended 31 December 2024 comprise the Group and the Group's interest in associates.

3 Changes in accounting policies

The Group has applied the following amendments to IFRSs issued by the IASB to these financial statements for the current accounting period:

- Amendments to IAS 1, *Classification of liabilities as current or non-current* and amendments to IAS 1, *Non-current liabilities with covenants*
- Amendments to IFRS 16, *Lease liability in a sale and leaseback*
- Amendments to IAS 7 and IFRS 7, *Supplier finance arrangements*

None of these amendments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4 Revenue and segment reporting

(a) Revenue

The principal activities of the Group are provision of on-premised integrated enterprise-level solutions including software license, hardware and services.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major business lines is as follows:

| | 2024 <i>RMB'000</i> | 2023 <i>RMB'000</i> |
|--|------------------------|------------------------|
| Revenue from contracts with customers within the scope of IFRS 15 | | |
| – Enterprise-level solutions | 932,484 | 801,060 |
| – Others | <u>8,930</u> | <u>11,957</u> |
| | <u>941,414</u> | <u>813,017</u> |

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follows:

| | 2024 <i>RMB'000</i> | 2023 <i>RMB'000</i> |
|---|------------------------|------------------------|
| Disaggregated by timing of revenue recognition | | |
| Point in time | 830,316 | 689,493 |
| Over time | <u>111,098</u> | <u>123,524</u> |
| | <u>941,414</u> | <u>813,017</u> |

The Group's customer base is diversified and includes one (2023: nil) customer with whom transactions have exceeded 10% of the Group's revenues for the year ended 31 December 2024. In 2024, revenues from sales of enterprise-level solutions to this customer, including sales to entities which are known to the Group to be under common control with this customer, amounted to RMB113,395,000 (2023: RMB80,168,000), and arose only in Chinese Mainland.

- (ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The Group has applied the practical expedient in paragraph 121 of IFRS 15 to its sales contracts for goods such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales of goods that had an original expected duration of one year or less.

(b) Segment reporting

IFRS 8, *Operating Segments*, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the Group's chief operating decision maker for the purpose of resources allocation and performance assessment. On this basis, the Group has determined that it only has one operating segment during the year.

(c) Geographic information

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the solution or services were accepted. The Group's principal assets are in the Chinese mainland.

| | 2024 <i>RMB'000</i> | 2023 <i>RMB'000</i> |
|--------------------------------------|------------------------|------------------------|
| Chinese Mainland (place of domicile) | <u>897,430</u> | <u>807,017</u> |
| Hong Kong | 27,366 | — |
| Other countries | <u>16,618</u> | <u>6,000</u> |
| | <u>43,984</u> | <u>6,000</u> |
| | <u>941,414</u> | <u>813,017</u> |

5 Other revenue and other net gain/(loss)

(a) Other revenue

| | 2024 RMB'000 | 2023 RMB'000 |
|-------------------|-----------------|-----------------|
| Government grants | <u>10,893</u> | <u>27,226</u> |

During the year ended 31 December 2024, the Group received unconditional government grants of RMB10,679,000 (2023: RMB27,084,000) as rewards of the Group's contribution to technology innovation and regional economic development.

During the year ended 31 December 2024, the Group has not received conditional government grants (2023: RMB1,440,000) as encouragement of project development. The Group recognised such type of grants of RMB214,000 (2023: RMB142,000) in the consolidated statements of profit or loss when related conditions were satisfied.

(b) Other net gain/(loss)

| | 2024 RMB'000 | 2023 RMB'000 |
|--|-----------------|-----------------|
| Net loss on disposal of an associate | – | (41) |
| Net gain on disposal of property and equipment and right-of-use assets | 24 | 16 |
| Net realised gain on wealth management product | 253 | – |
| Net foreign exchange gain | <u>470</u> | <u>–</u> |
| | <u>747</u> | <u>(25)</u> |

6 Loss before taxation

Loss before taxation is arrived at after charging/(crediting):

(a) Net finance costs

| | 2024 RMB'000 | 2023 RMB'000 |
|------------------------------------|-----------------|-----------------|
| Interest income from bank deposits | <u>(1,041)</u> | <u>(73)</u> |
| Finance income | <u>(1,041)</u> | <u>(73)</u> |
| Interest on bank loans | 18,550 | 11,132 |
| Interest on lease liabilities | <u>730</u> | <u>637</u> |
| Finance costs | <u>19,280</u> | <u>11,769</u> |
| | <u>18,239</u> | <u>11,696</u> |

(b) Staff costs

| | 2024 RMB'000 | 2023 RMB'000 |
|---|-------------------------------|-------------------------------|
| Salaries, wages and other benefits | 79,065 | 63,380 |
| Contributions to defined contribution retirement plan | 7,785 | 6,431 |
| | 86,850 | 69,811 |

(c) Other items

| | 2024 RMB'000 | 2023 RMB'000 |
|--------------------------------------|-------------------------------|-------------------------------|
| Cost of inventories | 152,616 | 302,493 |
| Depreciation charge | | |
| – property and equipment | 21,485 | 1,801 |
| – right-of-use assets | 5,711 | 4,148 |
| Amortisation of intangible assets | 38,195 | 24,578 |
| Research and development expenses | 133,728 | 98,798 |
| Impairment loss on trade receivables | 121,253 | 55,379 |
| Listing expenses | 46,141 | 15,934 |

7 Income tax in the consolidated statement of profit or loss

(a) Taxation in the consolidated statement of profit or loss represents:

| | 2024 RMB'000 | 2023 RMB'000 |
|---|-----------------|-----------------|
| Current tax | | |
| <i>PRC Corporate Income Tax</i> | | |
| Provision for the year | 34,239 | 10,354 |
| Under/(over)-provision in respect of prior years | 220 | (375) |
| | <u>34,459</u> | <u>9,979</u> |
| <i>Hong Kong Profits Tax</i> | | |
| Provision for the year | 28 | — |
| | <u>34,487</u> | <u>9,979</u> |
| Deferred tax | | |
| Origination and reversal of temporary differences | (31,990) | (9,533) |
| | <u>(31,990)</u> | <u>(9,533)</u> |
| | <u>2,497</u> | <u>446</u> |

8 Loss per share

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to the ordinary equity shareholders of the Company and the weighted average number of ordinary shares in issue during the year, calculated as follows:

Loss attributable to ordinary equity shareholders of the Company

| | 2024 RMB'000 | 2023 RMB'000 |
|---|------------------|-----------------|
| Loss attributable to equity shareholders of the Company | (488,675) | (33,754) |
| Allocation of loss attributable to redeemable capital contributions | 263,993 | 14,241 |
| Loss attributable to ordinary equity shareholders of the Company | <u>(224,682)</u> | <u>(19,513)</u> |

Weighted average number of ordinary shares

| | 2024 '000 | 2023 '000 |
|---|---------------|---------------|
| Issued ordinary shares at 1 January | 31,059 | 28,290 |
| Effect of ordinary shares issued for redeemable capital contributions | (7,145) | (11,074) |
| Effect of ordinary shares issued by initial public offering | 2,150 | — |
| Weighted average number of ordinary shares at 31 December | <u>26,064</u> | <u>17,216</u> |

Effect of ordinary shares issued for redeemable capital contributions represent the weighted average number of ordinary shares of the Company associated with the redeemable capital contributions, which were subject to redemption and were excluded from the calculation of the basic loss per share.

(b) Diluted loss per share

For the years ended 31 December 2024 and 2023, redeemable capital contributions were excluded from the calculation of diluted loss per share as their effect would have been anti-dilutive.

Accordingly, diluted loss per share for the years ended 31 December 2024 and 2023 are the same as basic loss per share of the respective years.

9 Inventories and other contract costs

| | 2024 RMB'000 | 2023 RMB'000 |
|--|-------------------------------|-------------------------------|
| Inventories | | |
| Intelligent connected vehicles | 38,430 | – |
| Servers, computers and communication devices | 561 | 593 |
| Perception equipment and accessories | 948 | 5,561 |
| Others | 556 | 36 |
| | 40,495 | 6,190 |
| Other contract costs | 4,276 | 1,463 |
| | 44,771 | 7,653 |

10 Trade and other receivables and prepayments

| | 2024 RMB'000 | 2023 RMB'000 |
|--|-----------------|-----------------|
| Trade and other receivables | | |
| Current | | |
| Trade receivables | 1,151,249 | 704,682 |
| Less: loss allowance on trade receivables | (243,123) | (121,858) |
| | <u>908,126</u> | <u>582,824</u> |
| Value added tax ("VAT") recoverable | 13,949 | 13,430 |
| Taxation recoverable | 431 | 650 |
| Capitalisation of listing expenses | – | 3,564 |
| Other deposit and receivable | 4,109 | 2,237 |
| | <u>926,615</u> | <u>602,705</u> |
| Non-current | | |
| Deposit of equity acquisition | 12,000 | – |
| | <u>12,000</u> | <u>–</u> |
| Prepayments | | |
| Current | | |
| Prepayments for goods and services | 244,488 | 233,834 |
| | <u>244,488</u> | <u>233,834</u> |
| Non-current | | |
| Prepayments for purchase of property and equipment and intangible assets | 459,856 | 145,002 |
| Prepayments for services | 7,590 | 34,954 |
| | <u>467,446</u> | <u>179,956</u> |

Ageing analysis of trade receivables

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

| | 2024 RMB'000 | 2023 RMB'000 |
|----------------------------------|-------------------------------|-------------------------------|
| Within 1 year | 722,182 | 505,107 |
| After 1 year but within 2 years | 165,733 | 72,420 |
| After 2 years but within 3 years | 20,211 | 5,297 |
| | 908,126 | 582,824 |

Trade receivables are generally due within 180 days to 270 days from the date of billing.

11 Trade and other payables

| | 2024 RMB'000 | 2023 RMB'000 |
|---|-------------------------------|-------------------------------|
| Trade payables | 53,441 | 14,402 |
| Accrued payroll and benefits | 11,478 | 8,493 |
| Other taxes payable | 3,009 | 3,680 |
| Consideration payable for Jinxun Digital Intelligence acquisition | – | 3,000 |
| Payable for acquisition of property and equipment | 3,582 | 6,557 |
| Payable for acquisition of service | 216 | 213 |
| Accrual listing expenses | 4,694 | 5,829 |
| Deposits received | 381 | 60 |
| Other payables and accrual expenses | 7,239 | 1,155 |
| | 84,040 | 43,389 |

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

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

| | 2024 RMB'000 | 2023 RMB'000 |
|----------------------------------|-------------------------------|-------------------------------|
| Within 6 months | 50,907 | 13,806 |
| After 6 months but within 1 year | 1,090 | 477 |
| After 1 year | 1,444 | 119 |
| | 53,441 | 14,402 |

12 Share capital

| | 2024 | | 2023 | |
|--|-------------------------|---------------|-------------------------|---------------|
| | No. of shares (‘000) | RMB’000 | No. of shares (‘000) | RMB’000 |
| Ordinary shares, issued and fully paid: | | | | |
| At 1 January | 31,059 | 31,059 | 28,290 | 28,290 |
| Ordinary shares issued | – | – | 2,769 | 2,769 |
| Issues of ordinary shares by initial public offering | 4,465 | 4,465 | – | – |
| At 31 December | <u>35,524</u> | <u>35,524</u> | <u>31,059</u> | <u>31,059</u> |

On 30 June 2023, the Company entered into an investment agreement with certain investors, pursuant to which, these investors agreed to invest RMB179,999,940 in the Company in exchange of 2,769,230 shares of the Company. During the year ended 31 December 2023, the share capital of the Company increased from RMB28,290,000 to RMB31,059,230 by issue of additional 2,769,230 ordinary shares at RMB1 per share.

On 10 July 2024, the Company issued 4,365,660 shares at an offer price of HKD152.10 per share by way of the initial public offering to investors. Net proceeds from these issues amounted to RMB573,506,000 equivalent (after offsetting issuance costs directly attributable to the issue of shares of RMB32,934,000), out of which RMB4,366,000 and RMB569,140,000 were recorded in share capital and capital reserve accounts, respectively.

On 7 August 2024, pursuant to the partial exercise of the over-allotment option of the initial public offering, the Company allotted and issued additional 99,320 shares at the offer price of HKD152.10 per share. The additional net proceeds from the exercise of over-allotment option amounted to RMB13,083,000 equivalent (after offsetting issuance costs directly attributable to the issue of shares of RMB749,000), out of which RMB99,000 and RMB12,984,000 were recorded in share capital and capital reserve accounts, respectively.

13 Dividends

No dividends were paid or declared by the Company or any of its subsidiaries during the years ended 31 December 2024 and 2023.

OTHER INFORMATION

Final Dividend

The Board did not recommend the distribution of a final dividend for the year ended December 31, 2024.

Annual General Meeting

The annual general meeting of the Company (the “AGM”) will be held on June 20, 2025. A notice convening the AGM will be published and despatched to the Shareholders in the manner required by the Listing Rules in due course.

Closure of Register of Members and Entitlement to Attend and Vote at the AGM

For the purpose of ascertaining the members’ eligibility to attend and vote at the AGM, the Company’s register of members will be closed from June 16, 2025 to June 20, 2025, both days inclusive, during which period no transfer of share will be registered. The Shareholders whose names appear on the register of members of the Company on June 20, 2025 will be entitled to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, unregistered holders of Shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s H Share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on June 13, 2025.

Employees

As of December 31, 2024, we had 300 full-time employees, the majority of which were based in Wuhan and Shanghai. We conduct new staff training regularly to guide new employees and help them adapt to the new working environment. In addition, we provide online and in-person comprehensive and formal company-level and department-level training to our employees on a quarterly basis in addition to on-the-job training. We also encourage our employees to attend external seminars and workshops to enrich their technical knowledge and develop competencies and skills, and provide training and development programs as well as external training sessions to our employees from time to time to improve their technical skills and ensure their awareness and compliance with our various policies and procedures.

The remuneration of our employees is determined with reference to market conditions and individual employees’ performance, qualification and experience. In line with the performance of us and individual employees, a competitive remuneration package is offered to retain employees, including salaries, discretionary bonuses and benefit plans. For the year ended December 31, 2024, total remuneration of our employees amounted to approximately RMB86.9 million (for the year ended December 31, 2023: approximately RMB69.8 million).

Significant Events After the Reporting Period

Completion of the H Share Full Circulation

On January 3, 2025, the Stock Exchange granted its conditional approval for the listing of and permission to deal in 15,436,067 H Shares converted from 15,436,067 Unlisted Shares. On January 23, 2025, the conversion of 15,436,067 Unlisted Shares into H Shares on a one-to-one basis was completed, and the listing of the converted H Shares on the Stock Exchange commenced at 9:00 a.m. on January 24, 2025. Please refer to the Company's announcements dated July 21, 2024, July 30, 2024, August 4, 2024, December 27, 2024, January 5, 2025 and January 23, 2025 for further details.

Amendment of the Articles of Association and Dissolution of the Supervisory Committee

On December 16, 2024, in view of the amendments to The Company Law of the People's Republic of China (《中華人民共和國公司法》) coming into force on July 1, 2024 (the “**New Company Law**”) and to further improve the corporate governance of the Company, the Board resolved and proposed to amend the existing Articles, the Rules of Procedure for Meetings of Shareholders, the Rules of Procedures for Meetings of Directors, the Working System for Independent Non-Executive Directors, the Administrative Rules for Connected Transactions, the Administrative Rules for External Guarantee, and the Administrative Rules for External Investment (collectively, the “**Related Rules**”) in accordance with the New Company Law, the Securities Law of the People's Republic of China, the Listing Rules and the actual needs of the Company's strategic development. In particular, the amendments involve cancellation of the establishment of the Company's supervisory committee and its functions would be transferred to the Audit Committee.

In the extraordinary general meeting of the Company held on January 13, 2025, among other things, the ordinary resolution to consider and approve the proposed amendments to the Related Rules and the special resolution to consider and approve the proposed amendments to the Articles were passed by the Shareholders. The supervisory committee of the Company had been dissolved following the passing of the special resolution regarding the amendments to the Articles. All the Supervisors will continue to serve the Company in the capacity as employees. Please refer to the announcements of the Company dated December 16, 2024, January 13, 2025 and February 13, 2025, and the circular of the Company dated December 27, 2024 for further details.

Change of Company Name

References are made to the announcements of the Company dated November 25, 2024 and February 13, 2025.

On November 28, 2024, the Administration for Market Regulation of Wuhan Municipality issued the business license in relation to the change of Company name and the Chinese name of the Company was changed from “湖北聲通科技股份有限公司” to “聲通科技股份有限公司”. On February 12, 2025, the Registrar of Companies in Hong Kong issued the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company confirming the registered name of the Company had been changed to “聲通科技股份有限公司” under part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). Please refer to the announcements of the Company dated November 25, 2024 and February 13, 2025 for further details.

Save as the above, there are no material events subsequent to December 31, 2024 which could have a material impact on our operating and financial performance as of the date of this announcement.

Use of Proceeds from the Global Offering

The Company received net proceeds of approximately HK\$571.65 million (equivalent to approximately RMB522.1 million⁽¹⁾) from the Global Offering. On August 2, 2024, the Company also received net proceeds of approximately HK\$11.65 million (equivalent to approximately RMB10.6 million⁽²⁾) from the partial exercise of the over-allotment option (as described in the Prospectus). The total net proceeds amounted to approximately HK\$583.3 million (equivalent to approximately RMB532.7 million⁽³⁾). The aforementioned net proceeds amounts were arrived at after deducting the underwriting commissions and other estimated expenses payable by the Company in connection with the Global Offering and the partial exercise of the over-allotment option.

There was no change in the intended use of net proceeds as previously disclosed in the Prospectus and the net proceeds from the Global Offering had been utilized in accordance with the purposes set out in the Prospectus since the Listing Date and up to the date of this announcement, namely:

| Intended use of proceeds | Percentage of intended use of proceeds (%) | Intended use of proceeds from the Global Offering (In RMB million) | Actual usage | | Expected time of full utilization |
|--|--|--|---|--|-----------------------------------|
| | | | between the Listing Date and December 31, 2024 (In RMB million) | Unutilized net proceeds as at December 31, 2024 (In RMB million) | |
| Enhancing the fundamental research on our key technologies, improving the development of our standardized solutions and iteratively launching diverse commercialization applications and functions for more business scenarios | 60.0 | 319.6 | 173.8 | 145.8 | December 2025 ⁽⁴⁾ |
| – Strengthening our research and development team | 30.0 | 159.8 | 62.8 | 97.0 | December 2025 ⁽⁴⁾ |
| (i) Allocation for our research and development team on further explorations into our key technological areas: | 23.0 | 122.5 | 46.9 | 75.6 | December 2025 ⁽⁴⁾ |
| (1) reinforcement learning, transfer learning and federated learning technologies | 10.0 | 53.3 | 13.9 | 39.4 | March 2025 |
| (2) technologies related to visualizable conversational AI empowered by computer vision AI | 10.0 | 53.3 | 20.0 | 33.3 | December 2025 ⁽⁴⁾ |
| (3) technologies related to next-generation unified communications compatible with visualizable conversational AI | 3.0 | 16.0 | 13.0 | 3.0 | June 2025 ⁽⁴⁾ |
| (ii) Allocation for our research and development team on the improvement of our standardized solutions to enhance their functionalities as applied in various application scenarios of different end-customer industries | 7.0 | 37.3 | 15.9 | 21.4 | December 2025 ⁽⁴⁾ |

| Intended use of proceeds | Percentage of intended use of proceeds (%) | Intended use of proceeds from the Global Offering (In RMB million) | Actual usage between the Listing Date and December 31, 2024 (In RMB million) | Unutilized net proceeds as at December 31, 2024 (In RMB million) | Expected time of full utilization |
|---|--|--|--|--|------------------------------------|
| – Strengthening our technological infrastructure and research and development capabilities | 30.0 | 159.8 | 111.0 | 48.8 | December 2025 |
| (i) Allocation for the procurement and installation of equipment, devices and/or software | 20.0 | 106.5 | 105.1 | 1.4 | December 2025 |
| (ii) Allocation on technology development fees in relation to research and development activities | 10.0 | 53.3 | 5.9 | 47.4 | December 2025 |
| Expanding our solution offerings, building our brand and enhancing our commercialization capabilities | 20.0 | 106.5 | 85.0 | 21.5 | December 2025⁽⁵⁾ |
| – Enhancing our business development efforts and increasing market penetration | 8.0 | 42.6 | 26.1 | 16.5 | December 2025 ⁽⁵⁾ |
| – Enhancing our brand awareness through various channels and develop relationships with industry participants | 12.0 | 64.0 | 58.9 | 5.1 | June 2025 |
| (i) Brand promotion and exposure | 6.0 | 32.0 | 32.0 | – | Not Applicable |
| (ii) Collaborating with our eco-partners in other forms of marketing | 6.0 | 32.0 | 26.9 | 5.1 | June 2025 |
| Pursuing domestic and overseas strategic investment and acquisition opportunities | 10.0 | 53.3 | 52.0 | 1.3 | June 2025⁽⁶⁾ |
| General corporate purposes | 10.0 | 53.3 | 51.6 | 1.7 | Not Applicable |
| Total | 100.0 | 532.7 | 362.4 | 170.3 | |

Notes:

- (1) Based on the exchange rate of HK\$1:RMB0.91329 published by the State Administration of Foreign Exchange of the PRC on July 10, 2024 for illustration purpose.
- (2) Based on the exchange rate of HK\$1:RMB0.91343 published by the State Administration of Foreign Exchange of the PRC on August 2, 2024 for illustration purpose.
- (3) Based on the RMB equivalent of aggregate net proceeds from the Global Offering and the partial exercise of the Over-allotment Option.
- (4) As of the date of this announcement, the Board is aware that the utilization of the intended use of the proceeds has been delayed as compared to the implementation plan disclosed in the 2024 interim report for the six months ended June 30, 2024 of the Company issued on September 13, 2024, mainly because we have reassessed the implementation plan of commercialization of our research and development projects in view of the changes in the market environment in 2024, including the changes in the market demand and technology trend, and have adjusted the priority of certain research and development projects to better serve the market demand. Currently, the Company has no intention to change the use of the unutilized net proceeds.
- (5) As of the date of this announcement, the Board is aware that the utilization of the intended use of the proceeds has been delayed as compared to the implementation plan disclosed in the 2024 interim report for the six months ended June 30, 2024 of the Company issued on September 13, 2024, as the Company has allocated funds for business expansion and brand enhancement based on our own needs, and the current use of proceeds is sufficient to meet the Company's needs. Therefore, we have retained a portion of the funds for subsequent business activities. Currently, the Company has no intention to change the use of the unutilized net proceeds.
- (6) As of the date of this announcement, the Board is aware that the utilization of the intended use of the proceeds has been delayed as compared to the implementation plan disclosed in the 2024 interim report for the six months ended June 30, 2024 of the Company issued on September 13, 2024, as the Company remained prudent in investment and strictly selected investment targets. The progress of use of proceeds mainly depended on the progress of the Company's selection of investment targets. Currently, the Company has no intention to change the use of the unutilized net proceeds.

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

From the Listing Date up to December 31, 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including treasury shares).

Compliance with the Corporate Governance Code

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all Shareholders.

As the H Shares were listed on the Stock Exchange on July 10, 2024, the Corporate Governance Code as set out in Appendix C1 to the Listing Rules was applicable to the Company during the Reporting Period. The Board is of the view that, since the Listing Date and up to the date of this announcement, the Company has complied with all applicable code provisions as set out in Part 2 of the Corporate Governance Code, save as disclosed below.

Code provision C.2.7 of the Corporate Governance Code provides that the Chairman should at least annually hold meetings with the independent non-executive Directors without the presence of other Directors. During the year ended December 31, 2024, a formal meeting between the chairman of the Company and the independent non-executive Directors without the presence of other Directors could not be arranged due to their conflicting schedules and prior business engagements. Although such a meeting was not held during the year, the chairman of the Company had delegated the joint company secretary of the Company to gather any concerns and/or questions that the independent non-executive Directors might have and report to him to consider whether any follow-up meeting is necessary.

Compliance with the Model Code for Securities Transactions by Directors and Supervisors

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' and Supervisors' securities transactions since the Listing Date.

Having made specific enquiries of all Directors and Supervisors, each of the Directors and Supervisors has confirmed that he or she had complied with the requirements as set out in the Model Code since the Listing Date and during the rest of the Reporting Period.

The Company's employees, who are likely to be in possession of unpublished inside information of the Company, are also subject to the Model Code. No incident of non-compliance with the Model Code by the employees was noted by the Company since the Listing Date and during the rest of the Reporting Period.

Audit Committee and Review of Financial Information

The Board has 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 of the date of this announcement, the Audit Committee consists of three members, namely Mr. Leung Kin Hong, Mr. Wu Haipeng, and Mr. Yang Xiaoyuan. Mr. Leung Kin Hong, being the chairman of the Audit Committee, holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee include, without limitation, assisting the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Group and overseeing the audit process.

The Audit Committee has reviewed the Group's consolidated financial statements for the year ended December 31, 2024. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Group with senior management members and the Group's auditor, KPMG, Certified Public Accountants, and discussed matters with respect to internal controls with senior management members. Based on this review and discussions with the management and KPMG, the Audit Committee was satisfied that the Group's consolidated financial statements were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the year ended December 31, 2024.

Scope of Work of KPMG

The financial figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended December 31, 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary announcement.

Publication of the Annual Results and Annual Report

This annual results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.voicecomm.cn). The annual report of the Company for the Reporting Period containing all the information required by the Listing Rules will be despatched to the Shareholders who requested for a printed copy and made available on the above websites in due course.

Rounding

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed herein are due to rounding.

Appreciation

The Board would like to express its sincere gratitude to the Shareholders, management team, employees, business partners and customers of the Group for their support and contribution to the Group.

DEFINITIONS

In this announcement, the following terms shall have the following meanings, except otherwise stated:

| | |
|---|--|
| “5G” | the 5th generation mobile network, a new global wireless standard after 1G, 2G, 3G, and 4G networks |
| “AI” | artificial intelligence |
| “Articles” or “Articles of Association” | the articles of association of the Company |
| “ASEAN” | the Association of Southeast Asian Nations |
| “Audit Committee” | the audit committee of the Board |
| “Board” | the board of Directors of the Company |
| “China” or “PRC” | the People’s Republic of China |
| “Company”, “our Company” or “the Company” | Voicecomm Technology Co., Ltd.* (聲通科技股份有限公司), a joint stock company incorporated in the PRC with limited liability on May 7, 2015 and the H Shares of which are listed on the Main Board of the Stock Exchange on July 10, 2024 (Stock Code: 2495) |
| “Corporate Governance Code” | the Corporate Governance Code set out in Appendix C1 to the Listing Rules |
| “digital human” | a human-like digital avatar that interacts with users naturally and vividly through dialogues, expressions and gestures |
| “Director(s)” | the director(s) of our Company or any one of them |
| “Global Offering” | the global offering of the H Shares in connection with the Listing |
| “Group”, “we”, “our” or “us” | the Company and all of its subsidiaries, or any one of them as the context may require or, where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries, or any one of them as the context may require, were or was engaged in and which were subsequently assumed by it |
| “H Share(s)” | overseas listed foreign invested ordinary share(s) in the ordinary share capital of our Company, with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars |
| “IFRS” | International Financial Reporting Standards issued by the International Accounting Standards Board |

| | |
|----------------------------------|---|
| “Hong Kong dollars” or “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “IoT” | internet of things, the extension of internet connectivity into physical devices and everyday objects |
| “IT” | information technology |
| “Jinxun Digital Intelligence” | Xian Jinxun Digital Intelligence Information Technology Co., Ltd. (西安金訊數智信息技術有限公司), a limited liability company established under the laws of PRC, being a non-wholly-owned subsidiary of our Company |
| “Listing Date” | July 10, 2024, on which the H Shares were listed and dealings in the H Shares first commenced on the Stock Exchange |
| “Listing Rules” | Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time) |
| “Listing” | the listing of the H Shares on the Main Board of the Stock Exchange |
| “Main Board” | the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange |
| “Model Code” | the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules |
| “Prospectus” | the prospectus issued by the Company dated June 28, 2024 |
| “Reporting Period” | the year ended December 31, 2024 |
| “RMB” or “Renminbi” | Renminbi, the lawful currency of the PRC |
| “Share(s)” | ordinary share(s) in the capital of our Company with nominal value of RMB1.00 each, comprising the Unlisted Shares and the H Shares |
| “Shareholder(s)” | holder(s) of Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited |

| | |
|---------------------|---|
| “Supervisor(s)” | the supervisor(s) of the Company prior to the dissolution of the supervisory committee of the Company with effect from January 13, 2025 |
| “treasury shares” | has the meaning ascribed thereto under the Listing Rules |
| “Unlisted Share(s)” | ordinary Share(s) in the share capital of our Company with a nominal value of RMB1.0 each, which are not listed in any stock exchange |
| “%” | per cent |

By order of the Board
Voicecomm Technology Co., Ltd.*
Mr. TANG Jinghua
Chairman

Hong Kong, March 28, 2025

As of the date of this announcement, the Board of Directors of the Company comprises Mr. TANG Jinghua as chairman and executive Director, Mr. SUN Qi as executive Director, Mr. YANG Xiaoyuan, Mr. TAN Xiaobo, Mr. CHEN Yulei and Ms. MA Tiantian as non-executive Directors, and Mr. LIU Rong, Mr. WU Haipeng, Mr. MU Binrui and Mr. LEUNG Kin Hong as independent non-executive Directors.

* for identification purpose only