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**NEWLINK TECHNOLOGY INC.**

**新紐科技有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 9600)**

**ANNOUNCEMENT OF ANNUAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**FINANCIAL HIGHLIGHTS OF ANNUAL RESULTS**

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>Revenue</b>	<b>278,822</b>	245,495
Gross profit	<b>38,869</b>	37,091
Loss before tax	<b>(96,068)</b>	(70,971)
Income tax credit	<b>3,049</b>	1,287
<b>Loss for the year</b>	<b><u>(93,019)</u></b>	<b><u>(69,684)</u></b>
<b>Loss for the year attributable to:</b>		
Owners of the Company	<b>(92,463)</b>	(69,159)
Non-controlling interests	<b><u>(556)</u></b>	<u>(525)</u>
	<b><u>(93,019)</u></b>	<b><u>(69,684)</u></b>

\* For identification purposes only

	<b>At 31 December</b>	
	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Total assets	<b>882,822</b>	947,685
Total liabilities	<b>143,384</b>	158,781
Equity attributable to the owners of the Company	<b>739,268</b>	786,971
Non-controlling interests	<u><b>170</b></u>	<u>1,933</u>
Total equity	<u><b>739,438</b></u>	<u>788,904</u>

In this announcement, “we”, “us”, “our” and “Newlink Technology” refer to the Company (as defined below) and where the context otherwise requires, the Group (as defined below).

The board (the “**Board**”) of directors (the “**Director(s)**”) of Newlink Technology Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that the consolidated annual results of the Group for the year ended 31 December 2024 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2023 are as follows.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

		2024	2023
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>REVENUE</b>	5	<b>278,822</b>	245,495
Cost of sales and services rendered	8	<u>(239,953)</u>	<u>(208,404)</u>
<b>GROSS PROFIT</b>		<b>38,869</b>	37,091
Other income and gains	6	<b>12,054</b>	10,569
Changes in fair value of investment properties		–	(21)
Changes in fair value of equity investments at fair value through profit or loss		<b>(11,326)</b>	4,271
Changes in fair value of contingent consideration		–	810
Allowance for expected credit losses on trade receivables and contract assets, net of reversal		<b>(1,595)</b>	(25,706)
Reversal of (impairment losses) on investment in an associate		<b>1,838</b>	(2,310)
Selling and distribution expenses		<b>(16,166)</b>	(13,979)
Administrative expenses		<b>(45,790)</b>	(36,942)
Research and development expenses	8	<b>(71,524)</b>	(42,315)
Other expenses		<b>(691)</b>	(1,294)
Finance costs	7	<b>(1,969)</b>	(1,323)
Share of results of an associate		<u>232</u>	<u>178</u>
<b>LOSS BEFORE TAX</b>	8	<b>(96,068)</b>	(70,971)
Income tax credit	9	<u>3,049</u>	<u>1,287</u>
<b>LOSS FOR THE YEAR</b>		<b><u>(93,019)</u></b>	<b><u>(69,684)</u></b>
		<i>RMB cents</i>	<i>RMB cents</i>
<b>LOSS PER SHARE</b>			
Basic and diluted	11	<u>(10.44)</u>	<u>(8.79)</u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024 RMB'000	2023 RMB'000
<b>LOSS FOR THE YEAR</b>	<u>(93,019)</u>	<u>(69,684)</u>
<b>OTHER COMPREHENSIVE INCOME (LOSS):</b>		
<i>Items that will not be reclassified to profit or loss</i>		
Revaluation surplus on transfer of owned properties to investment properties	9	420
Exchange difference arising on translation from functional currency to presentation currency	<u>6,790</u>	<u>5,642</u>
	6,799	6,062
<i>Item that may be reclassified subsequently to profit or loss</i>		
Exchange differences arising on translation of foreign operations	<u>610</u>	<u>(995)</u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b>	<u>7,409</u>	<u>5,067</u>
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>	<u><u>(85,610)</u></u>	<u><u>(64,617)</u></u>
<b>LOSS FOR THE YEAR ATTRIBUTABLE TO:</b>		
– Owners of the Company	(92,463)	(69,159)
– Non-controlling interests	<u>(556)</u>	<u>(525)</u>
	<u><u>(93,019)</u></u>	<u><u>(69,684)</u></u>
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO:</b>		
– Owners of the Company	(85,054)	(64,092)
– Non-controlling interests	<u>(556)</u>	<u>(525)</u>
	<u><u>(85,610)</u></u>	<u><u>(64,617)</u></u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

		2024	2023
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>NON-CURRENT ASSETS</b>			
Investment properties		11,264	11,105
Property and equipment		15,280	16,912
Right-of-use assets		12,160	29,357
Intangible assets	12	100,169	122,361
Goodwill		36,724	36,724
Investment in an associate		6,369	4,299
Equity investments at fair value through profit or loss		23,438	30,100
Contract assets	14	676	1,012
Long-term deposits and prepayments		7,849	2,211
Deferred tax assets		505	694
		<u>214,434</u>	<u>254,775</u>
<b>CURRENT ASSETS</b>			
Inventories		1,831	2,169
Trade receivables	13	159,087	218,549
Contract assets	14	108,479	118,851
Equity investments at fair value through profit or loss		28,157	—
Prepayments, deposits and other receivables		12,435	10,471
Amounts due from related parties		6,842	12,316
Pledged deposits		3,317	96
Bank balances and cash		348,240	330,458
		<u>668,388</u>	<u>692,910</u>
<b>CURRENT LIABILITIES</b>			
Trade payables	15	60,856	71,741
Contract liabilities	16	15,656	14,412
Other payables and accruals		12,835	10,477
Dividend payable		7	28
Interest-bearing bank borrowings		20,000	8,005
Lease liabilities		3,505	5,590
Contingent consideration		21,000	—
Tax payable		2	—
		<u>133,861</u>	<u>110,253</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)***At 31 December 2024*

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>NET CURRENT ASSETS</b>	<u>534,527</u>	<u>582,657</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<u>748,961</u>	<u>837,432</u>
<b>NON-CURRENT LIABILITIES</b>		
Lease liabilities	9,033	23,783
Contingent consideration	—	21,000
Deferred tax liabilities	<u>490</u>	<u>3,745</u>
	<u>9,523</u>	<u>48,528</u>
<b>NET ASSETS</b>	<u><u>739,438</u></u>	<u><u>788,904</u></u>
<b>CAPITAL AND RESERVES</b>		
Share capital	7	5
Reserves	<u>739,261</u>	<u>786,966</u>
Equity attributable to owners of the Company	739,268	786,971
Non-controlling interests	<u>170</u>	<u>1,933</u>
<b>TOTAL EQUITY</b>	<u><u>739,438</u></u>	<u><u>788,904</u></u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

## 1. GENERAL INFORMATION

Newlink Technology Inc. (the “**Company**”) was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands on 8 November 2019 with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 6 January 2021. The address of the Company’s registered office is PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands. The address of the Company’s principal place of business in Hong Kong is room 2910, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong, and the headquarters and principal place of business in the People’s Republic of China (hereafter, the “**PRC**”) is 5/F., Tower A, Xueqing Jiachuang Building, Xueqing Road, Haidian District, Beijing, the PRC.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the business of software development and maintenance in the PRC.

In the opinion of the directors of the Company, the immediate holding company and the ultimate holding company of the Company is Nebula SC Holdings Limited, a company incorporated in British Virgin Islands, while the ultimate beneficial owner of the Company is Mr. Zhai Shuchun, an executive director of the Company.

## 2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), accounting principles generally accepted in Hong Kong and the applicable disclosure requirements of the Companies Ordinance. These consolidated 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 “**Listing Rules**”).

## 3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2023 consolidated financial statements except for the adoption of the revised HKFRSs that are relevant to the Group and effective from the current year.

### Adoption of revised HKFRSs

Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to HK Interpretation 5	<i>Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>
Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>

### 3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (CONTINUED)

#### **Adoption of revised HKFRSs (Continued)**

##### ***Amendments to HKAS 1: Classification of Liabilities as Current or Non-current***

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments include clarifying the classification requirements for debt a company might settle by converting it into equity.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

##### ***Amendments to HKAS 1: Non-current Liabilities with Covenants***

The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the consolidated financial statements.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

##### ***Amendments to HK Interpretation 5: Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause***

This Interpretation is revised as a consequence of the above Amendments to HKAS 1 to align the corresponding wordings with no change in conclusion.

The adoption of the amendments on this Interpretation does not have any significant impact on the consolidated financial statements.

##### ***Amendments to HKAS 7 and HKFRS 7: Supplier Finance Arrangements***

The amendments introduce new disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

##### ***Amendments to HKFRS 16: Lease Liability in a Sale and Leaseback***

The amendments require a seller-lessee to subsequently determine lease payments arising from a sale and leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.



### 3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (CONTINUED)

#### Future changes in HKFRSs

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

Amendments to HKAS 21	Lack of Exchangeability <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>
Annual Improvements to HKFRSs	Volume 11 <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>2</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>
HKFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>

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

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>4</sup> The effective date to be determined

The directors do not anticipate that the adoption of the new/revised HKFRSs in future periods will have any material impact on the Group's financial position and performance.

### 4. OPERATING SEGMENT INFORMATION

The Group's operating activities are attributable to a single operating and reporting segment focusing primarily on the provision of IT solution services in the PRC. This operating segment has been identified on the basis of internal management reports reviewed by the chief operating decision-makers (the "CODM"), being the executive directors of the Company. The CODM mainly reviews revenue derived from provision of software development services, technical and maintenance services and sale of standard software, which are measured in accordance with the Group's accounting policies. The financial information reported to the CODM is reflected through the overall operating performance of the Group for resource allocation and performance evaluation. Accordingly, no segment information is presented.

#### 4. OPERATING SEGMENT INFORMATION (CONTINUED)

##### Geographical information

During the year, the Group operated within one geographical segment because all of its revenue was generated in the PRC and all of its long-term assets/capital expenditure were located/incurred in the PRC. Accordingly, no geographical segment information is presented.

##### Information about major customers

Revenue from customers individually contributing 10% or more of the total revenue of the Group during the years ended 31 December 2024 and 2023 is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Customer 1	55,589	*
Customer 2	33,266	*
Customer 3	30,671	26,630
	<u>          </u>	<u>          </u>

\* The corresponding revenue of the customer is not disclosed as the revenue individually did not account for 10% or more of the Group's revenue for the respective year.

#### 5. REVENUE

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Revenue from contracts with customers within HKFRS 15</b>		
Software development services	243,195	179,490
Technical and maintenance services	26,982	37,644
Sale of standard software	8,645	28,361
	<u>          </u>	<u>          </u>
	<u>278,822</u>	<u>245,495</u>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	8,645	28,361
Services transferred over time	270,177	217,134
	<u>          </u>	<u>          </u>
	<u>278,822</u>	<u>245,495</u>

## 5. REVENUE (CONTINUED)

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
<b>Revenue recognised that was included in contract liabilities at the beginning of the reporting period:</b>		
Software development services	5,861	3,855
Technical and maintenance services	2,844	2,097
	<u>8,705</u>	<u>5,952</u>

## 6. OTHER INCOME AND GAINS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Bank interest income	9,077	8,944
Rental income	795	332
Value Added Tax (“VAT”) refunds and other tax subsidies ( <i>Note</i> )	1,558	1,234
Others	624	59
	<u>12,054</u>	<u>10,569</u>

*Note:* Refunds of VAT on software products represent the refund upon payment of VAT with respect to the portion of any effective VAT rate in excess of 3% in respect of software product sales of the Group pursuant to the principles of the State Council document entitled “Certain Policies to Encourage the Development of Software Enterprise and the IC Industry” and the approval of the state taxation authorities.

## 7. FINANCE COSTS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Interest expense on interest-bearing bank borrowings	722	72
Interest on lease liabilities	1,247	1,251
	<u>1,969</u>	<u>1,323</u>

## 8. LOSS BEFORE TAX

This is arrived at after charging (crediting):

	<b>2024</b> <b>RMB'000</b>	2023 <i>RMB'000</i>
Cost of inventories sold	7,246	27,954
Cost of services rendered	<u>232,707</u>	<u>180,450</u>
	<b><u>239,953</u></b>	<b><u>208,404</u></b>
Research and development expenses:		
Amortisation of deferred development costs (Note (i))	37,211	29,475
Current year expenditure	<u>34,313</u>	<u>12,840</u>
	<b><u>71,524</u></b>	<b><u>42,315</u></b>
Employee benefit expense (including directors' and chief executives' remuneration):		
Wages and salaries	126,670	141,521
Pension scheme contributions (defined contribution scheme)	23,232	24,662
Termination benefits	<u>2,649</u>	<u>1,921</u>
	<b><u>152,551</u></b>	<b><u>168,104</u></b>
Auditors' remuneration:		
Audit fee	1,492	1,180
Non-audit fee	<u>450</u>	<u>350</u>
Gross rental income from investment properties	(795)	(332)
Less: direct operating expenses for investment properties that generated rental income during the year	132	19
direct operating expenses for investment properties that did not generate rental income during the year	<u>—</u>	<u>49</u>
Net rental income	<b><u>(663)</u></b>	<b><u>(264)</u></b>
Depreciation of property and equipment	2,198	3,099
Depreciation of right-of-use assets	6,868	7,347
Amortisation of intangible assets (Note (i))	51,651	43,247
Allowance for expected credit loss ("ECL") on trade receivables	1,561	26,673
Allowance for ECL (Reversal of allowance for ECL) on contract assets	34	(967)
(Reversal of) impairment loss on investment in an associate	(1,838)	2,310
Foreign exchange differences, net	<u>252</u>	<u>906</u>

*Note:*

- (i) The total amortisation of intangible assets of RMB51,651,000 (2023: RMB43,247,000) for the year is included in cost of sales, selling and distribution expenses, administrative expenses and research and development expenses amounting to RMB1,003,000, RMB888,000, RMB2,026,000 and RMB47,734,000 (2023: RMB4,701,000, RMB257,000, RMB332,000 and RMB37,957,000) respectively. The amortisation of deferred development costs classified under research and development expenses is included in the amortisation of intangible assets.

## 9. INCOME TAX CREDIT

The amount of taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current income tax		
Hong Kong	–	599
PRC Enterprise Income Tax (“EIT”)	<u>(17)</u>	<u>4,439</u>
	(17)	5,038
Deferred tax	<u>3,066</u>	<u>(3,751)</u>
	<u>3,049</u>	<u>1,287</u>

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

### (i) Cayman Islands

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

### (ii) Hong Kong

Hong Kong Profits Tax has been provided at the rate of 16.5% (2023: 16.5%) on the Group’s estimated assessable profits arising from Hong Kong during the year. The Group had no assessable profits for the years ended 31 December 2024 and 2023.

### (iii) The PRC

Pursuant to the PRC on EIT Law and the respective regulations, the subsidiaries in the PRC are subject to income tax at a statutory rate of 25% during the year, except for certain subsidiaries which obtained the “**High and New Technology Enterprise**” qualification with preferential tax rate of 15% (2023: 15%).

## 10. DIVIDENDS

No dividends in respect of the years ended 31 December 2024 and 2023 have been paid or declared by the Group during the years ended 31 December 2024 and 2023.

During the year ended 31 December 2023, the final dividend in respect of the year ended 31 December 2022 of HK\$0.04 (equivalent to RMB0.037) per ordinary share, in an aggregate amount of HK\$31,461,000 (equivalent to RMB29,090,000) was passed by the shareholders by way of poll in annual general meeting on 9 June 2023 and the final dividend amounting to HK\$31,368,000 (equivalent to RMB29,062,000) in aggregated was paid to the shareholders.

## 11. LOSS PER SHARE

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

### Loss

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Loss for the year attributable to owners of the Company for the purpose of calculation of basic and diluted loss per share	<u>(92,463)</u>	<u>(69,159)</u>

### Number of shares

	2024	2023
Weighted average number of ordinary shares for the purpose of calculation of basic and diluted loss per share	<u>885,706,579</u>	<u>786,514,400</u>

No diluted loss per share has been presented for both years as there were no potential dilutive ordinary shares in issue.

## 12. INTANGIBLE ASSETS

	<b>Software licenses</b> <i>RMB'000</i>	<b>Deferred development costs</b> <i>RMB'000</i>	<b>Total</b> <i>RMB'000</i>
<b>Reconciliation of carrying amount – year ended 31 December 2023</b>			
At beginning of the year	47,557	82,488	130,045
Additions – acquired	4,542	–	4,542
Additions – internal development	–	31,021	31,021
Amortisation	<u>(13,772)</u>	<u>(29,475)</u>	<u>(43,247)</u>
At the end of reporting period	<u><u>38,327</u></u>	<u><u>84,034</u></u>	<u><u>122,361</u></u>
<b>Reconciliation of carrying amount – year ended 31 December 2024</b>			
At beginning of the year	38,327	84,034	122,361
Additions – acquired	10,548	–	10,548
Additions – internal development	–	18,911	18,911
Amortisation	<u>(14,440)</u>	<u>(37,211)</u>	<u>(51,651)</u>
At the end of reporting period	<u><u>34,435</u></u>	<u><u>65,734</u></u>	<u><u>100,169</u></u>
<b>At 31 December 2023</b>			
Cost	73,494	124,471	197,965
Accumulated amortisation	<u>(35,167)</u>	<u>(40,437)</u>	<u>(75,604)</u>
Net carrying amount	<u><u>38,327</u></u>	<u><u>84,034</u></u>	<u><u>122,361</u></u>
<b>At 31 December 2024</b>			
Cost	85,602	143,595	229,197
Accumulated amortisation	<u>(51,167)</u>	<u>(77,861)</u>	<u>(129,028)</u>
Net carrying amount	<u><u>34,435</u></u>	<u><u>65,734</u></u>	<u><u>100,169</u></u>

Software licenses represent rights to extract software for the production of IT software solution in the PRC, which are amortised on a straight-line basis over 5 years.

Deferred development costs represent costs incurred at the development phase of internal projects on software development, which mainly consists of hardware and software tools, staff cost and depreciation of property and equipment etc., which are capitalised and, if available for use, amortised under the straight-line method over 3 years. This asset is tested for impairment where an indicator of impairment appears and, if not yet available for use, tested annually.

### 13. TRADE RECEIVABLES

	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Trade receivables	<b>203,965</b>	261,866
Less: allowance for ECL	<b>(44,878)</b>	(43,317)
	<b><u>159,087</u></b>	<u>218,549</u>

Trade receivables represented the outstanding invoiced values for software development services, technical and maintenance services and sale of standard software receivable from the customers.

The Group's trading terms with its customers are mainly on credit. For software development services, the credit period granted to the customers is normally 30 to 180 days upon issuance of invoice and receipt of acceptance from customers during the course of contracts. The forms of acceptance evidenced the satisfaction from the customers of the progress of completion. For the sale of standard software, the credit period granted to the customers is normally 30 to 180 days after the goods were accepted by the customers, except for new customers, where payment in advance is normally required. For technical and maintenance services, the credit period granted to the customers is normally due upon completion of the service or 30 to 180 days from the date of billing.

The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise the credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a number of the largest state-owned financial institutions, hospitals, state-owned companies and large listed companies in the PRC, there is certain concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

The following is an ageing analysis of the trade receivables as at the end of the reporting periods, based on the recognition date of gross trade receivables and net of allowance for ECL:

	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 90 days	<b>28,412</b>	38,518
91 to 180 days	<b>9,475</b>	13,686
181 days to 365 days	<b>38,490</b>	33,610
1 year to 2 years	<b>39,232</b>	76,845
2 years to 3 years	<b>31,737</b>	49,955
Over 3 years	<b>11,741</b>	5,935
	<b><u>159,087</u></b>	<u>218,549</u>



## 14. CONTRACT ASSETS

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract assets from contracts with customers within HKFRS 15 during the year are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
At 1 January	119,863	117,030
Transferred to trade receivables	(118,851)	(113,178)
Recognition of revenue	108,177	115,044
(Allowance for ECL) Reversal of allowance for ECL on contract assets	(34)	967
	<u>109,155</u>	<u>119,863</u>
At 31 December	<u>109,155</u>	<u>119,863</u>
<i>Classified as:</i>		
Current assets	108,479	118,851
Non-current assets	676	1,012
	<u>109,155</u>	<u>119,863</u>

Contract assets are initially recognised for revenue earned from software development services as the receipt of consideration is conditional on the successful acceptance by the customers. Upon completion of the contracts and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The decrease in contract assets in 2024 was the result of the increase in issuance of invoice and receipt of acceptance from customers on milestones as agreed by both parties at the end of the year while the increase in contract assets in 2023 was the result of the increase in software development services at the end of the year.

At 31 December 2024, the contract assets that are expected to be recovered after 12 months are RMB676,000 (2023: RMB1,012,000), all of which relates to retention receivables. Retention receivables represent certified contract payments in respect of works performed, for which payments are withheld by customers for retention purposes, and the amount retained is withheld on each payment up to a maximum amount calculated on a prescribed percentage of the contract sum.

## 15. TRADE PAYABLES

The aging analysis of trade payables at the end of the reporting periods, based on the invoice date is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 3 months	18,959	31,979
3 to 6 months	286	5,248
6 months to 1 year	16,396	16,854
Over 1 year	25,215	17,660
	<u>60,856</u>	<u>71,741</u>

## 16. CONTRACT LIABILITIES

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract liabilities from contracts with customers within HKFRS 15 during the year are as follows:

	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
At 1 January	<b>14,412</b>	9,975
Recognised as revenue	<b>(8,705)</b>	(5,952)
Receipt of advances or recognition of receivables	<b>9,949</b>	10,389
	<hr/>	<hr/>
At 31 December	<b>15,656</b>	14,412
	<hr/> <hr/>	<hr/> <hr/>

At 31 December 2024, none of the contract liabilities are expected to be recognised as revenue after more than 12 months (2023: Nil).

### Unsatisfied or partially unsatisfied performance obligations

Some of the performance obligations that are unsatisfied (or partially unsatisfied) at 31 December 2024 (2023: some) are part of contracts that have an original expected duration of one year or less.

The amount of transaction price allocated to the remaining performance obligations that are unsatisfied (or partially unsatisfied) at 31 December 2024 and 31 December 2023 is as follows:

	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Expected timing of revenue recognition:		
Within 1 year	<b>100,705</b>	55,543
More than 1 year but within 2 years	<b>33,174</b>	20,273
	<hr/>	<hr/>
	<b>133,879</b>	75,816
	<hr/> <hr/>	<hr/> <hr/>

The amounts disclosed above do not include variable consideration that is constrained.

## CHAIRMAN’S STATEMENT

Dear Shareholders,

In 2024, amid a complex global landscape of geopolitical and economic turbulence and persistent macroeconomic pressures in China, the Group decisively pursued breakthroughs in new technologies, new products and new models as key drivers for future development. By deepening our understanding of customer needs and maintaining an unwavering focus on technological innovation, the Group leveraged cutting-edge technologies such as artificial intelligence and big data analytics to develop comprehensive, industry-specific solutions. These efforts have strengthened and expanded our competitive edge in specific industries such as finance, healthcare and transportation, while building a multidimensional value network encompassing “products, application scenarios and ecosystem development”.

In 2024, the Group strengthened synergies among subsidiaries to maximise complementary resource advantages. We successfully deepened product differentiation for our flagship products and effectively translated their competitive strengths into broader market adoption across diverse customer segments. Simultaneously, we expanded our business footprint, particularly in key regional markets like the Greater Bay Area, to increase market penetration and facilitate the deployment of our solutions and products across wider geographic and industry sectors. These efforts successfully generated new growth momentum through diversified collaboration.

In 2024, the Group achieved revenue of RMB278.8 million, representing a year-on-year growth of 13.6%. Meanwhile, the gross profit slightly rose 4.9% year-on-year to RMB38.9 million. Although the Group did not achieve profitability in 2024, but net cash generated from operating activities continued to increase to RMB24.0 million, representing a 116.2% surge from RMB11.1 million in 2023. The growth in the Group’s core business revenue and gross profit, coupled with sustained improvement in net cash generated from operating activities for the year 2024, establishes a solid foundation for accelerated business development in 2025 and reinforces our confidence in achieving a turnaround to profitability at the earliest opportunity.

2024 marked the fourth anniversary of the Group’s listing on the Main Board of the Hong Kong Stock Exchange in January 2021. Following the initial public offering and listing, we successfully completed a new share placing in May 2024. The proceeds raised has effectively supplemented the Group’s general working capital, providing quality funding to support the Group’s future development and sustain the Group’s growth trajectory. Concurrently, the Group has maintained its steadfast commitment to sustainable development, rigorously implementing policies, systems and initiatives aligned with environmental, social and corporate governance (ESG) principles. The Group have systematically advanced the execution of ESG strategy continuously enriching its scope through both regular programming and tailored initiatives. By strengthening our sustainable development efforts across all operations and upholding the higher standards of corporate responsibility through concrete actions, we are actively creating greater social value and contributing meaningfully to society.

In 2025, the Group will adhere to the dual innovation development goals of “technological R&D innovation” and “business model innovation”. This will be achieved by deepening subsidiary coordination mechanisms and establishing a cross-system resource exchange platform; integrating internal and external technology supply chains to create an innovation element aggregation hub; and constructing a customer experience monitoring matrix to achieve dynamic real-time feedback from the demand side, thereby building a long-term growth engine. Meanwhile, we will strengthen the differentiated competitive advantages of flagship products and establish customer segmentation models; extend the technology innovation-correlated product portfolio and build a multi-scenario solution repository; implement a dual-path expansion strategy of “core region penetration + emerging market incubation” to comprehensively enhance core competitiveness from the three dimensions of product, ecosystem and market. In addition, we will further explore the potential of regional strategic deployment by advancing the establishment of localized operation centers to optimize the regional market response network; formulating differentiated promotion plans to achieve cross-regional replication and characteristic upgrades of products and solutions; and building a channel partner capability empowerment system to enhance end-market coverage density.

In 2025, the Group will adhere to the value orientation of long-term and stable development, continuously enhancing operational resilience, improving risk resistance capabilities and steadily elevating operational quality through striving to enhance business performance, optimizing asset allocation and intensifying cash flow management.

**Mr. ZHAI Shuchun**

*Chairman and Chief Executive Officer*

31 March 2025

## **BUSINESS REVIEW AND OUTLOOK**

### **Overview**

As a leading technology-driven IT solution service provider in China, Newlink Technology has long been focusing on the development of proprietary software products and applying cutting-edge technologies such as artificial intelligence and big data analytics. The Group consistently delivers high-value IT solutions to customers across specific industries, including finance, healthcare, transportation, logistics, education and energy, as well as general industry customers.

The Group remains committed to research and development of new products and new technologies and their application innovations, and has been promoting the integration of products and services. By doing so, the Group aims to provide customers in various industries with scenario-based comprehensive solutions that can satisfy needs of customers and enhance their competitiveness in their industries on the basis of Robotic Process Automation (RPA) solutions, smart park solutions, medical and health care big data intelligent management solutions, deep semantic analysis and risk prevention and control based on large models, and solution services powered by a series of technologies such as language parsing, data mining and analysis, cloud-based computing, distributed database management, intelligent control, knowledge graph and deep learning.

### **Business Review**

In 2024, the Group achieved revenue of RMB278.8 million, representing a 13.6% year-on-year increase compared to 2023, with all revenue derived from IT solution services. Among them, revenue from software development services accounted for 87.2% of the Group's total revenue, reaching RMB243.2 million, representing a year-on-year increase of 35.5% compared to 2023; revenue from technical and maintenance support services amounted to RMB27.0 million, representing a year-on-year decrease of 28.2% compared to 2023; revenue from standard software sales amounted to RMB8.6 million, representing a significant year-on-year decrease of 69.7% compared to 2023. In 2024, the Group's gross profit slightly increased by 4.9% to RMB38.9 million as compared to 2023.

In 2024, although the Group achieved a year-on-year increase in revenue and gross profit, due to the comprehensive effect of a loss of RMB11.3 million from the fair value change on equity investments at fair value through profit or loss, a year-on-year increase in selling and distribution expenses, administrative expenses, and research and development expenses totaling RMB40.3 million, and a 93.8% year-on-year decrease in allowance for expected credit losses on trade receivables and contract assets, the Group recorded a loss for the year that increased by RMB23.3 million compared to 2023 to RMB93.0 million. In 2024, the Group maintained a trend of growth in net cash generated from operating activities despite not achieving profitability, reaching RMB24.0 million, representing a significant year-on-year increase of 1.2 times compared to 2023. The growth in the Group's revenue from principal business and gross profit for the year 2024, along with the continuous increase in net cash generated from operating activities, will lay a solid foundation for the sustained rapid development of business in 2025, further boosting our confidence in achieving a turnaround to profitability as soon as possible.

In 2024, the Group maintained a stable and diverse client portfolio, serving leading brands across key industries such as finance, healthcare, transportation, power utilities and telecommunications. These included 10 Fortune Global 500 companies and 12 companies ranked among China's top 500 enterprises. Under the premise of a substantial increase in revenue from principal business, the Group's accounts receivable balance at the end of 2024 decreased by 27.2% to RMB159.1 million compared to the end of 2023; the newly recognized allowance for expected credit losses on accounts receivable for 2024 was RMB1.6 million, representing a significant decrease of 93.8% compared to RMB25.7 million for 2023. We have accumulated extensive experience in serving top-tier institutions and industry giants through continuous optimization of our customer structure, in order to gradually improve the turnover efficiency of accounts receivable and ensure the stable and healthy continuous operation of the Group.

As a publicly listed company, we have always anchored our business in innovation and R&D. By relentlessly advancing the application of cutting-edge technologies like artificial intelligence and big data analytics across multiple industries, we develop tailored solutions through deep customer insights to deliver greater effectiveness and comprehensive value. In 2024, the Company, subsidiaries under the Group, and the Chairman of the Board each received numerous honors in the application of innovative technology, among which the Company received awards including: "Hainuo Award – 2024 Outstanding Digital Innovation Enterprise (海諾獎 – 2024傑出數字化創新企業)" in 2024 (the 5th) Brand Innovation Development Conference (2024 (第五屆) 品牌創新發展大會) "Hainuo Award" selection; "2024 Outstanding Medical Technology Innovation Award (2024傑出醫療科技創新獎)" in the selection of the 13th Financial Summit and Innovative Entrepreneurs Festival (第十三屆財經峰會暨創新企業家節); the main operating entity under the Group, Beijing Newlink, received awards including: the independently developed "Production Parallel Flow Playback Verification Platform (生產並行流量回放驗證平台)" was listed on the Pioneer Case List and awarded the "Big Data Innovation Case (大數據創新案例)" at the 7th (2024) Digital Finance Innovation Case Collection Event (第七屆(2024)數字金融創新案例徵集活動); the independently developed IT solution "IFR Financial Intelligent Process Robot based on Newlink RPA V4.0 (基於Newlink RPA V4.0的IFR財務智能流程機器人)" won the "Golden Tripod Product Award (金鼎產品獎)" at the Third "Dingxin Cup (鼎信杯)" competition; awards received by the Chairman of the Board include: "Hainuo Award – 2024 Influential Person of Technology Innovation (2024科技創新影響力人物)" in 2024 (the 5th) Brand Innovation Development Conference (2024 (第五屆) 品牌創新發展大會) "Hainuo Award (海諾獎)" selection, etc.

In 2024, the Group further expanded its regional footprint, establishing new subsidiaries in Hong Kong, Shenzhen and Shanxi. This strategic expansion strengthens our Hong Kong hub's role in serving both the Greater Bay Area and Southeast Asian markets. Concurrently, the Group fostered synergies across subsidiaries to enhance the complementary advantages of resources. By translating the differentiated advantages of our flagship products into targeted market competitiveness across customer segments, we expanded our business footprint and deepened market penetration. The Group achieved the implementation of its solutions and products in broader regional markets and industry sectors, and successfully stimulated new growth momentum through diversified collaboration.

In 2024, on the basis of actively developing its core business, the Group placed importance on continuously fulfilling corporate social responsibility and actively participated in relevant industry associations as well as environmental, social and governance activities. We continuously advanced the steady implementation of ESG-related work by strictly implementing policies, systems and activities related to environmental, social and corporate governance. By continuously enriching the content of ESG implementation and regularly conducting routine ESG activities and other personalized ESG activities, we further enhanced the Group's execution efforts towards sustainable development. The Company was awarded the "Industry Influence Award (行業影響力獎)" at the 2024 Capital Power Annual Selection during the 12th Capital Power Annual Brand Collection and Selection Event (第十二屆資本力量年度品牌徵集與評選活動); and was also honored with the "Ona Award – 2024 Annual Responsible Technology Company (奧納獎 – 2024年度責任科技公司)" at the 2024 (7th) Social Responsibility Conference (2024 (第七屆) 社會責任大會). The Group is committed to corporate responsibility through concrete actions and elevated benchmarks, proactively generating greater social value as our way of giving back.

## **Outlook**

In 2025, the Group will adhere to the dual innovation development goals of "technological R&D innovation" and "business model innovation". It will achieve this by deepening subsidiary coordination mechanisms and establishing a cross-system resource exchange platform; integrating internal and external technology supply chains to create a hub for innovation elements; and constructing a customer experience monitoring matrix to achieve dynamic real-time feedback on the demand side, thus building a long-term growth engine. Meanwhile, we will strengthen the differentiated competitive advantage of flagship products and establish customer segmentation models; extend the technology innovation-related product spectrum and build a multi-scenario solution library; implementing a dual-track expansion strategy combining "core market penetration" with "emerging market development", holistically strengthening core competitiveness across three key dimensions: product, ecosystem and market. In addition, we will further explore the potential of regional strategic layout by advancing the establishment of localized operation centers to improve the regional market response network; formulating differentiated promotion plans to achieve cross-regional replication and distinctive upgrades of products and solutions; and building a channel partner capability empowerment system to enhance end-market coverage density.

In 2025, the Group will remain committed to its long-term, stable development philosophy. Through dedicated efforts to boost operational performance, optimize asset allocation, and strengthen cash flow management, we will consistently enhance operational resilience, fortify risk mitigation capabilities, and steadily elevate operational excellence.

## **FINANCIAL REVIEW**

The Group's financial performance in 2024 reflects a disciplined yet forward-looking approach to resource management. Enhanced liquidity, controlled leverage, and strategic investments in market expansion and innovation position the Group favorably for sustained growth.

## Revenue

During the Reporting Period, the Group's revenue mainly derived from the IT solution service business. The IT solution service business of the Group is to provide customers with various solutions comprising software development services, technical and maintenance services, sales of standard software and other services and products by applying IT technology according to their needs. Depending on the specific application of technology, the Group's IT solutions can be divided into traditional solutions and innovative solutions, among which innovative solutions are solutions powered by key technologies such as artificial intelligence and big data analytics. During the Reporting Period, the Group's innovative solutions not only provided tailored services to customers in specific fields such as finance, medical care, transportation and logistics based on customer needs, but also sold standard products and services to customers; while its traditional solutions were mainly used in the fields like finance and transportation.

In 2024, the Group recorded a revenue of RMB278.8 million, which was mainly contributed by IT solution services business, representing an increase of 13.6% from RMB245.5 million in 2023. The increase in the Group's revenue in 2024 was mainly due to the increase in the revenue of software development services.

The following analysis sets forth a breakdown of our revenue for the year of 2024 and 2023, respectively.

### Software development services

In 2024, our software development services achieved a revenue of RMB243.2 million, accounting for 87.2% of the total revenue and representing a year-on-year increase of 35.5% as compared with 2023. Within this revenue stream, innovative solutions contributed RMB80.2 million, accounting for 33.0% of the revenue derived from software development services. The innovative software development service is a critical component of business revenue of the Group, encompassing a portfolio of advanced, mainly including: robotic process automation (RPA) solutions, medical and healthcare big data intelligent management solutions and others.

These innovative products are developed through the application of a range of advanced technologies, including data mining and analysis, cloud-based computing, distributed database management, knowledge graphs, and deep learning, which have successfully served customers in industries such as financial institutions, medical establishments, and large-scale state-owned and privately-owned enterprises in the transportation and logistics industries.



### **Technical and maintenance services**

Our revenue from technical and maintenance services in 2024 amounted to RMB27.0 million, representing a decrease of 28.2% from RMB37.6 million in 2023. In 2024, the revenue from technology and maintenance services accounted for a relatively low proportion of the Group's total revenue, at only 9.7%.

### **Sale of standard software**

In 2024, our revenue from sales of standard software amounted to RMB8.6 million, only accounting for 3.1% of the total revenue of the Group. Revenue from the innovative solutions amounted to RMB8.1 million, accounting for 94.2% of our revenue from sale of standard software. During the Reporting Period, the Group's innovative solutions that generate revenue through the sales of standard software mainly include products such as the standardized RPA platform, the medical quality control and safety warning platform, and the intelligent healthcare platform.

### **Cost of sales and services rendered**

Our cost of sales and services rendered increased by 15.2% from RMB208.4 million in 2023 to RMB240.0 million in 2024, mainly due to the Group's overall revenue increased by 13.6%, requiring additional technical staff to support expanded business activities, which resulted in higher associated costs.

### **Gross profit and gross profit margin**

Our gross profit increased by 4.9% from RMB37.1 million in 2023 to RMB38.9 million in 2024. Our gross profit margin slightly decreased from 15.1% in 2023 to 14.0% in 2024. During the Reporting Period, the Company recorded a year-on-year revenue growth of 13.6%. However, due to business expansion, cost of sales increased by 15.2%. Since the rise in costs slightly outpaced revenue growth, this led to a marginal decline in gross profit margin.

### **Other income and gains**

In 2024, the Group's other income and gains were RMB12.1 million, representing an increase of 14.2% as compared with 2023, primarily due to the increase in bank interest income, rental income, and VAT refunds and other tax subsidies.

### **Change in fair value of equity investments at fair value through profit or loss**

In 2024, the Group recorded loss arising from change in fair value of equity investments at fair value through profit or loss of a total of RMB11.3 million, which was mainly due to decrease in fair value of equity investments.

### **Allowance for expected credit losses on trade receivables and contract assets, net of reversal**

The Group recorded allowance for expected credit losses on trade receivables and contract assets, net of reversal of RMB1.6 million in 2024, which was mainly due to the increase in expected credit losses on trade receivables balances for more than three years, representing a significant decrease as compared with RMB25.7 million in 2023.

### **Reversal of (impairment loss) on investment in an associate**

For the Reporting Period, the reversal of investment in an associate amounted to RMB1.8 million, mainly due to the net assets allocation generated by an associate of the Group's subsidiary, Beijing Neusoft Yuetong Software Technology Co., Ltd. (北京東軟越通軟件技術有限公司) (“**Neusoft Yuetong**”).

### **Selling and distribution expenses**

Our selling and distribution expenses increased by 15.7% from RMB14.0 million in 2023 to RMB16.2 million in 2024. The increase in selling and distribution expenses was mainly due to elevated selling expenses tied to revenue-generating contracts and increased provision for severance payments.

### **Administrative expenses**

Our administrative expenses increased by 24.1% from RMB36.9 million in 2023 to RMB45.8 million in 2024. The increase in administrative expenses was mainly due to increasing severance pay and increasing staff turnover which led to rise in expense and amortization.

### **Research and development expenses**

In 2024, our research and development expenses amounted to RMB71.5 million, representing an increase of 69.0% as compared with RMB42.3 million in 2023, primarily due to an increase in R&D expenses resulting from the increase in amortization amount of the Group's deferred development costs and the increase of direct expenditure in relation to the research and development expenses.

Since its listing, the Group has continuously invested heavily in research and development. On the one hand, it has invested in the research and development of corresponding solutions according to the utilization plan of the raised funds; and on the other hand, it has also accelerated in terms of investing heavily in the research and development of technologies related to artificial intelligence and big data analytics for broader applications. As of 31 December 2024, the Group had a total of 234 items of software copyrights, including 31 items of software copyrights newly registered in 2024 which are all type of innovative solutions.

### **Other expenses**

In 2024, our other expenses amounted to RMB0.7 million, representing a decrease as compared with RMB1.3 million in 2023.

## **Finance costs**

In 2024, our finance costs increased from RMB1.3 million in 2023 to RMB2.0 million, which remained relatively stable, primarily comprised of interest expenses on interest-bearing bank borrowings and interest on lease liabilities.

## **Share of results of an associate**

Share of profit of an associate in 2024 was RMB0.2 million, which was attributable to the earnings generated by an associate that Neusoft Yuetong invested in.

## **Loss before tax**

As a result of the foregoing, we recorded a loss before tax of RMB96.1 million in 2024, as compared to a loss before tax of RMB71.0 million in 2023.

## **Income tax credit**

We recorded income tax credit of RMB3.0 million in 2024 as compared to income tax credit of RMB1.3 million in 2023, mainly due to increase in loss recorded in the year of 2024.

## **Loss for the year**

In 2024, we recorded a loss for the year of RMB93.0 million, representing an increase of 33.4% as compared to a loss for the year of RMB69.7 million in 2023, mainly due to a loss of RMB11.3 million generated from change in fair value of equity investments at fair value through profit or loss and a year-on-year increase of a total of RMB40.3 million in selling and distribution expenses, administrative expenses and research and development expenses.

## **Liquidity, financial and capital resources**

As of 31 December 2024, the Group's total available cash and cash equivalents, including bank balances and time deposits, amounted to RMB348.2 million. This represents an increase of 5.4% from RMB330.5 million recorded on 31 December 2023. The increase of cash and cash equivalents can ensure the steady and sustainable development of the Group's business.

Net operating cash inflows for the Reporting Period reached RMB24.0 million, up from RMB11.1 million in 2023, representing a year-on-year increase of 116.2%. This increase was primarily driven by optimized working capital management, notably an increase in the turnover rate of trade receivables within three years, which enhanced the efficiency of the Group's cash conversion cycle.

The Group's total bank borrowings stood at RMB20.0 million as of 31 December 2024, with repayment due on 27 June 2025 and a fixed rate of 3.85% per annum. The Group's bank borrowings were strategically deployed to support operational requirements and facilitate business expansion. The fixed-rate structure ensures predictability in interest expenses, reinforcing the Group's financial stability.

Net current assets as of 31 December 2024 were RMB534.5 million, compared to RMB582.7 million as at 31 December 2023, reflecting a decline of 8.3%. This demonstrates the Group's prudent strategy of balancing liquidity needs with short-term debts while preserving sufficient resources for strategic growth initiatives.

### **Exposure to exchange rate fluctuation**

During the year ended 31 December 2024, the functional currency of companies operating in the PRC is Renminbi. Most of the Group's monetary assets were mainly denominated in US dollars and Renminbi. We manage foreign exchange risk by performing periodic reviews of our net foreign exchange exposures and try to minimise these exposures through natural hedges. We operate mainly in the PRC with most of the transactions settled in Renminbi. The management considers that the business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities denominated in the currencies other than the respective functional currencies of our entities. In 2024, the Group did not enter into any hedging transaction against foreign currency risks.

### **Commitments**

The Group has various contracted, but not provided short-term lease commitments at the end of 31 December 2024 (2023: future lease payments of RMB0.7 million for such non-cancellable lease contracts). The future lease payments for these non-cancellable lease contracts are RMB0.5 million due within one year.

### **Contingent Liabilities**

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

### **Future plans for material investments and capital assets**

Save as disclosed in this announcement, as of 31 December 2024, we did not have other substantial future plans for material investments and purchase of capital assets.

### **Material acquisitions and disposals of subsidiaries and affiliated companies**

In 2024, we did not have any material acquisitions or disposals of subsidiaries and affiliated companies.

## Performance Guarantee

On 20 June 2022, Newlink Technology (Beijing) Co., Ltd.\* (紐領科技(北京)有限公司) (a wholly-owned subsidiary of the Company, “**Newlink Technology Beijing**”), entered into an equity transfer and capital increase agreement with shareholders of Neusoft Yuetong (the “**Target Company**”, together with its subsidiaries, the “**Target Group**”) (the “**Sellers**”) and the Target Company (the “**Neusoft Yuetong Acquisition**”), pursuant to which Newlink Technology Beijing has conditionally agreed to purchase, and the Sellers have conditionally agreed to sell, 100% equity interest in the Target Company, and Newlink Technology Beijing has conditionally agreed to make a capital increase to the Target Company, and in this regard, Newlink Technology Beijing agreed: (1) to pay the Sellers the equity transfer consideration of RMB80,000,000 in total (subject to the performance compensation arrangement); (2) to succeed the capital contribution obligations of RMB7,430,769 for the unpaid registered capital in the equity interest transferred by Dai Linlin, being one of the Sellers; and (3) to make a capital increase of RMB18,000,000 to the Target Company. The performance guarantee sellers (being the Sellers other than Dai Linlin) undertook to Newlink Technology Beijing that the Target Group’s revenue from principal business and net profit for financial years of 2022, 2023 and 2024 (“**Guaranteed Years**”) shall not be less than the performance targets in the table below.

(In RMB0’000)

Financial Year	2022	2023	2024	Total
Guaranteed revenue from principal business	6,000	7,200	8,640	21,840
Guaranteed net profit	300	450	675	1,425

The actual net profit of the Target Group shall be the lower of the net profit after tax attributable to shareholders of the parent company before or after deduction of non-recurring gains and losses in the consolidated financial statements of the Target Group audited and confirmed by a qualified accounting firm.

As disclosed in the announcement regarding update on the performance guarantee in relation to the acquisition of 100% equity interest in Neusoft Yuetong issued by the Company on 28 March 2024, for the year ended 31 December 2022, the Target Group recorded a net loss of RMB5,052,379.81 based on which the performance guarantee sellers did not fulfill the performance guarantee arrangement. Therefore, upon expiry of the performance guarantee period, the parties will calculate the performance compensation amount according to the relevant calculation formula based on the audited key financial indicators of Neusoft Yuetong. The Company will make a further announcement in this regard in due course.

## **Significant investments**

In 2024, we did not hold any significant investments that account for 5% or more of the total assets of the Company as at the end of the Reporting Period.

## **Charge on Group's assets**

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

## **Customer credit risk**

Our business operations are subject to the risk of payment deferrals and/or defaults by our customers. For our software development services, most of our contracts provide for periodic installments from our customers based on project milestones, such as delivery, installation and testing of our solutions. However, we incur costs associated with a project, primarily including staff costs relating to project execution and software development, electronic equipment and certain project implementation expenses, on an ongoing basis from the beginning. As a result, we are required to make prepayments for certain project costs and expenses before receiving sufficient payments from our customers.

During the track record period, we typically granted our customers a credit period depending on contract terms and our evaluation of customer's creditworthiness. In determining the actual length of credit terms granted to a specific customer, we consider various factors such as reputation, length of business relationship and past payment records. As of 31 December 2024, our gross trade receivables amounted to RMB204.0 million and we recorded allowance for expected credit losses on trade receivables of RMB44.9 million. We are thus exposed to the risk that customers may delay or even be unable to pay when milestones are reached or upon completion of contracts. These may put our cash flow and working capital under pressure.

**1. The subsequent settlement is set out below in relation to the trade receivables as of 31 December 2024:**

	<b>Gross amount</b>	<b>RMB'000 Subsequent settlement</b>
Within 180 days	38,130	6,921
181 days to 1 year	38,779	2,355
1 to 2 years	39,883	8,802
2 to 3 years	32,561	526
Over 3 years	54,612	206
<b>Total</b>	<b>203,965</b>	<b>18,810</b>

**2. Recoverability of long aged receivables and reasons why the loss allowances were adequate:**

*(1) Customers with strong creditworthiness*

Our trade receivable balance as of 31 December 2024 was mainly from large customers with good reputation and strong creditworthiness, the majority of which were state-owned enterprises and listed companies, including top-tier banks, trust companies, asset management companies, Class III Grade A hospitals, railway bureaus, locomotive depots, railway information technology companies, railway bureau groups, airlines, aviation food companies, aviation materials companies, etc. Such customers are in good standing and have strong creditworthiness and bargaining power, and have stringent and extensive internal payment and settlement processes, which often required time-consuming internal approval processes before payments were made, resulting in further extension of their payment cycles. As of 31 December 2024, 71.2% of the trade receivables balance was recorded from state-owned enterprises and listed companies.

In addition, the balance of trade receivables over 180 days as of 31 December 2024 was mainly recorded from state-owned enterprises and listed companies with which the Group had longstanding cooperation, and there has been no recoverability issue in relation to trade receivables in previous years and both parties have maintained a good cooperation relationship.

*(2) The balance of trade receivables over 180 days remains in a trend of continuous collection of receivables*

As of 31 December 2024, the balance of trade receivables over one year amounted to RMB127.1 million, recorded from a total of 121 customers, among which 106 customers are still performing contracts with the Group so far, and continued to collect receivables since 31 December 2024.

*(3) The business model and customer base of the Group remain unchanged as disclosed before*

In relation to trade receivables, as disclosed in the prospectus of the Company dated 21 December 2020, the previous, current and future business model and the customer base of the Group have remained and are expected to remain substantially unchanged.

The Company considers that it has entered into normal business arrangements with these customers and has not identified any issues of the recoverability of trade receivables or insufficient provision for impairment to date.

**3. *Actions taken or to be taken to recover such long-outstanding receivables***

The Group has continued to (1) increase sales revenue from customers with short payment cycle and gradually reduce sales to customers with long payment cycle to achieve substantial improvements against the long payment cycle of trade receivables; (2) maintain strict control over its outstanding trade receivables and have a credit control department to minimise the credit risk. The Group has strictly followed its credit management policy and will continue to follow the steps and measures stipulated in the credit management policy to manage the trade receivables and maintain the working capital. As required by the credit management policy of the Group, the Group has instructed designated sales personnel to follow up directly with their responsible customers, and the sales and marketing staff of the Group make collection calls to customers whose bills have been overdue for less than 90 days; for customers whose bills have been overdue within 90 to 360 days, the sales and marketing staff escalate the matter to the business department and both the sales and marketing staff and the business department make collection calls to the customers; and for customers whose bills have been overdue for more than 360 days, the Group assigns the sales and marketing staff to visit the customers for face-to-face communication, and the sales and marketing staff and business departments continuously to follow up and collection calls to customers. To manage the trade receivables, the Group has also strengthened the cooperation between the technical team and the sales and marketing team to conduct more efficient collection, and taken into account the collection speed in the performance assessment of the employees. In addition, the Group will continue to issue periodic written payment reminders to the customers. Overdue balances are also regularly reviewed by the senior management; and (3) regularly make enquiries on customers' ratings and make an analysis of the background, reputation, market position and the operating conditions of customers based on publicly available information.

**Key Financial and Business Performance Indicators**

The key financial and business performance indicators comprise return on equity.

Our return on equity decreased from -8.8% for 2023 to -12.5% for 2024, primarily due to the increasing amount of loss recorded for the year.



Our gearing ratio increased from 1.0% as of 31 December 2023 to 2.7% as of 31 December 2024, primarily due to increased amount of bank borrowings. The calculation of gearing ratio is based on total borrowings divided by total equity as of the end of the year and multiplied by 100.0%.

## OTHER INFORMATION

### Use of Proceeds from the Global Offering

The Shares in issue of the Company were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 6 January 2021, whereby 200,000,000 new Shares were issued at the offer price of HK\$4.36 per share by the Company. After deduction of the underwriting fees, commissions and other related costs and expenses, the net proceeds from the Global Offering of the Company amounted to approximately HK\$790.4 million (representing net proceeds of HK\$3.952 per new Share) (the “**IPO Proceeds**”).

In order to better utilize the financial resources of the Group and to capture favourable investment opportunities, the Board has reviewed the utilization of the IPO Proceeds and resolved to reallocate not more than HK\$71.0 million of the surplus to pay the equity transfer consideration, to make the capital increase payment and to fulfill or pay capital contribution obligations for the acquisition of Neusoft Yuetong (the “**Re-allocation**”). For further details, please refer to the announcement of the Company dated 20 June 2022.

As at the beginning of the Reporting Period, the unutilized amount for developing new solutions and upgrading existing solutions was HK\$266.2 million, HK\$83.2 million of which was intended to develop and upgrade the Group’s medical quality control warning system, HK\$68.0 million of which was intended to develop the Group’s clinical pathway management system, HK\$37.4 million of which was intended to develop the Group’s telemedicine system, HK\$22.8 million of which was intended to develop a new solution of intelligent healthcare platform, HK\$25.7 million of which was intended to upgrade the Group’s RPA solution, and the unutilized amount for enhancing the Group’s sales and marketing efforts was HK\$29.1 million.

On 23 September 2024, after due and careful consideration on the prevailing business environment and development needs of the Group, the Board resolved to change the use of the unutilized IPO Proceeds to (i) reallocate the unutilized surplus of approximately HK\$49.2 million for working capital and other general corporate purposes; and (ii) build on the Group’s long-standing accumulated capabilities in independent research and development, capabilities in technological innovation, industry insights and customer needs, the Company will further enhance the original plan for developing new solutions and upgrading existing solutions by increasing the related investment plans for the development of innovative universal products and the development of innovative financial products, and will further reallocate the original plan of IPO Proceeds for developing new solutions and upgrading existing solutions: (a) approximately HK\$38.9 million will be utilized to develop innovative universal products; and (b) approximately HK\$20.0 million will be utilized to develop innovative financial products (the “**Further Re-allocation**”). For details, please refer to the announcement of the Company dated 23 September 2024.

During the Reporting Period, prior to Further Re-allocation, HK\$50.1 million was used for developing new solutions and upgrading existing solutions, among which HK\$31.5 million was used for developing and upgrading the Group's medical quality control and safety warning system, HK\$3.1 million was used for developing the Group's clinical pathway management system, HK\$4.5 million was used for developing the Group's telemedicine system, HK\$3.2 million was used for developing a new solution of intelligent healthcare platform, HK\$7.8 million was used for upgrading the Group's RPA solution, and HK\$7.4 million was used for enhancing the Group's sales and marketing efforts.

The following table sets forth the details of the use of the IPO Proceeds after Further Re-allocation:

	Original allocation of the IPO Proceeds (approximate)		Allocation of IPO Proceeds after the First Re-allocation (approximate)		Further Re-allocation of the Unutilized IPO Proceeds (approximate)		Utilized amount after Further Re-allocation	Unutilized amount as of 31 December 2024	Expected timeline for the use of unutilized proceeds <sup>(1)</sup>
	Percentage	Amount	Percentage	Amount	Percentage	Amount			
		HK\$ million		HK\$ million		HK\$ million	HK\$ million	HK\$ million	
<b>For developing new solutions and upgrading existing solutions</b>	<b>80.0%</b>	<b>632.3</b>	<b>72.8%</b>	<b>575.5</b>	<b>69.4%</b>	<b>144.8</b>	<b>27.2</b>	<b>117.6</b>	
– to develop and upgrade the Group's medical quality control and safety warning system	20.0%	158.1	18.2%	143.9	11.7%	24.4	7.9	16.5	
– to develop the Group's clinical pathway management system	20.0%	158.1	18.2%	143.9	11.6%	24.2	0.2	24.0	By December 2025
– to develop the Group's telemedicine system	10.0%	79.0	9.1%	71.9	3.5%	7.3	3.0	4.3	
– to develop a new solution of intelligent healthcare platform	10.0%	79.0	9.1%	71.9	6.1%	12.7	2.0	10.7	
– to upgrade the Group's RPA solution	20.0%	158.1	18.2%	143.9	8.3%	17.3	4.7	12.6	
– to develop innovative universal products	–	–	–	–	18.6%	38.9	4.1	34.8	
– to develop innovative financial products	–	–	–	–	9.6%	20.0	5.3	14.7	
<b>For enhancing the Group's sales and marketing efforts</b>	<b>10%</b>	<b>79.1</b>	<b>9.1%</b>	<b>72.0</b>	<b>7.0%</b>	<b>14.7</b>	<b>5.2</b>	<b>9.5</b>	<b>By December 2025</b>
<b>For working capital and other general corporate purposes</b>	<b>10%</b>	<b>79.0</b>	<b>9.1%</b>	<b>71.9</b>	<b>23.6%</b>	<b>49.2</b>	<b>48.6</b>	<b>0.6</b>	<b>By December 2027</b>
<b>Funds proposed to be used for the Neusoft Yuetong Acquisition</b>	<b>–</b>	<b>–</b>	<b>9.0%</b>	<b>71.0</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	
<b>Total</b>	<b>100%</b>	<b>790.4</b>	<b>100%</b>	<b>790.4</b>	<b>100%</b>	<b>208.7</b>	<b>81.0</b>	<b>127.7</b>	

**Notes:**

- (1) Due to the Further Re-allocation, the Company expects the Unutilized IPO Proceeds will be fully utilized by December 2025 except for the Unutilized IPO Proceeds re-allocated for working capital and other general corporate purposes, which are expected to be fully utilized by December 2027. The expected timeline for utilizing the unutilized funds is based on the best estimation of the future market condition made by the Group. It may be subject to change based on the current and future development of market conditions.

- (2) Any discrepancy arising in the decimal figures in the table above is due to the effect of rounded figures.
- (3) The utilization of IPO Proceeds for developing new solutions and upgrading existing solutions after the Further Re-allocation still includes the balance of the relevant unutilized IPO Proceeds of approximately HK\$63.2 million originally planned for office lease, purchase and renovation for IT solutions as disclosed in the Prospectus.

The Company has utilized, and will continue to utilize the IPO Proceeds in accordance with the intended purposes as set out in the Prospectus and the announcements of the Company dated 20 June 2022 and 23 September 2024.

### Use of Proceeds From the 2024 Placing

On 7 May 2024 (after trading hours), the Company entered into the placing agreement with the placing agent, pursuant to which the Company has agreed to place through the placing agent a maximum of 157,302,880 ordinary share(s) of par value of US\$0.000001 each of the Company at the placing price of HK\$0.28 per placing share (the “**2024 Placing**”) to not less than six placees who and whose beneficial owners shall be independent third parties. On 7 May 2024, the closing price of the shares of the Company was HK\$0.34 per share. On 14 May 2024, the Company completed the placement of 157,302,880 shares. The total proceeds and the net proceeds from the 2024 Placing, after deduction of the placing commission and other related expenses, amounted to approximately HK\$44.04 million and HK\$43.60 million, respectively, and the net price per Share was approximately HK\$0.277. The net proceeds from the 2024 Placing will be applied to replenish general working capital of the Group.

Use of the net proceeds from the 2024 Placing during the Reporting Period is set out in the table below:

	The net proceeds from the 2024 Placing	Utilized amount during the Reporting Period	Unutilized amount as at the end of the Reporting Period	Expected timeline for the use of unutilized proceeds
Replenish general working capital of the Group	HK\$43.60 million	HK\$10.54 million	HK\$33.06 million	By December 2027

*Note:*

- (1) The expected timeline for utilizing the unutilized funds is based on the best estimation of the future market condition made by the Group. It may be subject to change based on the current and future development of market conditions.

### Employees, Training and Remuneration Policies

As of 31 December 2024, the Group had 622 employees. The staff costs including Directors’ emoluments were approximately RMB152.6 million in 2024.

Remuneration of the Group’s employees includes basic salary, bonuses and cash subsidies. We determine our employees’ compensation based on each employee’s performance, qualifications, position and seniority.

We adopted the Post-IPO Share Option Scheme on 5 December 2020, which falls within the ambit of, and is subject to, the regulations under Chapter 17 of the the Rules Governing the Listing of Securities on The Stock Exchange (the “**Listing Rules**”). The purpose of the Post-IPO Share Option Scheme is to provide incentives and rewards to eligible persons for their contribution to, and continuing efforts to promote the interest of the Group.

We recognize the importance of keeping the Directors updated with the latest information of duties and obligations of a director of a company whose shares are listed on the Stock Exchange and the general regulatory and environmental requirements for such listed company. To meet this goal, we are committed to our employees’ continuing education and development. We provide preemployment and regular continuing trainings to our employees, which we believe are effective in equipping them with the skill set and work ethics that we require. Also, we continuously provide comprehensive trainings to our technical staff, equipping them with knowledge and skills to perform a variety of functions on different projects and allowing us to quickly find qualified and suitable replacement internally in the event of employee’s demission.

### **Pre-Emptive Rights**

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

### **Purchase, Sale or Redemption of the Company’s Listed Securities**

During the Reporting Period, the Company repurchased a total of 5,952,800 Shares (the “**Shares Repurchased**”) on the Stock Exchange at an aggregate consideration of approximately HK\$2.47 million (inclusive of transaction fees such as brokerage fee, stamp duty and transaction levy). All of the Shares Repurchased are held as treasury shares. The repurchase of shares was effected because the Board considered that a share repurchase in the then conditions demonstrated the Company’s confidence in its own business outlook and prospects and would, in the long term, benefit the Company and create value to the Shareholders.

Particulars of the Shares Repurchased during the Reporting Period are as follows:

<b>Month of repurchase</b>	<b>No. of Shares repurchased</b>	<b>Highest price paid per Share (HK\$)</b>	<b>Lowest price paid per Share (HK\$)</b>	<b>Aggregate consideration<sup>(1)</sup> (HK\$)</b>
December 2024	<u>5,952,800</u>	<u>0.43</u>	<u>0.365</u>	<u>2,472,644</u>

*Note:*

(1) Total consideration that is inclusive of transaction fees such as brokerage fee, stamp duty and transaction levy.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company listed securities (including sale of treasury shares) during the Reporting Period. As of 31 December 2024, the Company had 5,952,800 treasury shares (as defined under the Listing Rules) which are intended to be used for purposes such as employee incentives, sale or transfer to obtain liquid funds, etc. subject to the actual decision(s) making by the Board.

### **Final Dividend**

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

### **Sufficiency of Public Float**

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

### **Compliance with Corporate Governance Code**

The Group is committed to maintaining high standards of corporate governance. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of its shareholders and corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

Pursuant to code provision C.2.1 of the Corporate Governance Code (the “**CG Code**”) of the Appendix C1 to the Listing Rules, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. The roles of the Chairman and the Chief Executive Officer are held by Mr. Zhai Shuchun (“**Mr. Zhai**”). With extensive experience in the information technology industry, Mr. Zhai is responsible for the overall strategic planning and general management of the Group and is instrumental to our growth and business expansion. The Board considers that vesting the roles of chairman and chief executive officer in the same person is beneficial to the management of the Group and ensures consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. In light of the above, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in the circumstances of the Company.

The Company has adopted all the applicable principles and code provisions set out in the CG Code as the basis of the Group’s corporate governance practices. Save as disclosed in this announcement, the Group has complied with the CG Code throughout the year ended 31 December 2024. The Company will periodically review on its corporate governance policies and will propose any amendment, if necessary, to ensure compliance with the CG Code effective from time to time.

### **Compliance with the Model Code for Securities Transactions**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as a code of conduct of the Company regarding Directors’ securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the requirements of the Model Code for the year ended 31 December 2024.

### **Audit Committee and Review of Financial Information**

The audit committee of the Board (the “**Audit Committee**”) (comprising three independent non-executive Directors, namely, Mr. You Linfeng (the chairman of the Audit Committee), Mr. Tang Baoqi and Ms. Yang Juan) has reviewed with the management of the Company the consolidated financial statements of the Company for the year ended 31 December 2024.

The Audit Committee has also reviewed the accounting policies and practices adopted by the Company and discussed matters in relation to, among others, risk management, internal control and financial reporting of the Group with the management and the auditor of the Company. Based on this review and discussions with the management, 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 31 December 2024.

## **Scope of Work of Forvis Mazars CPA Limited**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Group's auditor, Forvis Mazars CPA Limited (formerly known as Mazars CPA Limited), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Forvis Mazars CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Forvis Mazars CPA Limited on this announcement.

## **Events after the Reporting Period**

No significant event of the Group has occurred subsequent to 31 December 2024 and up to the date of this announcement.

## **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This announcement is published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.newlinktech.com.cn](http://www.newlinktech.com.cn)). The annual report of the Company for the year ended 31 December 2024 will be published on the aforesaid websites in due course.

## **APPRECIATION**

On behalf of the Board, I would like to thank all our colleagues for their diligence, dedication, loyalty and integrity. I would also like to thank all our shareholders, customers, bankers and other business associates for their trust and support.

By order of the Board  
**Newlink Technology Inc.**  
**ZHAI Shuchun**

*Chairman of the Board and Chief Executive Officer*

Beijing, the PRC, 31 March 2025

*As at the date of this announcement, the executive Directors are Mr. ZHAI Shuchun, Ms. QIN Yi and Mr. LI Xiaodong; and the independent non-executive Directors are Mr. TANG Baoqi, Ms. YANG Juan and Mr. YOU Linfeng.*