

LianLian 连连

連連數字科技股份有限公司
Lianlian DigiTech Co., Ltd.

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

Stock Code: 2598

2025
ANNUAL REPORT



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Corporate Information

DIRECTORS

Executive Directors

Mr. Zhang Zhengyu (章徵宇) (*Chairman and chief executive officer,)*
(*simultaneously serving as chief executive officer with effect from March 26, 2026*)
Mr. Xin Jie (辛潔) (*Chief executive officer*)
(*resigned as the chief executive officer with effect from March 26, 2026*)
Ms. Wei Ping (魏萍) (*Financial director*)
Mr. Zhu Xiaosong (朱曉松)
Mr. Wang Yu (王愚)
(*resigned as a Director with effect from July 28, 2025*)

Independent Non-executive Directors

Mr. Chun Chang
Mr. Wong Chi Kin (黃志堅)
Ms. Lin Lanfen (林蘭芬)

SUPERVISORS

(the supervisory committee was cancelled on January 26, 2026)

Mr. Wu Wei (吳偉)
Ms. Song Jingfang (宋靜芳)
Ms. Hong Xiaoxue (洪曉雪)

AUDIT COMMITTEE

Mr. Wong Chi Kin (黃志堅) (*Chairperson*)
Mr. Chun Chang
Ms. Lin Lanfen (林蘭芬)

NOMINATION COMMITTEE

Ms. Lin Lanfen (林蘭芬) (*Chairperson*)
Mr. Wong Chi Kin (黃志堅)
Mr. Zhu Xiaosong (朱曉松)

REMUNERATION AND ASSESSMENT COMMITTEE

Mr. Chun Chang (*Chairperson*)
Ms. Lin Lanfen (林蘭芬)
Mr. Zhang Zhengyu (章徵宇)

COMPLIANCE AND RISK MANAGEMENT COMMITTEE

Mr. Zhang Zhengyu (章徵宇) (*Chairperson*)
Mr. Xin Jie (辛潔)
Mr. Wong Chi Kin (黃志堅)

STRATEGY COMMITTEE

Mr. Zhang Zhengyu (章徵宇) (*Chairperson*)
Mr. Xin Jie (辛潔)
Mr. Chun Chang

AUTHORISED REPRESENTATIVES

Mr. Xin Jie (辛潔)
Ms. Leung Hoi Yan (梁鯉欣)
(*associate member of the Hong Kong Chartered Governance Institute*)
(*appointed as an authorised representative with effect from July 28, 2025*)

Ms. Chan Yuen Mui (陳婉梅)
(*associate member of the Hong Kong Chartered Governance Institute*)
(*appointed as an authorised representative with effect from March 18, 2025 and resigned with effect from July 28, 2025*)

Ms. Cheung Lai Ha (張麗霞)
(*associate member of the Hong Kong Chartered Governance Institute*)
(*resigned with effect from March 18, 2025*)

JOINT COMPANY SECRETARIES

Ms. Xu Yedan (許葉丹)
(*appointed as a joint company secretary with effect from July 28, 2025*)

Ms. Leung Hoi Yan (梁鯉欣)
(*associate member of the Hong Kong Chartered Governance Institute*)
(*appointed as a joint company secretary with effect from July 28, 2025*)

Mr. Yan Hao (閔浩)
(*resigned as a joint company secretary with effect from July 28, 2025*)

Ms. Chan Yuen Mui (陳婉梅)
(*associate member of the Hong Kong Chartered Governance Institute*)
(*appointed as a joint company secretary with effect from March 18, 2025 and resigned with effect from July 28, 2025*)

Ms. Cheung Lai Ha (張麗霞)
(*associate member of the Hong Kong Chartered Governance Institute*)
(*resigned with effect from March 18, 2025*)

AUDITOR

PricewaterhouseCoopers
*Certified Public Accountants and Registered Public
Interest Entity Auditor*
22/F, Prince's Building
Central
Hong Kong

COMPLIANCE ADVISER

Somerley Capital Limited
20/F China Building
29 Queen's Road Central
Hong Kong

HONG KONG LEGAL ADVISER

Eric Chow & Co. in Association with
Commerce & Finance Law Offices
3401, Alexandra House
18 Chater Road
Central
Hong Kong

PRC LEGAL ADVISER

Commerce & Finance Law Offices
12-14th Floor, China World Office 2
No. 1 Jianguomenwai Avenue
Chaoyang District
Beijing, the PRC

REGISTERED OFFICE

B3, 12/F, Building 1
79 Yueda Lane
Binjiang District, Hangzhou
Zhejiang Province
PRC

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

B3, 12/F, Building 1
79 Yueda Lane
Binjiang District, Hangzhou
Zhejiang Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKS

Industrial and Commercial Bank of China Limited
Hangzhou Gaoxin Sub-branch
No. 391 Wener Road, West Lake District
Hangzhou, Zhejiang Province
PRC

China Merchants Bank Co., Ltd. Hangzhou Branch
No. 300, Fuchun Road, Shangcheng District
Hangzhou, Zhejiang Province
PRC

China CITIC Bank Co., Ltd. Binjiang Sub-branch
Southeast Corner, 1/F and 2/F, Building 6
Zhongnan International Mall
No. 1090, Jiangnan Avenue
Binjiang District
Hangzhou, Zhejiang Province
PRC

China Construction Bank Corporation
Hangzhou Binjiang Sub-branch
No. 480, Jiangnan Avenue, Binjiang District
Hangzhou, Zhejiang Province
PRC

COMPANY'S WEBSITE

www.lianlian.com

STOCK CODE

2598

LISTING DATE

March 28, 2024

Definitions

In this annual report, the following expressions have the meanings set out below unless the context otherwise requires:

“AGM”	the forthcoming annual general meeting of the Company to be held on Friday, June 5, 2026
“Articles” or “Articles of Association”	amended and restated articles of association of the Company approved by Shareholders at the extraordinary general meeting of the Company held on January 26, 2026, as amended from time to time
“Audit Committee”	the audit committee of the Board
“Auditor”	PricewaterhouseCoopers, the external auditor of the Company
“Board” or “Board of Directors”	board of directors of the Company
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Chairman”	chairman of the Board
“China” or “PRC”	the People’s Republic of China, for the purpose of this report and for geographical reference only, excluding Hong Kong Special Administrative Region of the People’s Republic of China, Macau Special Administrative Region of the People’s Republic of China and Taiwan Region
“Chuanglianzhixin”	Hangzhou Chuanglianzhixin Investment L.P. (杭州創連致新投資合夥企業(有限合夥)), a limited partnership established in the PRC on December 11, 2017, one of our Controlling Shareholders
“Company”, “our Company”, “the Company” or “Lianlian”	Lianlian DigiTech Co., Ltd. (連連數字科技股份有限公司), a joint stock company with limited liability incorporated in the PRC on February 2, 2009 and listed on the Stock Exchange on March 28, 2024 (stock code: 2598)
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and in the context of this annual report, refers to the controlling shareholders of our Company, namely Mr. Zhang Zhengyu (章徵宇), Chuanglianzhixin, Mr. Lu Zhonglin (呂鐘霖) and Ms. Xiao Sequ (肖瑟秋)
“Director(s)”	director(s) of the Company
“EIT”	enterprise income tax
“Global Offering”	an offering of 64,300,000 H Shares, comprising a final Hong Kong public offering of 19,290,000 H Shares and a final international public offering of 45,010,000 H Shares

“Group”, “our Group”, “the Group”, “we”, “us”, or “our”	our Company and our subsidiaries
“H Share(s)”	overseas listed shares in the share capital of our Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars”, “HK dollars”, “HK\$” or “HK cents”	“Hong Kong dollars”, “HK dollars”, “HK\$” or “HK cents”
“IFRS”	International Financial Reporting Standards
“Latest Practicable Date”	April 17, 2026, being the latest practicable date prior to the publication of this annual report for ascertaining certain information contained herein
“Lianlian International”	Lianlian International Company Limited (連連國際支付有限公司), a company incorporated in Hong Kong on June 20, 2016 and one of our subsidiaries
“LianTong”	Express (Hangzhou) Technology Services Company Limited (連通(杭州)技術服務有限公司)
“Listing”	listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	March 28, 2024, the date on which the H Shares of the Company were listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
“Model Code”	the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Prospectus”	the prospectus of the Company dated March 20, 2024
“Reporting Period”	the year ended December 31, 2025
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of the Company with nominal value of RMB1.00 each including Unlisted Shares and H Shares

Definitions

“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	member(s) of the Supervisory Committee of the Company
“Supervisory Committee”	the supervisory committee of our Company, which has been cancelled following the approval of the resolution on amendments to the Article of Association and cancellation of the supervisory committee by the Shareholders at the extraordinary general meeting held on January 26, 2026
“TPV”	total transaction payment volume
“Unlisted Share(s)”	ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are currently not listed or traded on any stock exchange
“VAT”	value-added tax
“%”	per cent

Financial Highlights

	Year ended December 31,				
	2025	2024	2023	2022	2021
	<i>(RMB in thousands)</i>				
Revenue	1,733,801	1,314,959	1,028,256	742,748	643,644
Gross profit	873,451	682,521	577,352	465,969	439,244
Profit/(loss) before income tax	2,082,139	(572,007)	(651,756)	(900,638)	(730,450)
Profit/(loss) for the year	1,662,123	(166,538)	(654,215)	(916,866)	(746,836)
Total comprehensive profit/(loss) for the year	1,664,422	(158,578)	(658,811)	(911,774)	(733,419)
EBITDA (Non-IFRS measure) ⁽¹⁾	2,110,736	(525,488)	(610,156)	(874,706)	(726,483)
Adjusted EBITDA (Non-IFRS measure) ⁽²⁾	2,319,782	(280,257)	(359,188)	(822,428)	(656,681)
Adjusted profit/(loss) for the year (Non-IFRS measures) ⁽³⁾	1,871,169	78,693	(403,247)	(864,588)	(677,034)

Notes:

- (1) EBITDA (Non-IFRS measure) refers to Profit/(Loss) adjusted by adding back (i) income tax expenses/(credits), (ii) finance (income)/costs – net, and (iii) depreciation and amortization, which are non-cash in nature.
- (2) Adjusted EBITDA (Non-IFRS measure) refers to EBITDA (Non-IFRS measure) adjusted by adding back (i) listing expenses, which relate to the Global Offering, and (ii) share-based compensation expenses, which are non-cash in nature.
- (3) Adjusted profit/(loss) for the year (Non-IFRS measures) refers to profit/(loss) for the years adjusted by adding back (i) listing expenses, which relate to the Global Offering, and (ii) share-based compensation expenses, which are non-cash in nature.

	As of December 31,				
	2025	2024	2023	2022	2021
	<i>(RMB in thousands)</i>				
Total assets	22,941,714	14,538,817	10,467,499	10,146,014	8,475,081
Total liabilities	19,869,840	13,303,310	9,873,855	9,085,559	6,556,772
Total equity	3,071,874	1,235,507	593,644	1,060,455	1,918,309
Equity attributable to owners of the Company	3,074,786	1,228,336	589,301	1,058,391	1,917,489

Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors (the "**Board**") of Lianlian DigiTech Co., Ltd. (the "**Company**" or "Lianlian"; together with its subsidiaries, the "**Group**"), I am pleased to present the annual report of the Group for the year ended December 31, 2025.

In 2025, breakthroughs in frontier technologies, such as artificial intelligence (AI), rapidly reshaped business models and industrial ecosystems, accelerating the convergence of digital intelligence and globalization. Amidst these shifts, connection and innovation remain enduring drivers that enable enterprises to navigate economic cycles and create long-term value. Guided by the philosophy of "Breaking Boundaries Through Connection, Achieving Symbiosis Through Value Creation (以連接破界, 以價值共生)," Lianlian remains committed to building a digital bridge across global trade, blazing new pathways in the blue ocean of the digital economy, ensuring the seamless flow of global trade with unmatched security and efficiency.

REVIEW

2025 was a pivotal year in advancing Lianlian's globalization strategy. The Company officially signed a contract to become a Key Enterprise Partner of the Hong Kong Special Administrative Region on October 9, 2025, and officially announced the establishment of its overseas headquarters in Hong Kong, China, on November 18, 2025. This marks a new phase in the execution of Lianlian's globalization strategy and a solid step toward our goal of becoming a new-generation multinational corporation with strong global competitiveness. In August 2025, Lianlian Planet Limited (連連星球有限公司), a wholly owned subsidiary of the Company, obtained a Type 3 license from the Securities and Futures Commission of Hong Kong. This marks a milestone in the Company's diversified product portfolio strategy, with Lianlian's global payment licenses and related qualifications further expanding to 66 items. At the same time, Lianlian and its global payment ecosystem partners have jointly crafted a shared vision of win-win cooperation. In 2025, Lianlian established partnerships with global payment service platforms, including UnionPay International, Visa, 12 Victory, Veem, PAYS0, and Waffo. Through resource sharing and complementary capabilities, we jointly built a new ecosystem of digital and intelligent payments and outlined a new blueprint for digital trade.

In 2025, the Company fully integrated and applied AI technology into internal management, technology R&D, and business expansion. During the Reporting Period, Lianlian completed the private deployment of DeepSeek and other large AI models. Multiple AI applications based on large models have been embedded in key scenarios, bringing powerful, intelligent momentum into our company's digital transformation. In addition, we continuously improved the capabilities of our proprietary technology platform to provide customers with one-stop comprehensive services covering payment, fund transfer, global fund distribution, intelligent exchange processing, and intelligent risk management. These services allow us to precisely fulfill the diverse needs of customers across industries and at different stages of growth.

OUTLOOK

Looking ahead to 2026, uncertainties will remain in the international trade environment, emerging technologies such as AI are reshaping business models worldwide, and the landscape of the cross-border payment and service industry will continue to evolve. First and foremost, we will continue to consolidate the Company's competitive advantages in cross-border payment and compliant financial services, and expand our global business footprint; secondly, we will invest more resources in emerging markets, deepen localized operations, and enhance market penetration and service capabilities; simultaneously, we will further strengthen our global licensing portfolio to ensure compliant and stable business development on a global scale, to become a trusted builder of secure, efficient, and convenient payment infrastructure for global trade.

In 2026, we will continue to drive technology-led transformation and upgrades. We are committed to fully embrace AI, and dedicate more resources to technological innovation and global market expansion with the goal of building an AI-driven global financial infrastructure in the intelligent economy era. We will increase our investments to upgrade comprehensively our business products, from payment services to value-added services, and continuously use AI tools in risk control, anti-fraud, and customer service automation to improve operational efficiency and user experience. Additionally, we will steadily advance AI enabled efficiency improvements and refine operational management by systematic adjustment of organizational structure and upgrading of talent to AI natives.

We are living in an era where unprecedented global shifts are deeply intertwined with the technological revolution. Although globalization has faced headwinds, Chinese enterprises are expanding their global footprints with a more proactive attitude and unparalleled resilience, building long-term value on the international stage. Lianlian is honored to stand at the forefront of this transformation – not only as a participant and enabler, but also as a driver of change. We will remain true to our mission of “Connect Merchants of the World; Serve All Across the Globe (連通世界, 服務全球)” and forge ahead with a pioneering and innovative spirit. By harnessing digital intelligence, we aim to maintain certainty amidst uncertainty, stimulate business vitality with digital and intelligent innovation, and open a new chapter amidst these shifting dynamics.

ACKNOWLEDGEMENTS

On behalf of Lianlian, I would like to extend my sincere gratitude to all partners who have supported the Company. I thank every member of Lianlian. To every member of the Lianlian team: your professionalism, enthusiasm, and persistence have authored the past year's growth and breakthroughs. I would also like to thank our customers, partners, shareholders, and investors. Your trust and support drive Lianlian's continuous progress and inspire us to keep exploring new opportunities, advancing innovation, and expanding our boundaries in the global market.

Born to connect and driven by our mission, Lianlian remains steadfast in its commitment to facilitating global commerce and building bridges across markets. We look forward to moving forward hand in hand with all like-minded partners to embrace the opportunities and challenges ahead.

Zhang Zhengyu

Chairman

Hangzhou, China

March 26, 2026

Management Discussion and Analysis

BUSINESS REVIEW

In 2025, Lianlian achieved a landmark year of strategic mastery, leveraging our premier global licensing moat and proprietary technology platform to lead the evolution of online payments for global commerce. Guided by our AI-native pivot, we unlocked operational efficiency and risk management capabilities while accelerating product iteration to deliver a superior, reliable experience for our global customers.

The Company's core business comprises digital payment services and value-added services. Digital payment services encompass global and domestic payments and include a variety of products such as pay-in, pay-out, acquiring, foreign exchange, virtual bank card, and payment aggregation services. By integrating AI-driven intelligence across our end-to-end service chain, we work continuously to optimize transaction risk management and improve customer service, empowering merchants and businesses to thrive in a boundaryless digital economy.

As of December 31, 2025, the Company has established a global licensing portfolio comprising 66 payment licenses and related qualifications, supporting services in more than 100 countries and regions, and enabling transaction settlement in over 130 currencies. As the only Chinese provider holding all state-level money transmitter licenses in the U.S., our regulatory leadership remains a core competitive advantage. In August 2025, our subsidiary, Lianlian StarFX, secured a Type 3 SFC license in Hong Kong. This license allows Lianlian to offer leveraged foreign exchange trading, marking a milestone in our diversified product portfolio. Furthermore, our VATP license positions us at the forefront of digital currency and blockchain technology-based financial services.

Through years of deep, ongoing engagement with global small and medium-sized enterprises ("**SMEs**") and merchant customers, and by building close partnerships with key players across the e-commerce ecosystem, we have continuously accumulated profound insights into customer needs, market trends, and industry developments. In 2025, the Company successfully capitalized on the accelerating expansion of cross-border e-commerce and the internationalization of Chinese enterprises, driving record-high performance through our "internal and external coordination" strategy, reinforced compliance practices, and deep AI integration.

For the year ended December 31, 2025, the Group's full-year total revenue reached RMB1,733.8 million, a year-on-year increase of 31.9%. The cumulative number of clients served surpassed 10.4 million. Most notably, the Group recorded a net profit of RMB1,662.1 million, successfully turning losses into profits. This milestone marks a new level of efficiency in our business and operational model, and fully validates the effectiveness of our high-quality development strategy.

Global Payment

Our global payment business is anchored by a peerless compliance architecture. During the year, we upgraded our infrastructure to deliver specialized solutions for complex vertical scenarios. In 2025, we pioneered the private deployment of large AI models, embedding intelligent momentum into our core. Intelligent tools now drive risk control, FX optimization, and customer service, significantly enhancing operational leverage. Building on our success in established markets and leveraging our local payment licensing capabilities and operational teams, we expanded our geographic footprint into emerging markets, establishing localized hubs to integrate our services deeply into regional trade ecosystems. The launch of our Overseas Headquarters in Hong Kong in November 2025 marked our emergence as a next-generation multinational corporation. For the year 2025, Total Payment Volume (TPV) for global payment services grew 60.7% to reach 452.4 billion, while the revenue of our global payment business has reached RMB1,044.6 million with year-on-year growth at 29.3%, a growth rate far exceeding the industry average, confirming the strong competitiveness of the Company's "technology + localization" dual-wheel drive model.

Domestic Payment and Value-added Services

In the domestic sector, during 2025, in alignment with the regulatory directive to "return to the essence of payment and further strengthen compliance operations," we began to pivot our resources toward addressing the high-value opportunities created by the globalization of Chinese enterprises while maintaining our quality services to existing clients. This strategy strengthened synergies between domestic payment capabilities and our global payment network. For value-added services, we enhanced our digital marketing and corporate wallet solutions, providing essential end-to-end support for international growth and operational efficiency.

Technological Upgrades

Technology has been the foundation of the Company's payment system since its establishment. In 2025, we elevated AI to a core strategic priority; related initiatives include product innovation, such as intelligent foreign exchange services, intelligent account period management, and risk management. We expect such initiatives to deliver tangible value to our customers. Additionally, we pioneered digital asset services through our Hong Kong VATP license, bridging traditional payment infrastructure with the emerging digital economy.

Outlook

Looking ahead, against the backdrop of policy support and the accelerating globalization of Chinese enterprises, Lianlian is positioned to lead the evolution of compliant and intelligent cross-border payment infrastructure, empowering global trade as it enters a new era of digital intelligence. The Company will seize these opportunities by strengthening global compliance capabilities and enhancing synergies across our licensing portfolio, guided by an AI-native strategy and deep industry expertise.

With our Hong Kong headquarters as our global hub, we will integrate AI across the entire service chain – from product design and risk control to operations and customer service. We will also explore the application of blockchain and other emerging technologies to build a more efficient and secure cross-border fund flow system. Relying on global resource synergy, strong multi-currency processing capabilities and the key value of AI in operational efficiency optimization, combined with a global license layout and professional team, we will further strengthen our leadership position and empower Chinese enterprises to achieve unparalleled resilience on the world stage.

FINANCIAL REVIEW

Revenue

Our revenue for the year ended December 31, 2025 was RMB1,733.8 million, representing an increase of 31.9% as compared to last year, primarily attributable to (i) an increase in revenue generated from our digital payment services of RMB299.4 million; (ii) an increase in revenue generated from value-added services of RMB118.7 million; (iii) an increase in other revenue of RMB0.8 million.

The following table sets forth the breakdown of our revenue for the years indicated:

	Year ended December 31,			
	2025 (RMB in thousands)	2024 (RMB in thousands)	Change (RMB in thousands)	Change %
Revenue				
Digital payment services	1,450,023	1,150,632	299,391	26.0
– Global payment ⁽ⁱ⁾	1,044,586	807,772	236,814	29.3
– Domestic payment ⁽ⁱⁱ⁾	405,437	342,860	62,577	18.3
Value-added services	264,886	146,193	118,693	81.2
Others ⁽ⁱⁱⁱ⁾	18,892	18,134	758	4.2
Total	1,733,801	1,314,959	418,842	31.9

Notes:

- (i) Refers to payments that occur across borders or outside China.
- (ii) Refers to payment transactions that occur in China.
- (iii) In addition to our core business of offering digital solutions, we also operate certain other businesses, primarily including property rental.

Digital Payment Services:

The substantial majority of our revenue is generated from our digital payment services, including global payment and domestic payment. Our revenue generated from digital payment services for the year ended December 31, 2025 was RMB1,450.0 million, representing a year-on-year growth of RMB299.4 million, or 26.0%. The increase is mainly attributable to: (i) revenue from global payment increased by RMB236.8 million, representing an increase of 29.3% as compared to last year, driven by the continued growth of TPV for the global payment services; and (ii) revenue from domestic payment increased by RMB62.6 million, representing an increase of 18.3% as compared to last year, mainly due to the revenue increment brought by optimization of the business structure of domestic payment services.

Value-added Services:

Our revenue generated from value-added services for the year ended December 31, 2025 was RMB264.9 million, representing an increase of 81.2%, mainly due to the revenue increment of contributed by the virtual card business.

Other Revenue:

We also generate a small amount of revenue from other sources including rental income from providing property rental services with respect to our self-owned properties. Other revenue saw a slight increase for the year ended December 31, 2025.

Costs

Our costs for the year ended December 31, 2025 was RMB860.4 million, representing an increase of RMB227.9 million or 36.0% as compared to last year. This is primarily due to: (i) the cost of digital payment business services increased by RMB99.9 million, or 19.9%, mainly due to payment business costs rising in line with revenue scale growth; (ii) as a result of the rapid expansion of virtual card business, correspondingly increased service charge paid to channel partners, leading to cost increase for value-added services by RMB127.6 million or 107.9%.

Gross Profit and Gross Profit Margin

Our gross profit for the year ended December 31, 2025 was RMB873.5 million, representing an increase of 28.0% as compared to last year; the gross profit margin was 50.4%, down by 1.5 percentage points as compared to last year, primarily attributable to a significant increase in revenue from virtual card business which has lower gross profit margin. Among which, (i) the gross profit of global payment was RMB755.1 million, representing an increase of RMB173.7 million or 29.9% as compared to last year; with a gross profit margin of 72.3%, up by 0.3 percentage points as compared to last year; (ii) the gross profit of domestic payment was RMB93.4 million, representing an increase of RMB25.8 million or 38.2% as compared to last year; with a gross profit margin of 23.0%, up by 3.3 percentage points as compared to last year, mainly due to changes in the revenue composition corresponding to the optimized business structure; and (iii) the gross profit of value-added services was RMB19.1 million with a gross profit margin of 7.2%, representing a decrease of 11.9% as compared to last year, mainly due to the significant increase in virtual card business which has lower profit margins.

Selling and Marketing Expenses

	Year ended December 31,			
	2025 (RMB in thousands)	2024 (RMB in thousands)	Change (RMB in thousands)	Change %
Selling and marketing expenses	269,875	248,265	21,610	8.7
Less:				
Share-based compensation expenses	12,908	14,587	(1,679)	(11.5)
Adjusted selling and marketing expenses (Non-IFRS measure) ⁽¹⁾	256,967	233,678	23,289	10.0

Note:

(1) Refers to selling and marketing expenses (Non-IFRS measure) after excluding share-based compensation expenses.

Our selling and marketing expenses for the year ended December 31, 2025 were RMB269.9 million, representing an increase of RMB21.6 million or 8.7% as compared to last year; excluding share-based compensation expenses, the adjusted selling and marketing expenses were RMB257.0 million, representing an increase of RMB23.3 million or 10.0% as compared to last year, mainly due to efforts to further expand the customer acquisition and industry coverage for business expansion, which led to increased investment in promotional activities by various platforms.

General and Administrative Expenses

	Year ended December 31,			
	2025 (RMB in thousands)	2024 (RMB in thousands)	Change (RMB in thousands)	Change %
General and administrative expenses	654,123	560,882	93,241	16.6
Less:				
Share-based compensation expenses	151,519	172,178	(20,659)	(12.0)
Listing expenses	–	7,799	(7,799)	(100.0)
Adjusted general and administrative expenses (Non-IFRS measure) ⁽¹⁾	502,604	380,905	121,699	31.9

Note:

- (1) Refers to general and administrative expenses (Non-IFRS measure) after excluding (i) share-based compensation expenses, and (ii) listing expenses.

Our general and administrative expenses for the year ended December 31, 2025 were RMB654.1 million, representing an increase of RMB93.2 million or 16.6% as compared to last year; excluding share-based compensation expenses and listing expenses related to the Global Offering in compliance with international accounting standards, the adjusted general and administrative expenses were RMB502.6 million, representing an increase of RMB121.7 million or 31.9% as compared to last year; mainly due to the continuous expansion of the global business and incremental contributions from investments in overseas licence acquisition, local compliance and operational capabilities.

Research and Development Expenses

	Year ended December 31,			
	2025 (RMB in thousands)	2024 (RMB in thousands)	Change (RMB in thousands)	Change %
Research and development expenses	360,590	319,058	41,532	13.0
Less:				
Share-based compensation expenses	43,260	49,111	(5,851)	(11.9)
Adjusted research and development expenses (Non-IFRS measure) ⁽¹⁾	317,330	269,947	47,383	17.6

Note:

- (1) Refers to research and development expenses (Non-IFRS measure) after excluding share-based compensation expenses.

Our research and development expenses for the year ended December 31, 2025 were RMB360.6 million, representing an increase of RMB41.5 million or 13.0% as compared to last year; after excluding share-based compensation expenses, adjusted research and development expenses were RMB317.3 million, representing an increase of RMB47.4 million or 17.6% as compared to last year, mainly due to the Group's increased ongoing investment in multiple areas, including blockchain and digital assets, as well as the expansion of AI applications in business systems and scenarios, based on the strategic focus of "technology upgrade".

Other Income

Our other income for the year ended December 31, 2025 were RMB302.5 million, representing an increase of RMB90.1 million or 42.4% as compared to last year. This is primarily due to a significant increase in interest income on customer accounts driven by our continuous stable TPV growth and the further improvement in the efficiency of customer accounts appreciation.

Other Gains/(Losses) – Net

Our other gains for the year ended December 31, 2025 were RMB2,320.9 million, while other losses for last year were RMB28.3 million. Other gains were primarily due to (i) during this period, the completion of the equity transfer and capital increase agreement with American Express entered into in December 2024, resulting in a disposal gain of RMB1,601.5 million; concurrently, our equity interest in LianTong was diluted to 17.63%, correspondingly recognizing dilution gains of RMB452.2 million; (ii) the decrease in shareholding ratio of the Group's subsidiary DFX due to an equity financing transaction in December 2025, resulting in dilution gains of RMB348.0 million.

Provision for Impairment on Financial Assets

Our impairment on financial assets refers to the credit loss assessment and movement in allowance for the impairment of trade receivables and other receivables. The impairment loss of financial assets for the year ended December 31, 2025 was RMB2.1 million, representing a decrease of RMB4.2 million as compared to last year, mainly due to the enhancement of the Company's receivables management.

Finance Income/(Costs) – Net

Our finance gains – net for the year ended December 31, 2025 was RMB11.3 million, representing an increase of RMB23.0 million as compared to last year, mainly due to increased return on funds as cash and cash equivalents balance increased significantly in the year; and decreased interest expenses we repaid some of the bank loans.

Share of Net Loss of Associates Accounted for Using the Equity Method

Our share of net loss of associates accounted for using the equity method for the year ended December 31, 2025 was RMB139.3 million, representing a decrease of RMB153.2 million or 52.4% as compared to last year. This is mainly due to the attributable share of losses in LianTong decreasing from 45.20% to 17.63% after the completion off the shares transfer during the year, corresponding to a narrowing of the confirmed investment losses.

Income Tax (Expenses)/Credits

Income tax expenses of the Group for the year ended December 31, 2025 were RMB420.0 million, mainly due to the deductible temporary differences arising from the cumulative net losses recognized by the Company, which were eliminated after the completion of the disposal of equity interests in LianTong, resulting in the reversal of RMB400.4 million in deferred income tax assets.

Non-IFRS Measures

We define EBITDA (Non-IFRS measure) as loss for the years adjusted by adding back (i) income tax expenses/(credits), (ii) finance (income)/costs – net, and (iii) depreciation and amortization, which are non-cash in nature. We define adjusted EBITDA (Non-IFRS measure) as EBITDA (Non-IFRS measure) adjusted by adding back (i) listing expenses, which relate to the Global Offering, and (ii) share-based compensation expenses, which are non-cash in nature. We define adjusted profit/(loss) for the year (Non-IFRS measures) as profit/(loss) for the years adjusted by adding back (i) listing expenses, which relate to the Global Offering, and (ii) share-based compensation expenses, which are non-cash in nature. We believe that Non-IFRS measures facilitate the comparisons of operating performance from year to year and company to company and provide useful information to investors and others in understanding and evaluating our operating performance in the same manner as it helps our management. However, our presentation of Non-IFRS measures for the years may not be comparable to similarly titled measures presented by other companies. The use of Non-IFRS measures has limitations as an analytical tool, and investors should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

The following tables reconcile Non-IFRS measures for the periods presented in accordance with IFRS Accounting Standards:

	Year ended December 31,	
	2025 (RMB in thousands)	2024 (RMB in thousands)
Reconciliation		
Non-IFRS Measures		
Profit/(loss) for the year	1,662,123	(166,538)
Add:		
Income tax expenses/(credits)	420,016	(405,469)
Finance (income)/costs – net	(11,288)	11,671
Depreciation of property, plant and equipment	16,178	13,716
Depreciation of right-of use assets	15,114	12,973
Depreciation of investment properties	4,059	4,027
Amortization of intangible assets	4,534	4,132
EBITDA (Non-IFRS measure)⁽ⁱ⁾	2,110,736	(525,488)
Add:		
Share-based compensation expenses ⁽ⁱⁱ⁾	209,046	237,432
Listing expenses	–	7,799
Adjusted EBITDA (Non-IFRS measure) ⁽ⁱⁱⁱ⁾	2,319,782	(280,257)
Non-IFRS Measures		
Profit/(loss) for the year	1,662,123	(166,538)
Add:		
Share-based compensation expenses	209,046	237,432
Listing expenses	–	7,799
Adjusted profit/(loss) for the year (Non-IFRS measures)^(iv)	1,871,169	78,693

Notes:

- (i) EBITDA (Non-IFRS measure) refers to loss for the years adjusted by adding back (i) income tax expenses/(credits), (ii) finance (income)/costs – net, and (iii) depreciation and amortization, which are non-cash in nature.
- (ii) Our share-based compensation expenses consist of share options granted under the equity-settled share option schemes and incentive shares or shares granted to our employees. Such expenses in any specific period are not expected to result in future cash payments.
- (iii) Adjusted EBITDA (Non-IFRS measure) refers to EBITDA (Non-IFRS measure) adjusted by adding back (i) listing expenses, which relate to the Global Offering, and (ii) share-based compensation expenses, which are non-cash in nature.
- (iv) Adjusted profit/(loss) for the year (Non-IFRS measures) refers to profit/(loss) for the years adjusted by adding back (i) listing expenses, which relate to the Global Offering, and (ii) share-based compensation expenses, which are non-cash in nature.

Profit/(Loss) for the Year

For the aforementioned reasons, the Group’s profit for the Reporting Period was RMB1,662.1 million, representing an increase of RMB1,828.7 million compared to last year. After excluding (i) share-based compensation expenses of RMB209.0 million, the adjusted profit for the period (a Non-IFRS measure) was RMB1,871.2 million.

Liquidity and Financial Resources, Treasury Policies and Capital Structure

	Year ended December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	<i>(RMB in thousands)</i>
The following table sets forth our cash flows for the years indicated:		
Net cash generated from/(used in) operating activities	112,387	(111,058)
Net cash generated from/(used in) investing activities	1,401,925	(131,028)
Net cash (used in)/generated from financing activities	(394,578)	569,131
Net increase in cash and cash equivalents	1,119,734	327,045
Cash and cash equivalents at beginning of the year	522,250	189,840
Effects of exchange rate changes on cash and cash equivalents	(14,378)	5,365
Cash and cash equivalents at end of the year	1,627,606	522,250

During the Reporting Period, the Group's net cash generated from operating activities was RMB112.4 million, mainly attributable to the profit before income tax of RMB2,082.1 million, (i) exclusion of net gains of RMB2,263.2 million from the disposal of equity interests in associates, equity dilution gains and recognition of investment losses under the equity method; (ii) add-back of share-based compensation expenses of RMB209.0 million, fair value losses of financial assets of RMB42.6 million and depreciation and amortisation expenses of 39.9 million; (iii) cash use of RMB13.3 million as a result of changes in working capital, mainly reflecting increases in trade receivables.

Net cash generated from investing activities was RMB1,401.9 million, primarily due to proceeds from the disposal of partial equity interest in LianTong of RMB1,601.5 million, partially offset by net outflows from the purchase of capital-guaranteed wealth management products and other financial investment products of RMB114.7 million, a decrease from the purchase of associates and the disposal of a subsidiary of our Company (DFX) of RMB68.4 million, cash paid for the purchase of fixed assets, intangible assets and other long-term assets of RMB18.1 million, and dividends received of RMB1.6 million.

Net cash used in financing activities was RMB394.6 million, which mainly includes cash proceeds from the issuance of new shares of RMB370.2 million, net cash used for the repayment of borrowings of RMB342.9 million, RMB274.5 million injected into a Trust set up under the First Award and Trust Scheme compensation of fund; cash used for the repurchase of outstanding shares of RMB109.9 million, payments for the acquisition of minority equity interests in subsidiaries of RMB21.4 million, and principal and interest payments of RMB16.1 million on lease liability.

The Group's bank borrowings as of December 31, 2025 was RMB148.0 million. Bank borrowings are denominated in RMB. The Group has complied with the loan financial contract during the Reporting Period. The Group does not use any financial instruments for hedging. The Group maintains sufficient liquidity to meet its daily administrative and capital expenditure requirements and can control its internal operating cash flow.

As of December 31, 2025, the total amount of long-term bank borrowings is RMB125.8 million, with an interest rate of 3.0% (December 31, 2024: 4.0%), which have to be repaid by September 20, 2037. The total amount of short-term bank borrowings is RMB22.2 million, with the maturity of one year or less and an annual interest rate of 2.35% to 2.40% (December 31, 2024: 3.15% to 4.05%).

As at December 31, 2025, the unutilized credit line was approximately RMB1,407.0 million.

We have adopted a treasury and investment policy which sets out overall principles as well as detailed approval processes of our investment activities. Such activities include, among other things, treasury investments, short or long-term loans, investments in subsidiaries, joint ventures, and other equity investments.

The H Shares have been listed on the Stock Exchange since the Listing Date. There has been no change in the capital structure of the Company since the Listing Date and up to the date of this announcement. The capital of the Company comprises ordinary shares of the Company, including H Shares and Unlisted Shares.

Capital Expenditures

During the Reporting Period, the capital expenditure of the Group was RMB18.1 million, which mainly includes the purchase of property and equipment and the purchase of intangible assets, such as computer software.

We mainly use cash from operating activities to fund capital expenditures during the Reporting Period. The Company intends to use the Company's existing cash balances, bank and other borrowings and proceeds from the Global Offering to finance the Company's future capital expenditures and long-term investments. The Company may reallocate funds for capital expenditure and long-term investment based on continuing business needs.

Funds Segregated for Customers and Restricted Cash

Funds segregated for customers mainly refer to (i) customer funds collected and awaiting disbursement as requested; (ii) service fees earned by the Group arising from completed digital payment services which has not been withdrawn from customer deposit bank accounts; and (iii) deposits made by the Group to meet requests from customers seeking expedited settlements. Other restricted cash is mainly performance guarantee for the payment business. As of December 31, 2025, our customer accounts and restricted cash amounted to RMB19,483.8 million, representing an increase of RMB6,876.9 million as compared with December 31, 2024, mainly due to an increase of RMB6,867.9 million in customer accounts brought about by the increase in customers and global TPV payments.

Accruals and Other Payables

Our accruals and other payables mainly include payables to merchants and other customers, staff costs and welfare accruals. As of December 31, 2025, our accruals and other payables amounted to RMB19,562.9 million, representing an increase of RMB6,871.3 million as compared with December 31, 2024, among which 98.4% was payables to merchants and other customers, which was in line with the growth trend of customer accounts.

Trade Receivables

Our trade receivables primarily represent amounts due from customers for services performed in the ordinary course of business.

The increase in trade receivables was primarily driven by our revenue growth and the need to cooperate with more commercial banks and large enterprises to develop our business due to changes in our customer portfolio, the settlement cycles of such customers are relatively long, resulting in the increase in the balance of trade receivables. We have made adequate provisions for commercial banks and large enterprises based on their overall reputation and credit ratings.

Trade Payables

Our trade payables primarily consist of payables for service charge and payables for processing fees to financial institutions and payment networks. As of December 31, 2025, trade payables amounted to RMB113.6 million, representing an increase of RMB38.9 million compared to December 31, 2024, primarily due to increased service charge payable in line with revenue growth.

Prepayments, Other Receivables and Other Current Assets

Our prepayments, other receivables and other current assets primarily include prepaid expenses, prepayments to suppliers, value-added tax recoverable and deposits for payment channels and rentals.

Pledge of Assets

As of December 31, 2025, the Group pledged (i) investment properties with net book value of RMB157.0 million, (ii) buildings with net book value of RMB95.3 million, and (iii) land use rights of RMB2.7 million for the Group's bank borrowings of RMB137.0 million. These borrowings are for general business operation purposes.

Contingent Liabilities

As of December 31, 2025, we did not have any contingent liabilities.

Share Pledge

During the Reporting Period, there was no pledge by our Controlling Shareholders of their interests in the H Shares to secure the Company's debts, guarantees or other obligations which would give rise to a disclosure obligation under Rule 13.21 of the Listing Rules.

In addition, as of December 31, 2025, 20,200,560 Unlisted Shares, representing approximately 1.80% of the total number of shares of the Company in issue, held by Mr. Lu Zhonglin, one of the controlling shareholders of the Company, were subject to judicial freezing which was executed by Yuhang District People's Court of Hangzhou City and other institutions in connection with civil case disputes involving Mr. Lu Zhonglin himself. Another 72,115,995 Unlisted Shares, representing approximately 6.43% of the total number of shares of the Company in issue, held by Mr. Lu Zhonglin, were subject to judicial freezing, which was executed by Xihu District People's Court of Hangzhou City in connection with civil case disputes involving Mr. Lu Zhonglin himself. For further details, please refer to the relevant announcements of the Company dated April 10, 2025 and May 20, 2025.

As of March 3, 2026, the judicial freezing of 73,715,995 Unlisted Shares held by Mr. Lu Zhonglin, representing approximately 6.56% of the total number of shares of the Company in issue, has been uplifted. The judicial freezing of the other 18,600,560 Unlisted Shares held by Mr. Lu Zhonglin, representing approximately 1.65% of the total number of shares of the Company in issue, has not been uplifted. For further details, please refer to the relevant announcement of the Company dated March 3, 2026.

Gearing Ratio

As of December 31, 2025, our gearing ratio, calculated as total borrowings divided by the total equity as of the end of the year, was approximately 4.8%.

Exposure to Fluctuations in Foreign Exchange Rates

The Group operates internationally and is exposed to foreign exchange risk. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency of the Company and its subsidiaries. The functional currency of most of the Group's subsidiaries outside the PRC is US dollars. For the foreign exchange risk derived from the future settlement of customer accounts from the global payment services of the Group, which are reflected on the balance sheet as customer accounts and other payables at the end of the Reporting Period, the Group considers that the businesses in the PRC or overseas are not exposed to any significant foreign exchange risk as customer accounts and other payables of these subsidiaries are mainly denominated in the same currencies.

In addition, we may face foreign exchange risk arising from fluctuations in exchange rates within the interval between when a customer initiates a foreign exchange transaction and our execution of the order with relevant banks and other financial institutions outside of China. In order to mitigate the potential risk, we leverage our platform with real-time reference quotations to implement the so-called “back-to-back” trading strategy to promptly execute the corresponding order to shorten such interval and accordingly avoid exchange rate fluctuation risks.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Disposal of Equity Interest in LianTong

During the Reporting Period, in February 2025, the Group completed the disposal of part of the equity interest in LianTong, and its shareholding in LianTong was reduced to 17.63% subsequent to the disposal transaction and the related capital increased as part of the same transaction.

On December 25, 2024, the Company entered into the equity transfer and capital increase agreement (the “**Agreement**”) with American Express Travel Related Services Company (“**Amex TRS**”), American Express Marketing & Development Corp. (“**AEMD**”, together with Amex TRS, the “**Purchasers**”) and LianTong.

Pursuant to the Agreement, (i) the Purchaser Amex TRS agrees to purchase from the Company a total amount of registered capital of RMB1,154,618,100, representing 14.27% of the equity interest in LianTong immediately after completion of the Capital Increase (as defined below) for a consideration of RMB1,569,430,688, and (ii) the Purchaser AEMD agrees to purchase from the Company a total amount of registered capital of RMB23,563,719, representing 0.29% of the equity interest in LianTong immediately after completion of the Capital Increase for a consideration of RMB32,029,312.

Pursuant to the Agreement, simultaneously with the disposal of equity interest in LianTong by the Company to the Purchasers (the “**Disposal**”), LianTong intends to increase its registered capital by RMB2,330,181,818 with its total registered capital increased to RMB8,090,181,818. Each of Amex TRS and AEMD agrees to subscribe for RMB2,283,578,019 and RMB46,603,799 of the increased registered capital with a consideration of RMB3,103,985,139 and RMB63,346,861, respectively (the “**Capital Increase**”).

Immediately upon completion of the Disposal and the Capital Increase, LianTong was owned as to 80.72% by Amex TRS, 17.63% by the Company and 1.65% by AEMD.

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules was more than 5% but less than 25%, the Disposal constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements, but was exempted from the Shareholders’ approval requirement under Chapter 14 of the Listing Rules. For further details, please refer to the announcements of the Company dated December 25, 2024 and January 3, 2025.

Save as the above-mentioned disposal of equity interest in LianTong, during the Reporting Period, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus and the above-mentioned disposal of equity interest in LianTong, as of December 31, 2025, we did not have any future plans for material investments or capital assets.

SIGNIFICANT INVESTMENT DURING THE REPORTING PERIOD

The Group did not make any significant investments (including any investment in an investee company with a value of 5% or more of the Group’s total assets as of December 31, 2025) during the year ended December 31, 2025.

EMPLOYEES AND REMUNERATION POLICIES

As of December 31, 2025, we had a total of 998 employees, 91.68% of which were based in the PRC and 8.32% were based overseas, primarily in Southeast Asia and the United States.

Function	Number	% of total
Research and development	304	30.46%
Sales and Marketing	269	26.95%
General and administration	425	42.59%
Total	998	100.0%

Our success depends on our ability to attract, retain and motivate qualified personnel, and we believe that our high-quality talent pool is one of the core strengths of our Company. We adopt high standards and strict procedures in our recruitment, including campus recruitment, online recruitment, internal recommendation and recruitment through executive search, to meet the needs of our Company. We enter into standard contracts and agreements regarding confidentiality, intellectual property, employment, commercial ethics and non-competition with all of our executive officers and the vast majority of our employees. We enter into standard employment contracts and confidentiality agreements with our employees. We also enter into non-competition agreements with certain key employees. We place great emphasis on providing our employees with platforms and opportunities for self-improvement. We provide regular and specialized training tailored to the needs of our employees in different departments. We have also launched an online learning platform to complement our existing offline training initiatives. In addition to our internal training programs, we also engage external trainers. All training sessions are conducted periodically and in stages to ensure our employees’ continuous learning and development.

As required by PRC laws and regulations, we participate in various employee social security schemes organized by municipal and provincial government, including pension, maternity insurance, unemployment insurance, work-related injury insurance, health insurance and housing provident fund.

As of December 31, 2025, we established labor unions in China, which may represent employees for the purpose of collective bargaining. We believe that we maintain a good working relationship with our employees, and we have not experienced any material labor dispute or any difficulty in recruiting staff for our operations during the Reporting Period.

The Company also has adopted the Pre-IPO Share Option Schemes, the First Award and Trust Scheme and the First Share Award Scheme to improve the Company's incentive mechanism, attract and retain talents and to motivate employees to ensure the achievement of the Company's development goals. Further details of the Pre-IPO Share Option Schemes, the First Award and Trust Scheme and the First Share Award Scheme will be set out in the annual report of the Company for the year ended December 31, 2025.

The total employee benefit expenses, including share-based compensation expenses, for the Reporting Period amounted to RMB921.7 million (2024: RMB816.3 million).

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The Group is not aware of any other material events which could have a material impact on our operating and financial performance after the Reporting Period.

Biographies of Directors, Supervisors and Senior Management

DIRECTORS

Our Board currently consists of seven Directors, of which four are executive Directors and three are independent non-executive Directors.

Executive Directors

Mr. Zhang Zhengyu (章徵宇), aged 60, is the chairman of the Board, an executive Director and chief executive officer of our Company. Mr. Zhang joined our Group in February 2009, served as our chief executive officer from February 2009 to March 2023, and was re-appointed as our chief executive officer from March 2026. Mr. Zhang has been serving as the chairman of the Board since January 2018. He was appointed as our Director in January 2018 and was re-designated as our executive Director in June 2023. He is primarily responsible for the overall strategic planning, business direction and operational management of our Company.

Mr. Zhang founded Zhejiang Lianlian Technology Co., Ltd. (浙江連連科技有限公司) (“**Zhejiang Lianlian**”) in 2004 and now serves as its chairman of the board. Mr. Zhang also served as the chairman of the board of Beijing Tianrongxin Technology Co., Ltd. (北京天融信科技有限公司) from May 2012 to January 2018, and as the chairman of the board in Beijing Tianrongxin Network Security Technology Co., Ltd (北京天融信網絡安全技術有限公司) from September 2011 to January 2018. Prior to that, Mr. Zhang served as the vice chairman of the board of Shanghai Create Capital Co., Ltd. (上海格雷特投資管理有限公司) from September 2003 to July 2004.

Mr. Zhang received his bachelor’s degree in computer software in July 1989 from Zhejiang University (浙江大學) in the PRC and his master’s degree in public policy and management in August 2002 from University of Southern California in the United States.

Mr. Xin Jie (辛潔), aged 51, is an executive Director of our Company. Mr. Xin was appointed as our Director in April 2021, as the chief executive officer from March 2023 to March 2026 and was re-designated as our executive Director in June 2023. He was primarily responsible for the overall strategic planning and daily operation of our Company.

Prior to joining our Group, Mr. Xin worked in China International Capital Corporation Limited (中國國際金融股份有限公司, a company listed both on the Shanghai Stock Exchange (stock code: 601995) and the Hong Kong Stock Exchange (stock code: 3908)) from July 2007 to January 2021. Mr. Xin served as managing director of CICC Capital Operation Co., Ltd. (中金資本運營有限公司) from March 2019 to January 2021 and in CICC Jiacheng Investment Management Co., Ltd. (中金佳成投資管理有限公司) from February 2017 to March 2019; and served as the chief financial officer and a member of the management committee of CICC from January 2014 and April 2015, respectively, to February 2017, where he was responsible for the overall financial and accounting management, major decision-making and strategic development; and as executive director of CICC from July 2007 to October 2011. Previously, Mr. Xin served as the director of Standard Chartered Private Equity from March 2005 to June 2007, as the deputy chief representative of Veolia Water Group North China from May 2003 to February 2005 and as the general manager of the Beijing office of Good Investment Co. Ltd. from July 2000 to April 2003. Mr. Xin also served as a director of Zheshang Jinhui Trust Co., Ltd. (浙商金匯信託股份有限公司) from July 2012 to February 2022, during which he was also the chief executive officer from July 2012 to January 2014; and as a director of BrightGene Bio-Medical Technology Co., Ltd. (博瑞生物醫藥(蘇州)股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 688166), from December 2016 to December 2020.

Mr. Xin received his bachelor's degree in business administration in June 1996 from University of Georgia in the United States and his master's degree in world economics in June 2005 from Nankai University (南開大學) in the PRC.

Ms. Wei Ping (魏萍), aged 54, is an executive Director and financial director of our Company. She joined the Group in June 2023 and is primarily responsible for the financial planning, financial management and financial reporting of our Group.

Prior to joining the Group, Ms. Wei served as the chief financial officer of Tarena Hong Kong Limited. (達內教育) (currently known as TCTM Kids IT Education Inc. (童程童美)), a company listed on the NASDAQ Stock Market in the United States (stock code: TEDU) from August 2022 to June 2023. Ms. Wei also served as the chief financial officer of Shihui Inc. (十薈團) from May 2019 to July 2022. She served as the chief financial officer of Gravitas Education Holdings, Inc. (啟今教育), a company listed on the NASDAQ Stock Market in the United States (stock code: GEHI) from May 2017 to May 2019. Prior to that, Ms. Wei also served as the chief financial officer of Lazada Plc from July 2016 to May 2017.

Ms. Wei obtained her bachelor's degree from Central University of Finance and Economics (中央財經大學) in July 1993. Ms. Wei obtained the qualification of Certified Public Accountant of Illinois (伊利諾伊州) of the United States in July 1999.

Mr. Zhu Xiaosong (朱曉松), aged 54, is an executive Director of our Company. Mr. Zhu was appointed as our Director in January 2018 and was re-designated as our executive Director in June 2023. He also served as our deputy general manager from January 2018 to June 2023. Mr. Zhu is primarily responsible for the overall operational management of the global business of our Group.

Besides the positions in our Group, Mr. Zhu served as an executive director of Hangzhou Donghan Paifu Investment Management Co., Ltd. (杭州東翰派富投資管理有限公司, now currently known as Hangzhou Donghan Paifu Private Equity Fund Management Co., Ltd. (杭州東翰派富私募基金管理有限公司)) from July 2015 to January 2021. Mr. Zhu also served as the vice president in Hangzhou branch of Guangzhou Lianxin Communication Technology Co., Ltd. (廣州連欣通信科技有限公司) from February 2008 to February 2011 and as the president from November 2012 to May 2013. Previously, Mr. Zhu also served as a director and general manager of Shanghai Create Capital Co., Ltd. (上海格雷特投資管理有限公司) from January 2004 to December 2007.

Mr. Zhu received his bachelor's degree in machinery and manufacturing in July 1996 from Tsinghua University (清華大學) in the PRC and his master's degree in business administration in June 2001 from University of California, Los Angeles in the United States.

Independent Non-executive Directors

Mr. Chun Chang, aged 69, was appointed as our independent Director in April 2021 and was re-designated as our independent non-executive Director in June 2023. He is primarily responsible for participating in the decision making for our Company's significant events, and advising on issues relating to corporate governance, audit and remuneration and assessment of our Directors, Supervisors and senior management.

Mr. Chang has over 35 years of experience in management. Mr. Chang is now a professor of finance at Shanghai Advanced Institute of Finance of Shanghai Jiao Tong University (上海交通大學上海高級金融學院) since May 2010 and he also worked as its executive dean from 2010 to 2021. Besides his academic achievements, Mr. Chang now serves as an independent director in the following companies: Shanghai Life Insurance Co., Ltd. (上海人壽保險股份有限公司) since March 2015; Fubon Bank (China) Co., Ltd. (富邦華一銀行有限公司) since July 2020; and Schroeder Bank of Communications Wealth Management Co., Ltd. (施羅德交銀理財有限公司) since February 2022. He previously served as an independent director in CICC Fund Management Co., Ltd. (中金基金管理有限公司) from February 2014 to May 2020. He also served as an independent director in Shanghai Securities Co., Ltd. (上海證券股份有限公司) and City Cloud International Co. Ltd. (杭州城雲國際有限公司) during the past decade.

Mr. Chang received his bachelor's degree in mathematics in January 1982 from East China Normal University (華東師範大學) in the PRC, his master's degree in science in June 1983 from University of Oregon in the United States and his PhD degree in June 1987 from Northwestern University Kellogg School of Management in the United States.

Mr. Wong Chi Kin (黃志堅), aged 52, was appointed as our independent non-executive Director in June 2023. He is primarily responsible for participating in the decision making for our Company's significant events, and advising on issues relating to corporate governance, audit and remuneration and assessment of our Directors, Supervisors and senior management.

Mr. Wong has over 25 years of solid experience in accounting, banking and corporate finance with reputable commercial banks and leading investment banks (including ING Bank, UBS and Morgan Stanley) as well as various Main Board listed companies in Hong Kong. Mr. Wong now holds directorship in the following companies which are listed on the Stock Exchange: as a non-executive director of Tsui Wah Holdings Limited (翠華控股有限公司) (stock code: 1314) since November 2016, where he previously served as its independent non-executive director from November 2012; as an independent non-executive director of Forgame Holdings Limited (雲遊控股有限公司) (stock code: 0484) since April 2020; and as an independent non-executive director of Modern Chinese Medicine Group Co., Ltd. (現代中藥集團有限公司) (stock code: 1643) since April 2023. During the past three years, Mr. Wong served as a non-executive director of Asiaray Media Group Limited (雅仕維傳媒集團有限公司), a company listed on the Stock Exchange (stock code: 1993), since March 2017 to June 2023, and as an independent non-executive director of Mayer Holdings Limited (美亞控股有限公司), a company listed on the Stock Exchange (stock code: 1116), from November 2021 to February 2022. From July 2018 to July 2019, Mr. Wong served as an independent non-executive director of Shenzhou Space Park Group Limited (神舟航天樂園集團有限公司), a company previously listed on the Stock Exchange (former stock code: 0692) and delisted in December 2019 under Rule 6.01A of the Listing Rules. From August 2023 to January 2026, he served as an independent non-executive director of Jiu Rong Holdings Limited (久融控股有限公司) (stock code: 2358).

Besides the directorship, since November 2025, Mr. Wong has been serving as the chief executive officer of Gangyu Technology Holdings Group Limited (parent company of Gangyu Smart Urban Services Holding Limited (港譽智慧城市服務控股有限公司), a company listed on the Stock Exchange (stock code: 0265)). Mr. Wong previously served as the deputy chief executive officer of Gangyu Smart Urban Services Holding Limited (previously known as Orient Victory Smart Urban Services Holding Limited (東勝智慧城市服務控股有限公司)) from July 2023 to October 2025 and previously served as its chief financial officer from October 2014 to 2018. Prior to that, Mr. Wong held various management positions at China Qinfa Group Limited (中國秦發集團有限公司), a company listed on the Stock Exchange (stock code: 0866), including chief financial officer and company secretary from April 2011 to October 2014.

Mr. Wong is a fellow of the following institutions: CPA Australia since February 2001; the Hong Kong Institute of Certified Public Accountants since February 2005. Mr. Wong received his bachelor of science degree with honors in finance from the City University of Hong Kong in December 1996. He then obtained a certificate in consecutive interpretation of Putonghua and English from the University of Hong Kong School of Professional and Continuing Education in March 2001. Mr. Wong received his master's degree in practicing accounting in November 2001 from Monash University in Australia and a master of business administration degree (EMBA) from the Chinese University of Hong Kong in December 2010.

Ms. Lin Lanfen (林蘭芬), aged 56, was appointed as our independent non-executive Director in July 2023. She is primarily responsible for participating in the decision making for our Company's significant events, and advising on issues relating to corporate governance, audit and remuneration and assessment of our Directors, Supervisors and senior management.

Ms. Lin works for School of Computer Science and Technology at Zhejiang University (浙江大學計算機科學與技術學院) since January 1996. She is now a PhD tutor since January 2007 and is a professor and deputy president of the Institute of Artificial Intelligence (人工智能研究所) of Zhejiang University since January 2006. She also served as the assistant of dean from December 2011 to December 2016. Previously, she was an associate professor from July 1998 to December 2005, as a research assistant from January 1998 to June 1998 and as a postdoctoral fellow from January 1996 to December 1997.

Ms. Lin graduated from Northwestern Polytechnical University (西北工業大學) in the PRC and received her bachelor of engineering degree in aircraft manufacturing engineering in July 1990 and her doctor of engineering degree in aerospace manufacturing engineering in March 1996. Ms. Lin is a member of China Computer Federation (中國計算機學會會員) since May 2005 and a member of Institute of Electrical and Electronics Engineers since March 2018.

SUPERVISORS

During the Reporting Period, our Supervisory Committee consisted of three Supervisors, including two shareholders' representative Supervisors and one employee Supervisor. Following the approval of the resolution on amendments to the Article of Association and cancellation of the Supervisory Committee by the Shareholders at the extraordinary general meeting held on January 26, 2026, the Company no longer has a Supervisory Committee, and the powers and functions of the Supervisory Committee as stipulated under the PRC Company Law will be exercised by the Audit Committee. For further details, please refer to the circular of the Company dated January 8, 2026.

Mr. Wu Wei (吳偉), aged 53, was the Chairman of our Supervisory Committee and a shareholders' representative Supervisor of our Company since December 2020 and was primarily responsible for supervising the performance of our Directors and members of senior management, and performing other supervisory duties as a shareholders' representative Supervisor during the Reporting Period.

Mr. Wu serves as the supervisor of Shanghai Create Capital Co., Ltd. (上海格雷特投資管理有限公司) since May 2004. Mr. Wu founded and has been serving as the executive director and general manager of Hangzhou Duyan Equity Investment Co., Ltd. (杭州度岩股權投資有限公司, currently known as Hangzhou Duyan Private Equity Fund Co., Ltd. (杭州度岩私募基金有限公司)) since June 2019. Mr. Wu was a director of Synergy Innovation Fund Management Co., Ltd. (協同創新基金管理有限公司) from November 2014 to July 2020. Before that, he served as a secretary of the board at Shahe Industrial Co., Ltd. (沙河實業股份有限公司) from March 1999 to August 1999.

Mr. Wu received his bachelor's degree in technology economy in July 1994 from Huazhong University of Science and Technology (華中理工大學) in the PRC and his master's degree in business administration in June 2004 from Peking University (北京大學) in the PRC.

Ms. Song Jingfang (宋靜芳), aged 51, had been a shareholders' representative Supervisor of our Company since December 2020. Ms. Song joined our Group in February 2009 and has been serving as our strategic development manager. She was primarily responsible for supervising the performance of our Directors and members of senior management, and performing other supervisory duties as a shareholders' representative Supervisor.

Prior to joining our Group, Ms. Song worked at Zhejiang Provincial Department of State Security Training Center (浙江省國家安全廳培訓中心) from January 1993 to October 2007.

Ms. Song received her associate degree in administration management in January 2008 from University for Provincial Organ Workers in Zhejiang Province (浙江省省級機關職工業餘大學) in the PRC.

Ms. Hong Xiaoxue (洪曉雪), aged 30, had been our employee Supervisor since December 2020. Ms. Hong joined our Group and has been serving as a human resources business partner since June 2017. She was primarily responsible for monitoring financial position of our Group, and supervising the performance of Directors and senior management as a representative of our employees.

Ms. Hong graduated from Hangzhou Vocational Technology College (杭州職業技術學院) in June 2017 and graduated from Nantong University (南通大學) in July 2023 in the PRC.

SENIOR MANAGEMENT

Our Senior management consists of Mr. Zhang Zhengyu (章徵宇), Mr. Shen Enguang (沈恩光), Mr. Sun Dali (孫大利), Ms. Wei Ping (魏萍), Ms. Lv Weiyan (呂蔚嫵), Ms. Fu Qin (傅琴) and Ms. Xu Yedan (許葉丹). For the biographical details of Mr. Zhang and Ms. Wei, please see the subsection headed “Directors– Executive Directors” in this section.

Mr. Shen Enguang (沈恩光), aged 42, is a co-president of our Company. Mr. Shen joined our Group in September 2020 as a business development researcher and served as the vice president of Lianlian International from April 2022 to February 2023. From February 2023 to March 2025, Mr. Shen was the co-chief executive officer of Lianlian International Company Limited (連連國際支付有限公司) (“Lianlian International”). Mr. Shen was appointed as a deputy general manager of our Company in April 2024 and as the chief executive officer of Lianlian International in March 2025. In November 2025, Mr. Shen was appointed as the co-president of the Company. Mr. Shen is mainly responsible for assisting the chief executive officer in the overall strategic planning and daily operation of our company.

Prior to joining the Group, Mr. Shen served as the senior vice president of the HSBC Bank (China) Limited Shanghai Branch (滙豐銀行(中國)有限公司上海分行) from January 2013 to September 2020. Mr. Shen was also a corporate account manager of The Bank of East Asia (China) Limited (東亞銀行(中國)有限公司) from December 2011 to January 2013. Prior to that, Mr. Shen served as a superior account manager of HSBC (Xianlesi Plaza Sub Branch) (滙豐銀行(仙樂斯廣場支行)) from January 2010 to November 2011.

Mr. Shen obtained a bachelor’s degree in management information system (M.I.S) from Concordia University (康考迪亞大學) in Canada in May 2009.

Mr. Sun Dali (孫大利), aged 48, is the co-president of our Company. Mr. Sun joined our Group in December 2020, previously serving as senior vice president and chief executive officer of domestic business; from April 2024 to November 2025, he served as the president of our Company. He was appointed as the Company’s joint chief executive officer with effect from November 2025. He is primarily responsible for assisting the chief executive officer in the overall strategic planning and daily operation of our Company.

Prior to joining our Group, Mr. Sun served as the senior vice president of Shanghai Tonghua Jinke Investment Holdings Co., Ltd. (上海通華金科投資控股有限公司) from January 2014 to December 2020. Prior to that, Mr. Sun also served as the general manager of the risk management department of All In Pay Network Services Co., Ltd. (通聯支付網絡服務股份有限公司) from April 2012 to January 2014. Mr. Sun also served as the senior head of the risk management department of China UnionPay Co., Ltd. (中國銀聯股份有限公司) from November 2005 to April 2012.

Mr. Sun obtained a bachelor’s degree in administrative management and a certificate in applied mathematics degree from East China University of Technology (華東理工大學) in July 1999 and a master’s degree in economics from Zhejiang University (浙江大學) in July 2003. Mr. Sun also obtained a doctoral degree in operational research and cybernetics from Zhejiang University in March 2011.

Ms. Lv Weiyan (呂蔚熾), aged 43, is a deputy general manager and the chief operating officer of our Company. Ms. Lv joined our Group as the vice president of Lianlian International since November 2018 and served as the co-chief executive officer of Lianlian International from February 2023 to March 2025. Ms. Lv was appointed as a deputy general manager of our Company in April 2024 and as the chief executive officer of Lianlian International in March 2025. Ms. Lv is mainly responsible for assisting the chief executive officer in the overall strategic planning and daily operation of our Company.

Prior to joining our Group, Ms. Lv worked at certain subsidiaries of Alibaba Group Holding Limited (阿里巴巴集團控股有限公司), a company listed on the Stock Exchange (stock code: 09988), and of Ant Group Co. Ltd. (螞蟻科技集團股份有限公司) as senior operation expert and other positions from April 2006 to October 2018.

Ms. Lv obtained a bachelor's degree in accounting from Northeastern University (東北大學) in July 2005 and a master's degree in business administration from Peking University (北京大學) in June 2022.

Ms. Fu Qin (傅琴), aged 41, is a deputy general manager and chief people officer of our Company. Ms. Fu joined our group in June 2017 and consecutively served as the vice president of our Company and head of our group office, the vice president of Lianlian International (in charge of foreign exchange and financial business department), head of chairman's office and assistant to the chairman from June 2017 to February 2025. Ms. Fu was appointed as a deputy general manager and the chief people officer of our Company in March 2025, and she is mainly responsible for the strategic planning of our Company's human resources and overseeing its implementation.

Prior to joining our Group, Ms. Fu worked at Citigroup (花旗集團) from July 2008 to June 2016, where she was primarily responsible for corporate sales transaction in global financial markets department. She was also the person in charge of the strategy department in Netease Finance (網易金融) from June 2016 to June 2017.

Ms. Fu obtained a bachelor's degree in economics from Zhejiang University (浙江大學) in June 2006 and a master's degree in economics from Peking University (北京大學) in July 2008.

Ms. Xu Yedan (許葉丹), aged 40, is the secretary of the Board and a joint company secretary of the Company, joined the Group in 2015 and is currently the vice president of the Company. Upon her appointment as the secretary of the Board and a Joint Company Secretary, Ms. Xu is primarily responsible for corporate governance, information disclosure, shareholder relations and strategic investments.

Prior to joining our Group, Ms. Xu was the financial reporting supervisor in Greentown Real Estate Group Co., Ltd (綠城房地產集團有限公司) from September 2014 to September 2015. From December 2009 to April 2014, Ms. Xu was a senior auditor of Ernst & Yong Hua Ming LLP (安永華明會計師事務所).

Ms. Xu obtained a bachelor's degree in management from Zhejiang University (浙江大學) in June 2009. She is a certified public accountant in China and holds the fund practitioner qualification issued by Asset Management Association of China.

JOINT COMPANY SECRETARIES

Ms. Xu Yedan (許葉丹), is the secretary of the Board and a joint company secretary of the Company. For her biographical details, please see the subsection headed “Senior Management” in this section.

Ms. Leung Hoi Yan (梁熾欣), is the joint company secretary, brings over 14 years of experience in company secretarial services and corporate governance for listed companies in Hong Kong. She currently serves as the Assistant Manager, Entity Solutions at Computershare Hong Kong Investor Services Limited.

Ms. Leung holds a degree of Bachelor of Commerce (Honours) in Accounting from Hong Kong Shue Yan University. She is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

For the year ended 31 December 2025, each of Ms. Leung Hoi Yan and Ms. Xu Yedan has taken not less than 15 hours of relevant professional training in compliance with the requirements of Rule 3.29 of the Listing Rules.

OTHER INFORMATION

Save as otherwise disclosed above, each of our Directors, Supervisors and members of senior management has not been a director of any public company whose securities of which are listed on any securities market in Hong Kong or overseas in the three years immediately preceding the date of this annual report.

None of our Directors has any interests in any business, which competes or is likely to compete, either directly or indirectly, with our business which would require disclosure under Rule 8.10 of the Listing Rules.

None of our Directors, Supervisors and members of senior management is related to other Directors, Supervisors and members of the senior management.

Except as disclosed above, to the best knowledge, information and belief of our Directors and Supervisors having made all reasonable inquiries, there was no other matter with respect to the appointment of our Directors and Supervisors that needs to be brought to the attention of the Shareholders, and there was no information relating to our Directors and Supervisors that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and no other matters are required to be brought to the attention of Shareholders as of the date of this annual report.

The Board of the Company is pleased to present this report of Directors with the consolidated financial statements of the Group for the year ended December 31, 2025.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds from the Global Offering (after deducting the underwriting fees, commissions and estimated expenses) amounted to approximately HK\$548.0 million. There is no change to the intended use of net proceeds and the expected implementation timetable as previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

As of December 31, 2025, the Company had utilized approximately HK\$294.5 million of net proceeds from the Global Offering, representing approximately 53.8% of the total net proceeds from the Global Offering, in accordance with the intended use set out in the Prospectus.

The following table sets out breakdown of the use of net proceeds from the Global Offering.

Use of proceeds	Percentage of net proceeds	Allocated net proceeds from the Global Offering (HK\$ million)	Net proceeds utilised as of December 31, 2025 (HK\$ million)	Net proceeds utilised during the Reporting Period (HK\$ million)	Net proceeds unutilised as of December 31, 2025 (HK\$ million)	Expected timeline of full utilization of net proceeds
To enhance our technological capabilities	60.0%	328.8	267.1	111.2	61.7	By March 31, 2029
(i) To invest in the development of advanced technologies that are pivotal to our business operation, future growth and our ability to remain competitive in the industry.	30.0%	164.4	164.4	69.6	-	By March 31, 2029
(ii) To develop, iterate and promote innovative solutions, which can help us to cater additional customer needs besides current digital payment services and diversify our value-add services.	20.0%	109.6	47.9	27.1	61.7	By March 31, 2029
(iii) For maintenance and improvement of our existing technology infrastructure to ensure reliability and security.	10.0%	54.8	54.8	14.5	-	By March 31, 2029
To expand our business operations globally	30.0%	164.4	-	-	164.4	By March 31, 2029
(iv) To enhance our market presence in overseas markets, notably in Southeast Asia, the Middle East and South America, and to build and expand our overseas team to broaden our customer base and strengthen our service capability.	20.0-20.5%	109.6-137.0	-	-	109.6-137.0	By March 31, 2029
(v) To apply and obtain additional licenses globally.	5.0-10.0%	27.4-54.8	-	-	27.4-54.8	By March 31, 2029

Use of proceeds	Percentage of net proceeds	Allocated net proceeds from the Global Offering (HK\$ million)	Net proceeds utilised as of December 31, 2025 (HK\$ million)	Net proceeds utilised during the Reporting Period (HK\$ million)	Net proceeds unutilised as of December 31, 2025 (HK\$ million)	Expected timeline of full utilization of net proceeds
For future strategic investment and acquisitions to enrich our service and product offerings, enhance our technology capabilities and strengthen our international operations.	5.0%	27.4	-	-	27.4	By March 31, 2029
For general corporate purposes and working capital needs.	5.0%	27.4	27.4	-	-	By March 31, 2029
Total	100.0%	548.0	294.5	112.2	253.5	

The Company does not have any intention to change the purposes of the net proceeds from the Global Offering as set out in the Prospectus, and will gradually utilize the net proceeds from the Global Offering with the intended purposes.

USE OF NET PROCEEDS FROM THE PLACING OF NEW H SHARES UNDER GENERAL MANDATE

Reference is made to the announcements of the Company dated July 12, 2025 and July 21, 2025.

On July 12, 2025, to raise capital for the Company while broadening its Shareholders and capital base, the Company and the placing agents entered into the placing agreement (the “**Placing Agreement**”) pursuant to which the placing agents have conditionally agreed to procure the placing of a maximum of 38,400,000 new H Shares (the “**Placing Share(s)**”) on a best efforts basis to expected not less than six (6) placees at a price of HK\$10.25 per Placing Share (the “**Placing**”). The Placing Shares will be allotted and issued pursuant to the general mandate granted to the Directors by a resolution of the shareholders of the Company passed at the annual general meeting of the Company held on June 6, 2025.

On July 21, 2025, all the conditions precedent as set out in the Placing Agreement have been satisfied and the Placing was completed in accordance with the terms and conditions of the Placing Agreement. An aggregate of 38,400,000 Placing Shares, representing approximately 8.40% of the number of issued H Shares and approximately 3.44% of the number of total issued Shares (including treasury shares), in each case, as enlarged by the allotment and issue of the Placing Shares immediately after completion of the Placing, have been successfully allotted and issued by the Company on July 21, 2025 at the placing price of HK\$10.25 per Placing Share to not less than six placees who are independent professional, institutional and/or other investors. The aggregate nominal value of the Placing Shares under the Placing is RMB38,400,000. The closing price per H Share as quoted on the Stock Exchange on July 11, 2025, being the Last Trading Day and the date on which the Placing Price was fixed, was HK11.40.

The aggregate net proceeds (after deducting of the commissions and estimated expenses) from the Placing amounted to approximately HK\$387.25 million. The intended purposes for the net proceeds from the Placing are set out on the following table:

Use of proceeds	Percentage of net proceeds	Allocation of net proceeds (HK\$ million)	Net proceeds utilized during the year ended December 31, 2025 (HK\$ million)	Net proceeds unutilized as at December 31, 2025 (HK\$ million)	Expected time for the use of unutilized proceeds
Innovation and application of innovative technologies such as blockchain in the global payment field	50.00%	193.63	-	193.63	not subject to any time restriction
Global business and license expansion	30.00%	116.17	-	116.17	not subject to any time restriction
General corporate purpose	20.00%	77.45	-	77.45	not subject to any time restriction
Total	100.00%	387.25	-	387.25	

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Group is principally engaged in provision of digital payment services and value-added services to enable global commerce and improve the efficiency of fund and information flow. Our customers are primarily business clients, consisting of small and mid-sized merchants and enterprises. Globally, we help our merchant customers to repatriate their funds from sale of goods and provision of services, and make payments quickly and reliably through virtual accounts we assign to our customers under our accounts endorsed by global commercial banks. In China, we act primarily as a payment service provider to help our enterprise customers to streamline their fund collection process and reduce operational costs by offering enterprise customers a digital platform, which consolidates payment information from various online and offline payment methods initiated by end-buyers when purchasing goods. Our services ultimately facilitate the completion of the payment process.

There were no significant changes in the nature of the Group's principal activities during the Reporting Period. Please refer to Note 17 to the consolidated financial statements in this annual report for details of the principal activities of the principal subsidiaries of the Group. An analysis of the Group's revenue, other income and other (losses)/gains for the Reporting Period by principal activities is set out in the section headed "Management Discussion and Analysis" in this annual report and Notes 5, 8 and 9 to the consolidated financial statements.

BUSINESS REVIEW

A review of the Group's business during the Reporting Period is set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" in this annual report. The review and discussion form part of this report of Directors.

Principal Risks and Uncertainties

Our business and operation are subject to the following principal risks and uncertainties:

- Our success depends on our ability to develop products and services to address the rapidly evolving markets that we serve, and if we cannot continue to innovate, timely respond or adapt to rapid technological development or other changes, or if our research and development results do not achieve their expected results, our business, financial condition, results of operations and prospects would be materially and adversely affected;
- We are subject to certain risks relating to LianTong, primarily attributable to our operating loss and share of loss from our investment in LianTong;
- Changes in laws, regulations or government policies related to our business may impose additional obligations on us;
- Substantial and increasingly intense competition may harm our business. If we are unable to compete effectively, our business, financial condition, results of operations and prospects would be materially and adversely affected;
- We have incurred net losses in the past, and we may continue to incur losses in the future;
- The political and economic policies of the U.S. may adversely impact our existing business, future expansion plans and results of operations;
- If we are unable to successfully manage the complexity of our global operations and deal with the challenges and risks related to our overseas expansion, especially potential expansion into certain overseas markets where we may have limited or no experience, our business, financial condition and results of operations could be adversely affected; and
- A significant portion of our TPV of global payment services is generated from our cross-border e-commerce and related businesses on a limited number of major e-commerce platforms. Our business, financial condition and results of operations may be negatively affected if such e-commerce platforms terminate their relationship with us or do not renew their current agreements with us.

RESULTS OF OPERATIONS

The results of the Group for the Reporting Period are set out in the Consolidated Statements of Comprehensive Income/(Loss) on page 145 of this annual report.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the audited consolidated results and the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements, is set out on page 7 of this annual report. This summary does not form part of the audited consolidated financial statements.

DIVIDEND POLICY AND FINAL DIVIDEND

The Company is a joint stock limited company incorporated under the laws of the PRC. The declaration and payment of any dividends in the future will be determined by the Board and subject to our Articles of Association and the PRC Company Law, and will depend on a number of factors, including our earnings, capital requirements, overall financial condition and contractual restrictions. No dividend shall be declared or payable except out of our profits and reserves lawfully available for distributions. As confirmed by our PRC Legal Advisor, according to the PRC law, any future net profit that we make will have to be first applied to make up for our historically accumulated losses, after which we will be obliged to allocate 10% of our net profit to our statutory common reserve fund until such fund has reached more than 50% of our registered capital. We will therefore only be able to declare dividends after (i) all our historically accumulated losses have been made up for; and (ii) we have allocated sufficient net profit to our statutory common reserve fund as described above.

The Company may distribute dividends in cash or in such other manner as the Board may consider appropriate in the future. During the Reporting Period, none of the Shareholders has waived or agreed to waive any dividends. Having due regard to the long-term interests of the Shareholders and the Company, the Board did not recommend any payment of dividends for the Reporting Period. Dividend decisions made by the Board were made in accordance with the Company's dividend policy.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Company and the Group for the Reporting Period are set out in Note 13 to the consolidated financial statements of this annual report. The Company does not hold any properties for development and/or sale or investment purposes which exceeds 5% of the percentage ratios under rule 14.04(9) of the Listing Rules.

AGM AND CLOSURE OF REGISTER OF MEMBERS

The AGM will be held on June 5, 2026. In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from June 2, 2026 to June 5, 2026 (both days inclusive), during which period no transfer of Shares will be registered. The record date for determining the entitlement of the Shareholders to attend and vote at the AGM will be June 5, 2026. Shareholders should lodge all completed transfer documents accompanied by the relevant share certificates to Computershare Hong Kong Investor Services Limited, the H Share Registrar of the Company at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H Shares), or to the Company's registered office at B3, 12/F, Building 1, 79 Yueda Lane, Binjiang District, Hangzhou, Zhejiang Province, PRC (for holders of Unlisted Shares) no later than 4:30 p.m. on June 1, 2026 for handling registration procedures.

COMPLIANCE WITH LAWS AND REGULATIONS

To the best of the Directors' knowledge, information and belief, the Group has, in all material aspects, complied with the relevant laws and regulations that have a significant impact on the Group during the Reporting Period.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is highly aware of the importance of environment protection and has not noted any material non-compliance with all relevant laws and regulations in relation to its business including environmental protection, health and safety, workplace conditions and employment. We strive to comply with applicable rules, laws, regulations and industry standards on workplace safety and environmental matters. In doing so, our human resources department would, if necessary, adjust our human resources policies to accommodate material changes to relevant labor and safety laws and regulations. During the Reporting Period, we had not been subject to any fines or other penalties due to non-compliance with health, safety or environmental laws or regulations.

Further details are set out in the "Environmental, Social and Governance Report" of this annual report.

SHARE CAPITAL

As of December 31, 2025, the total Share Capital of the Company was RMB1,121,098,000, divided into 1,121,098,000 Shares of nominal value RMB1.0 each, and consisted of 460,706,764 H Shares (including 15,625,000 treasury shares as defined under the Listing Rules) and 660,391,236 Unlisted Shares.

On July 21, 2025, an aggregate of 38,400,000 Placing Shares have been successfully allotted and issued by the Company at the placing price of HK\$10.25 per Placing Share to not less than six placees who are independent professional, institutional and/or other investors. During the Reporting Period, as a result of the exercise of the share options under the 2021 Pre-IPO Share Option Scheme and the 2023 Pre-IPO Share Option Scheme, the Company allotted and issued a total of 3,638,000 H Shares to the grantees exercising the Options. Details of movements in the share capital of the Company for the Reporting Period are set out in Note 25 to the consolidated financial statements of this annual report.

DEBENTURE ISSUED

The Group did not issue any debenture during the Reporting Period (2024: nil).

RESERVES

Details of movements in the reserves of the Company for the Reporting Period are set out in Note 27 to the consolidated financial statements of this annual report.

DISTRIBUTABLE RESERVES

As of December 31, 2025, the Company had no reserves available for distribution to the Shareholders.

PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES

During the Reporting Period, the Company repurchased a total of 15,625,000 H Shares (the “**Repurchased Shares**”) on the Hong Kong Stock Exchange at an aggregate consideration of HK\$120,377,144.80. As of December 31, 2025, such 15,625,000 H Shares were held as treasury Shares as defined under the Listing Rules or deposited with the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited. As at the Latest Practicable Date, the Company did not intend to conduct any sale of treasury shares but may do so in the future subject to market conditions and the Group’s capital management needs at the relevant time.

Particulars of the Repurchased Shares are summarized as follows:

Month of Repurchase	No. of Shares Repurchased	Price Paid per Share		Aggregate Consideration HK\$
		Highest HK\$	Lowest (HK\$)	
April, 2025	13,500	6.00	5.97	80,985.15
May, 2025	757,500	6.30	5.94	4,598,887.70
October, 2025	5,118,500	8.36	7.63	41,268,410.50
November, 2025	7,111,500	8.50	7.31	57,248,461.85
December, 2025	2,624,000	6.77	6.16	17,180,399.60
Total	15,625,000			120,377,144.80

The Repurchased Shares during the Reporting Period was effected by the Directors, pursuant to the mandates granted by the Shareholders at the annual general meeting held on June 7, 2024 and June 6, 2025, with a view to benefiting the Company and creating value for the Shareholders.

Save as the Repurchased Shares disclosed above, the Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company (including sales of treasury shares as defined under the Listing Rules) during the Reporting Period.

PRE-EMPTIVE RIGHTS

The Company had no arrangement for pre-emptive rights and share options during the Reporting Period. Neither the Articles of Associates nor the PRC laws stipulates that the Company shall give priority to existing shareholders in offering new shares in proportion to the shareholdings.

DIRECTORS AND SUPERVISORS

Our Board currently consists of seven Directors, of which four are executive Directors and three are independent non-executive Directors.

Executive Directors

Mr. Zhang Zhengyu (章徵宇) (*Chairman and chief executive officer*)

Mr. Xin Jie (辛潔)

Ms. Wei Ping (魏萍) (*Financial Director*)

Mr. Zhu Xiaosong (朱曉松)

Independent non-executive Directors

Mr. Chun Chang
Mr. Wong Chi Kin (黃志堅)
Ms. Lin Lanfen (林蘭芬)

During the Reporting Period, our Supervisory Committee consisted of three Supervisors.

Supervisors

Mr. Wu Wei (吳偉)
Ms. Song Jingfang (宋靜芳)
Ms. Hong Xiaoxue (洪曉雪)

Biographical details of the Directors, Supervisors and senior management of the Company are set out in the section headed “Directors, Supervisors and Senior Management” of this annual report.

CHANGE IN INFORMATION OF DIRECTORS AND SUPERVISORS

On July 28, 2025, our previous executive director, Mr. Wang Yu, resigned as an executive Director, deputy general manager and chief technology director of the Company.

Following the approval of the resolution on amendments to the Article of Association and cancellation of the supervisory committee by the Shareholders at the extraordinary general meeting held on January 26, 2026, the Supervisory Committee has been cancelled.

On March 26, 2026, Mr. Xin Jie, the chief executive officer and an executive Director, and Ms. Wei Ping, the financial director and an executive Director, have delivered to the Board their resignation letters and resigned as executive Directors of the Company, with effect from the date of election of the new executive Directors at the AGM. For details, please refer to the Company’s announcement dated March 26, 2026.

After making specific enquiry by the Company and confirmed by the Directors and the Supervisors, save as disclosed in this annual report, there is no change to any information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the Reporting Period.

CONFIRMATION OF INDEPENDENCE FROM THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors a confirmation of independence pursuant to Rule 3.13 of the Listing Rules and the Company considers all of the independent non-executive Directors are independent during the Reporting Period.

SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

We have entered into a contract with each of our Directors and Supervisors in respect of, among other things, compliance with the relevant laws and regulations, the Articles of Association and applicable provisions on arbitration.

Save as disclosed above, we have not entered, and do not propose to enter, into any service contracts with any of our Directors or Supervisors in their respective capacities as Directors or Supervisors (other than contracts expiring or determinable by the employer within one year without any payment of compensation (other than statutory compensation)).

Details of the remuneration of our Directors and Supervisors for the Reporting Period are set out in Note 41 to the consolidated financial statements of this annual report.

INTERESTS OF DIRECTORS AND SUPERVISORS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the subsection headed “Connected/Related Party Transaction” in this section, none of the Directors or Supervisors nor any entity connected with the Directors or Supervisors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party subsisting during or at the end of the Reporting Period.

CONTROLLING SHAREHOLDERS’ AND DIRECTORS’ INTERESTS IN COMPETING BUSINESS

The independent non-executive Directors have reviewed and are of the view that there is no conflict of interest between the Group and our Controlling Shareholders for the year ended December 31, 2025 that need to be disclosed to the Shareholders pursuant to Rule 8.10 of the Listing Rules.

During the Reporting Period, none of our Directors are considered to have interests in a business, apart from the business of our Group, which competes or is likely to compete, directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

COMPENSATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The Directors, Supervisors and senior management received their remuneration in the form of salaries, social security, housing benefits and other employee benefits, employer’s contribution to the pension plans, discretionary bonuses and share-based compensation. The compensation of Directors, Supervisors and senior management is determined based on each Director, Supervisor and senior management’s responsibilities, qualification, position and seniority. Details of the emoluments of the Directors, Supervisors and senior management and emoluments of the five highest paid individuals in the Group are set out in Notes 7 and 41 to the consolidated financial statements of this annual report.

During the Reporting Period, no emoluments were paid by the Group to any Director, Supervisor senior management, or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors, Supervisors or senior management has waived any emoluments during the Reporting Period.

Save as disclosed above, no other payments have been made or are payable, during the Reporting Period, by our Group to or on behalf of any of the Directors, Supervisors or senior management.

CONTINUING DISCLOSURE OBLIGATION PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed for the Reporting Period.

CONVERTIBLE BONDS

During the Reporting Period, the Group has not issued any convertible bonds.

EQUITY-LINKED AGREEMENT

On July 12, 2025, the Company and the placing agents entered into the Placing Agreement pursuant to which the placing agents have conditionally agreed to procure the placing of a maximum of 38,400,000 Placing Shares on a best efforts basis to expected not less than six (6) places at a price of HK\$10.25 per Placing Share. The Placing was completed on July 21, 2025.

To the best knowledge of the Directors, save as disclosed in this annual report and the Prospectus, there was no equity-linked agreement entered into by the Company or any of its subsidiaries during the Reporting Period.

MATERIAL LEGAL PROCEEDINGS

During the Reporting Period, no member of the Group was involved in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

LOANS AND OTHER BORROWINGS

Details of bank loans or other borrowings of the Company and its subsidiaries for the Reporting Period are set out in Note 31 to the consolidated financial statements in this annual report.

As of December 31, 2025, the Group had not made any loan or provided any guarantee for loan, directly or indirectly, to the Directors and senior management of the Company, or their respective connected persons.

INTERESTS AND SHORT POSITION OF EACH OF OUR DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As of December 31, 2025, the interests or short positions of the Directors, Supervisors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which was required pursuant to Section 352 of the SFO to be entered in the register referred to therein or which was otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director/ Supervisor/ Chief Executive	Position	Nature of interest	Type of Shares	Number of Shares (including Shares underlying the outstanding options)	Approximate percentage of shareholding in the relevant type of Shares ⁽¹⁾	Approximate percentage of shareholding in the total share capital of the Company ⁽²⁾
Mr. Zhang Zhengyu (章徵宇) ⁽³⁾	Chairman of Board and executive Director	Beneficial interest	Unlisted Shares	117,428,375	17.78%	10.47%
		Interest in controlled corporation	Unlisted Shares	172,217,799	26.08%	15.36%
Sub-total			Unlisted Shares	289,646,174	43.86%	25.84%
Mr. Xin Jie (辛潔) ⁽⁴⁾	Executive Director and chief executive officer	Beneficial interest	H Shares	10,000,000	2.17%	0.89%
Ms. Wei Ping (魏萍) ⁽⁵⁾	Executive Director and financial director	Beneficial interest	H Shares	3,000,000	0.65%	0.27%
Mr. Zhu Xiaosong (朱曉松) ⁽⁶⁾	Executive Director	Beneficial interest	H Shares	2,700,000	0.59%	0.24%

Notes:

- (1) The calculation is based on a total number of 660,391,236 Unlisted Shares in issue and a total number of 460,706,764 H Shares in issue as of December 31, 2025.
- (2) The calculation is based on the total number of 1,121,098,000 Shares in issue as of December 31, 2025.
- (3) As of December 31, 2025, Mr. Zhang directly holds 10.47% interest of our Company. By virtue of SFO, Mr. Zhang is deemed to be interested in the Shares held by Chuanglianzhixin which represents 15.36% interest of our Company as of December 31, 2025. Therefore, Mr. Zhang is deemed to be interested in a total of 25.84% interest of our Company under SFO as of December 31, 2025.
- (4) As of December 31, 2025, Mr. Xin Jie was granted 10,000,000 options by our Company, upon the exercise of which the same number of H Shares will be issued to him.
- (5) As of December 31, 2025, Ms. Wei Ping was granted 3,000,000 options by our Company, upon the exercise of which the same number of H Shares will be issued to her.
- (6) As of December 31, 2025, Mr. Zhu Xiaosong was granted 2,700,000 options by our Company, upon the exercise of which the same number of H Shares will be issued to him.
- (7) All interests stated are long positions.

Save as disclosed above, as of December 31, 2025, none of the Directors, Supervisors or the chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

ARRANGEMENTS FOR PURCHASE OF SHARES OR DEBENTURES

At no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouse or children under the age of 18 had any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

INTERESTS AND SHORT POSITION OF EACH OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As of December 31, 2025, to the best knowledge of the Directors, the following persons (other than a Director, Supervisor or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Substantial Shareholders	Nature of Interest	Type of Shares	Number of Shares held	Approximate percentage of shareholding in the relevant type of Shares ⁽¹⁾	Approximate percentage of shareholding in the total share capital of the Company ⁽²⁾
Mr. Lu Zhonglin (呂鐘霖) ⁽³⁾	Beneficial interest	Unlisted Shares	92,316,555	13.98%	8.23%
Hangzhou Chuanglianzhixin Investment L.P. (杭州創連致新投資合夥企業(有限合夥)) ⁽⁴⁾ ("Chuanglianzhixin")	Beneficial interest	Unlisted Shares	172,217,799	26.08%	15.36%
Hangzhou Yudao Investment Management Co., Ltd. (杭州宇道投資管理有限公司) ⁽⁴⁾	Interest in controlled corporation	Unlisted Shares	172,217,799	26.08%	15.36%
Hangzhou Fuyu Investment Management Co., Ltd. (杭州福宇投資管理有限公司) ⁽⁴⁾	Interest in controlled corporation	Unlisted Shares	172,217,799	26.08%	15.36%

Name of Substantial Shareholders	Nature of Interest	Type of Shares	Number of Shares held	Approximate percentage of shareholding in the relevant type of Shares ⁽¹⁾	Approximate percentage of shareholding in the total share capital of the Company ⁽²⁾
Tianjin Everbright Innovation	Beneficial interest	Unlisted Shares	39,964,800	6.05%	3.56%
Technology Investment Center L.P. (天津光大創新科技投資中心(有限合夥) ⁽⁵⁾ ("Everbright Investment"))	Beneficial interest	H Shares	16,920,800	3.67%	1.51%
Everbright Industrial Capital Management Co., Ltd. (光大實業資本管理有限公司) ⁽⁵⁾	Interest in controlled corporation	Unlisted Shares	39,964,800	6.05%	3.56%
	Interest in controlled corporation	H Shares	16,920,800	3.67%	1.51%
Everbright No. 2 Venture Capital (Shenzhen) L.P. (光大二號創業投資(深圳)合夥企業(有限合夥) ⁽⁵⁾)	Interest in controlled corporation	Unlisted Shares	39,964,800	6.05%	3.56%
	Interest in controlled corporation	H Shares	16,920,800	3.67%	1.51%
China Everbright Industrial (Group) Co., Ltd. (中國光大實業(集團)有限責任公司) ⁽⁵⁾ ("Everbright Industrial")	Interest in controlled corporation	Unlisted Shares	39,964,800	6.05%	3.56%
	Interest in controlled corporation	H Shares	16,920,800	3.67%	1.51%
China Everbright Group Co., Ltd. (中國光大集團股份公司) ⁽⁵⁾ ("Everbright Group")	Interest in controlled corporation	Unlisted Shares	39,964,800	6.05%	3.56%
	Interest in controlled corporation	H Shares	16,920,800	3.67%	1.51%
Central Huijin Investment Co., Ltd. (中央匯金投資有限責任公司) ⁽⁵⁾	Interest in controlled corporation	Unlisted Shares	39,964,800	6.05%	3.56%
	Interest in controlled corporation	H Shares	16,920,800	3.67%	1.51%
China Investment Corporation (中國投資有限責任公司) ⁽⁵⁾	Interest in controlled corporation	Unlisted Shares	39,964,800	6.05%	3.56%
	Interest in controlled corporation	H Shares	16,920,800	3.67%	1.51%
Zhejiang Saizhibole Equity Investment Management Co., Ltd. (浙江賽智伯樂股權投資管理有限公司) ⁽⁷⁾ ("Saizhibole")	Interest in controlled corporation	Unlisted Shares	60,818,971	9.21%	5.42%
	Interest in controlled corporation	H Shares	70,012,110	15.20%	6.24%

Name of Substantial Shareholders	Nature of Interest	Type of Shares	Number of Shares held	Approximate percentage of shareholding in the relevant type of Shares ⁽¹⁾	Approximate percentage of shareholding in the total share capital of the Company ⁽²⁾
Hangzhou Saizhi Investment Co., Ltd. (杭州賽智投資有限公司) ⁽⁶⁾	Interest in controlled corporation	Unlisted Shares	60,818,971	9.21%	5.42%
	Interest in controlled corporation	H Shares	70,012,110	15.20%	6.24%
Mr. Chen Bin (陳斌) ⁽⁶⁾	Interest in controlled corporation	Unlisted Shares	60,818,971	9.21%	5.42%
	Interest in controlled corporation	H Shares	70,012,110	15.20%	6.24%
Mr. Huang Xin (黃昕) ⁽⁶⁾	Interest in controlled corporation	Unlisted Shares	60,818,971	9.21%	5.42%
	Interest in controlled corporation	H Shares	70,012,110	15.20%	6.24%

Notes:

- (1) The calculation is based on a total number of 660,391,236 Unlisted Shares in issue and a total number of 460,706,764 H Shares in issue as of December 31, 2025.
- (2) The calculation is based on the total number of 1,121,098,000 Shares in issue as of December 31, 2025.
- (3) Mr. Lu Zhonglin has informed the Company that 20,200,560 Unlisted Shares held by him were subject to the Freezing. The Freezing period will last until March 27, 2028 at the latest. The Freezing was executed by Yuhang District People's Court of Hangzhou City and other institutions, and was caused by civil case disputes which involved Mr. Lu Zhonglin himself. Mr. Lu Zhonglin has further informed the Company that 72,115,995 Unlisted Shares held by him were subject to the Freezing. The Freezing period will last until April 27, 2028 at the latest. The Freezing was executed by Xihu District People's Court of Hangzhou City, and was caused by civil case disputes which involved Mr. Lu Zhonglin himself. The Company is further informed that the judicial freezing on 73,715,995 unlisted shares held by Mr. Lu Zhonglin has been uplifted. For further details, please refer to the relevant announcements of the Company dated May 20, 2025 and April 10, 2025.
- (4) The general partner of Chuanglianzhixin is Hangzhou Yudao Investment Management Co., Ltd. (杭州宇道投資管理有限公司), which is owned as to 99.9025% by Mr. Zhang and 0.0975% by Mr. Zhu Xiaosong (朱曉松). The limited partner which holds more than one third of partnership interests of Chuanglianzhixin is Hangzhou Fuyu Investment Management Co., Ltd. (杭州福宇投資管理有限公司), which is wholly owned by Mr. Zhang and holds as to 82.67% of the partnership interests of Chuanglianzhixin. Therefore, by virtue of SFO, each of Hangzhou Yudao Investment Management Co., Ltd. (杭州宇道投資管理有限公司), Hangzhou Fuyu Investment Management Co., Ltd. (杭州福宇投資管理有限公司) and Mr. Zhang is deemed to be interested in the Shares held by Chuanglianzhixin.
- (5) The general partner of Everbright Investment is Everbright Industrial Capital Management Co., Ltd. (光大實業資本管理有限公司), which is wholly owned by Everbright Industrial. The limited partner which holds more than one third of partnership interests of Everbright Investment is Everbright No. 2 Venture Capital (Shenzhen) L.P. (光大二號創業投資(深圳)合夥企業(有限合夥)) which holds as to 53.16% of the partnership interests of Everbright Investment. Everbright No. 2 Venture Capital (Shenzhen) L.P. (光大二號創業投資(深圳)合夥企業(有限合夥)) is owned as to 70.59% by Everbright Industrial which is wholly owned by Everbright Group. Everbright Group is owned as to 63.16% by Central Huijin Investment Co., Ltd. (中央匯金投資有限責任公司), 33.43% by the MOF and 3.4% by National Council for Social Security Fund (全國社會保障基金理事會). Central Huijin Investment Co., Ltd. (中央匯金投資有限責任公司) is in turn wholly owned by China Investment Corporation (中國投資有限責任公司) and the State Council.

Therefore, by virtue of SFO, each of Everbright Industrial Capital Management Co., Ltd. (光大實業資本管理有限公司), Everbright No. 2 Venture Capital (Shenzhen) L.P. (光大二號創業投資(深圳)合夥企業(有限合夥)), Everbright Industrial, Everbright Group, Central Huijin Investment Co., Ltd. (中央匯金投資有限責任公司) and China Investment Corporation (中國投資有限責任公司) is deemed to be interested in the Shares held by Everbright Investment.
- (6) All interests stated are long positions.

- (7) Saizhibole is the general partner of each of Hangzhou Hangshi Sailian Investment L.P. (杭州杭實賽連投資合夥企業(有限合夥)), Hangzhou Sailian Phase II Investment L. P. (杭州賽連貳期投資合夥企業(有限合夥)), Hangzhou Saizhi Yunsheng Investment L.P. (杭州賽智雲昇投資合夥企業(有限合夥)) and Hangzhou Sailian Phase I Investment L.P. (杭州賽連壹期投資合夥企業(有限合夥)), which directly holds 3.02%, 2.96%, 3.03% and 2.67% interests of our Company respectively. Saizhibole is wholly owned by Hangzhou Saizhi Investment Co., Ltd. (杭州賽智投資有限公司) which is held by Hangzhou Saishenggu Equity Investment Management Co., Ltd. (杭州賽聖谷股權投資管理有限公司) as to 42.08%, Mr. Chen Bin (陳斌) as to 40.54% and Mr. Huang Xin (黃昕) as to 17.37%. Hangzhou Saishenggu Equity Investment Management Co., Ltd. (杭州賽聖谷股權投資管理有限公司) is controlled by Mr. Chen Bin (陳斌) as to 70% and Mr. Huang Xin (黃昕) as to 30% respectively.

Therefore, by virtue of SFO, each of Saizhibole, Hangzhou Saizhi Investment Co., Ltd. (杭州賽智投資有限公司), Hangzhou Saishenggu Equity Investment Management Co., Ltd. (杭州賽聖谷股權投資管理有限公司), Mr. Chen Bin (陳斌) and Mr. Huang Xin (黃昕) is deemed to be interested in the Shares held by Hangzhou Hangshi Sailian Investment L.P. (杭州杭實賽連投資合夥企業(有限合夥)), Hangzhou Sailian Phase II Investment L. P. (杭州賽連貳期投資合夥企業(有限合夥)), Hangzhou Saizhi Yunsheng Investment L.P. (杭州賽智雲昇投資合夥企業(有限合夥)) and Hangzhou Sailian Phase I Investment L. P. (杭州賽連壹期投資合夥企業(有限合夥)) together.

Save as disclosed above, as at December 31, 2025, so far as is known to the Directors, none of any other persons (other than the Directors, Supervisors and chief executive of the Company) had any interests or short positions in the shares or underlying shares of the Company which were required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register referred to in section 336 of the SFO.

KEY RELATIONSHIP WITH STAKEHOLDERS

The Group recognizes that various stakeholders including customers, suppliers, employees and other business associates are key to the Group's success. The Group strives to achieve corporate sustainability through engaging, collaborating, and cultivating strong relationships with them.

MAJOR CUSTOMERS AND SUPPLIERS

Major Customers

For the year ended December 31, 2025, revenue from the Group's five largest customers contributed less than 30% of the Group's total revenue during the year.

Major Suppliers

For the year ended December 31, 2025, purchases from our five largest suppliers contributed approximately 43.6% (2024: 52.3%) of the Group's total cost of procurement while our largest supplier contributed approximately 18.8% (2024: 16.8%) of the Group's cost of procurement during the year.

For the year ended December 31, 2025, none of the Directors or any of their close associates or any Shareholders (which to the knowledge of the Directors owns more than 5% of the number of the issued shares of the Company) was interested in the top five customers or suppliers of the Group.

TAXATION

Tax position of the Company during the year ended December 31, 2025 is set forth in Note 11 to the consolidated financial statements of this annual report.

TAX RELIEF AND EXEMPTION

The Company is not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the H Shares. If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or exercising of any rights in relation to the H Shares, they are advised to consult their professional advisers.

RETIREMENT AND EMPLOYEE BENEFITS SCHEME

During the Reporting Period, details of the retirement benefit scheme are set out in Note 7 to the consolidated financial statements of this annual report.

PRE-IPO SHARE OPTION SCHEME

Our Company adopted a Pre-IPO Share Option Scheme on February 1, 2021 which was further amended and approved on June 8, 2023 (the “**2021 Pre-IPO Share Option Scheme**”). On the same date, our Company also adopted a new Pre-IPO Share Option Scheme on June 8, 2023 (the “**2023 Pre-IPO Share Option Scheme**”, together with the 2021 Pre-IPO Share Option Scheme, the “**Pre-IPO Share Option Schemes**”). The following is a summary of the principal terms of the 2021 Pre-IPO Share Option Scheme and the 2023 Pre-IPO Share Option Scheme.

Objectives

The Pre-IPO Share Option Schemes are to improve the Company’s incentive mechanism, attract and retain talents and to motivate employees to ensure the achievement of the Company’s development goals.

Participants

The eligible participants of the Pre-IPO Share Option Schemes are the Directors, senior management, core technical personnel and core business personnel of the Company, as well as other employees who contribute to the future development and operating of the Company which the Company believes should be incentivized, excluding (i) any shareholder who holds more than 5% of the Company’s issued share capital, either individually or collectively; (ii) the actual controller of the Company and his or her spouse, parents and/or children; (iii) independent Directors of the Company; or (iv) Supervisors of the Company.

Each eligible participant under the Pre-IPO Share Option Schemes should have signed an employment contract or service contract with the Company or any of the subsidiaries of the Company. The Directors and senior management under the Pre-IPO Share Option Schemes should have been elected by the Shareholders’ meeting of the Company or duly appointed by the Board.

Maximum Number of Shares

The maximum number of Shares to be granted under the Pre-IPO Share Option Schemes shall not exceed 10% of the total issued share capital of the Company at the time when the scheme is considered and approved by the Shareholders' meeting. Accordingly, the maximum number of Shares to be granted under the 2021 Pre-IPO Share Option Scheme and the 2023 Pre-IPO Share Option Scheme shall not exceed 40,339,000 Shares and 56,125,300 Shares, respectively. The maximum number of Shares which may be granted to a selected participant under the 2021 Pre-IPO Share Option Scheme at any one time or in aggregate shall not exceed 1% of the total issued share capital of the Company as of the date of the adoption of the 2021 Pre-IPO Share Option Scheme. There is no restriction on the maximum entitlement of each participant under the 2023 Pre-IPO Share Option Schemes.

Validity

The 2021 Pre-IPO Share Option Scheme shall be valid and effective for the period of six years commencing on the date of grant. The 2023 Pre-IPO Share Option Scheme shall be valid and effective for the period of five years commencing on the date of grant. As of December 31, 2025, the remaining life of the 2021 Pre-IPO Share Option and the 2023 Pre-IPO Share Option is one year and two years, respectively.

Exercise Period

The options granted under the Pre-IPO Share Option Schemes can be exercised after vesting on any trading day but no later than the 30 months after the Listing Date.

Exercise Price and Basis of Determination of the Exercise Price

The exercise price of the options under the 2021 Pre-IPO Share Option Scheme and the 2023 Pre-IPO Share Option Scheme is RMB2.96 per Share and RMB5 per Share, respectively.

The exercise price of the options granted under the 2021 Pre-IPO Share Option Scheme shall not be lower than the net asset value per Share of the Company as of December 31, 2020. The exercise price of the options granted under the 2023 Pre-IPO Share Option Scheme shall not be lower than the net asset value per Share of the Company as of December 31, 2022. During the period from the option grant date to the option exercise date, the exercise price of the option will be adjusted accordingly if the Company has capitalization of the capital reserves, distribution of stock dividends, allotment of shares or dividends.

Vesting Schedules

The vesting schedules of the options granted under the 2021 Pre-IPO Share Option Scheme are as follows: (i) 50% (wholly or partially) to be vested after six months after the Listing Date; and (ii) the remaining 50% (wholly or partially) to be vested after 18 months after the Listing Date. The options granted under the 2023 Pre-IPO Share Option Scheme will be vested (wholly or partially) after 18 months after the Listing Date. The actual amount of options to be vested under the Pre-IPO Share Option Schemes are subject to the achievement of certain performance targets of the relevant grantees as further described below.

Performance Targets and Vesting Conditions

The Remuneration and Assessment Committee of the Board will assess the performance indicators of the participants under the Pre-IPO Share Option Schemes each year, and the performance results are of four grades: (i) S, which represents outstanding performance; (ii) A, which represents good performance; (iii) B, which represents average level of performance; and (iv) C, which indicates performance should be improved. The vesting conditions of the options granted under the Pre-IPO Share Option Schemes are as follows: (a) 100% of the options granted can be vested if the performance result is S or A; (b) 80% of the options granted can be vested if the performance result is B; and (c) options granted will be cancelled by the Company if the performance result is C.

As of December 31, 2025, (i) the number of underlying Shares pursuant to the outstanding share options granted under the 2021 Pre-IPO Share Option Scheme amounted to 12,089,000 Shares, and (ii) the number of underlying Shares pursuant to the outstanding share options granted under the 2023 Pre-IPO Share Option Scheme amounted to 50,095,100 Shares, representing approximately 1.08% and 4.47%, respectively of the issued Shares as of December 31, 2025. No further options are expected to be granted under the Pre-IPO Share Option Schemes.

Details of share options granted to Directors and connected persons of our Company or other grantees during the Reporting Period are as follows:

Name of grantee	Date of grant	Exercise price per Share	Vesting period	Exercise period	Number of Shares as of January 1, 2025	Granted during the year	Exercised during the year	Cancelled during the year	Lapsed during the year	Number of Shares as of December 31, 2025
Directors										
Mr. Xin Jie (辛潔)	June 12, 2023	RMB5.00	Note 2	Note 3	10,000,000					10,000,000
Ms. Wei Ping (魏萍)	June 12, 2023	RMB5.00	Note 2	Note 3	3,000,000					3,000,000
Mr. Zhu Xiaosong (朱曉松)	February 4, 2021 June 12, 2023	RMB2.96 RMB5.00	Note 2 Note 2	Note 3 Note 3	850,000 1,850,000					850,000 1,850,000
Connected Persons (other than Directors)										
Mr. Shen Enguang (沈恩光)	February 4, 2021 June 12, 2023	RMB2.96 RMB5.00	Note 2 Note 2	Note 3 Note 3	200,000 1,800,000					200,000 1,800,000
Mr. Xue Qiangjun (薛強軍)	February 4, 2021 June 12, 2023	RMB2.96 RMB5.00	Note 2 Note 2	Note 3 Note 3	750,000 1,950,000					750,000 1,950,000
Mr. Bao Kedong (包可棟)	February 4, 2021 June 12, 2023	RMB2.96 RMB5.00	Note 2 Note 2	Note 3 Note 3	650,000 1,406,800		270,000			380,000 1,406,800
Mr. Sun Dali (孫大利)	February 4, 2021 June 12, 2023	RMB2.96 RMB5.00	Note 2 Note 2	Note 3 Note 3	750,000 1,950,000					750,000 1,950,000
Mr. Qing Huang	February 4, 2021 June 12, 2023	RMB2.96 RMB5.00	Note 2 Note 2	Note 3 Note 3	750,000 1,450,000					750,000 1,450,000
Ms. Lin Yin (林銀)	February 4, 2021 June 12, 2023	RMB2.96 RMB5.00	Note 2 Note 2	Note 3 Note 3	315,000 1,385,000		315,000			0 1,385,000
Mr. Wang Yu (王愚)	February 4, 2021 June 12, 2023	RMB2.96 RMB5.00	Note 2 Note 2	Note 3 Note 3	750,000 1,450,000					750,000 1,450,000
Other Employees	February 4, 2021 June 12, 2023	RMB2.96 RMB5.00	Note 2 Note 2	Note 3 Note 3	9,068,000 28,152,000		706,500 2,346,500		702,500 1,952,200	7,659,000 23,853,300

Notes:

- (1) There is no consideration paid for the acceptance of the options.
- (2) The options granted under the 2021 Pre-IPO Share Option Scheme and/or the 2023 Pre-IPO Share Option Scheme will be vested (wholly or partially) after 18 months after the Listing Date.
- (3) The options granted under the 2021 Pre-IPO Share Option Scheme and/or the 2023 Pre-IPO Share Option Scheme can be exercised after vesting on any trading day but no later than the 30 months after the Listing Date.
- (4) The average fair value of the options granted on February 4, 2021 was RMB12.23 per Share at the date of grant.
- (5) The average fair value of the options granted on June 12, 2023 was RMB11.13 per Share at the date of grant.
- (6) The weighted average closing price of the Shares immediately before the dates on which the options were exercised is HK\$8.06.
- (7) Save as disclosed above, there were no other material matters relating to the Pre-IPO Share Option Schemes that were required to be reviewed for approval by the Remuneration and Assessment Committee of the Company during the Reporting Period in accordance with Rule 17.07A of the Listing Rules.

For details of fair value of the underlying Shares pursuant to the outstanding share options at the date of grant and the accounting standard and policies adopted, please refer to Note 28 to the consolidated financial statements in this annual report.

Rule 17.07(3) is not applicable as during the Reporting Period, no share options were granted under the Pre-IPO Share Option Schemes.

FIRST AWARD AND TRUST SCHEME

Our Company proposed and approved the adoption of the First Award and Trust Scheme (the “**First Award and Trust Scheme**”) at the extraordinary general meeting held on December 31, 2024. The First Award and Trust Scheme was contemplated and adopted to be funded solely by the existing Shares to be purchased through the Trustee. The Scheme constitutes a share scheme under Chapter 17 of the Listing Rules and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. The following is a summary of the principal terms of the First Award and Trust Scheme:

Purpose of the First Award and Trust Scheme

The purpose of the First Award and Trust Scheme is to improve the Company’s incentive mechanism, attract, motivate, and retain selected employees through the grant of awards. The First Award and Trust Scheme aims to enhance the motivation and creativity of participants, ensuring the achievement of the Company’s long-term development goals, and promoting the sustained growth of the Company’s performance, thereby benefiting both the Company and the participants.

Management Agency of the First Award and Trust Scheme

The general meeting of the Shareholders as the highest authority of the Company can authorize the Board to handle matters pertaining to the First Award and Trust Scheme within the scope of its authority.

In order to implement the First Award and Trust Scheme, the general meeting of the Shareholders authorizes the Board and the scheme administrators as authorized by the Board to serve as the management agency of the First Award and Trust Scheme (the “**Management Agency of the First Award and Trust Scheme**”), which are responsible for reviewing and approving the implementation, changes and termination of the First Award and Trust Scheme, and handling other related matters of the First Award and Trust Scheme within the scope as authorized by the general meeting of the Shareholders.

Participants and the Basis of Determining the Eligibility of the Participants

The Participants who may participate in the First Award and Trust Scheme shall be the persons who have the right to receive the Award Shares as determined by the Board in accordance with the terms of the First Award and Trust Scheme, and the scope of the Participants include: (i) Directors (excluding independent non-executive directors), senior management and key employees of the Company; (ii) key employees of the Company’s wholly-owned subsidiaries, holding subsidiaries or associated companies; and (iii) other persons as determined by the Board.

The Participants must meet the following basic qualifications or other conditions as approved by the Board: (i) have signed with the Company a labor contract, confidentiality agreement, non-competition agreement or service contract/consulting service agreement or other agreements as required by the Board; and (ii) other conditions that meet the award criteria established by the Management Agency of the First Award and Trust Scheme.

Source of the Awards

The Board shall entrust a qualified trust manager to act as the trustee under the First Award and Trust Scheme to establish a trust plan with the objective of implementing equity incentives. The participants will be granted the awards and thus indirectly hold the interest of the Company’s shares through the trust. The awards will be vested upon the fulfilment of certain conditions. The awards granted to the participants shall be subject to the terms of the First Award and Trust Scheme and the restrictive terms as agreed in the trust deed. The participants shall be entitled to the corresponding rights and interests in accordance with the terms agreed in the trust deed.

The Board instructs the trustee to purchase existing H Shares on the Stock Exchange or off the Stock Exchange from existing Shareholders. Should the Shares be purchased by the trustee off the Stock Exchange from existing Shareholders, the purchase price must not be higher than the closing price of the Shares as stated in the daily quotations sheets of Stock Exchange on the date of purchase.

Life of the First Award and Trust Scheme

Subject to any early termination of the First Award and Trust Scheme pursuant to the terms of the First Award and Trust Scheme, the First Award and Trust Scheme shall be valid and effective for ten (10) years commencing from the adoption date (i.e. December 31, 2024 which is the day on which the First Award and Trust Scheme is approved by the Shareholders). Upon termination or early termination of the First Award and Trust Scheme, the Company may not grant any awards, but the awards that have been granted will continue to be valid until they become vested or lapsed. As of December 31, 2025, the remaining life of the First Award and Trust Scheme is nine years.

Maximum Number of Shares

The maximum number of H Shares that the trustee can acquire and hold from time to time under the First Award and Trust Scheme throughout the life of such scheme shall not exceed 10% of the total number of the issued shares of the Company (excluding treasury shares) as of the adoption date. As of the adoption date, the total number of the issued shares of the Company (excluding treasury shares) was 1,079,060,000 Shares, and thus the maximum number of H Shares that the trustee can acquire and hold under the First Award and Trust Scheme shall not exceed 107,906,000 Shares.

Maximum Entitlement to Each Participant

According to the First Award and Trust Scheme, the maximum entitlement of the Awards to be granted to any Participant under the First Award and Trust Scheme shall not exceed 1% of the total number of the issued shares of the Company (excluding treasury shares) unless approved by way of special resolution at the general meeting.

Date of Grant

The date on which the Awards are granted to the Participants is the date when the Company signs and issues the Award Letter to the Participants. The date of grant shall be determined by the Board.

Consideration for the Grant of the First Award and Trust Scheme

According to the provisions of the First Award and Trust Scheme, the incentive consideration (if any) of the Participants shall be determined by the Board and shall be agreed in the Award Letter.

The Participant should use their personal lawful remuneration, personal and family property, and other self-funded resources in accordance with laws and regulations. The Company will not provide loans or any other form of financial assistance to the Participants, including providing guarantees for their loans.

The Participant shall, in accordance with the First Award and Trust Scheme, pay the full amount of the purchase price, if any, corresponding to the Awards received by the Participant to the Company or such other entity as the Company may designate by wire transfer prior to satisfying the vesting conditions and instruct the Trustee to sell its Awards in the open market.

Vesting Period

The vesting period of the Awards granted under the First Award and Trust Scheme shall be determined at the sole discretion of the Board, with a minimum vesting period of 12 months from and including the date of grant. The vesting conditions and the performance targets, if any, shall be determined at the sole discretion of the Board in the Award Letter.

Vesting Conditions of the First Award and Trust Scheme

The Awards granted to a Participant shall be vested to the Participant during the vesting period upon satisfaction of the vesting conditions and the performance targets, if any, set forth in the First Award and Trust Scheme. The vesting conditions and the performance targets, if any, shall be determined at the sole discretion of the Board in the Award Letter.

The performance targets, if any, will be determined based on the specific circumstances of the particular Participants. Depending on the circumstances, the performance targets may include, but are not limited to: (i) annual performance of the Group or members of the Group; (ii) achievement of milestones for major projects of the Group; (iii) key performance indicators of the department and/or business unit to which the Participant belongs; and (iv) the Participant's position and the annual performance appraisal results, etc.

At the end of the performance period of the relevant performance target, the Board will evaluate the actual performance of the Participant against the pre-agreed target and determine, at its sole discretion, whether or not the relevant performance target has been achieved.

If the Participant fails to fulfil the vesting conditions applicable to the relevant Awards, all the relevant Awards which may otherwise be vesting during the respective vesting period shall not be vested and become immediately lapsed with respect to such Participant. In such case, the Company will give notice about the forfeiture to the Trustee, who will dispose of the relevant forfeited shares within a reasonable time after receipt of the notice of forfeiture, including, but not limited to, by (i) selling the lapsed Shares in the open market at fair market value and adding the proceeds to the Trust pool for further purchases of the Award Shares during the term of the First Award and Trust Scheme; or (ii) retaining the forfeited Award Shares in the Trust pool for further grants to other Participants during the life of the First Award and Trust Scheme.

After vesting and during the life of the First Award and Trust Scheme, the Participants can instruct the Trustee to sell the vested Award Shares in the open market through the Company or the Company's designated ESOP platform or system. The Trustee will use the proceeds from the sale after deducting relevant taxes and other related expenses, and the funds will be transferred to the bank account under the name of the Participants to redeem the corresponding cash returns.

Clawback Mechanism

The First Award and Trust Scheme has established a clawback mechanism where any of the following events occurs prior to the vesting of the Awards: (i) Participant's resignation for any reasons; (ii) Participant's retirement and loss of working ability; and (iii) Participant's death.

During the life of the First Award and Trust Scheme, if the Participant has resigned, the vested Awards shall continue to be enjoyed by the original Participants; the unvested Awards shall become forfeited Awards, and the Participants no longer have rights. The unvested Awards shall be disposed of by the Board or the scheme administrators as authorized by the Board, including but not limited to instructing the Trustee to: (i) sell the lapsed Shares on the open market at the market price and consolidate the proceeds therefrom into the Trust pool, which can be used to further purchase the Awards during the life of the First Award and Trust Scheme; or (ii) retain the lapsed Awards in the Trust pool for further grants to other Participants during the life of the First Award and Trust Scheme.

During the life of the First Award and Trust Scheme, if the Participant has retired, lost working ability, or died, the vested Awards shall continue to be enjoyed by the original Participant; the unvested Awards shall either continue to be enjoyed by the Participants or their successors or become forfeited Awards at the discretion of the Board or the scheme administrators as authorized by the Board. If the Awards become forfeited, the disposal method shall be determined at the discretion of the Board or the scheme administrators as authorized by the Board, including but not limited to instructing the Trustee to: (i) sell the lapsed Shares on the open market at the market price and consolidate the proceeds therefrom into the Trust pool, which can be used to further purchase the Awards during the life of the First Award and Trust Scheme; or (ii) retain the lapsed Awards in the Trust pool for further grants to other Participants during the life of the First Award and Trust Scheme.

In the event of other matters not agreed upon, the disposal of the Awards held by the Participants shall be determined by the Board or the scheme administrators as authorized by the Board.

Rights on Voting and Dividends

Neither the Participants nor the Trustee may exercise any voting rights attached to any Shares held by the Trustee under the Trust Deed. Subject to the provision of the First Award and Trust Scheme, dividends payable on Award Shares corresponding to unvested Award Shares (other than the lapsed Awards) shall belong to the Participants and shall be paid to the Participants at the time of vesting and shall be paid by the Trustee to the account of the Participants; and dividends payable in respect of current Awards for which the vesting conditions have not been satisfied shall be retained by the Trustee and added to the Trust pool to be used for further purchases of the Award Shares, and the Participant shall have no further rights.

Restrictions and Limitations

A Grant or any instruction from the Board to the Trustee to acquire or sell H Shares may not be made after a price sensitive event or inside information has occurred or a price sensitive matter or inside information has been the subject of a decision until such price sensitive information or inside information has been published in accordance with the Listing Rules. In particular, during the period preceding the publication of financial results in which the Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company and up to the date of publication of the relevant financial results, no Grant may be made to the Directors or connected persons, and the Board shall not give any instruction to the Trustee to purchase or sell the H Shares.

Upon the sale or purchase of the Awards by the Participants, such person shall comply with restrictive requirements under relevant laws and regulations, including but not limited to the restrictions on inside information and compliance with the restrictions (if any) in the number of Shares to be sold.

Issuance of Shares and Rights of Shares

During the life of the First Award and Trust Scheme, if the Company issues H Shares or other securities to the Shareholders for subscription by way of rights issues, options or warrants, the Trustee may, with the consent of the trustor, exercise, or take action to underwrite, purchase and/or subscribe for, any rights, options or warrants allocated to the Shares of the Company and held for purposes of implementing the First Award and Trust Scheme provided that no additional funds need to be paid for the subscription; otherwise, the Trustee shall not exercise such rights.

Termination of the First Award and Trust Scheme

The First Award and Trust Scheme will terminate on the earlier of: (i) the expiration of the life of the First Award and Trust Scheme; or (ii) the date determined by the Board or approved by the Shareholders to terminate the First Award and Trust Scheme.

Upon termination, ungranted Awards will lapse, and the Trustee will sell the underlying Shares in the market.

Save as disclosed above, during the Reporting Period, the trustee did not purchase any Shares on the Stock Exchange or off the Stock Exchange for the purpose of the First Award and Trust Scheme. No awards had been granted to any participants under the First Award and Trust Scheme as of the December 31, 2025.

Rule 17.07(3) is not applicable as during the Reporting Period, no awards were granted under the First Award and Trust Scheme.

FIRST SHARE AWARD SCHEME

Our Company proposed and approved the adoption of the First Share Award Scheme (the “**First Share Award Scheme**”) at the extraordinary general meeting held on January 26, 2026. The Shares to be granted under the Scheme shall be new H Shares issued by the Company. If the Company has treasury shares available, the Company may use the treasury shares for the First Share Award Scheme where appropriate. The issuance of new H Shares and/or treasury shares shall be subject to the approval of the Stock Exchange. The following is a summary of the principal terms of the First Share Award Scheme:

Purpose of the First Share Award Scheme

The purpose of the scheme is to improve the incentive mechanism of the Company, to attract, motivate and retain selected employees of the Company through the grant of the awards, to further enhance the motivation and creativity of the participants. The participants under the scheme shall be motivated to serve, create value and contribute to the Company in a better and stable long-term manner, promote the sustained growth of the Company’s performance, and bring value-added benefits to the Participants while enhancing the value of the Company, so as to realize the mutual development of the participants and the Company.

Management Agency of the First Share Award Scheme

The general meeting of the Shareholders as the highest authority of the Company can authorize the Board to handle matters pertaining to the Scheme within the scope of its authority. In order to implement the Scheme, the general meeting of the Shareholders authorizes the Board and/or its authorized persons to serve as the management agency of the Scheme, which are responsible for reviewing and approving the implementation, changes and termination of the Scheme, and handling other related matters of the Scheme within the scope as authorized by the general meeting of the Shareholders.

Participants and the Basis of Determining the Eligibility of the Participants

The participants who may participate in the scheme shall be the persons who have the right to receive the award shares as determined by the Board in accordance with the terms of the scheme, and the scope of the participants include: (i) Directors (excluding independent non-executive directors), senior management and key employees of the Company; (ii) directors, key employees of the Company's wholly-owned subsidiaries, holding subsidiaries or associated companies.

The participants must meet the following basic qualifications or other conditions as approved by the Board: (i) have signed with the Company a labor contract, confidentiality agreement, non-competition agreement or service contract/consulting service agreement or other agreements as required by the Board; and (ii) other conditions that meet the award criteria established by the management agency of the scheme.

Source of the Awards

The Shares to be granted under the scheme shall be new H Shares issued by the Company. If the Company has treasury shares available, the Company may use the treasury shares for the First Share Award Scheme where appropriate. The issuance of new H Shares and/or treasury shares shall be subject to the approval of the Stock Exchange.

Life of the First Share Award Scheme

Subject to any early termination of the scheme pursuant to the terms of the scheme, the scheme shall be valid and effective for ten (10) years commencing from the adoption date (i.e. January 26, 2026). As of the date of this annual report, the remaining life of the First Share Award Scheme is approximately 9.78 years.

Maximum Number of Shares

The maximum number of H Shares that the participants can hold from time to time under the scheme throughout the life of the scheme shall not exceed 10% of the total number of the issued shares of the Company (excluding treasury shares) as at the adoption date (the "Scheme Mandate Limit"). The Scheme Mandate Limit is 110,484,400 Shares.

The total number of Shares which may be issued in respect of all options and awards to be granted under the First Share Award Scheme and other share schemes of the Company must not in aggregate exceed such Scheme Mandate Limit (or such other percentage which may be specified by the Stock Exchange from time to time), unless such Scheme Mandate Limit shall have been refreshed in accordance with the requirements of the Listing Rules, or Awards are made with separate approval by Shareholders in general meeting or otherwise permitted under the Listing Rules. The total number of Shares available for issue under the First Share Award Scheme is 110,484,400 Shares, representing approximately 10.04% of the issued Shares (excluding treasury shares) as at the Latest Practicable Date.

Awards that lapse in accordance with the terms of the scheme shall not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

Maximum Entitlement to Each Participant

Where any grant of awards to a participant would result in the Shares issued and to be issued in respect of all options and awards granted to such participant (excluding any options and awards lapsed in accordance with the terms of any relevant scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue and excluding treasury shares, such grant must be separately approved by the Shareholders in general meeting, with the relevant participant and his/her close associates (or associates if the participant is a connected person) abstaining from voting.

Maximum entitlement to a director, chief executive or substantial shareholder of listed issuer, or any of their respective associates

Where any grant of award shares to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the First Share Award Scheme and other share award scheme(s) of the Company (if any)) to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 0.1% (or such other percentage as may be specified by the Stock Exchange from time to time) of the Shares in issue (excluding treasury Shares) as at the date of such grant, such further grant of award shares must be approved by Shareholders in general meeting with a circular sent to the Shareholders in the manner required, and subject to the requirements set out, in the Listing Rules.

Where any grant of award shares to a substantial shareholder of the Company, or any of their respective associates, would result in Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the First Share Award Scheme and other share award scheme(s) adopted by the Company) to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant, representing in aggregate over 0.1% (or such other percentage as may be specified by the Stock Exchange from time to time) of Shares in issue (excluding treasury shares) as at the date of such grant such further grant of Award Shares must be approved by Shareholders in general meeting in the manner set out in Rule 17.04(4) of the Listing Rules.

In the circumstances described above, the Company must send a circular to the Shareholders. The participants, his/her associates and all core connected persons of the Company will be required to abstain from voting in favour at such general meeting. The Company shall comply with the requirements under rules 13.40, 13.41 and 13.42.

Date of Grant

The date on which the awards are granted to the participants is the date when the Company signs and issues the award letter to the participants. The date of grant shall be determined by the Board.

Consideration for the grant of the Awards

According to the provisions of the scheme, the consideration (if any) of awards granted to the participants shall be determined by the Board and shall be agreed in the award letter. When determine the consideration (if any) for the awards granted to participants, the Board may take into account the practices of comparable companies and the effectiveness of the scheme in motivating the participant to contribute to the long term development of the Group and other factors as the Board shall deem fit. For the avoidance of doubt, the Board may determine the consideration to be nil.

The participant should use their person lawful remuneration, personal and family property and other self-funded resources in accordance with laws and regulations. The Company will not provide loans or any other form of financial assistance to the participants, including providing guarantees for their loans.

The participant shall, in accordance with the scheme, pay the full amount of purchase price, if any, corresponding to the awards received by the participant to the Company or such other entity as the Company may designate by wire transfer upon satisfaction of the vesting conditions and prior to the completion of the shareholder registration procedures for the newly issued H shares or treasury shares pursuant to the First Share Award Scheme.

Vesting Period

The vesting period of the awards granted to a participant shall be determined at the sole discretion of the Board in the award letter. The vesting period in respect of any award granted shall be no less than twelve (12) months from and including the date of grant. During the term of the scheme, the aggregate number of awards vested by the participants in each year shall not exceed 2% of the issued Shares (excluding treasury shares) of the Company as at the adoption date of the scheme.

Vesting Conditions of the Scheme

The Awards granted to a Participant shall be vested to the Participant during the vesting period upon satisfaction of the vesting conditions and the performance targets, if any, set forth in the Scheme. The vesting conditions and the performance targets, if any, shall be determined at the sole discretion of the Board in the award letter.

The performance targets, if any, will be determined based on the specific circumstances of the particular Participants. Depending on the circumstances, the performance targets may include, but are not limited to: (i) annual performance of the Group or members of the Group and the performance of the Company's share price; (ii) achievement of milestones for major projects of the Group; (iii) key performance indicators of the department and/or business unit to which the Participant belongs; and (iv) the Participant's position and the annual performance appraisal results, etc.

At the end of the performance period of the relevant performance target, the Board will evaluate the actual performance of the Participant against the pre-agreed target and determine, at its sole discretion, whether or not the relevant performance target has been achieved.

If a Participant fails to fulfil the vesting conditions applicable to the relevant Awards during the relevant vesting period, the corresponding portion of the Awards that would otherwise vest shall immediately lapse. The Award Shares corresponding to such lapsed Awards shall be treated as lapsed Shares. Awards that lapse in accordance with the terms of the Scheme shall not be regarded as utilized for the purposes of calculating the Scheme Mandate Limit.

Upon vesting and during the term of the Scheme, the Participant may subscribe for the relevant number of award Shares in accordance with the notice from the Company.

Clawback Mechanism

Unless determined otherwise by the Board or the authorised persons of the Board, the awards granted but not yet vested shall be automatically and immediately forfeited, and the corresponding award shares shall become lapsed Shares, in the following circumstances: (1) where the Participant ceases employment with the Group for any reason; (2) where the Participant retires or becomes permanently incapacitated and unable to work; or (3) where the Participant dies.

The vested awards shall remain entitled to the original Participants (or, where applicable, their successors). The unvested awards may, at the discretion of the Board or the authorised persons of the Board, either remain vested in the Participants or their successors, or be forfeited. If the awards are forfeited, the corresponding award Shares shall become lapsed Shares. Awards that lapse in accordance with the terms of the scheme shall not be regarded as utilized for the purposes of calculating the Scheme Mandate Limit. In exercising such discretion, the Board or its authorised persons will consider factors including the reason for cessation of employment, the Participant's past performance and contribution, any circumstances beyond the Participant's control (such as illness or death), as well as principles of fairness, market practice and the overall interests of the Company and its Shareholders.

Should the Board decide not to exercise the clawback mechanism in any case, such decision shall constitute an amendment to the terms and conditions of the Scheme, and the Company will ensure compliance with the relevant requirements under Rule 17.03(18)(2) of the Listing Rules.

Rights on Voting and Dividends

Participants may not exercise any voting rights attached to any award Shares granted under the Scheme.

The award Shares shall not carry any rights to receive dividends prior to the completion of the Issuance Registration Procedures. After the completion of such procedures, the award Shares shall carry the same rights to receive dividends as the Company's other issued H Shares.

Restrictions and Limitations

A grant or any instruction from the Board may not be made after a price sensitive event or inside information has occurred or a price sensitive matter or inside information has been the subject of a decision until such price sensitive information or inside information has been published in accordance with the Listing Rules. In particular, during the period preceding the publication of financial results in which the Directors are prohibited from dealing in Shares pursuant to the Model Code as prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company and up to the date of publication of the relevant financial results, no grant may be made to the Directors or connected persons, and the Board shall not grant or issue any Shares under the Scheme during such period.

Upon the sale or purchase of the awards by the participants, such person shall comply with restrictive requirements under relevant laws and regulations, including but not limited to the restrictions on inside information and compliance with the restrictions (if any) in the number of Shares to be sold.

Issuance of Shares and Rights of Shares

During the life of the scheme, if the Company issues H Shares or other securities to the Shareholders for subscription by way of rights issues or in the event of capitalization issue, sub-division or consolidated of shares or reduction of capital, the Board may, at its discretion, adjust the number of unvested Awards and/or the subscription price of the relevant Award Shares. Any such adjustment shall, as far as practicable, preserve the proportion of the Company's issued share capital attributable to the Participant immediately prior to such event (but in no event shall such proportion be exceeded), and shall, to the extent possible, be made on the basis of maintaining the total subscription price payable by the participant at the same amount as prior to such event. No adjustment shall be made that would result in the issuance of Shares at a price below their nominal value.

Termination of the Scheme

In the event of termination of the Scheme, no further Awards shall be granted. However, any Awards granted prior to the termination shall remain fully effective and shall continue to vest in accordance with their terms until they are either fully vested or lapse. The Scheme shall terminate on the earlier of: (i) the expiration of the life of the Scheme; or (ii) the date as determined by the Board or as approved by the Shareholders in general meeting to terminate the Scheme.

No awards had been granted to any participants under the First Share Award Scheme as of the December 31, 2025.

CONNECTED/RELATED PARTY TRANSACTION

Among the related party transactions disclosed in Note 38 to the consolidated financial statements, the following transactions constitute continuing connected transactions for the Company under Rule 14A.31 of the Listing Rules and are not exempted to be disclosed in this annual report in accordance with Rule 14A.71 of the Listing Rules. The Company confirmed that save as disclosed below, the remaining related party transactions did not fall under the definition of "connected transaction" or "continuing connected transaction" (as the case may be) under Chapter 14A of the Listing Rules that are required to be disclosed in this annual report and the Company had complied with the disclosure requirements about the continuing connected transactions in accordance with Chapter 14A of the Listing Rules, and the Company has followed its pricing policies and guidelines when determining the price and terms of continuing connected transactions conducted during the Reporting Period, details of which are set forth as follows.

Payment Solutions Framework Agreement

We have historically, during our ordinary and usual course of business provided digital payment services and value-added services through our payment channels, and relevant supporting technology services (collectively, the “**Payment Solutions**”), to several entities controlled by Mr. Zhang Zhengyu or/and his associates, including Ningbo Lianhui Commercial Factoring Co., Ltd.* (寧波連惠商業保理有限公司) and Zhonglian Intelligent Technology Co., Ltd.* (眾連智能科技有限公司) etc. (collectively the “**Payment Solutions Procurement Entities**”) in order to enable the Payment Solutions Procurement Entities to conduct online transactions.

On March 7, 2024, our Company (for itself and on behalf of other members of our Group) entered into a framework agreement (the “**Payment Solutions Framework Agreement**”) with Mr. Zhang Zhengyu (for himself and on behalf of the Payment Solutions Procurement Entities to govern the terms and conditions of the transactions between our Group and Payment Solutions Procurement Entities in connection with the provision of the Payment Solutions from our Group. Pursuant to the Payment Solutions Framework Agreement, the Payment Solutions Procurement Entities agreed to procure the Payment Solutions from our Group from time to time. The Payment Solutions Framework Agreement will take effect upon the Listing and will be valid until December 31, 2026, renewable by mutual agreement of the parties, subject to compliance with all relevant requirements under the Listing Rules and applicable laws and regulations. Separate underlying agreements with precise scope of services, payment service commissions, payment channels, method of payment, assignment of responsibilities will be entered into among parties.

Before entering into any separate service agreement pursuant to the Payment Solutions Framework Agreement, the relevant parties will consider (i) the efficiency and prevalence of payment channels operated by different online payment service providers; (ii) customers’ preference of different online payment service providers; and (iii) the fee rates proposed by our Group with the rates offered by other comparable service providers, which are Independent Third Parties. We will only enter into such service agreement with Payment Solutions Procurement Entities (i) when the fee rates chargeable are in line with (a) those chargeable by independent third-party service providers and/or (b) those payable to us by independent third party customers and (ii) the agreement is in the best interests of our Company and our Shareholders as a whole. The fees that we receive from Payment Solutions Procurement Entities are based on payment service fee rates and actual payment volumes processed on our platform and research and development cost of relevant value-added services. The fee rates reflect, among other things, our bank-processing costs and operating costs allocable to the services provided by us, and accordingly are subject to adjustment on an annual basis to the extent that these costs may increase or decline.

As Mr. Zhang Zhengyu is our Controlling Shareholder and the Payment Solutions Procurement Entities are associates of Mr. Zhang under the Listing Rules, the Payment Solutions Framework Agreement constituted continuing connected transactions under Chapter 14A of the Listing Rules.

The annual caps under the Payment Solutions Framework Agreement for the years ended or ending December 31, 2024, 2025 and 2026 are RMB2,800,000, RMB3,400,000 and RMB4,800,000 respectively.

The aggregate transaction amount incurred in accordance with the Payment Solutions Framework Agreement for the year ended December 31, 2025 was RMB1,859,000.

Waiver Application for Non-fully Exempt Continuing Connected Transactions

As the above non-fully exempt continuing connected transactions are expected to continue on a recurring and continuing basis, our Directors consider that compliance with the above announcement requirements will be impractical, will incur unnecessary administrative costs for us, and will be unduly burdensome to us. Accordingly, we have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted, a waiver to us under Rule 14A.105 of the Listing Rules from compliance with the announcement requirements in respect of the above non-fully exempt continuing connected transactions. The Company has confirmed that the execution and enforcement of the implementation agreements under the continuing connected transactions set out above for the year ended December 31, 2025 has followed the pricing principles of such continuing connected transactions.

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive Directors had reviewed the above non-fully exempt continuing connected transactions and confirmed that these transactions had been entered into:

- (1) in the ordinary and usual course of business of the Company;
- (2) either on normal commercial terms or on better terms; and
- (3) in accordance with relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Pursuant to Rule 14A.56 of the Listing Rules, the Board has engaged the Auditor to report on the continuing connected transactions, and the Auditor has provided a letter to the Board confirming nothing has come to their attention that causes them to believe that the above-mentioned continuing connected transactions:

- (1) have not been approved by the Board;
- (2) were not, in all material respects, in accordance with the pricing policies of such continuing connected transactions;
- (3) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and
- (4) have exceeded the cap.

CONTRACT OF SIGNIFICANCE WITH CONTROLLING SHAREHOLDERS

Save as disclosed in the subsection headed “Connected/Related Party Transaction” in this section, during the year ended December 31, 2025, none of the Company or any of its subsidiaries entered into any contract of significance with the Controlling Shareholders or any of its subsidiaries, and there is no contract of significance in relation to provision of services by the Controlling Shareholders or any of its subsidiaries to the Company or any of its subsidiaries.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and to the best knowledge of the Directors, at least 25% of the Company’s total issued Shares (excluding treasury shares), the prescribed minimum percentage of public float approved by the Stock Exchange and permitted under the Listing Rules, was held by the public since the Listing Date and up to the date of this annual report. Therefore, the Company has complied with Rule 13.32B of the Listing Rules since the Listing Date and up to the date of this annual report.

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, As at December 31, 2025, the Company’s share capital consisted of consisted of 460,706,764 H Shares and 660,391,236 Unlisted Shares. Among the 460,706,764 H Shares listed on the Stock Exchange, the 15,625,000 H Shares are treasury shares as defined under the Listing Rule, and the 70,012,110 H Shares held by Hangzhou Hangshi Sailian Investment L.P. (杭州杭實賽連投資合夥企業(有限合夥)), Hangzhou Sailian Phase II Investment L. P. (杭州賽連貳期投資合夥企業(有限合夥)), Hangzhou Saizhi Yunsheng Investment L.P. (杭州賽智雲昇投資合夥企業(有限合夥)), Hangzhou Sailian Phase I Investment L. P. (杭州賽連壹期投資合夥企業(有限合夥)) are not counted towards the public float as they are core connected persons of the Company. The remaining 375,069,654 H Shares representing approximately 33.93% of our total issued Shares (excluding treasury shares) is counted towards the public float.

Pursuant to Rule 19A.28B(1) of the Listing Rules, the minimum percentage threshold of public float applicable to the Company is 25% of the total number of issued Shares in the class to which H Shares belong (excluding treasury shares). As such, the Company has complied with Rule 19A.28B of the Listing Rules since the Listing Date and up to the Latest Practicable Date.

PERMITTED INDEMNITY PROVISIONS

The Company has maintained directors’ liability insurance to protect the Directors against any potential losses arising from actual or alleged misconduct.

DONATIONS

During the Reporting Period, we made charitable and other donations with a total amount of approximately RMB2.8 million.

AUDIT COMMITTEE

The Board has established an Audit Committee, which comprises three independent non-executive Directors, namely Mr. Wong Chi Kin (chairperson), Mr. Chun Chang and Ms. Lin Lanfen. The Audit Committee has also adopted written terms of reference which clearly set out its duties and obligations (the terms of reference are available on the websites of the Company and the Stock Exchange).

The Audit Committee has, together with the management of the Company and the Auditor, with no disagreement, considered and reviewed the applicable accounting principles, standards and practices adopted by the Group as well as the consolidated financial statements of the Group for the year ended December 31, 2025 and the disclosure in this annual report.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the code provisions of the CG Code as its own code of corporate governance.

During the Reporting Period, the Company has complied with all the principles and applicable code provisions set out in Part 2 of the CG Code.

For details, please refer to the section headed “Corporate Governance Report” in this annual report.

AUDITOR

The consolidated financial statements have been prepared in accordance with IFRSs and audited by PricewaterhouseCoopers who will retire at the forthcoming AGM of the Company.

The Company issued H Shares and its H Shares were listed on the Main Board of the Stock Exchange on March 28, 2024, and there has been no change in auditor since the Listing Date and up to the date of this annual report.

By order of the Board

Zhang Zhengyu

Chairman of the Board

Hangzhou, the PRC, March 26, 2026

Report of Supervisory Committee

During the Reporting Period, all members of the Supervisory Committee have complied with the principle of integrity and earnestly performed their supervisory duties in accordance with the relevant regulations set out in the PRC Company Law, the Articles of Association and Rules of Procedure of the Supervisory Committee to protect the interests of the Shareholders and the Company.

WORKS OF THE SUPERVISORY COMMITTEE DURING THE REPORTING PERIOD

For the year ended December 31, 2025, the Supervisory Committee held three meetings and the details are as follows:

On March 18, 2025, the fourth meeting of the second session of the Supervisory Committee was held, and the Proposal on the Annual Report of Directors of the Group for the Year 2024 (《關於審議本集團2024年度董事會年度報告的議案》), the Proposal on the Annual Report of the Supervisory Committee of the Group for the Year 2024 (《關於審議本集團2024年度監事會年度報告的議案》), the Proposal on the Draft of the 2024 Annual Report (Inclusive of ESG Report) (《關於審議本集團2024年報草案(包括環境、社會及管治報告)的議案》) and the Proposal on the Consolidated Financial Statements of the Group for the Year 2024 (《關於審議本集團2024年度綜合財務報表的議案》) were duly considered and approved.

On August 26, 2025, the fifth meeting of the second session of the Supervisory Committee was held, and the Proposal on the 2025 Interim Report of the Group (《關於審議本集團2025年中期報告的議案》), the Proposal on the 2025 Interim Results Announcement of the Group (《關於審議本集團2025年中期業績公告的議案》) and the Proposal on the 2025 Interim Financial Statements of the Group (《關於審議本集團2025年中期財務報表的議案》) were duly considered and approved.

On September 26, 2025, the sixth meeting of the second session of the Supervisory Committee was held, and the Proposal on the Fulfillment of Exercise Conditions for the Second Exercise Period of the 2021 Option Incentive Scheme of the Company (《關於公司2021年期權激勵計劃第二個行權期行權條件成就的議案》) and the Proposal on the Fulfillment of Exercise Conditions of the 2023 Option Incentive Scheme of the Company (《關於公司2023年期權激勵計劃行權條件成就的議案》) were duly considered and approved.

COMMENTS OF THE SUPERVISORY COMMITTEE ON CERTAIN MATTERS OF THE COMPANY IN 2025

During the Reporting Period, the members of the Supervisory Committee adhered to the principles of fidelity and accountability to all shareholders and duly performed their duties and works according to the relevant laws and regulations. The Supervisory Committees worked actively, supervised the regulatory compliance and operation, financial condition, use of proceeds and internal control, etc. of the Company through attending shareholders' general meetings and board meetings as nonvoting delegates and onsite inspections. The Supervisory Committee has arrived at the following opinions:

- (1) During the Reporting Period, the Board of Directors conscientiously performed the rights and obligations conferred by the PRC Company Law and the Articles of Association, made timely decisions on major matters such as operation plans and conscientiously implemented the resolutions of the general meeting and the Board of Directors. The senior management operated in accordance with the laws and in a standardized manner. The Directors and senior management were able to perform their obligations in good faith, and there were no violations of the laws, the Articles of Association or acts detrimental to the interests of shareholders.
- (2) During the Reporting Period, the Supervisory Committee supervised and inspected the financial system and financial position of the Company and considered that the Company's financial system was sound, its financial operations were standardised and its financial position was good, and that the Company's annual audit report and the independent auditor's report truly, accurately and completely reflected the financial position, results of operations and cash flows of the Company.
- (3) During the Reporting Period, the connected transactions between the Company and various connected persons were in compliance with the relevant regulations of the Hong Kong Stock Exchange. The prices of the connected transactions were reasonable and fair, and the principles of fairness, equity and impartiality were followed. No circumstances were found to be prejudicial to the interests of the Company and the non-connected shareholders.

Chairman of the Supervisory Committee

Wu Wei

Hangzhou, the PRC, March 26, 2026

Corporate Governance Report

The Board is pleased to present the Corporate Governance Report of the Company for the year ended December 31, 2025.

COMPLIANCE WITH THE CG CODE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the code provisions of the CG Code as its own code of corporate governance.

During the Reporting Period, the Company has complied with all the principles and applicable code provisions contained in Part 2 of the CG Code.

In addition, the balance of power and authority is ensured by the operation of senior management and the Board, which comprises experienced and high-caliber individuals. The Board currently consists of four executive Directors and three independent non-executive Directors. Therefore, we consider that the Board has a fairly strong independence element in its composition.

The Directors will continue to review the corporate governance policies and compliance with the CG Code and other applicable legal and regulatory requirements so as to maintain a high standard of corporate governance of the Company from time to time.

SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code as its own securities dealing code to regulate all dealings by the Directors, the Supervisors and relevant employees of securities in the Company and other matters covered by the Model Code. Having made specific enquiry with all the Directors and Supervisors, all the Directors and Supervisors as well as the relevant employee of the Company confirmed that they have strictly complied with the required standards set out in the Model Code during the Reporting Period.

No incident of non-compliance of the Model Code by the Company's relevant employees was noted by the Company during the Reporting Period.

THE BOARD

Responsibilities

The Company clearly defines the responsibilities of the Shareholders' General Meetings, the Board, the senior management and the Supervisory Committee.

The Shareholders' General Meeting is the highest authority of the Company, and the Board is responsible to the general meeting.

The Board is responsible for and has the general power over the management and operation of our business, including determining our business strategies and investment plans, implementing resolutions passed at our Shareholders' General Meetings, and exercising other powers, functions and duties as conferred by the Articles of Association. The Board also assumes the responsibilities for exercising other powers, functions and duties in accordance with the Articles of Association, and all applicable laws and regulations, including the Listing Rules.

The Board shall represent the long-term interest of the Company and the interest of the Shareholders and related parties when making scientific and strategic decisions, be effectively supervised and evaluated when controlling corporate resources and conducting operation management and maintain effective stimulation and supervision over the senior management when duly delegating its power to the senior management. The Company has a chief executive officer, which is mainly accountable to the Board and responsible for managing the daily business operations of our Group. The Board is the core of the Company's corporate governance framework and its role is clearly separated from that of senior management.

The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. To oversee particular aspects of the Company's affairs, the Board has established five Board committees, including the Audit Committee, the remuneration and assessment committee (the "**Remuneration and Assessment Committee**"), the nomination committee (the "**Nomination Committee**"), the compliance and risk management committee (the "**Compliance and Risk Management Committee**") and the strategy committee (the "**Strategy Committee**") (collectively, the "**Board Committees**"). The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference.

All Directors have carried out their duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and its shareholders at all times.

The Company has arranged appropriate insurance cover in respect of liability arising from legal action against its Directors.

Chairman and Chief Executive Officer

During the Reporting Period, the Chairman and the chief executive officer of the Company were Mr. Zhang Zhengyu and Mr. Xin Jie, respectively.

The roles of the Chairman and the chief executive officer are segregated and assumed by two separate individuals who have no relationship with each other. It is aimed at striking a balance of power and authority so that the job responsibilities are not concentrated on any one individual. The Chairman of the Board is responsible for the leadership and effective running of the Board and ensuring that good corporate governance practices and procedures are established, while the chief executive officer is delegated with the authorities to manage the business of the Group in all aspects effectively. The division of responsibilities between the Chairman and the chief executive officer has been clearly established and set out in writing.

Board Composition

As of December 31, 2025 and up to the date of this annual report, the Board consists of seven Directors, including four executive Directors (namely, Mr. Zhang Zhengyu (Chairman), Mr. Xin Jie, Ms. Wei Ping and Mr. Zhu Xiaosong), and three independent non-executive Directors (namely, Mr. Chun Chang, Mr. Wong Chi Kin and Ms. Lin Lanfen). As far as the Company is aware, there is neither financial, business, family or material/related relationship between members of the Board and the chief executive officer, nor significant relationships between the Directors, Supervisors and senior management that need to be disclosed.

The length of tenure and current period of appointment of each Director are set out as follows:

	Length of tenure since the Listing Date	Current period of appointment ⁽¹⁾
Executive Directors:		
Mr. Zhang Zhengyu	2 years	From December 2023 to December 2026
Mr. Xin Jie ⁽²⁾	2 years	From December 2023 to December 2026
Ms. Wei Ping ⁽²⁾	1 year 10 months	From June 2024 to December 2026
Mr. Zhu Xiaosong	2 years	From December 2023 to December 2026
Independent Non-executive Directors:		
Mr. Chun Chang	2 years	From December 2023 to December 2026
Mr. Wong Chi Kin	2 years	From December 2023 to December 2026
Ms. Lin Lanfen	2 years	From December 2023 to December 2026

Note:

- (1) Each Director's appointment is subject to the provisions of retirement and rotation of Directors under the Articles of Association
- (2) On March 26, 2026, Mr. Xin Jie and Ms. Wei Ping have delivered to the Board their resignation letters and resigned as executive Directors of the Company, with effect from the date of election of the new executive Directors at the AGM.

The biographies of the Directors are set out in the section headed "Biographies of Directors, Supervisors and Senior Management" of this annual report.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and expertise to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration and Assessment Committee, the Nomination Committee, the Compliance and Risk Management Committee and the Strategy Committee. In addition, the balance of power and authority is ensured by the operation of senior management and the Board, which comprises experienced and high-caliber individuals. The Board currently consists of four executive Directors and three independent non-executive Directors. Therefore, we consider that the Board has a fairly strong independence element in its composition.

As regards the code provision under the CG Code requiring directors to disclose the number and nature of offices held in public companies or organizations and other significant commitments as well as their identity and the time involved to the issuer, the Directors have agreed to disclose their commitments to the Company in a timely manner.

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

Independent Non-executive Directors

During the period for the year ended December 31, 2025 and up to the date of this annual report, the Board has met at all times the requirements under Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications or accounting or related financial management expertise.

During the period for the year ended December 31, 2025 and up to the date of this annual report, the Company has also complied with Rule 3.10A of the Listing Rules, which relates to the appointment of independent non-executive directors representing at least one-third of the Board.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of the independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

Independent Views and Input

In order to ensure independent views and input are available to our Board, our Board has developed the following mechanisms, including but not limited to:

- (i) at least one-third of Board members are independent non-executive Directors;
- (ii) independent non-executive Directors possess professional knowledge and broad experience;
- (iii) no independent non-executive Director has served our Company for more than nine years;
- (iv) no independent non-executive Director holds more than six listed company directorships to make sure that each of independent non-executive Directors has sufficient time to make contributions to the Board;
- (v) each independent non-executive Director has made an annual confirmation of independence to our Company; and
- (vi) our Board, each of its Board committees or each Director is able to seek professional advice in appropriate circumstances at our Company's expenses.

The implementation and effectiveness of relevant mechanisms have been reviewed by our Board and will further be reviewed annually.

Board Diversity Policy

We are committed to promoting the culture of diversity in the Company. We have strived to promote diversity to the extent practicable by taking into consideration a number of factors in our corporate governance structure.

We have adopted the board diversity policy (the "Board Diversity Policy") which sets out the objective and approach to achieve and maintain diversity of our Board in order to enhance the effectiveness of our Board. Pursuant to the board diversity policy, we seek to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, educational background, industry experience and professional experience. Our Directors have a balanced mix of knowledge and skills, including knowledge and experience in the overall management, accounting, corporate finance and software engineering. They obtained degrees in various areas including management, business administrations, economics, mathematics, finance and computer software. Our board diversity policy is well implemented as evidenced by the fact that there are Directors ranging from 51 years old to 69 years old with experience from different industries, sectors and genders.

We will continue to take steps to promote gender diversity at all levels of our Company, including but not limited to our Board and senior management levels. We will encourage our incumbent Board members to recommend female candidate directors and take other actions to help achieve greater board diversity, for example inviting some of our outstanding female staff at mid to senior level to attend and observe Board meetings. This will allow our Board to understand more about these potential female candidates before they are nominated to our Board and provide opportunities for potential female candidates to prepare themselves for director duties. We will also continue to ensure that there is gender diversity when recruiting staff at mid to senior level so that we will have a pipeline of female senior management and potential successors to our Board in due time to ensure gender diversity of our Board. Our Group will continue to emphasize training of female talent and providing long-term development opportunities for our female staff including but not limited to business operation, management, accounting and finance, legal and compliance. As such, we are of the view that our Board will be offered chances to identify competent female staff at mid to senior level to be nominated as a Director in future with a pipeline of female candidates.

We are committed to adopting a similar approach to promote diversity within management (including but not limited to senior management) of the Company to enhance the effectiveness of corporate governance of the Company as a whole.

As of December 31, 2025, our Board comprises five male members and two female members. Our Nomination Committee is responsible for ensuring the diversity of our Board members. Our Nomination Committee will review the board diversity policy from time to time, develop and review measurable objectives for implementing the policy, and monitor the progress on achieving these measurable objectives to ensure its continued effectiveness. We will disclose in our corporate governance report about the implementation of the board diversity policy on an annual basis.

Induction and Continuous Professional Development

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

Every newly appointed Director has received formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for Directors would be arranged and reading material on relevant topics would be provided to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses.

During the Reporting Period, all Directors attended training sessions on the respective obligations of the Directors and senior management. In addition, relevant reading materials including legal and regulatory updates have been provided to the Directors for their reference and studying.

A record of continuous professional development trainings received by the Directors during the Reporting Period in relation to Directors' duties, oversight and business development is summarised below:

Name of Director	Nature of continuous professional development
Executive Directors:	
Mr. Zhang Zhengyu	A/B
Mr. Xin Jie	A/B
Ms. Wei Ping	A/B
Mr. Zhu Xiaosong	A/B
Mr. Wang Yu (resigned on July 28, 2025)	A/B
Independent Non-executive Directors:	
Mr. Chun Chang	A/B
Mr. Wong Chi Kin	A/B
Ms. Lin Lanfen	A/B

Notes:

A: Attending training courses, including but not limited to briefings, seminars, conferences and workshops

B: Reading relevant news flashes, newspapers, journals, magazines and related publications

Appointment and Re-Election of Directors

Code provision B.2.2 of the CG Code stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Pursuant to Article 100 of the Articles of Association, a director shall serve for a term of three years, and can be re-elected and re-appointed upon the expiry of the term. A director shall be elected or replaced by the general meeting, and may be removed by the general meeting before the expiry of his/her term of office. The term of office of a director shall commence from the date on which the said director assumes office until the expiry of the term of office of the current session of the board of directors. A director shall continue to perform his/her duties as a director in accordance with laws, administrative regulations, departmental rules and the Articles of Association until a duly re-elected director takes office, if re-election is not conducted in a timely manner upon the expiry of his/her term of office.

Each of the executive Directors has entered into a service contract with the Company for an initial fixed term of three years commencing from the Listing Date or their respective appointment date (as the case may be). The term of service shall be terminated by either party thereto giving at least one month's written notice. Each of the independent non-executive Directors has entered into an appointment letter with the Company for an initial fixed term of three year commencing from the Listing Date or their respective appointment date (as the case may be). The term of service shall be terminated by either party thereto giving at least one month's written notice.

The procedures and process of appointment, re-election and removal of Directors are set out in the Articles of Association. The Nomination Committee is responsible for reviewing the Board composition, and for making recommendations to the Board on the appointment, re-appointment of Directors and succession plans for the Directors.

Board Meetings and General Meetings

The Company has adopted the practice of holding Board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices and documents of regular Board meeting shall be served to all Directors at least fourteen (14) days prior to the date of meeting (excluding the date of the meeting). An agenda and accompanying board papers would be sent, in full, to all directors at least three days (or other agreed period) before the intended date of a board or board committee meeting. To convene an extraordinary meeting of the Board, the Board shall notify in writing all directors three days prior to the meeting. The Board shall make arrangements to ensure that all Directors are given an opportunity to put matters for discussion on the agenda of regular meetings of the Board. The Board shall keep minutes of resolutions passed at the Board meetings. The minutes shall be signed by the Directors present at the meetings. The Directors shall be responsible for the resolutions of the Board, and the Shareholders have the right to inspect the Board resolutions.

There are two types of Shareholders' general meetings: annual general meetings and extraordinary general meetings. A Shareholders' general meeting shall be convened by the board of directors. The annual general meeting shall be convened once a year, and be held within six months after the end of the previous accounting year. The convener shall inform each Shareholder of the time, venue and matters to be considered at the meeting 21 days before the annual general meeting, and shall inform each Shareholder the extraordinary general meeting 15 days before the meeting.

At Board meetings, senior management of the Company shall report the information regarding business activities and development of the Company to all Directors on a timely basis. The executive Directors shall also often communicate with the non-executive Directors for their opinions on the Company's business development and operations. If any Director or his/her associate (as defined under the Listing Rules) has related relationships with or interests in any proposed resolution to be considered at the Board meeting, such Director shall abstain from voting on such resolution.

During the Reporting Period, the Board held ten board meetings to, among other things, approve the Company's audited consolidated results for the year ended December 31, 2024, the Company's interim condensed consolidated results for the six months ended June 30, 2025, the annual report and the environmental, social and governance report for the year ended December 31, 2024, the interim report for the six months ended June 30, 2025, the proposed appointment of Director and appointment of senior management and other matters.

During the Reporting Period, the Company held one general meetings to, among other things, approve the Company's audited consolidated results for the year ended December 31, 2024, and the annual report and the environmental, social and governance report for the year ended December 31, 2024.

During the Reporting Period, the attendance records of each Director at the Board meetings and general meetings is as follows:

Name of Directors	Attendance/No. of meetings held	
	Board meetings	General meetings
Executive Directors:		
Mr. Zhang Zhengyu	10/10	1/1
Mr. Xin Jie	10/10	1/1
Ms. Wei Ping	10/10	1/1
Mr. Zhu Xiaosong	10/10	1/1
Mr. Wang Yu (resigned on July 28, 2025)	5/5	1/1
Independent non-executive Directors:		
Mr. Chun Chang	10/10	1/1
Mr. Wong Chi Kin	10/10	1/1
Ms. Lin Lanfen	10/10	1/1

Corporate Governance Functions

The Board is responsible for performing the functions set out in code provision A.2.1 of the CG Code. During the Reporting Period, the Board confirms that it has:

- (a) developed and reviewed the Company's policies and practices on corporate governance, made recommendations to the Board and reported to the Board on matters;
- (b) reviewed and monitored the training and continuous professional development of the Directors and senior management;
- (c) reviewed and monitored the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) developed, reviewed and monitored the code of conduct and compliance manual applicable to the Group's employees and directors; and
- (e) reviewed the Company's compliance with the CG Code and disclosures in the Corporate Governance Report.

BOARD COMMITTEES

The Board has established five committees, namely the Audit Committee, the Remuneration and Assessment Committee, the Nomination Committee, the Compliance and Risk Management Committee and the Strategy Committee. All Board Committees are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of each of the Audit Committee, the Remuneration and Assessment Committee and the Nomination Committee are available on the Company's website and the Stock Exchange's website and are available to Shareholders upon request.

The list of the chairman and members of each Board committee is set out under "Corporate Information" on page 2 of this annual report.

Audit Committee

The Company has established an Audit Committee with written terms of reference in compliance with Rules 3.21 to 3.23 of the Listing Rules and the CG Code. The Audit Committee comprises three members, namely Mr. Wong Chi Kin, Mr. Chun Chang and Ms. Lin Lanfen, all being independent non-executive Directors. The Audit Committee is chaired by Mr. Wong Chi Kin.

The primary duties of the Audit Committee include, but not limited to (i) proposing the appointment or change of external auditors to our Board and monitoring the independence of external auditors and evaluating their performance; (ii) guiding internal audit work and supervising the Company's internal audit system and its implementation; (iii) examining the financial information of our Company, reviewing financial reports and statements of our Company and giving comments on relevant matters; (iv) reviewing the internal control system of our Company and assessing the effectiveness of internal control; (v) coordinating the communication among management, internal audit department, related departments and external audit agency; and (vi) dealing with other matters that are authorized by the Board or involved in relevant laws and regulations. The written terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company.

During the Reporting Period, the Audit Committee held four meetings to, among others, review the Company's audited consolidated results for the year ended December 31, 2024 and the Company's interim condensed consolidated results for the six months ended June 30, 2025 and confirmed that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The Audit Committee has also reviewed and discussed the risk management and internal control measures and systems of the Company, the effectiveness of the Company's internal audit function, financial reporting and the appointment of the Auditor. The Board had not deviated from any recommendation given by the Audit Committee on the selection, appointment, resignation or dismissal of the Auditor.

During the Reporting Period, the attendance records for the Audit Committee meetings are set out below:

Name of Directors	Attendance/No. of Meetings held
Mr. Wong Chi Kin	4/4
Mr. Chun Chang	4/4
Ms. Lin Lanfen	4/4

Nomination Committee

The Company has established a Nomination Committee with written terms of reference in compliance with Rule 3.27A of the Listing Rules and the CG Code. The Nomination Committee currently comprises three members, including one executive Director, namely Mr. Zhu Xiaosong, and two independent non-executive Directors, namely Ms. Lin Lanfen and Mr. Wong Chi Kin. The Nomination Committee is chaired by Ms. Lin Lanfen.

The primary duties of the Nomination Committee include, but not limited to (i) reviewing and making recommendations to our Board with regards to the structure, size and composition (including skills, knowledge and experience) of our Board based on our Company's business operation, asset scale and equity structure; (ii) researching and developing standards and procedures for the selection of our Board members, general managers and members of senior management, and making recommendations to our Board; (iii) conducting extensive search and providing to our Board suitable candidates for Directors, general managers and other members of senior management; (iv) examining our Board candidates, general manager and members of senior management and making recommendations to our Board; (v) assessing and reviewing the independence of independent non-executive Directors; and (vi) dealing with other matters that are authorized by our Board. The written terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company.

Our Nomination Committee is responsible for ensuring the diversity of our Board members and compliance with relevant codes governing board diversity under the CG Code. Our Nomination Committee will review the Board Diversity Policy and our diversity profile (including gender balance) from time to time to ensure its continued effectiveness. For details of our Board Diversity Policy, please refer to the sub-section headed "The Board – Board Diversity Policy" in this Corporate Governance Report.

The Company has also adopted procedures for nomination and election of Directors. The policy sets out the criteria and procedures for selection and performance evaluation and provides guidance to the Board on the nomination and appointment of Directors. The Board believes that a clear selection process facilitates corporate governance, ensures the continuity of Board, maintains the leadership of Board, and enhances the efficiency and diversity of the Board.

The Nomination Committee can nominate candidates for Directors. When evaluating the suitability of recommended candidates and their potential contributions to the Board, the Nomination Committee may refer to certain selection criteria such as integrity, professional qualifications and skills, achievements and experience in the Internet and technology fields, commitment and related contributions. The Nomination Committee shall report the evaluation results to the Board on the appointment of suitable Director candidates and provide relevant recommendations for the Board to make decisions and formulate a general election plan. The Board shall bear the ultimate responsibility for the selection and appointment of Directors.

During the Reporting Period, the Nomination Committee held three meetings, during which the Nomination Committee has, among others, assessed the independence of independent non-executive Directors, reviewed the backgrounds of proposed Director and senior management and reviewed the structure, number, composition and diversity of the Board. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board is maintained and has not set any measurable objective implementing the Board diversity policy.

A summary of the work performed by the Nomination Committee during the Reporting Period is set out as follows:

- (1) reviewed the structure, size, composition and diversity of the Board;
- (2) reviewed the Board Diversity Policy;
- (3) reviewed the mechanisms implemented regarding independent views available to the Board;
- (4) reviewed the independence of the independent non-executive Directors;
- (5) reviewed Directors' time commitment in performing their duties as Directors;
- (6) reviewed the gender diversity condition at Board level.

The Nomination Committee considers the Directors' time commitment and contribution to the Board (as a whole) to be adequate for the following reasons: The attendance records of the Board meetings and committee meetings during the year showed that all Directors actively participated in the discussions at the meetings and provided independent perspectives and professional opinions in major decisions. The Directors' actual level of involvement demonstrated that they dedicated sufficient time to Board affairs.

During the Reporting Period, the attendance records for the Nomination Committee meetings are set out below:

Name of Directors	Attendance/No. of Meetings held
Ms. Lin Lanfen	3/3
Mr. Wong Chi Kin	3/3
Mr. Zhu Xiaosong	3/3

Remuneration and Assessment Committee

The Company has established a Remuneration and Assessment Committee with written terms of reference in compliance with Rules 3.25 to 3.27 of the Listing Rules and the CG Code. The Remuneration and Assessment Committee currently comprises three members, including one executive Director, namely Mr. Zhang Zhengyu, and two independent non-executive Directors, namely Mr. Chun Chang and Ms. Lin Lanfen. The Remuneration and Assessment Committee is chaired by Mr. Chun Chang.

The primary duties of the Remuneration and Assessment Committee include, but not limited to (i) formulating individual remuneration plans for Directors and members of the senior management in accordance with the terms of reference of the job responsibilities, the importance of their positions as well as the remuneration benchmarks for the relevant positions in other comparable companies; (ii) examining the criteria of performance evaluation of Directors and the senior management of our Company, and conducting annual performance evaluation; (iii) supervising the implementation of the remuneration plan of the Company; (iv) ensuring that no director or any of his/her associates is involved in deciding his/her own remuneration; and (v) dealing with other matters that are authorized by the Board. The written terms of reference of the Remuneration and Assessment Committee are available on the websites of the Stock Exchange and the Company. The Remuneration and Assessment Committee makes recommendations to the board on the remuneration packages of individual executive directors and senior management arrangement.

During the Reporting Period, the Remuneration and Assessment Committee held two meetings, during which the Remuneration and Assessment Committee has, among others, reviewed the remuneration policy and structure of the Company, assessed performance of the executive Directors and senior management of the Company, approved the terms of service contracts of the executive Directors and senior management of the Company, the First Award and Trust Scheme and other related matters of the Company.

During the Reporting Period, the attendance records for the Remuneration and Assessment Committee meetings are set out below:

Name of Directors	Attendance/No. of Meetings held
Mr. Chun Chang	2/2
Mr. Zhang Zhengyu	2/2
Ms. Lin Lanfen	2/2

Remuneration of Directors, Supervisors and Senior Management

Details of the remuneration by band of the Directors, the Supervisors and senior management of the Company, whose biographies are set out in the section headed "Biographies of Directors, Supervisors and Senior Management" of this annual report, for the year ended December 31, 2025, are set out below:

Remuneration range (RMB)	Number of individuals
Nil to RMB1,000,000	6
RMB2,000,001 to RMB3,000,000	1
RMB3,000,001 to RMB8,000,000	3
RMB8,000,001 to RMB9,000,000	1
RMB9,000,001 to RMB10,000,000	2
Above RMB10,000,001	4

Further details of the remuneration of the Directors and the five highest paid employees required to be disclosed under Appendix D2 to the Listing Rules have been set out in Notes 7 and 41 to the consolidated financial statements in this annual report.

Compliance and Risk Management Committee

The Company has established a Compliance and Risk Management Committee. The Compliance and Risk Management Committee currently comprises three members, including two executive Director, namely Mr. Zhang Zhengyu, Mr. Xin Jie, and one independent non-executive Director, namely Mr. Wong Chi Kin. The Compliance and Risk Management Committee is chaired by Mr. Zhang Zhengyu.

The primary duties of the Compliance and Risk Management Committee include, but not limited to (i) reviewing general goals and fundamental policies of our compliance and risk management, internal control and risk management system of our Group; (ii) improving corporate governance of our Group; (iii) assessing the risks our operations may be exposed to and make recommendations to our Board accordingly; and (iv) dealing with other matters that are authorized by the Board.

During the Reporting Period, the Compliance and Risk Management Committee held one meeting, during which the Compliance and Risk Management Committee has reviewed (i) the Corporate Governance Report in this annual report and (ii) the risk management and internal control policy and the effectiveness of the Company's internal audit function.

During the Reporting Period, the attendance records for the Compliance and Risk Management Committee meetings are set out below:

Name of Directors	Attendance/No. of Meetings held
Mr. Zhang Zhengyu	1/1
Mr. Xin Jie	1/1
Mr. Wong Chi Kin	1/1

A risk management and internal control system was established in accordance with the requirements of paragraph D.2 under Part 2 of the CG Code. The Compliance and Risk Management Committee reviewed the risk management and internal control during the Reporting Period and concluded that there had been no deficiency in material risk management and internal control nor any weakness in material risk management and internal control based on the outcome of the risk management and internal control work implemented by the Group as of the date of this annual report. Please refer to the section headed "Risk Management and Internal Control" in the "Corporate Governance Report" of this annual report for more details about our risk management and internal control system.

Strategy Committee

The Company has established a Strategy Committee. The Strategy Committee currently comprises three members, including two executive Director, namely Mr. Zhang Zhengyu, Mr. Xin Jie, and one independent non-executive Director, namely Mr. Chun Chang. The Strategy Committee is chaired by Mr. Zhang Zhengyu.

The primary duties of the Strategy Committee include, but are not limited to (i) reviewing the Company's long-term development strategies, major investment decisions and other important matters affecting the Company's development; (ii) providing recommendations with respect to key strategic initiatives; (iii) assisting the Board in establishing the strategic planning process, identifying and addressing organizational challenges and evaluating strategic alternatives; and (iv) dealing with other matters that are authorized by our Board.

During the Reporting Period, the Strategy Committee has held one meeting, during which the Strategy Committee has reviewed the long-term development strategies, major investment decisions and other important matters affecting the development of the Company.

During the Reporting Period, the attendance records for the Strategy Committee meetings are set out below:

Name of Directors	Attendance/No. of Meetings held
Mr. Zhang Zhengyu	1/1
Mr. Xin Jie	1/1
Mr. Chun Chang	1/1

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended December 31, 2025 which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows.

The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval. The Company has provided all members of the Board with monthly updates on the Company's performance, positions and prospects.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern. The Directors have prepared the accounts on a going concern basis.

The external Auditor's statement about reporting responsibility is set out on pages 139 to 144 of this annual report.

SUPERVISORY COMMITTEE

The Supervisory Committee consisted of three Supervisors, including two shareholders' representative Supervisors, namely Mr. Wu Wei and Ms. Song Jingfang, and one employee Supervisor, namely Ms. Hong Xiaoxue. The biographies of the Supervisors are set out in the section headed "Biographies of Directors, Supervisors and Senior Management" of this annual report. The Supervisory Committee has been cancelled following the approval of the resolution on amendments to the Article of Association and cancellation of the supervisory committee by the Shareholders at the extraordinary general meeting held on January 26, 2026.

During the Reporting Period, all members of the Supervisory Committee have complied with the principle of integrity and earnestly performed their supervisory duties in accordance with the relevant regulations set out in the PRC Company Law, the Articles of Association and the Rules of Procedures for the Supervisory Committee of the Company to protect the interests of the Shareholders and the Company. Please refer to the section headed "Report of Supervisors" in this annual report for more details about the work done by the Supervisory Committee during the Reporting Period.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems. The Company is devoted to establishing and maintaining risk management and internal control systems including policies and procedures that it considers to be appropriate for its business operations, and it is dedicated to continuously improving these systems.

The Audit Committee assists the Board in leading the reviewing of the Company's financial supervisions and controls, risk management and internal control systems. This review formally takes place at each Audit Committee meeting, one of which includes an annual review on the effectiveness of the risk management and internal control systems.

We employ a comprehensive "three lines of defense" model for risk management. The first line of defense is from our operational departments, which hold primary responsibility for managing risks associated with their respective business activities. The second line of defense comprises our specialized risk management departments. These departments provide strategic guidance and support, helping related divisions to establish and execute robust risk management procedures. They also monitor the effectiveness of these procedures and contribute to critical risk-related decision-making. Our internal audit department acts as the auditor and constitutes the third line of defense. Its role involves supervising the overall risk management system, evaluating risks related to the Company's governance structure and conducting regular inspections in crucial areas. Leveraging this risk management framework, we aim to ensure the effective and continual management of all types of risks across the Company.

Risk Management

We have adopted the following specific measures to manage our risk management:

- ***Legal and Compliance Risk Management***

We have established a framework for compliance risk management, involving the Board, senior management, and legal and compliance departments, along with various other departments. The departments responsible for compliance and risk management operate independently, free from interference or influence from other departments or individuals. These departments report directly to the Board and senior management. This system facilitates the creation of comprehensive policies and processes for managing compliance, ensuring continued conformity to all relevant laws and regulations. We have dedicated legal and compliance departments with compliance officers tasked with keeping abreast of updates to laws, regulations and policies. The persons in charge of the legal and compliance departments have extensive experience in legal and regulatory compliance from working in or serving clients in banking and other financial-related industries in China. Our legal and compliance departments promptly identify any significant implications these changes may have on our business operations, and adjust our policies, procedures and compliance standards accordingly. Moreover, they implement a range of compliance and risk management activities and measures to ensure that our legal and compliance risks are kept within an acceptable limit, primarily including: (i) monitoring regulatory changes in the jurisdictions where we have business operations and staying up-to-date with the latest developments in the industry we operate and assessing the potential impact of the changes and developments on our business operations; (ii) maintaining well-defined and up-to-date policies and procedures and providing regular and specific trainings to guide employees on compliance matters; (iii) engaging in internal risk assessment before launching new products or services or making significant changes to existing ones; (iv) establishing a system to prepare and submit reports on financial transactions, anti-money laundering measures, fraud prevention, and other regulatory requirements promptly and diligently to regulatory authorities in different jurisdictions; (v) communicating with regulatory authorities in different jurisdictions to seek practicable guidance on compliance matters; and (vi) assisting and overseeing how well each department fulfills their compliance duties to identify potential compliance risks and address risks to ensure in compliance with applicable laws and regulations.

- ***Partner Financial Institutions Risk Management***

We have established comprehensive systems and policies to manage risks together with our partner financial institutions such as banks. Our risk management team regularly monitors our collaboration with partner financial institutions. Prior to formal engagement, we thoroughly assess the financial institution's suitability across a range of objective metrics.

Once a formal business relationship is established, we monitor the relationship on an ongoing basis. In addition to ongoing monitoring, we conduct reviews on all of our partner financial institutions and adjust our risk management policies based on external factors and market developments.

- **Financial Reporting Risk Management**

We have established a set of accounting policies in connection with our financial reporting risk management, which covers budget management, treasury management, financial statements preparation and staff management. We have procedures and IT systems in place to facilitate the implementation of our accounting policies and review of our management accounts. We also provide regular training to our finance department employees to ensure that they are kept up-to-date with our financial management and accounting policies.

In conducting risk assessments, the Company comprehensively utilized a combination of qualitative and quantitative methods to analyse the possibility of risk occurrence and the impact on the achievement of objectives, and finally prioritized the risks according to their significance.

Establishment of the Internal Control System

The Board has established the internal control system, and monitored and reviewed on an annual basis in compliance with paragraph D.2 of the CG Code. Such system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. Our Directors are responsible for formulating and overseeing the implementation of our internal control measures and the effectiveness of our internal control system. The Audit Committee is delegated to monitor the implementation of the risk management policies and internal control system across the Company on an ongoing basis in order to ensure that the internal control system is effective in identifying, managing and mitigating risks in its business operations.

Main Features of the Internal Control System and Process Used to Review the Effectiveness of the Internal Control System and Rectify Defects

Below is a summary of the internal control policies, measures and procedures our Company has implemented:

- The Board has delegated the Audit Committee chaired by Mr. Wong Chi Kin, with the responsibility to review and supervise the financial reporting process and internal control system of the Company on an on-going basis and to review the effectiveness of the systems annually in compliance with paragraph D.2 of the CG Code. The review covers all material controls, including financial, operational and compliance controls. The duties of the Audit Committee shall include but not limited to: (i) to propose the appointment or replacement of the external auditor, and supervise and assess the work of the external auditor; (ii) to guide the internal audit work, and supervise the Company's internal audit system and its implementation; (iii) to facilitate the communication between the management, the internal audit department and relevant departments of the Company and the external auditor; (iv) to review and issue opinions on the financial reports of the Company, and review the Company's financial information and its disclosure; (v) to review the internal control system of the Company, and evaluate the effectiveness of internal control; and (vi) other matters authorized by the Board.
- The Company has adopted various policies to ensure compliance with the Listing Rules, including but not limited to aspects related to risk management, connected transactions and information disclosure.

- The Company has adopted various measures regarding conflict of interests in our operations, which enable us to identify, monitor and review transactions with potential conflict of interests, and to take corresponding actions.
- The Company has provided and will continue to provide anti-corruption and anti-bribery compliance training periodically to our senior management and employees to enhance their knowledge and compliance with applicable laws and regulations, and include relevant policies against non-compliance in employee handbooks.
- The Company has engaged Somerley Capital Limited as its compliance adviser to provide advice to its Directors and management team until the end of the first fiscal year after the Listing regarding matters relating to the Listing Rules. The Company's compliance adviser is expected to ensure the use of funding complies with the disclosure in the Prospectus, as well as to provide support and advice regarding requirements of relevant regulatory authorities in a timely fashion.
- The Company will also consult its PRC legal advisor on a regular basis for advice on relevant PRC laws and regulations to increase compliance awareness and to keep it abreast of relevant regulatory developments.

Procedures and Internal Controls for Processing and Releasing Inside Information

With approval from the Board and pursuant to the requirements of domestic and foreign laws and regulations, Listing Rules and Articles of Association as well as the practical conditions of our Company, our Company has formulated a policy on information disclosure management to determine the division of duties and responsibilities on information disclosure, the procedures for processing and releasing inside information and other information required to be disclosed. Pursuant to this system, our Company must, as soon as any inside information comes to its knowledge or a false market may be established, disclose the information to the public to the reasonable and practicable extent.

During the Reporting Period, our Company has truthfully, accurately, legally and timely disclosed information in strict compliance with the requirements of domestic and foreign laws and regulations, the Listing Rules, the Articles of Association and the policy on information disclosure management of our Company without any false statements, misleading statements or material omissions, to ensure investors will be able to receive the disclosed information fairly, timely and effectively.

Anti-corruption and Whistleblowing Policy

The Company has adopted anti-corruption and whistleblowing policies to facilitate employees and other stakeholders to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other matters. The Audit Committee of the Company shall review such policies regularly and ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action.

Effectiveness of Risk Management and Internal Control

For the year ended December 31, 2025 and up to the date of this annual report, the Board was not aware of any material defect in internal control of the Group. The Board has conducted a review of the effectiveness of the risk management and internal control systems of the Group for once for the year ended December 31, 2025 and up to the date of this annual report, and considered the risk management and internal control systems to be effective and adequate and the Group has established an effective risk management and internal control system, which achieves our objectives of risk management and internal control and is free of material defect and significant defect. The review has been discussed by the Company's management and evaluated by the Audit Committee. During the Reporting Period, there were no significant changes in (i) the Company's assessment of risks (including ESG risks) and (ii) the risk management and internal control systems.

AUDITOR'S REMUNERATION

The remuneration paid and payable to PricewaterhouseCoopers, the external auditor of the Company, in respect of audit services and non-audit services (mainly taxation services) for the year ended December 31, 2025 amounted to approximately RMB5.1 million and RMB1.8 million respectively.

JOINT COMPANY SECRETARIES

Ms. Xu Yedan (許葉丹), has been as one of our joint company secretaries since July 28, 2025, who is responsible for corporate governance, information disclosure, shareholder relationship and strategic investment of our Company. Please see the subsection headed "Senior Management – Ms. Xu Yedan" in the section headed "Biographies of Directors, Supervisors and Senior Management" of this annual report for his biography.

Ms. Leung Hoi Yan (梁熿欣) was appointed as the joint company secretary of our Company in July 28, 2025. Ms. Leung is primarily responsible to perform company secretarial matters. Ms. Leung is an associate member of The Hong Kong Chartered Governance Institute.

Ms. Xu currently has not yet possessed the relevant qualifications as required under Rule 3.28 of the Listing Rules, therefore, the Company has applied to the Stock Exchange and was granted with a waiver (the "**Waiver**") by the Stock Exchange from strict compliance with the requirements under Rules 3.28 and 8.17 of the Listing Rules for a period of three years commencing from the date of appointment of Ms. Xu as a joint company secretary (the "**Waiver Period**"). The conditions under which the Stock Exchange granted the Waiver are: (i) Ms. Xu must be assisted by Mr. Leung during the Waiver Period; and (ii) the Waiver could be revoked if there are material breaches of the Listing Rules by the Company. Before the end of the Waiver Period, the Company must demonstrate and seek confirmation from the Stock Exchange that Ms. Xu, having had the benefit of Mr. Leung's assistance during the Waiver Period, has attained the relevant experience and is capable of discharging the functions of a company secretary under Rule 3.28 of the Listing Rules such that a further waiver will not be necessary. The Stock Exchange may withdraw or change the Waiver if the Company's situation changes.

Ms. Xu has been designated as the primary contact person of the Company who would work and communicate with Ms. Leung on the Company's corporate governance and secretarial and administrative matters.

For the year ended 31 December 2025, each of Ms. Xu and Ms. Leung has taken not less than 15 hours of relevant professional training in compliance with the requirements of Rule 3.29 of the Listing Rules.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with the Shareholders is essential for enhancing investor relations and understanding of the Company's business, performance and strategies. The Company also recognizes the importance of timely and non-selective disclosure of information, which will enable Shareholders and investors to make the informed investment decisions.

The AGM provides opportunity for the Shareholders to communicate directly with the Directors. The Chairman of the Company and the chairmen of the Board Committees of the Company will attend the AGMs to answer Shareholders' questions.

To promote effective communication, the Company adopts a shareholders' communication policy which aims at establishing a two-way relationship and communication between the Company and the Shareholders and maintains a website of the Company at www.lianlian.com, where up-to-date information on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access.

The Company's management regularly reviewed the implementation and effectiveness of these shareholder communication channels and confirmed their effectiveness during a period from the Listing Date and up to December 31, 2025.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution will be proposed for each issue at general meetings, including the election of individual Directors.

All resolutions put forward at general meetings will be voted by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange in a timely manner after each general meeting.

Convening of extraordinary general meeting and putting forward proposals

Shareholders may put forward proposals for consideration at a general meeting of the Company according to the Articles of Association. Pursuant to article 48 to 54 of the Articles of Association, the Company shall convene an extraordinary general meeting: (i) at the request of Shareholders who individually or collectively hold more than 10% of the Company's shares by written requisition(s), (ii) the Board deems it necessary to convene the meeting, (iii) the Audit Committee proposes to convene the meeting, and (iv) independent non-executive Directors propose to convene the meeting. However, before the resolution of the general meeting is made, the number of the Company's shares individually or jointly held by the above shareholders shall not be lower than 10% of the total number of the Company's shares with voting rights.

Pursuant to Article 53 of the Articles of Association, the Board shall give a written reply as to whether it agrees or disagrees to hold an extraordinary general meeting within 10 days upon receipt of the request. Where the Board of Directors agrees to hold an extraordinary general meeting, it shall issue a notice of the General Meeting within five days after the resolution was made. Any change to the original request in the notice shall be subject to the approval from the relevant shareholders. Where the Board of Directors does not agree to hold an extraordinary general meeting or fails to give a reply within 10 days upon receipt of the request, it shall be deemed that shareholders who individually or together hold 10% or more of the shares of the Company shall submit a proposal to the Audit Committee on holding an extraordinary general meeting and such request shall be made to the Audit Committee in writing. Where the Audit Committee agrees to hold an extraordinary general meeting, it shall issue a notice of General Meeting within five days after receiving the request. Any changes to the original request in the notice shall be approved by the relevant shareholders. Where the Audit Committee fails to give the notice of the General Meeting within the specified time limit, it shall be deemed that the Audit Committee does not convene or preside over the meeting, in which case, shareholders who individually or together hold 10% or more of the shares of the Company for 90 or more consecutive days may convene and preside over the meeting on their own.

Pursuant to Article 58 of the Articles of Association, when the Company convenes a general meeting, the shareholders who individually or jointly, hold more than 1% of the total number of voting shares of the Company, have the right to put forward a new proposal to the Company and submit it to the convener not less than 10 days before the general meeting is held. The convener of the general meeting shall, within two days after receiving the proposal, issue a supplementary notice of the general meeting to inform other shareholders content of such proposal.

The convener shall inform each Shareholder of the time, venue and matters to be considered at the meeting 15 days before extraordinary general meeting.

As regards proposing a person for election as a Director, the procedures are available on the website of the Company.

Enquiries to the Board and Contact Details

For enquiries about shareholdings, share registration and related matters, Shareholders shall direct their enquiries to the Company's Hong Kong branch share registrar (for H Shareholders) and the contact details are set out as follows:

Computershare Hong Kong Investor Services Limited

Address : Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Telephone : (852) 2862 8555

For any other enquiries to be brought to the attention of the Board, Shareholders shall send their written enquiries to the Company either via mail to the Company's principal place of business in Hong Kong (for H Shareholders) or the registered office in the PRC (for unlisted Shareholders) or via email, attention to the joint company secretary. The contact details of the Company are set out as follows:

Registered office in the PRC	:	B3, 12/F, Building 1, 79 Yueda Lane, Binjiang District, Hangzhou, Zhejiang Province, PRC
Principal place of business in Hong Kong	:	46/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Email	:	ir@lianlian.com

For the avoidance of doubt, Shareholder(s) must deposit and send the duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law. The Company will not normally deal with verbal or anonymous enquiries.

CHANGE IN CONSTITUTIONAL DOCUMENTS

During the Reporting Period, no amendments had been made to the Articles of Association.

The Company has considered and approved the proposed amendments to the Articles of Association at the extraordinary general meeting of the Company held on January 26, 2026, the amendments of which have been effective from the same date.

In order to clarify certain provisions of the Articles of Association in accordance with the relevant requirements of laws and administrative regulations and regulatory documents, including the Guidelines for Articles of Association of Listed Companies, the Board proposed to make the amendments to the Articles of Association including but not limited to (1) the cancellation of the Supervisory Committee and the exercise of its functions and powers by the Audit Committee as stipulated by the PRC Company Law; (2) enhancing protection for Shareholders' rights; (3) consequential amendments to the provisions of the Articles of Association in accordance with changes in applicable laws and regulations; and (4) other internal affairs and miscellaneous changes. Details of the proposed amendments to the Articles of Association were set out in Appendix II to the circular of the Company dated January 8, 2026.

The latest version of the Articles of Association is available on the Company's website and the Stock Exchange's website.

DIVERSITY

The Company is committed to promote diversity in our Company to the extent practicable by taking into consideration a number of factors in respect of our corporate governance structure. The Company seeks to achieve board diversity and workforce diversity through the consideration of a number of factors, including but not limited to gender, age, language, cultural background, educational background, industry experience and professional experience.

We have adopted the board diversity policy which sets out the objective and approach to achieve and maintain diversity of our Board in order to enhance the effectiveness of our Board. The Board Diversity Policy is well implemented as evidenced by the fact that there are two female and five male Directors with experience from different industries and sectors. For more details, please refer to the section headed "Corporate Governance Report – Board of Directors – Board Diversity Policy" in this annual report. As of 31 December 2025, the Company hired four female and three male senior management, and we hired 998 full-time employees (excluding the aforementioned senior management), of which 477 were male and 521 were female. As of December 31, 2025, the gender ratio in the workforce (including senior management) was approximately 47.80:52.20. The Board considers that the current gender ratio reflects a gender balance in our employee structure. Going forward, the Company will continue to monitor and evaluate the diversity policy and adopt measurable objectives from time to time to ensure continued effectiveness and the Company's diversity policy and the gender balance in our employee structure. The Company aims to maintain an appropriate balance of diversity perspectives that are relevant to the Company's business growth and is committed to ensuring the recruitment and selection practices at all levels (from the Board downwards) are appropriately structured so that a diverse range of candidates will be considered. The Company will also continue to create favorable conditions in our working environment to attract more women to join the Group and maintain or increase the proportion of female employees (including senior management) in the future.

Environmental, Social and Governance Report

About the Report

This report adheres to the principles of objectivity, transparency and comprehensiveness, and faithfully discloses to various stakeholders the environmental, social and governance (hereinafter referred to as “ESG”) practices and achievements of Lianlian DigiTech Co., Ltd.

Reporting Scope

This report covers Lianlian DigiTech Co., Ltd. and its subsidiaries. Unless otherwise specified, the Reporting Period covers from 1 January 2025 to 31 December 2025. Certain information and data may be traced back to prior years or relate to the period prior to the publication of this report in 2025. Financial data in this report are presented in RMB.

Reporting Principles

This report complies with all mandatory disclosure requirements and the “comply or explain” provisions of the *Appendix C2 Environmental, Social and Governance Reporting Code* of The Stock Exchange of Hong Kong Limited (hereinafter referred to as “HKEX”).

This report follows reporting principles of materiality, quantification and consistency. The content of this report has been determined through a structured process, including: identification and prioritization of key stakeholders; identification and prioritization of material ESG topics; determination of the report boundary; collection of relevant information and data; preparation of the report based on such information; and review of the information contained in the report.

Assurance of Reliability

The information and data disclosed in this report are derived from the statistical reports and official documents of Lianlian DigiTech, and have been reviewed and verified by relevant departments. We assure that this report does not contain any false records or misleading statements, and we are responsible for the authenticity, accuracy and completeness of its content.

Glossary

For ease of presentation and reading, unless otherwise specified, the terms “the Company” and “Company” in this report refer to Lianlian DigiTech Co., Ltd.; “Lianlian DigiTech”, “the Group” and “we” refer to Lianlian DigiTech Co., Ltd. and its subsidiary.

Review and Approval

This report was confirmed by the management and approved by the Board of Directors on 26 March 2026.

Access to and Feedback on the Report

This report is available for review and download on the website of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk/>). For further enquiries, comments or suggestions on this report, please contact us by telephone at (+86) 0571-56072600, fax (+86) 0571-56072618.

1. CORPORATE GOVERNANCE

Lianlian DigiTech has continuously optimized its governance structure, improved its risk identification and response mechanisms, and strengthened the development of its risk management capabilities, providing a solid foundation for the long-term and stable operation of the Company.

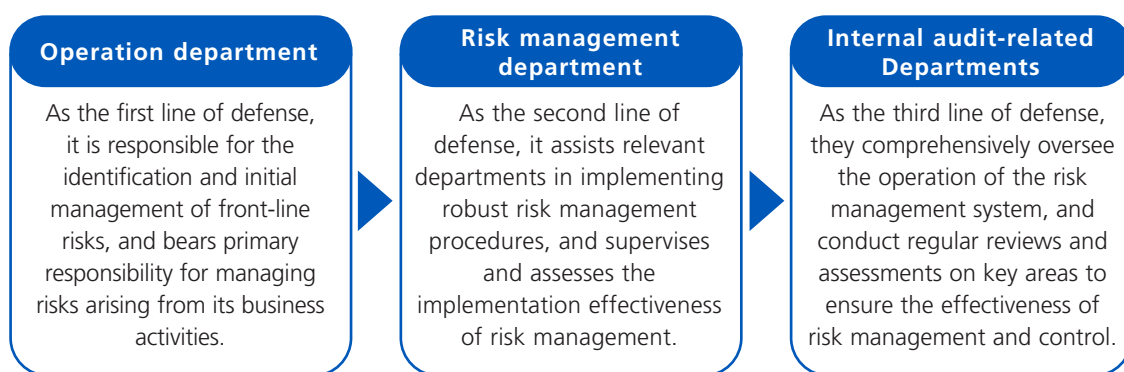
1.1 Compliance in Operations

1.1.1 Risk Management

In accordance with laws and regulations including the *Anti-Telecom and Online Fraud Law of the People’s Republic of China*, the *Regulations on the Supervision and Administration of Non-Bank Payment Institutions* and the *Measures for the Implementation of Financial Consumer Rights and Interests Protection of the People’s Bank of China*, we have formulated internal policies and systems including the *Comprehensive Risk Management Policy*, the *Administrative Measures for Risk Accountability* and the *Internal Control Policy on Anti-Money Laundering and Counter-Terrorist Financing*, establishing a sound risk management system to comprehensively identify, assess and address potential risks in operations.

To ensure the effective implementation of compliance and risk management, we have established a compliance and risk management system covering the Board of Directors, senior management, the compliance department and relevant functional departments. During the Reporting Period, we integrated the business management and risk control departments into the Group’s compliance function under unified Group assessment, achieving closed-loop management covering the entire process: business model, product design, customer admission criteria, review and approval, risk monitoring and risk control.

We have established a sound “Three Lines of Defense” risk management system, embedding risk management responsibilities into all business levels to ensure effective management of various risks throughout the entire transaction process.

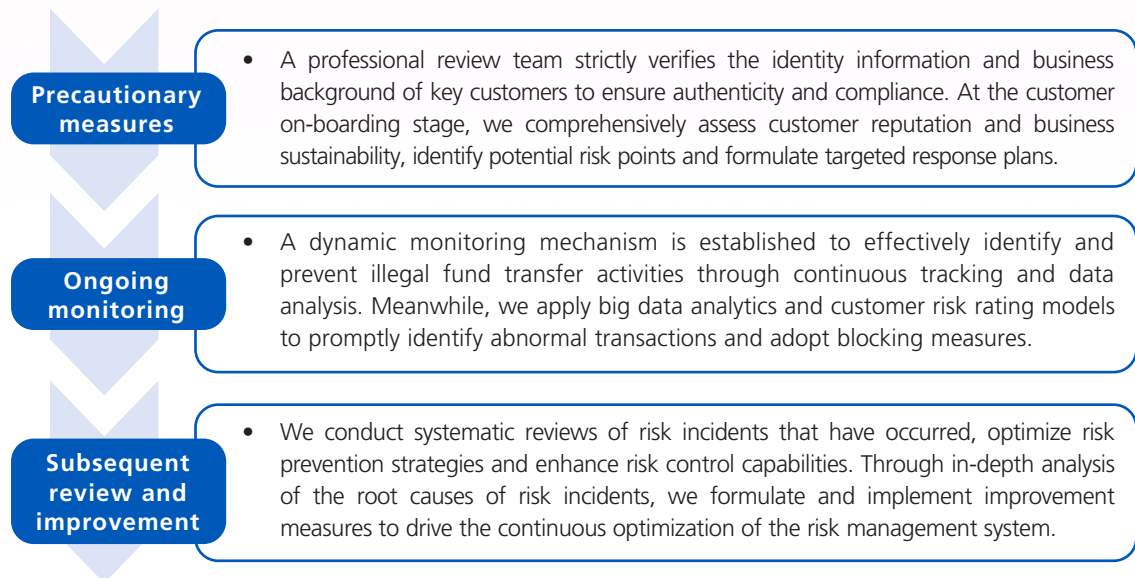


“Three lines of defense” structure for risk management

In respect of anti-money laundering, in light of changes in external laws, regulations and policies, we have continuously improved our internal policy system by refining and revising the *Internal Control Policy on Anti-Money Laundering and Counter-Terrorist Financing*, the *Administrative Measures for Money Laundering Risk Assessment*, the *Operating Procedures for Anti-Money Laundering List Screening* and the *Operating Procedures for Customer Due Diligence*. Meanwhile, we have connected to the Beneficial Owner Management Information System of the People’s Bank of China to further standardize the management of beneficial owners.

We have continuously strengthened our anti-money laundering internal control framework and established a risk-based internal control mechanism covering the entire process of customer due diligence, ongoing monitoring, suspicious transaction reporting and the management of high-risk customers. In addition, we have optimized our suspicious transaction monitoring models, conducted regular assessments of model effectiveness, and enhanced monitoring of high-risk customers. By improving the customer money laundering rating model and carrying out risk reviews of all customers, we have enhanced the accuracy of risk identification.

In respect of risk identification and response, we have focused on the management risks of platform merchants, and strengthened due diligence, scenario verification and on-site inspections of platform merchants through the dedicated merchant management regime. Meanwhile, we have comprehensively assessed the risk profile of existing customers and implemented differentiated management of customers’ operational risks through measures such as capital limits and service suspension. On this basis, we have strengthened management through a full-process risk management and control mechanism:



“Three lines of defense” implementation mechanism

We consistently monitor updates in regulatory policies and industry trends, and conduct systematic internal risk assessments prior to the launch of new products or services to effectively prevent potential risks and ensure stable and compliant business operations. Meanwhile, we provide regular training to enable employees to keep abreast of the latest regulatory requirements and enhance their risk prevention and control capabilities. During the Reporting Period, we conducted two intensive training sessions on domestic and cross-border compliance, and actively carried out publicity and education on anti-money laundering and payment compliance, with a view to fully strengthening employees’ compliance awareness.

1.1.2 Business Ethics

Lianlian DigiTech adheres to the principles of integrity, fairness and transparency, and actively maintains sound business order. We strictly comply with the *Anti-Unfair Competition Law of the People’s Republic of China*, the *Anti-Money Laundering Law of the People’s Republic of China* and other laws and regulations, and resolutely prohibit bribery, extortion, blackmail, money laundering and other acts that violate business ethics. We have also formulated the *Anti-Corruption and Anti-Bribery Policy* and the *Employee Handbook* to regulate employees’ conduct.

Business Ethics Management System

We have established a management structure operated collaboratively by the Board of Directors, senior management, the anti-money laundering center and various departments, so as to comprehensively strengthen the prevention and control of business ethics risks such as money laundering and corruption. We have strengthened the development of an integrity culture and regularly assessed the effectiveness of anti-corruption work in conjunction with internal audits, thereby effectively preventing corruption incidents.

In respect of the management of third-party partners, we have adopted measures including the distribution of anti-corruption due diligence questionnaires and the inclusion of anti-corruption provisions in contractual terms to strictly regulate their commercial conduct, eliminate bribery or other corrupt practices and foster a clean and sound business environment.

Reporting and Complaints

We have clearly stipulated the violation levels and corresponding disciplinary measures for anti-corruption and bribery behaviors in the *Employee Disciplinary Rules*, and have continuously optimized the reporting and complaint procedures. As the receiving department of complaints and reports, the Audit Department is responsible for taking the lead in investigating relevant matters and issuing investigation reports. Verified complaints or reports shall be handled by the Human Resources Department in conjunction with relevant departments in accordance with regulations.

We have set up a variety of reporting channels including telephone, email and face-to-face communication to encourage employees to report any conduct in breach of business ethics. We undertake to keep whistleblowers' information strictly confidential and strictly prohibit all forms of retaliation. Any leakage of whistleblowers' information or retaliation against whistleblowers will result in serious accountability in accordance with regulations, and cases of serious nature will be transferred to judicial authorities for handling in accordance with the law.

Building a Culture of Integrity

To strengthen the compliance awareness and integrity mindset of all employees, we regularly provide business ethics training for senior management, new employees and relevant business personnel, and organize dedicated anti-corruption courses for directors to enhance their professional judgment and ethical standards. During the Reporting Period, we organized a number of thematic training sessions on topics including the development of compliance and regulatory systems, anti-corruption and anti-bribery policies, and anti-money laundering requirements, with a total of 589 participants.

Meanwhile, by interpreting the latest regulatory policies and sharing practical cases, we helped employees gain a deeper understanding of compliance requirements and continuously enhanced their risk identification and prevention capabilities. During the Reporting Period, Lianlian DigiTech and its employees were not involved in any litigation cases related to corruption.

1.2 ESG Governance

1.2.1 Statement of the Board of Directors

Our Board of Directors is the highest decision-making body for ESG governance and bears ultimate responsibility for the Group's ESG initiatives and performance. It is responsible for overseeing and reviewing the risks and opportunities of the Group in environmental, social and governance areas, and reviewing the Group's ESG policies and objectives.

In respect of ESG management policies and strategies, the Board of Directors attaches great importance to the expectations and needs of stakeholders. Through the identification, assessment and analysis of material ESG topics, it prioritizes ESG matters that have a significant impact on the Group and its stakeholders, and manages relevant risks systematically to ensure that ESG concepts are effectively integrated into business decisions.

To monitor the Group's ESG performance, the Board of Directors regularly reviews the progress of ESG objectives on an annual basis and dynamically optimizes the objectives taking into account actual business conditions, ensuring that ESG objectives are closely aligned with business development and consolidating the foundation for the Group's sustainable development.

1.2.2 ESG Governance Structure

We have established an ESG governance structure composed of the Board of Directors, ESG Working Group and various business and functional departments with clear division of responsibilities and enhanced coordination to ensure the systematic promotion of ESG work within the Company.

Board of Directors

- Responsible for deliberating and deciding on the Group's ESG strategies, objectives and policies, approving and overseeing material ESG topics and related risks and opportunities, and regularly reviewing the implementation progress of ESG objectives.

ESG Working Group

- Assists the Board of Directors in implementing ESG strategies, objectives and policies, assessing and continuously monitoring ESG-related risks, and reporting to the Board of Directors on the Group's ESG performance and management effectiveness on a semi-annual basis.

Business and functional departments

- Responsible for the effective implementation of ESG policies and relevant initiatives to ensure that ESG practices are carried out across all business operations.

ESG governance structure

1.2.3 Communication with Stakeholders

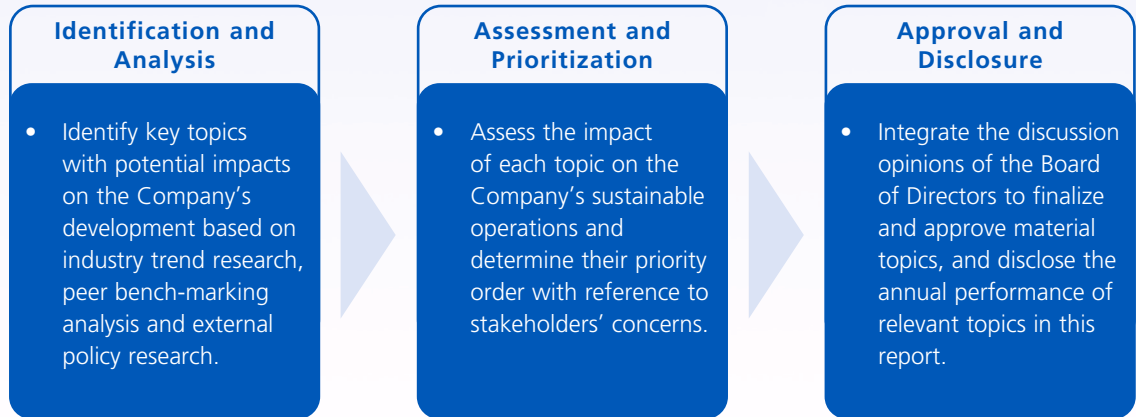
To respond to concerns of all parties more effectively, we have continuously improved the stakeholder engagement mechanism and ensured full listening and response to the views of all parties through diversified channels. Every year, we conduct interviews and exchanges with various stakeholders on their expectations and requirements for the Company's ESG performance, and the results serve as an important basis for the identification and assessment of annual material ESG topics. During the Reporting Period, the Company's key stakeholders, their expectations and requirements, and the corresponding engagement channels are set out in the table below.

Lianlian DigiTech's key stakeholders and communication channels

Stakeholders	Expectations and Demands	Main Communication Channel
Government and regulatory authorities	Business ethics Information security and privacy protection Response to climate change Energy conservation and emission reduction	Policy consultation Information disclosure Meetings
Customers	Business ethics Information security and privacy protection Customer services Product quality	Customer complaint handling Customer satisfaction surveys Company website WeChat official account
Partners and industry associations	Industry collaboration	Strategic partnership Industry exchange conference
Employees	Employment and employee's rights and interests Occupational health and safety Employee development and training	Employee communication platform Team activities Internal enquiry channel
Shareholders and investors	Corporate governance Risk management Business ethics	Shareholders' meeting Investor meetings Telephone and email communications
Communities and public welfare and charitable organizations	Community contribution	Public welfare activities Voluntary services Collaborative partnership
Suppliers	Supply chain management Product quality	Supplier qualification review Telephone and email communications

1.2.4 Materiality Issues

We identify and assess ESG topics by taking into account industry trends and stakeholders’ expectations, and determine the priority of topics based on the review opinions of the Board of Directors, providing a key basis for the formulation of ESG policies and report disclosure.



Materiality issues assessment process

During the Report Period, we identified 17 topics with material impacts on the Company and stakeholders through management discussions, stakeholder engagement and peer bench-marking. The significance of each topic is presented in the table below:

List of materiality ESG issues

Category	Name	Materiality
Environmental	Energy conservation and emission reduction	Most important
	Response to climate change	
	Resource management	Important
	Emission management	
Social	Employee development and training	Most important
	Product quality	
	Customer services	
	Information security and privacy protection	Important
	Employment and employee’s rights and interests	
	Occupational health and safety	
Governance	Supply chain management	Most important
	Industry collaboration	
	Intellectual property protection	
	Community contribution	Relevant
	Business ethics	Most important
	Risk compliance management	
	Corporate governance	Important

2. GREEN OPERATION

We strictly comply with the *Environmental Protection Law of the People's Republic of China* and other relevant laws and regulations, integrate green development requirements into corporate governance and daily operation management, and continuously promote green operations and efficient resource utilization.

2.1 Environmental Objectives

The Company has set long-term management objectives focusing on key areas including emissions, waste, energy and water resources, and has continuously improved environmental management effectiveness and resource use efficiency through a sound environmental management mechanism.

Emission management targets	Improve the wastewater discharge management system, continuously standardize discharge management and daily inspections in line with wastewater discharge compliance requirements, and enhance supervision and monitoring arrangements at key nodes.
Waste management targets	Establish a special waste management system, clarify requirements for classification, temporary storage, handover and disposal, promote the orderly implementation of recycling and compliant disposal, and reduce the adverse impact of waste on the environment.
Energy utilization efficiency targets	With energy conservation and consumption reduction as the direction, improve the energy use management system, standardize energy management requirements for office premises and data centers, strengthen equipment operation and energy consumption control, and promote improved energy use efficiency.
Water utilization targets	Comply with water use management systems, establish water management and water conservation systems, clarify water use management requirements for office premises, strengthen maintenance of water facilities and implementation of water conservation measures, and enhance the overall water resource management level.

Long-term goals of environmental management

2.2 Emissions Management

Waste Management

We comply with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and other laws and regulations, establish a sound waste management system, clarify the environmental management responsibilities of each department, and standardize the classification, collection and disposal procedures of waste.

Waste generated from our operations mainly consists of domestic waste and kitchen waste from office activities. The Company implements classified treatment according to waste types to ensure compliant disposal. During the Reporting Period, the total amount of non-hazardous waste generated from Lianlian DigiTech's operations was 364 tonnes, and the non-hazardous waste intensity was 0.21 tonnes per million RMB of revenue.

Non-hazardous waste

Recyclable waste such as paper shells, waste paper and plastic products shall be uniformly classified and collected and handed over to qualified institutions for recycling.



Hazardous waste

Hazardous waste such as waste batteries, waste electronic equipment and ink cartridges shall be entrusted to qualified third-party institutions for compliant collection and treatment.



Wastewater Management

We comply with the *Law of the People's Republic of China on Prevention and Control of Water Pollution* and other laws and regulations, and have obtained the Urban Wastewater Discharge into Pipe Network Permit in accordance with the law. Wastewater is discharged to sewage treatment plants for centralized treatment as required. The Company has fully implemented rainwater and sewage separation management to ensure effective collection, compliant treatment and up-to-standard discharge of all types of wastewater.

2.3 Resource Management

Lianlian DigiTech continuously promotes energy conservation, consumption reduction and refined resource management, and supports sustainable development by optimizing energy use methods and improving resource utilization efficiency.

2.3.1 Energy Conservation

Energy Management

We comply with the *Energy Conservation Law of the People's Republic of China* and other relevant laws and regulations, and formulate internal policies such as the *Energy Management System* to standardize energy use and management procedures. Energy consumed in daily operations mainly consists of purchased electricity, natural gas and gasoline.

Through a series of measures including building energy efficiency renovation, optimized energy management and improved supervision mechanisms, we have comprehensively improved energy efficiency to support the achievement of energy conservation and emission reduction objectives.

Building Energy Efficiency Renovation

- **Adopt energy-saving lighting fixtures and intelligent lighting control systems**
 - Use energy-saving lighting fixtures and intelligent lighting control systems to adjust brightness according to the needs of different areas and reduce energy consumption.
- **Install high-efficiency energy-saving air-conditioning systems**
 - Conduct regular inspection and maintenance of air-conditioning systems, and adopt high-efficiency energy-saving equipment to improve air-conditioning energy efficiency.
- **Promote intelligent building management systems**
 - Use intelligent systems to centrally control elevators, air-conditioning, lighting and other equipment to improve energy use efficiency.

Optimized Energy Management

- **Regular maintenance and inspection of equipment**
 - Regularly inspect and maintain elevators, HVAC equipment, water pumps, ventilation equipment and other facilities to ensure efficient operation.
- **Promote the use of clean energy**
 - Encourage the use of clean energy technologies such as solar power generation and ground-source heat pumps to reduce reliance on traditional fossil fuels.

Improved Supervision Mechanism

- **Establish an energy management team**
 - Set up a professional energy management team responsible for the supervision and management of building energy use.
- **Conduct regular energy audits**
 - Regularly audit the energy use of buildings, identify problems in a timely manner and propose improvement measures.

During the Reporting Period, our energy consumption data is set out in the table below.

Indicator	Unit	2025
Natural gas	10,000m ³	9.22
Gasoline	Tonnes	11.28
Total direct energy consumption ¹	Tonnes of standard coal	118.04
Total direct energy consumption intensity	Tonnes of standard coal/ RMB million of revenue	0.07
Purchased electricity	10,000 kWh	331.48
Total indirect energy consumption	Tonnes of standard coal	407.39
Total indirect energy consumption intensity	Tonnes of standard coal/ RMB million of revenue	0.23

2.3.2 Resource Conservation

Water Management

We consistently adhere to the concept of water conservation and improve the efficiency of water resource utilization. The Company's daily water consumption is for office premises, all supplied by the municipal water system. We strictly comply with relevant national and local laws and regulations, and obtain water in accordance with the law to ensure a stable and reliable water supply.

¹ The energy consumption is calculated according to the *General Rules for Calculation of the Comprehensive Energy Consumption* (GB 2589-2020).

To effectively utilize water resources, we have formulated a water management system and implemented a series of water-saving measures.

Improved water-saving facilities

Install water-saving faucets, low-water consumption toilet tanks and automatic sensor faucets to effectively reduce the waste of water inside the building.

Enhanced operation, maintenance and inspection

Regularly inspect the plumbing system inside the building to detect and repair leaks and avoid waste of water resources.

Encouragement of secondary water use

Encourage cleaning staff to use secondary water for cleaning purposes to reduce the consumption of fresh water.

Improved water-saving facilities

Promote the importance of water conservation to all employees, encourage the adoption of water-saving practices and enhance water resource utilization efficiency.

Key water-saving initiatives

During the Reporting Period, our water resource consumption data is set out in the table below.

Water consumption in 2025

Indicators	Unit	Total consumption/density
Water consumption	Tonnes	33,307
Water consumption intensity	Tonnes/RMB million of revenue	19.21

Green Office

The Company continuously promotes green office practices and advances paperless office by digitalizing daily office work, contract management, business travel arrangements and financial approval processes. Meanwhile, the Company guides employees to adopt low-carbon office behaviors, enhance environmental awareness and reduce resource waste by posting reminders on energy conservation and environmental protection and double-sided printing.

2.4 Addressing Climate Change

We systematically identify climate change-related risks and formulate multi-level response strategies to enhance the enterprise's resilience and adaptability in the context of climate change and ensure long-term sound development.

2.4.1 Governance

We have integrated climate change into the Company's ESG governance framework. The Board of Directors is responsible for deliberating and deciding on climate change-related strategies, regularly reviewing the implementation progress of climate objectives, and approving and overseeing material climate change-related risks and opportunities. The ESG Working Group assists in the implementation of climate change-related strategies and assesses and continuously monitors climate-related risks. All business and functional departments are responsible for effectively implementing climate change response policies in daily operations and promoting the implementation of emission reduction measures to ensure the Company's capacity to address climate change.

2.4.2 Strategy

We attach great importance to the risks and opportunities brought by climate change and continuously conduct identification and assessment of climate-related risks in light of the Company's actual operations. With reference to the TCFD framework and in accordance with relevant laws and regulations and international standards, including *IFRS Sustainability Disclosure Standard 2 (IFRS S2) – Climate-related Disclosures* and Part D: Climate-related Disclosures, Appendix C2 (ESG Reporting Code), The Stock Exchange of Hong Kong Limited *Main Board Listing Rules*, we improve the climate risk management system to ensure effective response to climate change challenges and enhance the Company's resilience and adaptability. During the Reporting Period, we further strengthened the integration and response mechanism for climate risk management to ensure that climate-related risks are deeply integrated with the Company's business strategy.

	Relevance Description	Financial Impact	Time Frame	Countermeasures	
Physical Risks					
Acute Physical Risks	Typhoons, floods, droughts	Impact on park facilities, power supply and network operating environment, increasing risks of facility damage and service disruption; impact on supply chain, leading to delays in production and operation	Increased operating costs Decreased operating income	Short term, medium term and long term	Strengthen the reinforcement of infrastructure in parks and data centers, arrange flood and typhoon prevention and emergency materials in advance, and implement hierarchical response and emergency disposal measures.
	Extreme weather events	Impact on the operational safety of parks, data centers and related infrastructure, and pressure on business continuity and supply chain collaboration	Increased operating costs	Long term	Improve the emergency mechanism for typhoon and flood prevention in parks, strengthen inspection of drainage, power supply and key facilities, enhance the protection capacity of data centers and core systems, and reduce the impact of extreme weather on operations.
Chronic Physical Risks	Average temperature change	Sustained impact on facility stability and operation and maintenance environment, thereby increasing the complexity of operation and management	Increased operating costs	Long term	Optimize equipment selection and operation management, strengthen environmental monitoring and equipment maintenance, and improve the long-term operational stability of parks and data centers.
	Sea level rise	Impact on the operational safety of office and supporting facilities in coastal areas; supply chain disruption affecting logistics and raw material supply	Increased operating costs	Long term	Improve facility protection measures, strengthen inspection and risk assessment of key areas, and enhance long-term facility protection capacity.

	Relevance Description	Financial Impact	Time Frame	Countermeasures	
Transition Risks					
	Policy and regulatory changes	Continuous improvement of climate and energy-related policies imposes higher requirements on the Company in energy consumption management and information disclosure	Increased compliance costs	Long term	Continuously track relevant policy developments, improve the energy consumption and environmental data management mechanism, and enhance compliance management and information disclosure capacity.
	Energy price fluctuations	Impact on the operational stability of data centers and core systems, and pressure on suppliers and logistics, which may increase delivery risks and affect the stability of partnership relations	Increased operating costs	Long term	Promote the renewal of energy-saving equipment, optimize energy efficiency management of data centers, and strengthen the control of energy use efficiency.
	Reputational risk	Insufficient performance in climate-related management may affect stakeholders' perceptions.	Increased operating costs	Short term, medium term and long term	Strengthen climate and environment-related information disclosure, and continuously promote energy conservation, emission reduction and risk management measures.
Opportunities					
	Products and services	Green, stable and highly reliable digital service solutions help improve customers' recognition of the Company's products and services and enhance supply chain collaboration capacity	Increased operating income	Medium term and long term	Continuously optimize system stability and energy efficiency performance in product design and operation and maintenance, improve service quality and reliability, and meet customers' demand for sustainability and efficiency.
	Consumer preferences	Increased customer attention to low-carbon operations and sustainable development helps enhance customer loyalty and brand attractiveness.	Increased operating income	Long term	Promote green operation practices, strengthen relevant information disclosure, and enhance customers' recognition and trust in the Company's sustainable development capacity.

Climate Risk Response Measures

We attach great importance to the risks and challenges related to climate change, especially the potential impact of extreme weather events such as typhoons and rainstorms, etc. To this end, we have formulated and continuously improved the typhoon and flood prevention emergency plan to ensure rapid response and effective measures to safeguard the safety of parks and personnel.

Emergency Plan for Typhoon and Flood Prevention

Prevention and early warning mechanism

- Regularly inspect park infrastructure to ensure preparedness for extreme weather.
- Timely track meteorological early warning information and activate emergency response.

Emergency response and command system

- Establish a typhoon and flood prevention emergency command center to fully direct and coordinate emergency response.
- Activate corresponding measures according to early warning levels, including personnel evacuation, strengthening drainage facilities and timely allocation of flood control materials.

Continuous monitoring and recovery

- Timely clear accumulated water and repair facilities after disasters.
- Conduct disaster assessment, improve emergency plans and enhance response capacity.

Greenhouse Gas Emission Reduction Measures

We take greenhouse gas emission reduction as a key task of environmental management. The Company's main carbon emissions come from electricity consumption. A series of emission reduction measures have been adopted to achieve emission reduction objectives.

Improvement of Environmental Protection Capability

Regularly carry out special environmental training to strengthen employees' awareness of energy conservation and consumption reduction and practical capabilities.

Advocacy for Low-carbon Travel

Actively promote low-carbon commuting methods such as public transport and shared travel to guide employees to reduce personal carbon footprint.

Greening Optimization of the Park

Continuously increase green land and vegetation coverage, enrich tree species, and enhance carbon sink capacity.

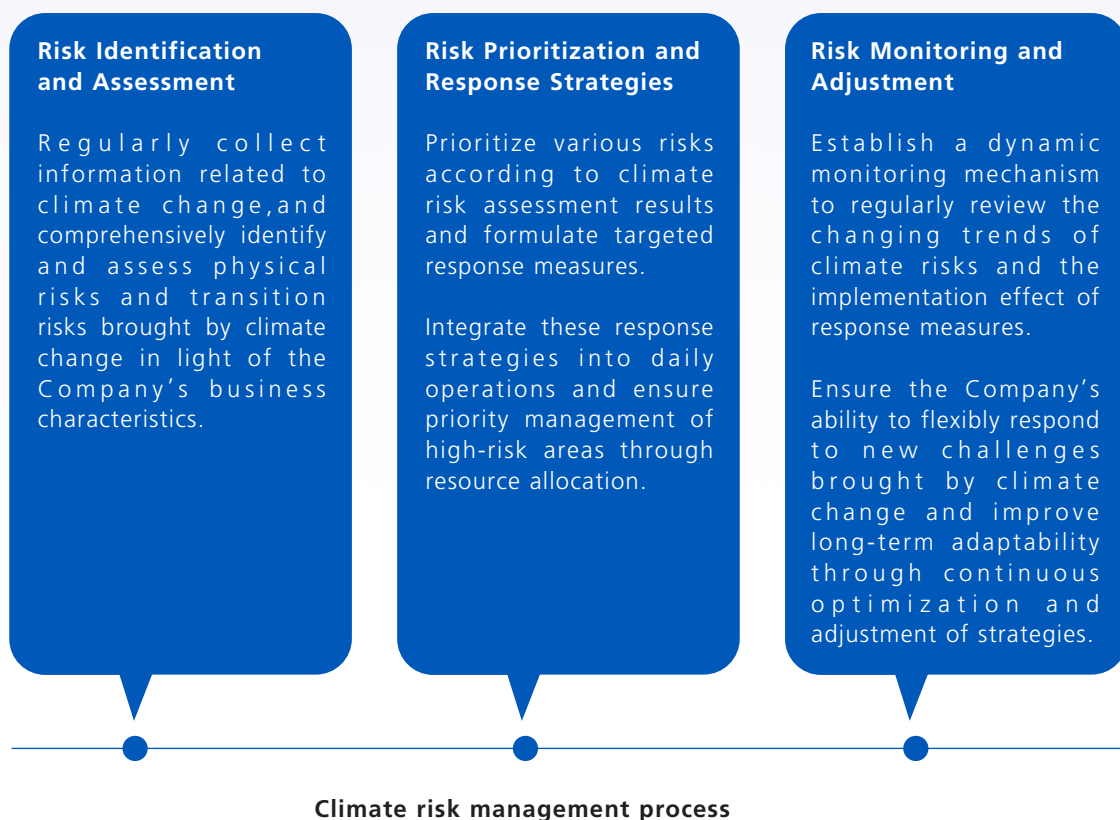
Positive Incentives for Emission Reduction

Establish and improve the incentive mechanism for energy conservation and emission reduction to encourage employees to take the initiative to participate in and implement green actions and jointly promote the achievement of emission reduction objectives.

Key emission reduction measures

2.4.3 Risk Management

Lianlian DigiTech attaches great importance to the challenges and opportunities brought by climate change and integrates climate change into the overall risk management system to enhance the enterprise's resilience and adaptability in a dynamic environment. Through a systematic management process, we continuously identify, assess, address and monitor climate change-related risks.



2.4.4 Indicators and Objectives

We actively respond to the *Paris Agreement* and the national "carbon peaking and carbon neutrality" goals, and continuously promote the application of clean energy and the upgrade of high-efficiency equipment. By strengthening carbon emission monitoring and precise regulation, we ensure the effective implementation of low-carbon emission objectives and steadily reduce greenhouse gas emissions.

During the Reporting Period, our greenhouse gas emissions are set out in the table below.

2025 greenhouse gas emissions

Indicators	Unit	2025
Scope I GHG emissions ²	Tonnes of CO ₂ equivalent	233.73
Scope II GHG emissions ³	Tonnes of CO ₂ equivalent	2,020.72
Total GHG emissions (Scopes I and II) ⁴	Tonnes of CO ₂ equivalent	2,254.45
GHG emission intensity	Tonnes of CO ₂ equivalent/ million of revenue	1.30

3. BEING PEOPLE-ORIENTED

Lianlian Digital regards employees as the core resource for corporate development, actively builds an equal and diverse working environment, provides employees with all-round career development support, and promotes the common growth and value creation of employees and enterprises.

3.1 Compliant Employment

We strictly comply with the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Employment Promotion Law of the People's Republic of China* and other laws and regulations, and continuously improve internal policies including the *Code of Conduct for Employees*, the *Recruitment Management Policy* and the *Employee Disciplinary Rules* to effectively protect the legitimate rights and interests of employees.

To strictly prevent the risk of child labour, we conduct a comprehensive verification of applicants' age and identity information during the recruitment process, covering resume screening, pre-employment verification and on-site employment verification to ensure the authenticity and accuracy of information. We always respect employees' right to voluntary work and prohibit all forms of forced labour.

2 Scope I adopts ① The low calorific value of natural gas at 389.31 GJ per 10,000 Nm³ and that of gasoline at 44.8 GJ per tonne, as specified in China Greenhouse Gas Inventory Research 2005; ② The carbon content per unit calorific value of natural gas at 0.0153 tC/GJ and that of gasoline at 0.0189 tC/GJ, as set out in 2006 IPCC Guidelines for National Greenhouse Gas Inventories and Provincial Greenhouse Gas Inventory Guidelines (for Trial Implementation); ③ The carbon oxidation rate of natural gas at 99% and that of gasoline at 98%, as stipulated in Provincial Greenhouse Gas Inventory Guidelines (for Trial Implementation).

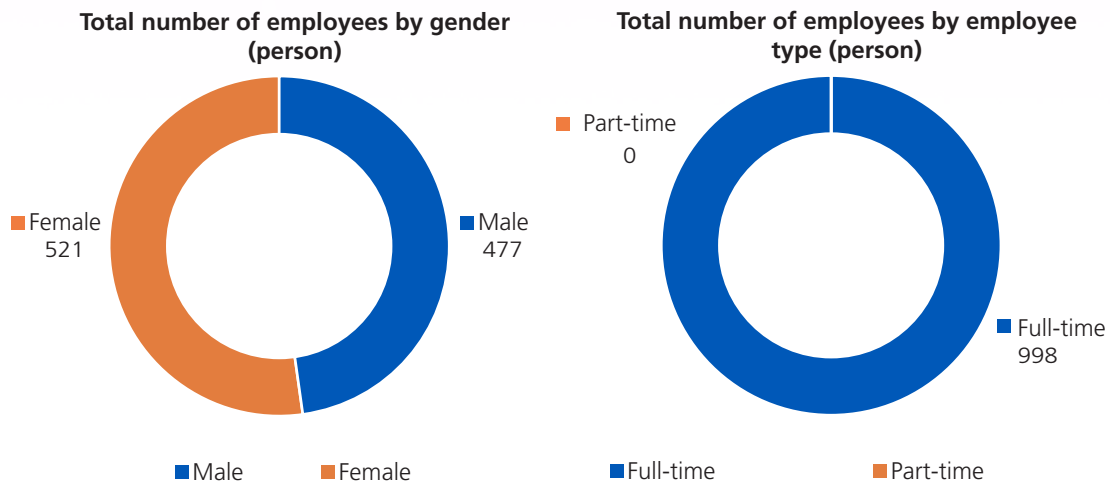
3 Scope II is calculated by using the 2023 national average grid emission factor of 0.6096 tCO₂/MWh, as published in the Announcement on Issuing the 2023 Power Sector Carbon Dioxide Emission Factor issued by the Ministry of Ecology and Environment.

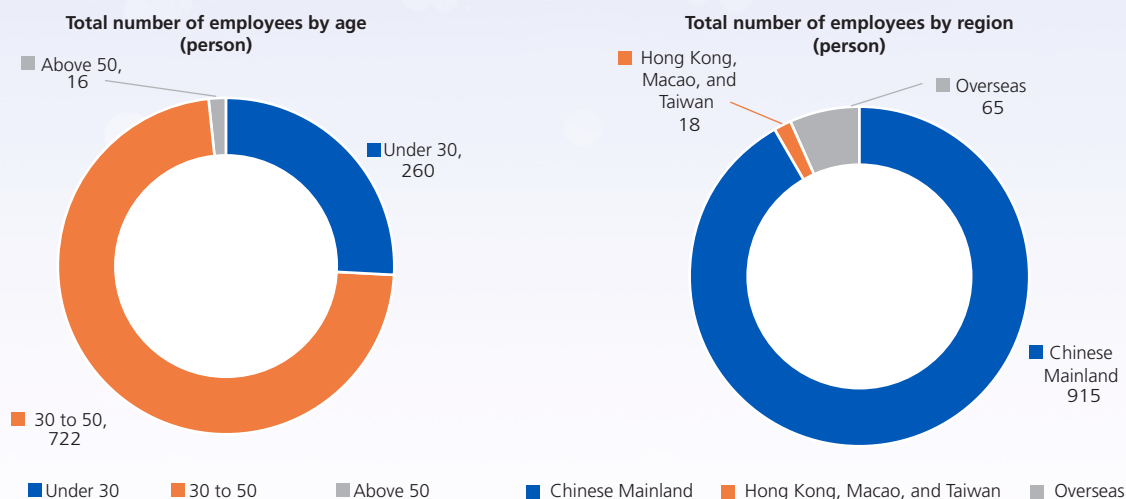
4 The GHG emissions cover Scope I and Scope II. In the future, we plan to conduct Scope III emissions assessment to fully understand and manage the carbon footprint of the Company's operations and supply chain.

In the event of non-compliant employment, we will immediately terminate the relevant procedures, launch a comprehensive investigation process, trace responsibilities at all links, and impose serious penalties on negligent personnel in accordance with the *Employee Disciplinary Rules*. Meanwhile, we will continue to strengthen the management of compliance procedures to prevent similar problems from occurring. As at end of the Reporting Period, no incidents of child labour or forced labour occurred within the Group.

We uphold a diverse talent concept and open and transparent recruitment principles, and are committed to building an equal, diverse and inclusive workplace. We extensively attract outstanding talents of different nationalities, genders and backgrounds through multiple online and offline channels, and comprehensively evaluate applicants' work experience, knowledge and skills, professional qualities and compatibility with the Company's culture and values to ensure the fairness of the selection process. Meanwhile, we firmly oppose discrimination based on race, ethnicity, nationality, gender, physical condition, religion, sexual orientation, age and any other grounds, and provide equal employment and development opportunities for all employees.

As at the end of the Reporting Period, Lianlian DigiTech had a total of 998 employees, whose breakdown by category is shown in the figure below.





During the Reporting Period, the employee turnover rate of Lianlian DigiTech is set out in the table below.

Employee turnover rate by category

Indicator		Unit	2025
Employee turnover rate by gender	Male	%	28.9
	Female	%	22.4
Employee turnover rate by age	Under 30	%	31.9
	30 to 50	%	22.8
	Above 50	%	36
Employee turnover rate by geographical region	Chinese Mainland	%	22.6
	Hong Kong, Macao, and Taiwan	%	71
	Overseas	%	33.7

3.2 Employee Rights and Interests

Lianlian DigiTech is committed to building a sound remuneration system and comprehensive welfare protection, continuously optimizing employees' working experience, and providing strong support for employees' realization of personal value and career development.

3.2.1 Compensation and Benefits

We strictly comply with the *Labour Contract Law of the People's Republic of China*, the *Regulations on Paid Annual Leave for Employees*, the *Administrative Measures of Zhejiang Province on Enterprise Wage Payment* and other laws and regulations, and establish a comprehensive remuneration system covering wages, statutory benefits and corporate voluntary benefits. Meanwhile, we adhere to the principle of equal pay for equal work, and determine salaries reasonably according to job category, rank and job requirements to ensure the fairness and rationality of remuneration distribution.

In terms of welfare protection, we provide statutory benefits for employees including social insurance and housing fund, high-temperature allowance and paid leave, etc. In addition, we provide diversified voluntary benefits such as commercial insurance, annual physical examination, festival care, catering benefits and birthday celebrations, forming a comprehensive welfare protection system that effectively enhances employees' sense of happiness and belonging.

Commercial insurance

- We provide employees with a comprehensive commercial insurance plan including supplementary medical insurance for employees and their children, life insurance, critical illness insurance and personal accident insurance, establishing a full-scope health and risk protection system.

Commercial insurance

- We have optimized the physical examination package based on common diseases and job characteristics, and added three items of thyroid function tests to provide employees with more comprehensive and in-depth health screening services.

Holiday benefits

- In addition to statutory leave, we provide supplementary annual leave, paid sick leave, Spring Festival welfare leave and other additional leave. We adjust annual leave rules according to employees' years of service to meet their diverse needs.

Other benefits

- We provide employees with team building subsidies, lunch benefits, afternoon tea, as well as care benefits for birthdays, marriage, childbirth and festivals, continuously enhancing employees' workplace happiness and sense of belonging.

Employee benefits

3.2.2 Care and Communication

We focus on fostering a positive and healthy corporate culture, enrich employees' leisure life through various employee care activities, and enhance their sense of belonging and happiness.

We continue to improve the employee communication and feedback system, and establish regular online communication channels through the HR service desk and administrative service desk, so that employees can raise questions or give feedback at any time to ensure that their demands are fully respected and responded to in a timely manner. Meanwhile, we continue to implement the reporting procedures for violations and disciplinary offenses specified in the Employee Disciplinary Rules, and strictly implement the publicity procedure before the issuance of new rules, fully soliciting employees' opinions to ensure the rationality and transparency of the formulation and implementation of the rules.

3.3 Development and Training

Lianlian DigiTech regards employee growth as a key driving force for corporate development. Through a sound talent promotion mechanism and a multi-dimensional training system, we build a comprehensive career development platform for employees to realize common growth of employees and the Company.

3.3.1 Employee Development

In terms of career development system, we have designed a dual-channel promotion model of "professional + management" for employees in sales and non-sales fields respectively. We comprehensively consider employees' professional ability, performance during tenure and overall quality, and select candidates through nomination, work report and other procedures to ensure the fairness and scientificity of promotion decisions. Meanwhile, we continue to optimize the promotion process, strengthen the cross-review mechanism, and plan a clear career development path for employees.

We conduct regular performance evaluations in accordance with the *Performance Management Policy*, classify employees' performance into different grades according to scientific ratios, and directly link assessment results with promotion, salary adjustment and annual bonus distribution. At the same time, we continue to improve the performance management mechanism, and enhance the scientificity and effectiveness of performance management by optimizing the evaluation process and goal setting, providing effective guidance for employees' career development.

3.3.2 Employee Training

We have built a comprehensive training system for employees of different ranks and positions to help them integrate into the team quickly and continuously improve their professional competence. During the Reporting Period, we conducted courses including onboarding training, sales skills training, job adaptation and team integration training, which effectively improved employees' comprehensive capabilities.

Lianlian Talk – Trade Secrets Training

We invited external legal experts to conduct the “Lianlian Talk – Trade Secrets” training, covering the definition and classification of confidential information, the importance of confidentiality obligations and the legal consequences of breaching confidentiality obligations. The training covered relevant staff from the Human Resources Department, Legal Department, Information Security Department and other departments, which effectively enhanced employees' understanding of trade secret protection and laid a foundation for safeguarding the core competitiveness of the enterprise.

LianLian 连连

连连说 商业秘密培训

讲师
浙江天册律师事务所
江昱成

时间
11月25日-12月4日

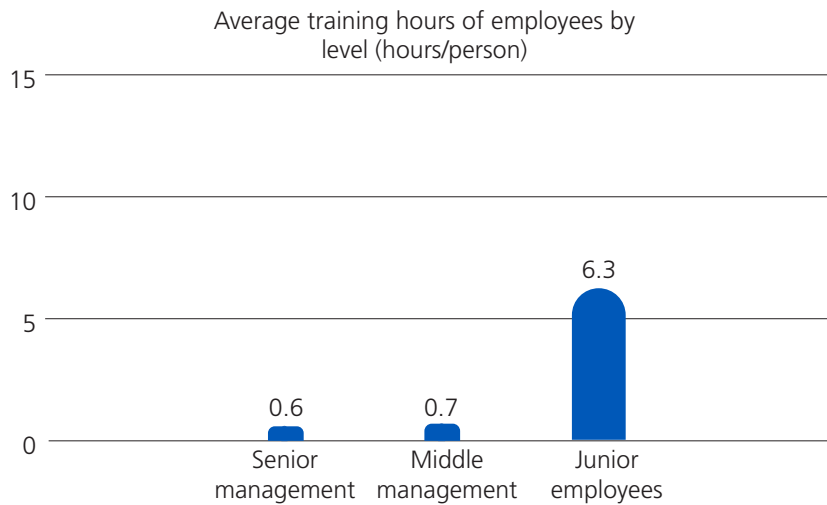
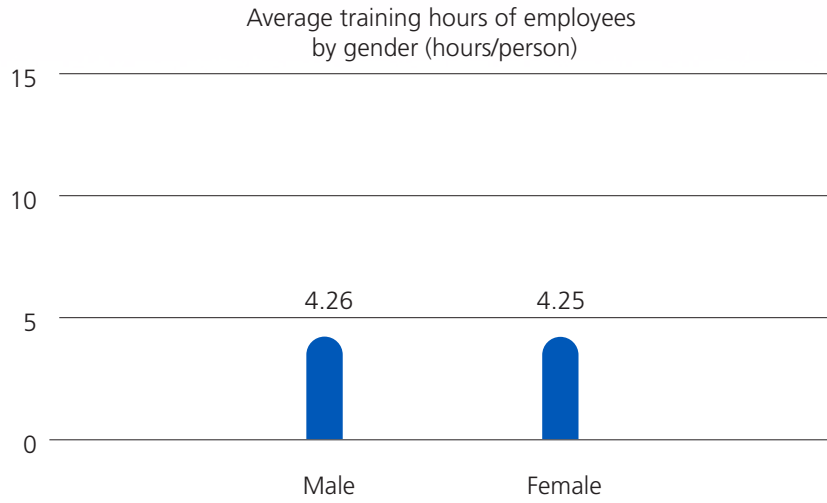
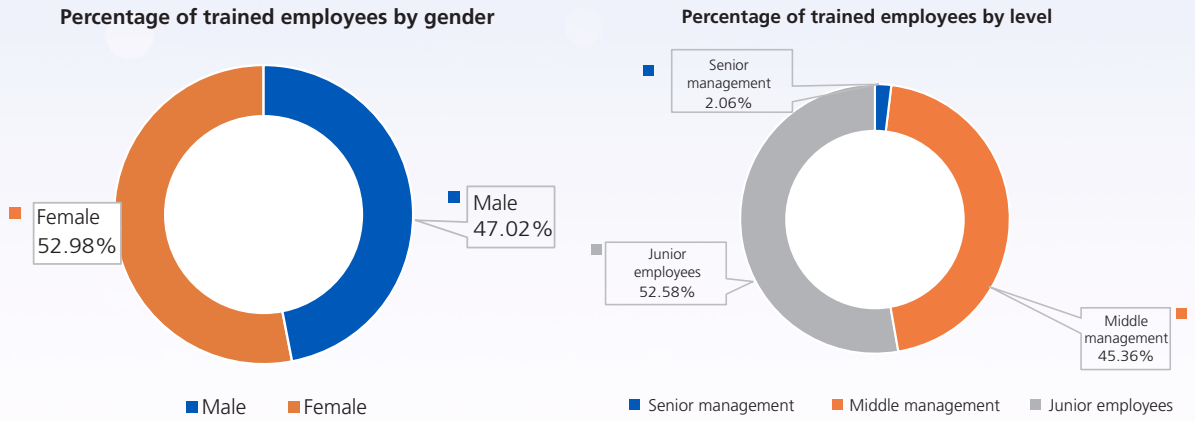
地点
12F培训室

课程内容

- 什么是保密信息（含商业秘密）和保密义务
- 保密信息的范围和分类
- 保密信息对企业的重要性
- 违反保密义务的法律后果
- 如何履行保密义务
- 泄露保密信息典型案例

人力资源部&法务部&信息安全部

During the Reporting Period, the percentage of employees trained and average training hours by category are shown in the figure below.



3.4 Health and Safety

Lianlian DigiTech always places employees' health and safety as a top priority and strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and other laws and regulations. We have formulated internal policies such as the *Safety Regulations for Office Premises* to comprehensively identify and manage potential safety risks, creating a safe and healthy working environment for employees.

For health protection, we contribute employees' work-related injury insurance in accordance with the law to provide basic protection. Meanwhile, we arrange pre-employment physical examinations for new employees and provide annual health check-ups and report interpretation services for all employees. During the Reporting Period, in response to the relatively high proportion of employees with abnormal thyroid indicators, we added three thyroid function tests to the physical examination package to strengthen targeted health screening. At the same time, we dynamically optimize the supplementary medical insurance plan based on annual physical examination results to improve the overall protection level. In addition, the Company regularly invites professional traditional Chinese medicine institutions to provide free clinics, helping employees understand their health status and popularize health care knowledge, further practicing the concept of a healthy workplace.

Regarding the physical safety of office premises, we strictly implement disinfection and cleaning standards, and carry out regular environmental sanitization to ensure a hygienic and safe office environment and continuously protect employees' health.

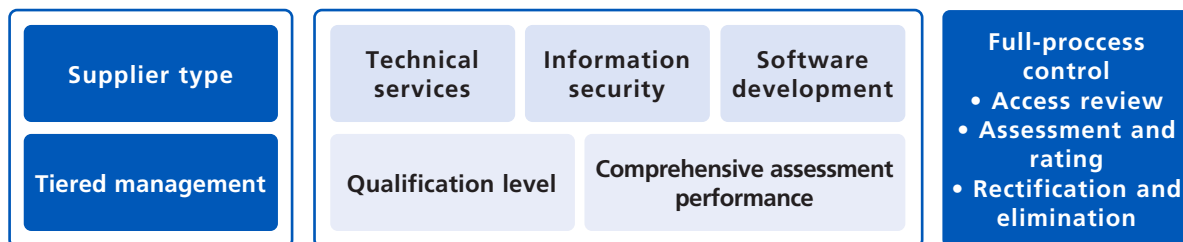
No work-related fatalities occurred at Lianlian DigiTech in the past three years. During the Reporting Period, the number of working days lost due to work-related injuries was zero.

4. SUPPLY CHAIN MANAGEMENT

Lianlian DigiTech continuously promotes innovation in its supplier management system, enhances supply chain resilience, grows together with partners, and achieves high-quality, sustainable long-term value.

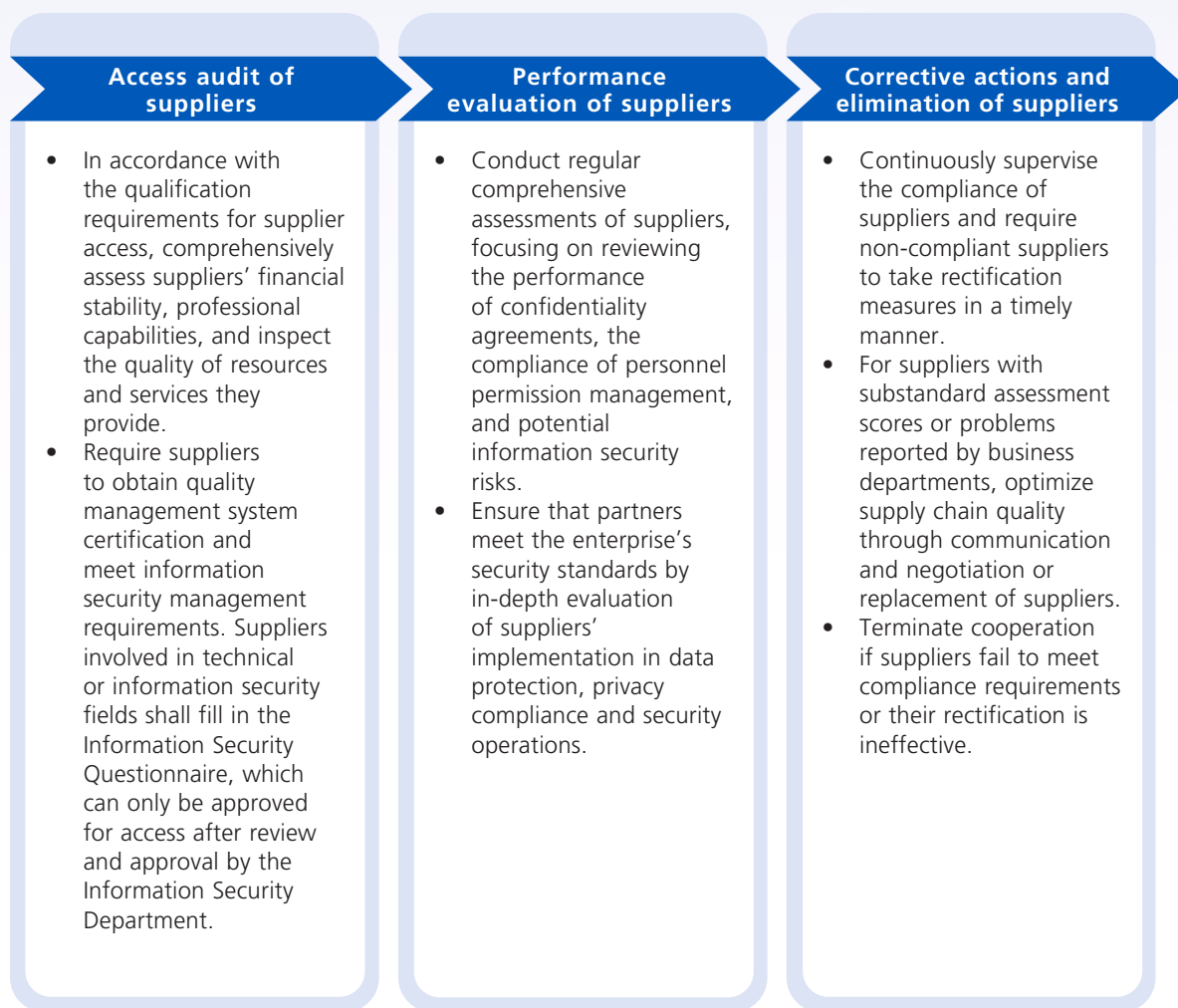
4.1 Supply Chain Compliance Management

Based on internal specifications including the *Procurement Management Policy* and the *Supplier Management Policy*, Lianlian DigiTech has established a standardized supplier management mechanism to achieve full-process control over supplier access, assessment, rating, rectification and elimination. The Company categorizes suppliers into three types: technical services, information security, and software development, and implements tiered management according to their qualification level and comprehensive assessment performance.



Lianlian DigiTech's supplier management system

To continuously ensure compliance, stability and excellent quality of suppliers, we have implemented a full-process control model to form a closed management loop. In addition, regarding supplier communication, we conduct regular visits and surveys through on-site inspections combined with remote interaction to address pain points in cooperation face-to-face, and respond promptly to business changes daily via emails, telephone and other channels.



Full process of supplier management and control

During the Reporting Period, the number of suppliers of Lianlian DigiTech by region is set out below:

Number of suppliers by geographical region in 2025

Geographical Regions	Unit	2025
Chinese Mainland	Entity	96
Hong Kong, Macao, and Taiwan	Entity	9
Overseas	Entity	1
Total	Entity	106

4.2 Supply Chain Risk Management

We have introduced an ESG assessment mechanism at the supplier on-boarding stage, with evaluation indicators covering key topics including business ethics, labour rights, data security and environmental protection, to ensure new suppliers meet the Group’s sustainable development requirements. In the supplier assessment system, we have established a dynamic risk management mechanism centered on ESG performance, which continuously encourages and supports suppliers in enhancing sustainable management capabilities and promotes high-quality development across the entire chain.



ESG performance assessment dimensions for suppliers

We are committed to building an integrity-based and transparent supply chain system and have integrated compliance management into the entire procurement process. For integrity governance, we adopt anti-corruption agreements and integrity commitments to strengthen the discipline of cooperation and foster an honest and transparent procurement ecosystem. For green development, we incorporate environmental indicators such as carbon emissions into supplier on-boarding and performance evaluation systems, driving the overall supply chain towards green, low-carbon and sustainable development.

5. PRODUCTS AND SERVICES

Lianlian DigiTech adheres to the orientation of high-quality digital services and continuously improves end-to-end quality management from research and development to operation and maintenance. Taking customer needs as the starting point, the Company provides customized solutions and integrates information security and privacy protection into the full life cycle management of products and services, continuously enhancing service reliability and customer experience.

5.1 Responsible Products

5.1.1 Product Quality Control

Lianlian DigiTech strictly complies with regulatory requirements including the *Administrative Measures for Payment Services of Non-Financial Institutions*, the *Security Assessment Measures for Outbound Data Transfers*, and continuously builds a safe, reliable and stable digital payment ecosystem. The Company has established and improved information system R&D and operation and maintenance management systems to ensure quality and stability throughout the product life cycle.

R&D stage

- Establish and implement the *Information System R&D Management System* covering key links including requirement sorting, scheme design, development, testing, verification and launch, improving the standardization and controllability of the R&D process.
- Continuously promote the standardization and iterative optimization of R&D processes to ensure delivery quality and efficiency.

Operation and maintenance stage

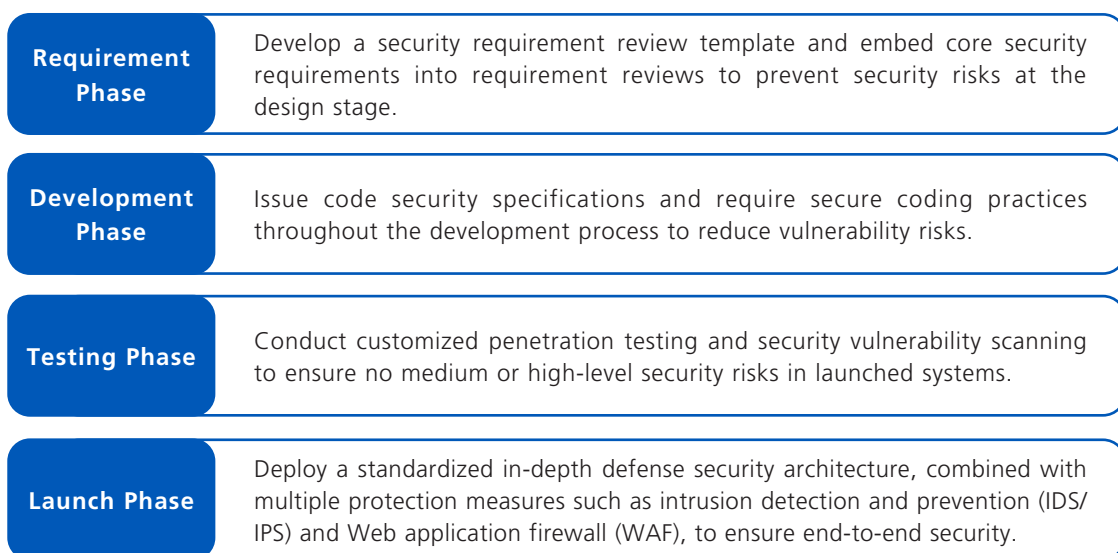
- Manage infrastructure, databases and application systems in a unified manner in accordance with the *Information System Operation and Maintenance Management System*, strengthen monitoring, early warning and routine inspection to ensure the safe, stable and continuous operation of systems.
- Improve operation and maintenance management processes including change, certificate and configuration management to enhance response efficiency and service support capability.

As at the end of the Reporting Period, we had obtained the ISO 9001 Quality Management System certification and ISO 20000 Information Technology Service Management System certification, and successfully passed technical qualification certifications issued by public security authorities, the People's Bank of China and relevant international standards, thereby ensuring the high-quality standards of the Company's products and services. At present, Lianlian DigiTech has built a complete license portfolio covering 66 payment licenses and qualifications, with businesses covering multiple core markets including Chinese mainland, Hong Kong, Singapore, the United States, the United Kingdom, Thailand, Luxembourg and Indonesia, providing secure, stable and efficient payment services for global customers.

Technical security and compliance certifications obtained by Lianlian DigiTech (part)

Qualifications meeting national cyber security requirements	Information Security Level Protection Level 3 Certification (Level 3 of Protection) Commercial Cryptography Application Security Assessment Level 3 (Level 3 of Secret Assessment)
Technical qualifications meeting requirements of the People’s Bank of China	Technical Certification of Payment Business Facilities for Non-Bank Payment Institutions (Level 1) UnionPay Payment Data Security Standard Certification (UPDSS Certification) Personal Financial Information Protection Capability Certification (Level 2)
Technical qualifications meeting international standards	UnionPay PCI DSS (Payment Card Industry Data Security Standard) Certification Litepay PCI DSS certification LianLian Thailand PCI DSS Certification LianLian Singapore PCI DSS Certification LianLian US PCI DSS certification LianLian Europe PCI DSS Certification Lianlian International PCI DSS Certification

The Company has established a secure R&D management process covering the full life cycle, including four core phases: requirement, development, testing and launch, to ensure the security and controllability of products and services.



Quality review mechanism during product R&D process

5.1.2 Responsible Marketing

Lianlian DigiTech upholds the principles of authenticity, transparency and integrity, and strengthens compliance management in publicity. By updating internal policies such as the *External Publicity Management Rules*, the Company further regulates information disclosure and prevents unauthorized release of sensitive content.

The Company has established review and filing procedures for external publicity to ensure the compliance of promotional content. To adapt to the Company's development and changes in the market environment, we regularly optimize relevant policies and conduct compliance training to enhance employees' understanding of laws and regulations, and prevent false publicity and infringements.

5.2 Customer Service

5.2.1 Customer Management

Lianlian DigiTech complies with the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, the *E-Commerce Law of the People's Republic of China*, the *Measures for the Implementation of Financial Consumer Rights Protection of the People's Bank of China* and other relevant laws and regulations. By formulating internal policies including the *Customer Rights Protection Policy*, the Company fully protects the legitimate rights and interests of customers.

The Company has established internal policies including the *Customer Complaint Handling Process*, the *Business Risk Transaction Handling Process* and the *Customer Service Code of Practice*, and built a sound customer service mechanism and complete service acceptance process. We actively address customer enquiries, complaints and disputes, and regularly review and optimize such processes to ensure sustained standardized and effective handling of customer complaints.

To improve customer experience, the Company optimized customer feedback channels during the Reporting Period and built a service system featuring collaboration between manual and intelligent services.

Customer feedback channels

Online channels

- Adopt a collaborative service model combining AI intelligent self-service and manual customer service.
- AI customer service provides 7×24-hour response and automatically handles high-frequency common enquiries.
- Manual customer service ensures timely follow-up on complex issues.

Offline channels

- Actively participate in cross-border e-commerce industry exhibitions with dedicated service booths.
- Provide face-to-face professional consultation and on-site business support.
- Regularly hold seller seminars and salons to build an industry interaction platform.

In addition, in 2025, the Company introduced an AI model to assist in the review of customer store access, which significantly shortened review response time and improved customer experience. In 2025, the number of customer complaints was 1,693. In response to issues raised by customers, we promptly adjusted relevant processes and adopted improvement measures. The completion rate of customer complaint handling in 2025 reached 100%, ensuring continuous improvement of customer satisfaction.

Furthermore, we regularly evaluate customer satisfaction with and willingness to recommend the Company's products through Net Promoter Score (NPS) surveys. In August 2025, the Company completed its annual brand satisfaction survey, with a total of 206 valid samples collected and an overall NPS of 29%. In response to customer feedback and suggestions, we have formulated and implemented improvement plans to continuously optimize product experience and service quality.

Enhancement of Payment Efficiency and Customer Experience with Cross-Border Direct Sourcing Services

To enhance product functions and expand its customer base, Lianlian DigiTech launched the specialized "Easy Procurement and Payment" service, which aims to provide customers with convenient cross-border sourcing solutions. During implementation, the Company optimized the payment experience, enabling customers to conduct cross-border transactions through local payment methods, thereby improving payment efficiency and customer satisfaction. The successful launch of this project has not only enhanced user experience but also strengthened the Company's market competitiveness in the field of cross-border e-commerce payment.

5.2.2 Customized Services

We continue to improve our global payment solution system based on the business characteristics and cross-border operation needs of different customer groups, and build product and service capabilities covering multiple scenarios and regions. We provide customized payment solutions for various customer groups, including cross-border e-commerce merchants, platforms and institutions, foreign trade enterprises, and study abroad education institutions.



Cross-border e-commerce customers: We provide diversified payment and collection solutions for cross-border e-commerce customers, supporting their connection with major global e-commerce ecosystem service providers. While improving capital turnover efficiency, we enhance transaction risk identification and control capabilities.



Platform and institutional customers: We continue to optimize the layout of our global payment network, providing one-stop account and payment solutions to simplify system integration processes and meet diversified payment needs.



Foreign trade customers: Through a combination of system review and manual verification, we strengthen the verification of transaction backgrounds, improve transaction processing efficiency on the premise of ensuring compliance.



Overseas education institution customers: We cooperate with international card organizations including Visa, Mastercard and American Express to provide convenient cross-border payment services supporting overseas tuition payment scenarios.

Customized customer service

In 2025, we continued to launch innovative customized service schemes to further enhance our global payment solution system.

Highlight Customized Services and Solutions

Hainan Wallet

- Launched the “Hainan Wallet” in cooperation with Bank of China Hainan Branch, designed specifically for overseas short-term visitors to Hainan, providing convenient QR code payment services.
- Adopt multiple encryption and real-time risk control systems to ensure payment security and user fund protection.
- This product has effectively improved payment convenience for overseas personnel in Hainan and met their daily small-sum payment needs.

Cross-border Payment Services

- Established strategic cooperation with UnionPay International to launch cross-border remittance services, helping customers achieve fast and secure international fund transfers.
- Leverage Lianlian’s global payment network and UnionPay Money Express to provide an efficient and transparent cross-border fund flow experience.
- The cooperation also covers the B2B payment sector, facilitating payment service connectivity for Chinese merchants going global.

Local Store Payment Solutions in Southeast Asia

- Provide local bank account binding services for local store sellers in the Southeast Asian market.
- Cover six major markets: Thailand, Vietnam, Malaysia, the Philippines, Indonesia and Singapore, helping sellers open local accounts quickly and simplify fund management.
- This solution helps sellers capture the growth dividend of e-commerce in Southeast Asia and improve cross-border payment efficiency.

One-stop Service Platform for Cross-border E-commerce

- Lianlian International joined hands with well-known cross-border service enterprises to launch the Crosslink project, building a one-stop cross-border e-commerce service platform.
- The platform integrates product selection, taxation, logistics and other services to help small and medium-sized enterprises improve operational efficiency in cross-border e-commerce business.

5.3 Intellectual Property Rights

Lianlian DigiTech complies with the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China* and other relevant laws and regulations. We have formulated a series of internal policies including the *Intellectual Property Rights Management Policy* and the *Patent Reward Measures*, to systematically regulate intellectual property management and innovation incentive mechanisms.

During the Reporting Period, we updated policies including the *Intellectual Property Proposal Filing Process and Certificate Retrieval Process*, added an online intellectual property proposal filing process, and realized unified management of intellectual property certificates across the Group.

To safeguard the Company's innovative achievements and effectively manage intellectual property rights, we have adopted a series of intellectual property protection measures.

Measures to protect intellectual property rights

- Intellectual Property Prevention and Approval: An external release approval process has been established to ensure that all published content is reviewed and approved, preventing IP infringement.
- Infringement Notice Handling: Timely follow-up on infringement notices and an internal communication mechanism to ensure rapid resolution.
- Software Usage Control: Management of employees' software usage through the Yun Shu software management system.
- Trademark Right Protection: Proactive protection of the Company's trademark rights through trademark opposition and invalidation applications. As at the end of the Reporting Period, a total of 23 trademark oppositions and 1 trademark invalidation application had been filed.
- Employee Incentives and Training: IP rewards and training activities to encourage employee innovation and strengthen IP protection awareness.

Intellectual Property Protection Promotion and Training Activities

During the Reporting Period, the Company organized a series of promotion and training activities on intellectual property protection. During the "Intellectual Property Month", the Company issued IP rewards and carried out themed publicity to encourage employee participation in innovation. In the same period, the Company held special training on IP risks that may arise in external publicity, enhancing employees' ability to identify and prevent such risks. In December, the Company invited professional patent agencies to provide practical training on patent drafting, which effectively improved R&D personnel's capabilities in patent mining and innovation disclosure.

As at the end of the Reporting Period, Lianlian DigiTech held 245 trademarks, 64 patents and 110 software copyrights in Chinese mainland; 29 trademarks in Hong Kong, Macao and Taiwan regions of China; and 295 trademarks overseas.

5.4 Information Security and Privacy Protection

Lianlian DigiTech complies with the *Data Security Law of the People’s Republic of China*, the *Cybersecurity Law of the People’s Republic of China*, the *Measures for Security Assessment of Cross-Border Data Transfer*, the *Personal Information Protection Law of the People’s Republic of China* and other relevant laws and regulations. The Company has formulated internal policies including the *Personal Information Protection Impact Assessment Policy* and the *Online Process Standardization Policy*, systematically building a compliance management system covering data security and privacy protection.

Lianlian DigiTech has established a sound information security governance structure to ensure the effective implementation of security strategies.



We implement comprehensive data security and privacy protection measures to ensure the confidentiality, integrity and availability of user information, and effectively safeguard the security and legitimate rights and interests of user information.

Compliance Management of User Registration Information

- Strictly comply with data privacy policies to ensure that information collection during user registration meets regulatory requirements and obtains explicit authorization from users.

Privacy policy application

- Adjust and optimize privacy policies according to different product forms and market requirements.

Privacy and security policy implementation

- Domestic: Embed privacy and security policies in payment processes to ensure users understand and agree to privacy protection measures.
- Overseas: Display privacy policies on cross-border payment platforms and account management systems to ensure information collection and use comply with local laws and regulations.

Privacy and security assessments and audits

- Regularly conduct privacy security assessments and audits, record and retain violations for 2–3 years, and ensure relevant issues are traceable and rectified.

Full life cycle data security management

- Focus on core measures such as data classification and grading, and storage encryption, while strengthening security control over data transmission, usage, erasure and other links.

Data security and privacy protection training

- Continuously enhance the overall staff's security awareness and risk prevention capabilities, conduct regular data security and privacy protection training, and organize practical tests such as phishing email simulations.
- Conduct special publicity and education on emerging risks such as AI forgery and AI deception to improve the ability of all employees to identify and respond to cutting-edge security threats.

Data security and privacy protection management measures

As at the end of the Reporting Period, we had obtained the ISO 27001 Information Security Management System Certification.



Certificate of ISO 27001 Information Security Management System Certification

6. COMMUNITY CONTRIBUTION

Lianlian DigiTech regards creating social value as an important path to the sustainable development of the enterprise and is committed to promoting extensive value sharing. Based on the *Lianlian DigiTech Public Welfare Foundation Information Disclosure Policy*, the *Lianlian DigiTech Public Welfare Foundation Project Management Policy*, and the *Lianlian DigiTech Public Welfare Foundation Volunteer Management Policy*, the Company has established a transparent and standardized public welfare management system. We focus on medical and health care, education support, rural revitalization and other fields to ensure that every public welfare input is traceable and measurable, contributing warm strength to social public welfare causes.

During the Reporting Period, through the public welfare foundation, Lianlian DigiTech invested more than RMB280,000 in social public welfare causes.

Promoting the Development of Rural Early Childhood Education

In 2025, Lianlian Public Welfare Foundation cooperated with the China Children and Teenagers' Fund to launch the "Starting Point Project – Children's Book Station". Two "Rural Children's Book Stations & Lianlian Future Libraries" were set up in Guangnan County, Yunnan Province. Picture books and magazines were donated to two kindergartens in Zhulin Town, Guangnan County, Wenshan Prefecture, Yunnan Province, promoting the development of rural early childhood education.



Supporting Talent Development at Dzongsar Institute of Traditional Tibetan Medicine

In 2025, Lianlian Public Welfare Foundation donated books and daily necessities to Dzongsar Institute of Traditional Tibetan Medicine for the fifth consecutive year. Through the “Lianlian Future Library”, books worth RMB87,000 and daily necessities worth RMB168,000 were donated to the institute, continuously supporting the implementation of the Tibetan medicine talent development programme.



Helping Micro, Small and Medium-sized Enterprises Reduce Cross-border Trade Costs

Micro, small and medium-sized enterprises (MSMEs) generally face difficulties such as high costs and insufficient digitization capabilities in cross-border operations. Lianlian DigiTech actively responds to policies on the development of the local platform economy and is committed to creating a more convenient cross-border business environment for MSMEs. By reducing or exempting certain handling fees and service charges, Lianlian DigiTech effectively lowers enterprises’ cross-border trade costs and helps enhance their participation in digital trade.

During the Reporting Period, Lianlian DigiTech waived handling fees of up to RMB190 million for more than 140,000 MSMEs, supporting their exploration of international markets with practical actions and promoting the high-quality development of digital trade.

APPENDIX INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE ISSUED BY THE STOCK EXCHANGE OF HONG KONG LIMITED

Subject Areas, Aspects, General Disclosures and KPIs		Index
A. Environmental		
Aspect A1:	General Disclosure	2.2 Emissions Management 2.3 Resource Management
Emissions	Information on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	
	relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	
	Note: Air emissions include NO _x , SO _x , and other pollutants regulated under national laws and regulations.	
	Hazardous wastes are those defined by national regulations.	
KPI A1.1	The types of emissions and respective emissions data.	As the Group is a non-manufacturing enterprise, exhaust emissions do not have a material impact. In accordance with the materiality principle, we have not compiled or disclosed the types and data of exhaust emissions.
KPI A1.2	Repealed 1 January 2025	
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	As the Group is a non-manufacturing enterprise, the generation of hazardous waste does not have a material impact. In accordance with the materiality principle, we have not compiled or disclosed the total volume and intensity of hazardous waste.
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	2.2 Emissions Management
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	2.1 Environmental Objectives 2.2 Emissions Management 2.3 Resource Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	2.1 Environmental Objectives 2.2 Emissions Management

Subject Areas, Aspects, General Disclosures and KPIs		Index
Aspect A2:	General Disclosure	2.3 Resource Management
Use of Resources	<p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	2.3 Resource Management
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	2.3 Resource Management
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	2.1 Environmental Objectives 2.3 Resource Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	2.1 Environmental Objectives 2.3 Resource Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable as the Group's core business is digital payment services and therefore does not involve the use of packaging materials for finished products.
Aspect A3:	General Disclosure	2.2 Emissions Management 2.3 Resource Management
Environment and Natural Resources	<p>Policies on minimising the issuer's significant impacts on the environment and natural resources.</p>	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	2.2 Emissions Management 2.3 Resource Management
Aspect A4:	Repealed 1 January 2025	/
Climate Change	KPI A4.1	Repealed 1 January 2025 /

Subject Areas, Aspects, General Disclosures and KPIs		Index
B. Social		
Employment and Labour Practices		
Aspect B1:	General Disclosure	3.1 Employment Compliance 3.2 Employee Rights and Interests
Employment	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	
	KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region. 3.1 Employment Compliance
	KPI B1.2	Employee turnover rate by gender, age group and geographical region. 3.1 Employment Compliance
Aspect B2:	General Disclosure	3.4 Health and Safety
Health and Safety	Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p>	
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. 3.4 Health and Safety
	KPI B2.2	Lost days due to work injury. 3.4 Health and Safety
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored. 3.4 Health and Safety

Subject Areas, Aspects, General Disclosures and KPIs		Index
Aspect B3:	General Disclosure	3.3 Development and Training
Development and Training	<p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</p>	
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	3.3 Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	3.3 Development and Training
Aspect B4:	General Disclosure	3.1 Employment Compliance
Labour Standards	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to preventing child and forced labour.</p>	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	3.1 Employment Compliance
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	3.1 Employment Compliance

Subject Areas, Aspects, General Disclosures and KPIs		Index
Operating Practices		
Aspect B5:	General Disclosure	4.1 Supply Chain Compliance Management
Supply Chain Management	Policies on managing environmental and social risks of the supply chain.	
	KPI B5.1 Number of suppliers by geographical region.	4.1 Supply Chain Compliance Management
	KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	4.1 Supply Chain Compliance Management
	KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	4.2 Supply Chain Risk Management
	KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	4.2 Supply Chain Risk Management

Subject Areas, Aspects, General Disclosures and KPIs		Index
Aspect B6:	General Disclosure	5.1 Responsible Products
Product Responsibility	Information on:	
	(a) the policies; and	
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer	
	relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable as the Group's core business is digital payment services and therefore does not involve product recycling.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	5.2 Customer Service
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	5.3 Intellectual Property
KPI B6.4	Description of quality assurance process and recall procedures.	Not applicable as the Group's core business is digital payment services and therefore does not involve product verification and recycling.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	5.4 Information Security and Privacy Protection

Subject Areas, Aspects, General Disclosures and KPIs		Index
Aspect B7:	General Disclosure	1.1 Compliance in Operation
Anti-corruption	Information on:	
	a) the policies; and	
	b) compliance with relevant laws and regulations that have a significant impact on the issuer	
	relating to bribery, extortion, fraud and money laundering.	
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	1.1 Compliance in Operation
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.1 Compliance in Operation
KPI B7.3	Description of anti-corruption training provided to directors and staff.	1.1 Compliance in Operation
Communities		
Aspect B8:	General Disclosure	6 Community Contribution
Community Investment	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	6 Community Contribution
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	6 Community Contribution

Part D: Climate-related Disclosures		
	Climate-related disclosure requirements	Index
(I)	<p>Governance</p> <p>The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate related risks and opportunities</p> <p>Management’s role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities</p>	2.4 Response to Climate Change
(II)	<p>Strategy</p> <p>Climate-related risks and opportunities</p> <p>Business model and value chain</p> <p>Strategy and decision-making</p> <p>Financial position, financial performance and cash flows-current financial effect</p> <p>Financial position, financial performance and cash flows-anticipated financial effect</p> <p>Climate resilience</p>	2.4 Response to Climate Change
(III)	<p>Risk Management</p> <p>The processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks</p> <p>The processes to identify, assess, prioritise and monitor climate-related opportunities</p> <p>The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer’s overall risk management process</p>	2.4 Response to Climate Change
(IV)	<p>Metrics and Targets</p> <p>Greenhouse gas emissions</p> <p>Climate-related transition risks</p> <p>Climate-related physical risks</p> <p>Climate-related opportunities</p> <p>Capital deployment</p> <p>Internal carbon prices</p> <p>Remuneration</p> <p>Industry-based metrics</p> <p>Climate-related targets</p> <p>Applicability of cross-industry metrics and industry-based metrics</p>	2.4 Response to Climate Change



To the Shareholders of Lianlian DigiTech Co., Ltd.
(incorporated in the People's Republic of China with limited liability)

OPINION

What we have audited

The consolidated financial statements of Lianlian DigiTech Co., Ltd. (the "Company") and its subsidiaries (the "Group"), which are set out on pages 145 to 252, comprise:

- the consolidated balance sheet as at 31 December 2025;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

LIANLIAN DIGITECH CO., LTD.

Independence

We are independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Hong Kong Institute of Certified Public Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in our audit is related to revenue recognition of digital payment services.

Key Audit Matter	How our audit addressed the Key Audit Matter
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Revenue recognition of digital payment services.

Refer to note 5 to the consolidated financial statements.

For the year ended 31 December 2025, the Group recognised revenue of approximately RMB1,450,023,000 from digital payment services mainly including pay-in, pay-out, acquiring, foreign exchange, virtual card and payment aggregation services.

The revenue of digital payment services is mainly recognised at a point in time upon completion of the payment services, which is mainly calculated based on applicable service fee rates of the transaction amount or a fixed service fee per transaction as agreed in the customer contracts. In addition, foreign exchange revenue is recognised at a point in time when the currency exchange transaction is completed. The Group also collects a fixed fee on monthly, quarterly or annual basis from its customers, of which the revenue is recognised over a period of time.

We identified revenue recognition of digital payment services as a key audit matter, as auditing revenue from digital payments services required significant extent of effort due to the large volume of transactions and the involvement of the complex information systems.

Our procedures in relation to the revenue recognition of digital payment services mainly included:

We understood and evaluated management's internal controls, and tested relevant controls, on a sample basis, in relation to the revenue recognition of digital payment services, including information technology general controls related to complex IT environment, IT dependencies including system generated reports, interfaces between business systems and key automated application controls used in capturing and processing the payment services transactions in relation to revenue recognition of digital payment services with the assistance of our internal information technology specialists.

We understood and evaluated the appropriateness of the Group's accounting policy on recognition of revenue from digital payment services by tracing to the customer contracts, on a sample basis, to examine the key terms including the Group's performance obligations.

We performed risk-based data analysis over revenue from digital payment services, at a disaggregated level, including analysing patterns of operations based on our industry knowledge to evaluate the overall trend and fluctuations of revenue.

KEY AUDIT MATTERS (continued)**Key Audit Matter****How our audit addressed the Key Audit Matter*****Revenue recognition of digital payment services.*** (continued)

We reconciled digital payment services revenue transaction data from business systems to general ledgers to test the completeness of revenue.

With assistance of computer assisted audit techniques, we tested the revenue transactions of digital payment services, on a sample basis, by:

- (i) tracing the payment service fee rates of the transaction amount or the fixed service fee per transaction to the customer contracts and tracing the transaction amount to the order information or bank statements;
- (ii) tracing the revenue recognised from foreign currency exchange transactions to bank transaction records;
- (iii) performing confirmation procedures with customers for relevant account balances for digital payment services.

For revenue from fixed fee on monthly, quarterly or annual basis, we traced the fixed fee and service period to the customer contracts, and recalculated the revenue recognised over time and agreed to revenue subledgers on a sample basis.

Based on the above procedures, we found the revenue recognition of digital payment services was supported by the evidence we obtained.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is WONG, Kam Chin.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 26 March 2026

Consolidated Statements of Comprehensive Income/(Loss)

(All amounts in RMB unless otherwise stated)

	Note	Year ended 31 December	
		2025 RMB'000	2024 RMB'000
Revenue	5	1,733,801	1,314,959
Cost of sales	6	(860,350)	(632,438)
Gross profit		873,451	682,521
Selling and marketing expenses	6	(269,875)	(248,265)
General and administrative expenses	6	(654,123)	(560,882)
Research and development expenses	6	(360,590)	(319,058)
Other income	8	302,498	212,377
Other gains/(losses) - net	9	2,320,884	(28,290)
Provision for impairment on financial assets	3.1(b)	(2,054)	(6,221)
Operating profit/(loss)		2,210,191	(267,818)
Finance income	10	24,230	8,053
Finance costs	10	(12,942)	(19,724)
Finance income/(costs) - net		11,288	(11,671)
Share of net loss of associates accounted for using the equity method	17	(139,340)	(292,518)
Profit/(loss) before income tax		2,082,139	(572,007)
Income tax (expenses)/credits	11	(420,016)	405,469
Profit/(loss) for the year		1,662,123	(166,538)
Profit/(loss) for the year attributable to:			
– Owners of the Company		1,663,754	(168,219)
– Non-controlling interests		(1,631)	1,681
		1,662,123	(166,538)
Earnings/(loss) per share attributable to the owners of the Company			
Basic earnings/(loss) per share (in RMB)	12(a)	1.56	(0.16)
Diluted earnings/(loss) per share (in RMB)	12(b)	1.51	(0.16)
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		10,509	(2,099)
Items that will not be reclassified to profit or loss			
Changes in the fair value of equity investment at fair value through other comprehensive income, net off tax impact		(8,210)	10,059
Other comprehensive income for the year, net of income tax		2,299	7,960
Total comprehensive income/(loss) for the year		1,664,422	(158,578)
Total comprehensive income/(loss) for the year attributable to:			
– Owners of the Company		1,665,324	(161,406)
– Non-controlling interests		(902)	2,828
		1,664,422	(158,578)

The notes on pages 150 to 252 are an integral part of the consolidated financial statements.

Consolidated Balance Sheets

(All amounts in RMB unless otherwise stated)

	Note	As at 31 December	
		2025 RMB'000	2024 RMB'000
Assets			
Non-current assets			
Property, plant and equipment	13	108,907	119,557
Right-of-use assets	14(a)	26,736	29,202
Investment properties	15	156,953	161,012
Intangible assets	16	18,646	19,359
Deferred income tax assets	33	18,102	425,252
Investments accounted for using the equity method	17	766,937	–
Financial assets at fair value through other comprehensive income (“FVOCI”)	22	41,181	50,840
Financial assets at fair value through profit or loss (“FVPL”)	21(a)	–	69,363
Long-term investments measured at amortized cost	23	102,102	–
Total non-current assets		1,239,564	874,585
Current assets			
Prepayments, other receivables and other current assets	19	151,049	158,402
Trade receivables	20	106,351	93,038
Financial assets at FVPL	21(a)	333,297	283,639
Funds segregated for customers and restricted cash	24	19,483,847	12,606,903
Cash and cash equivalents	24	1,627,606	522,250
Total current assets		21,702,150	13,664,232
Total assets		22,941,714	14,538,817
Liabilities			
Non-current liabilities			
Borrowings	31	125,800	136,850
Lease liabilities	14(b)	12,512	14,562
Deferred income tax liabilities	33	1,700	–
Deferred income	32	–	12,640
Total non-current liabilities		140,012	164,052
Current liabilities			
Trade payables	29	113,636	74,710
Contract liabilities	5(d)	12,782	10,407
Income tax payables		6,114	7,277
Borrowings	31	22,217	342,463
Lease liabilities	14(b)	12,225	12,893
Accruals and other payables	30	19,562,854	12,691,508
Total current liabilities		19,729,828	13,139,258
Total liabilities		19,869,840	13,303,310

Consolidated Balance Sheets

(All amounts in RMB unless otherwise stated)

	Note	As at 31 December	
		2025 RMB'000	2024 RMB'000
Equity			
Share capital	25	1,121,098	1,079,060
Shares held by the Company	26	(109,919)	–
Shares held by a trustee	26	(274,468)	–
Other reserves	27	3,524,452	2,998,072
Accumulated losses		(1,186,377)	(2,848,796)
Equity attributable to owners of the Company		3,074,786	1,228,336
Non-controlling interests		(2,912)	7,171
Total equity		3,071,874	1,235,507
Total equity and liabilities		22,941,714	14,538,817

The notes on pages 150 to 252 are an integral part of the consolidated financial statements.

The financial statements on pages 145 to 252 were approved by the board of directors (the “Board”) on 26 March 2026 and were signed on its behalf.

Xin Jie
Director

Wei Ping
Director

Consolidated Statements of Changes in Equity

(All amounts in RMB unless otherwise stated)

	Attributable to owners of the Company								
	Note	Share capital	Treasury Shares	Shares held by a trustee	Other reserves	Accumulated losses	Total	Non-controlling interests	Total equity
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2024		1,014,760	-	-	2,255,086	(2,680,545)	589,301	4,343	593,644
(Loss)/profit for the year		-	-	-	-	(168,219)	(168,219)	1,681	(166,538)
Other comprehensive income		-	-	-	6,813	-	6,813	1,147	7,960
Total comprehensive income/(loss)		-	-	-	6,813	(168,219)	(161,406)	2,828	(158,578)
Transactions with equity holders of the Company:									
Profit appropriations to statutory reserves	27	-	-	-	32	(32)	-	-	-
Share-based compensation	7, 28	-	-	-	237,432	-	237,432	-	237,432
Issue of ordinary shares upon global offering	25, 27	64,300	-	-	498,709	-	563,009	-	563,009
Balance as at 31 December 2024		1,079,060	-	-	2,998,072	(2,848,796)	1,228,336	7,171	1,235,507
Balance as at 1 January 2025		1,079,060	-	-	2,998,072	(2,848,796)	1,228,336	7,171	1,235,507
Profit/(loss) for the year		-	-	-	-	1,663,754	1,663,754	(1,631)	1,662,123
Other comprehensive income		-	-	-	1,570	-	1,570	729	2,299
Total comprehensive income/(loss)		-	-	-	1,570	1,663,754	1,665,324	(902)	1,664,422
Transactions with equity holders of the Company:									
Profit appropriations to statutory reserves	27	-	-	-	1,335	(1,335)	-	-	-
Additions of shares held by a trustee	26	-	-	(274,468)	-	-	(274,468)	-	(274,468)
Purchase of own shares	26	-	(109,919)	-	-	-	(109,919)	-	(109,919)
Transactions with non-controlling interests	27	-	-	-	(13,697)	-	(13,697)	(9,181)	(22,878)
Exercise of share options		3,638	-	-	13,640	-	17,278	-	17,278
Share-based compensation	7, 28	-	-	-	209,046	-	209,046	-	209,046
Issuance of ordinary shares	25, 27	38,400	-	-	314,486	-	352,886	-	352,886
Balance as at 31 December 2025		1,121,098	(109,919)	(274,468)	3,524,452	(1,186,377)	3,074,786	(2,912)	3,071,874

The notes on pages 150 to 252 are an integral part of the consolidated financial statements.

Consolidated Statements of Cash Flows

(All amounts in RMB unless otherwise stated)

	Note	Year ended 31 December	
		2025 RMB'000	2024 RMB'000
Cash flows from operating activities			
Cash used in operations	35(a)	(97,179)	(286,203)
Interests received		223,047	182,998
Income tax paid		(13,481)	(7,853)
Net cash generated from/(used in) operating activities		112,387	(111,058)
Cash flows from investing activities			
Proceeds from disposal of financial assets at FVPL	21(b)	6,655,273	80,365
Proceeds from disposal of investments accounted for using the equity method	9	1,601,460	–
Other investment income received	8	1,631	405
Proceeds from disposal of property, plant and equipment and intangible assets		–	47
Payment for financial assets at FVPL	21(b)	(6,669,361)	(190,487)
Payments for acquisition of long-term investments measured at amortized cost	23	(100,591)	–
Disposal of a subsidiary		(65,656)	–
Payment for acquisition of property, plant and equipment		(13,492)	(14,239)
Payment for acquisition of intangible assets		(4,619)	(7,119)
Payment for acquisition of investments accounted for using the equity method	17(b)	(2,720)	–
Net cash generated from/(used in) investing activities		1,401,925	(131,028)
Cash flows from financing activities			
Proceeds from issuance of ordinary shares	25, 27	352,886	–
Proceeds from borrowings		190,510	997,089
Proceeds from exercise of share options		17,278	–
Proceeds from issuance of ordinary shares upon global offering	25, 27	–	563,009
Repayment of borrowings		(521,282)	(955,516)
Payments for shares held by a trustee	26	(274,468)	–
Payments for purchase of own shares	26	(109,919)	–
Transactions with non-controlling interests	27	(21,448)	–
Principal and interests of lease payments	14(b)	(16,141)	(13,869)
Interests of borrowings paid		(11,994)	(18,677)
Payments for listing expenses		–	(2,905)
Net cash (used in)/generated from financing activities		(394,578)	569,131
Net increase in cash and cash equivalents			
Cash and cash equivalents at beginning of the year		522,250	189,840
Effects of exchange rate changes on cash and cash equivalents		(14,378)	5,365
Cash and cash equivalents at end of the year	24	1,627,606	522,250

The notes on pages 150 to 252 are an integral part of the consolidated financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts in RMB unless otherwise stated)

1 GENERAL INFORMATION

Lianlian DigiTech Co., Ltd. (the “Company”) was incorporated in the People’s Republic of China (the “PRC” or China) on 2 February 2009. The address of the Company’s registered office is B3, 12/F, Building 1, No. 79 Yueda Alley, Binjiang District, Hangzhou, Zhejiang, the PRC. In December 2020, the Company was converted into a joint stock limited company.

The Company is an investment holding company. The Company and its subsidiaries (together, the “Group”) are principally engaged in provision of digital payment services and value-added services worldwide. The ultimate controlling party of the Group is Mr. Zhang Zhengyu.

The Company completed its initial public offering and listed its shares on the Main Board of The Stock Exchange of Hong Kong on 28 March 2024.

The consolidated financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand RMB (RMB’000), unless otherwise stated.

These consolidated financial statements of the Group have been approved for issue by the Board on 26 March 2026.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group has been prepared in accordance with IFRS Accounting Standards and disclosure requirements of the Hong Kong Companies Ordinance. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at FVPL or FVOCI, which are carried at fair value.

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4 below.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (continued)**2.1 Basis of preparation** (continued)**(a) Amended standard adopted by the Group**

The Group has applied the following amended standard for its annual Reporting Period commencing 1 January 2025:

	Amended standard	Effective date
Amendments to IAS 21	Lack of exchangeability	1 January 2025

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) New and amended standards and interpretations not yet adopted

Certain amendments to accounting standards and interpretation have been published that are not mandatory for the year ended 31 December 2025 and have not been early adopted by the Group.

	New/amended standards	Effective date
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
Amendment to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Volume 11	Annual Improvements to IFRS Accounting Standards	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability	1 January 2027
Amendment to IAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37	Disclosures about Uncertainties in the Financial Statements	Not applicable

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

(b) New and amended standards and interpretations not yet adopted (continued)

According to the assessment made by the directors of the Company, these new and amended standards are either not relevant to the Group or not significant to the financial performance and positions of the Group when they become effective, except for IFRS 18 which will mainly impact the presentation of the consolidated statements of comprehensive income/(loss).

IFRS 18 will replace IAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

IFRS 18, and the consequential amendments to other IFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

Impact on consolidated statements of comprehensive income/(loss):

Although the adoption of IFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the income statement into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:

- Foreign exchange differences currently aggregated in the line item "other gains/(losses)-net" in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit, unless doing so would involve undue cost or effort.
- Goodwill will be separately presented in the statement of financial position, which is currently aggregated in 'intangible assets'.
- Interest received will be presented as investing cash flows, which is a change from current presentation as part of operating cash flows.
- Certain additional disclosures will be added.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by management of the Group. The Group currently does not use any derivative financial instruments to hedge certain risk exposure.

(a) Market risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the Company and its subsidiaries.

The Group's overseas subsidiaries have transactions with their business partners (sometimes the business partners were also the group entities) that denominated in RMB or other currencies, which are different with their respective functional currencies. This also exposes the Group to foreign exchange risk.

As at 31 December 2025, for the group entities whose functional currency is USD, if the RMB and other currencies strengthened/weakened by 5% against the USD with all other variables held constant, profit before income tax for the year would have been approximately RMB51,416,000 lower/higher (31 December 2024: loss before income tax would have been RMB31,899,000 higher/lower).

The functional currency of the Group's subsidiaries in the PRC is RMB. Management considered the foreign exchange risk of these PRC subsidiaries is minimal because most transactions were denominated and settled in RMB.

For the foreign exchange risk derived from the future settlement of funds segregated for customers and restricted cash from the global payment services of the Group, which are reflected on the balance sheet as funds segregated for customers and other payables at the end of the Reporting Period, the Group considers that the businesses in the PRC or overseas are not exposed to any significant foreign exchange risk as funds segregated for customers and other payables of these subsidiaries are mainly denominated in the same currencies.

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group has no significant interest-bearing assets and liabilities, except for cash and cash equivalents (Note 24), funds segregated for customers and restricted cash (Note 24), long-term investments measured at amortized cost (Note 23) and borrowings (Note 31). Those carried at floating rates expose the Group to cash flow interest rate risk whereas those carried at fixed rates expose the Group to fair value interest rate risk.

The Group's interest rate risk mainly arises from borrowings. As at 31 December 2025 and 2024, the Group's borrowings carried at fixed rates and floating rates, which exposed the Group to fair value interest rate risk and cash flow interest rate risk.

Management does not anticipate significant impact on the Group's profit or loss and equity resulted from the reasonably possible changes in interest rates.

(b) Credit risk

Credit risk mainly arises from cash and cash equivalents, funds segregated for customers and restricted cash, long-term investments measured at amortized cost, trade receivables and other receivables. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated balance sheets.

(i) Risk management

The Group expects that there is no significant credit risk associated with cash and cash equivalents, funds segregated for customers and restricted cash, since they are deposited at state-owned banks or reputable commercial banks which are high-credit-quality financial institutions. Management does not expect that there will be any significant losses from non-performance by these counterparties. The expected credit loss is immaterial.

For long-term investments measured at amortized cost, mainly including certificates of deposit whose contractual cash flows are solely principal and interest, management makes periodic collective assessments as well as individual assessment on the recoverability based on historical settlement records and past experiences. In view of the sound rating of debtors, management believes that the credit risk inherent in those investments is not significant.

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(i) Risk management (continued)

For trade receivables, the Group has policies in place to ensure that transactions with credit terms are made to counterparties with an appropriate credit history. Management performs ongoing credit evaluations of its counterparties, of which the credit quality is assessed by taking into account their financial position, past experience and other factors (Note 3.1(b)(ii)).

For other receivables, management makes periodic assessment on the recoverability of other receivables based on historical settlement records and past experiences. In view of the history of cooperation with debtors and the sound collection history of receivables due from them, management believes that other receivables have not had a significant increase in credit risk since initial recognition. Thus, a 12-month expected credit losses approach that results from possible default event within 12 months is adopted by management (Note 3.1(b)(ii)).

(ii) Impairment of financial assets

Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, account receivables have been grouped based on similar credit risk characteristics and collectively assessed to likelihood of recovery, taking into account the industries that the customer are operating in, their aging category and past collection history. For trade receivables, management makes periodic assessments as well as individual assessment on the recoverability based on historical settlement records and past experience and adjusts for forward looking information.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts in RMB unless otherwise stated)

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Impairment of financial assets (continued)

Trade receivables (continued)

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2025 or 1 January 2025 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product index ("GDP"), consumer price index ("CPI") to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The loss allowance as at 31 December 2025 and 2024 was determined as follows for trade receivables.

As at 31 December 2025			
Aging category based on invoice date	Gross carrying amount RMB'000	Expected credit loss rate	Loss allowance RMB'000
Within 3 months	97,548	2.79%	(2,725)
3 months to 6 months	9,484	15.26%	(1,447)
6 months to 1 year	5,526	36.83%	(2,035)
More than 1 year	4,656	100.00%	(4,656)
	117,214	9.27%	(10,863)

As at 31 December 2024			
Aging category based on invoice date	Gross carrying amount RMB'000	Expected credit loss rate	Loss allowance RMB'000
Within 3 months	84,013	2.73%	(2,290)
3 months to 6 months	10,963	11.44%	(1,254)
6 months to 1 year	2,796	42.56%	(1,190)
More than 1 year	5,377	100.00%	(5,377)
	103,149	9.80%	(10,111)

3 FINANCIAL RISK MANAGEMENT (continued)**3.1 Financial risk factors** (continued)**(b) Credit risk** (continued)*(ii) Impairment of financial assets* (continued)

Trade receivables (continued)

Movements in allowance for impairment of trade receivables are as follows:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
At beginning of the year	(10,111)	(4,602)
Increase in loss allowance	(1,984)	(5,509)
Written off	1,232	–
At end of the year	(10,863)	(10,111)

Trade receivables are written off when there is a failure of a debtor to make contractual payments for a period of greater than 3 years past due.

Other financial assets at amortised cost

The Group's other financial assets at amortised cost include other receivables.

Other receivables

Other receivables mainly include other receivables from deposits for payment channels and rentals and advance paid on behalf of customers. Other receivables that are not credit-impaired on initial recognition are classified in stage 1 and the expected credit losses are measured as 12-month expected credit losses. If a significant increase in credit risk of other receivable has occurred since initial recognition, the financial asset is moved to 'stage 2' but is not yet deemed to be credit-impaired. The expected credit losses are measured as lifetime expected credit loss. If any financial asset is credit-impaired, it is then moved to 'stage 3' and the expected credit loss is measured as lifetime expected credit loss.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts in RMB unless otherwise stated)

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Impairment of financial assets (continued)

Other financial assets at amortised cost (continued)

Other receivables (continued)

Management considers the probability of default upon initial recognition of asset and whether there has been significant increase in credit risk on an ongoing basis for the years ended 31 December 2025 and 2024. To assess whether there is a significant increase in credit risk, the Group compares risk of a default occurring on the assets with the risk of default as at the date of initial recognition. Indicators that significant increase in credit risk include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 30 days past due. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- actual or expected significant changes in the operating results of the counterparty;
- significant changes in the expected performance and behaviour of the counterparty, including changes in the payment status of the counterparty.

Management makes periodic assessments on these financial assets based on historical settlement records and past experience and adjusts for forward looking information, and believes that other receivables has not had a significant increase in credit risk since initial recognition.

3 FINANCIAL RISK MANAGEMENT (continued)**3.1 Financial risk factors** (continued)**(b) Credit risk** (continued)*(ii) Impairment of financial assets* (continued)

Other financial assets at amortised cost (continued)

Other receivables (continued)

Movements on the Group's allowance of impairment of other receivables at amortised cost are as follows:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
At beginning of the year	(976)	(264)
Increase in loss allowance	(70)	(712)
At end of the year	(1,046)	(976)

Movements on the Group's allowance of impairment of financial assets at amortised cost are summarised as follows:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
At beginning of the year	(11,087)	(4,866)
Increase in loss allowance	(2,054)	(6,221)
Written off	1,232	–
At end of the year	(11,909)	(11,087)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts in RMB unless otherwise stated)

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk

The Group aims to maintain sufficient cash and cash equivalents for its business development and expansion. Due to the dynamic nature of the underlying businesses, the policy of the Group is to regularly monitor the Group's liquidity risk and to maintain adequate cash and cash equivalents to meet the Group's liquidity requirements.

The table below analyses the Group's financial liabilities that will be settled into relevant maturity grouping based on the remaining period at each balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
As at 31 December 2025					
Trade payables	113,636	–	–	–	113,636
Lease liabilities (Note 14(b))	13,212	7,759	5,256	–	26,227
Borrowing (including interests)	26,556	15,040	43,142	92,979	177,717
Other payables (excluding VAT payables, other tax payables and staff salaries and welfare payables)	19,373,903	–	–	–	19,373,903
	19,527,307	22,799	48,398	92,979	19,691,483

3 FINANCIAL RISK MANAGEMENT (continued)**3.1 Financial risk factors** (continued)**(c) Liquidity risk** (continued)

	Less than 1 year <i>RMB'000</i>	Between 1 and 2 years <i>RMB'000</i>	Between 2 and 5 years <i>RMB'000</i>	Over 5 years <i>RMB'000</i>	Total <i>RMB'000</i>
As at 31 December 2024					
Trade payables	74,710	–	–	–	74,710
Lease liabilities (Note 14(b))	13,742	11,344	3,628	–	28,714
Borrowing (including interests)	354,988	16,813	47,799	111,817	531,417
Other payables (excluding VAT payables, other tax payables and staff salaries and welfare payables)	12,553,234	–	–	–	12,553,234
	12,996,674	28,157	51,427	111,817	13,188,075

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for equity holders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital by regularly reviewing the capital structure. As a part of this review, management of the Company considers the cost of capital and the risks associated with the issued share capital. The Group may issue new shares in order to maintain or adjust the capital structure. The capital structure was measured by the asset-liability ratio, which is "total liabilities" divided by "total assets" as shown in the consolidated balance sheets. The Group aims to maintain the asset-liability ratio at a reasonable level.

As at 31 December 2025 and 2024, the asset-liability ratio was as follows:

	As at 31 December	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Total liabilities	19,869,840	13,303,310
Total assets	22,941,714	14,538,817
Asset-liability ratio	87%	92%

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation

(a) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

Level 1: The fair value of financial instruments traded in active markets is based on quoted market. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing price for the stocks listed in the HKEx. In addition, highly liquid investments with underlying in bank term deposits held by the Group are also classified as Level 1 financial instruments. Highly liquid investments with underlying in bank term deposits qualify for Level 1 measurement because they are traded in active, highly liquid markets where quoted net asset values (NAVs) are published on a daily basis by fund managers or authorized pricing services. These published NAVs represent real-time, arm's length transaction prices, as highly liquid investments with underlying in bank term deposits are continuously issued and redeemed at the quoted NAV, with transactions occurring regularly between market participants at transparent, readily available prices. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices; and
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The carrying amounts of the Group's financial assets include cash and cash equivalents, trade and other receivables (excluding non-financial assets), and financial liabilities including trade and other payables (excluding non-financial liabilities) and borrowings approximate their fair values due to their short maturities or the effective interest rates on those borrowings is close to current market rates.

As at 31 December 2025 and 2024, none of the Group's financial liabilities are measured at fair value. The following tables present the Group's assets at FVPL as at 31 December 2025 and 2024.

3 FINANCIAL RISK MANAGEMENT (continued)**3.3 Fair value estimation** (continued)**(a) Fair value hierarchy** (continued)

Recurring fair value measurements at 31 December 2025

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets				
Financial assets at FVPL				
– Highly liquid investments with underlying in bank term deposits (Note 24)	539,675	–	–	539,675
– Unlisted equity investments (Note 21)	–	–	211,507	211,507
– Treasury investments (Note 21)	12,223	100,000	–	112,223
– Listed equity securities (Note 21)	9,567	–	–	9,567
	561,465	100,000	211,507	872,972
Financial assets at FVOCI				
– Unlisted equity investments (Note 22)	–	–	41,181	41,181
	561,465	100,000	252,688	914,153

Recurring fair value measurements at 31 December 2024

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets				
Financial assets at FVPL				
– Unlisted equity investments (Note 21)	–	–	248,228	248,228
– Treasury investments (Note 21)	–	–	87,970	87,970
– Listed equity securities (Note 21)	16,804	–	–	16,804
	16,804	–	336,198	353,002
Financial assets at FVOCI				
– Unlisted equity investments (Note 22)	–	–	50,840	50,840
	16,804	–	387,038	403,842

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the years ended 31 December 2025 and 2024.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts in RMB unless otherwise stated)

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

(b) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 instruments for the years ended 31 December 2025 and 2024:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Opening balance 1 January	387,038	313,772
Additions (Note 21)	–	164,929
Fair value change and disposal gains recognised in profit or loss under "other gains/(losses) - net" (Note 21)	(35,619)	(25,033)
Fair value change recognised in profit or loss under other comprehensive income/(loss) (Note 22)	(9,659)	11,834
Foreign currency translation	(1,102)	1,901
Disposal (Note 21)	(87,970)	(80,365)
Closing balance 31 December	252,688	387,038

The following table summarises the quantitative information about the significant unobservable inputs used in major level 3 fair value measurements:

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

(b) Fair value measurements using significant unobservable inputs (level 3) (continued)

Description	Fair value		Significant unobservable inputs	Range of inputs		Relationship of unobservable inputs to fair value
	As at 31 December 2025 RMB'000	2024 RMB'000		2025	2024	
Treasury investments	-	87,970	Expected rate of return	Not applicable	4.00%-5.50%	If the expected rate of return had increased/decreased by 10% with all other variables held constant, the fair value at the year ended 31 December 2024 would have increased/decreased by RMB95,000 (2025: Not applicable)
Unlisted equity and hybrid investments	171,577	178,865	Discount for lack of marketability ("DLOM")	30.00%	30.00%	If the DLOM had increased/decreased by 10% with all other variables held constant, the fair value at the year ended 31 December 2025 would have increased/decreased by RMB8,774,000 (2024: increased/decreased RMB8,694,000)
- Financial assets at FVPL			Estimated equity price volatility	56.43%	67.78%	If the estimated equity price volatility had increased/decreased by 10% with all other variables held constant, the fair value at the year ended 31 December 2025 would have increased/decreased by RMB465,000 (2024: increased/decreased RMB1,357,000)
- Financial assets at FVPL	39,473	68,896	Average growth rate of income	22.78%	23.47%	If the average growth rate of income had increased/decreased by 10% with all other variables held constant, the fair value at the year ended 31 December 2025 would have increased/decreased by RMB8,127,000 (2024: RMB10,051,000)
			DLOM	20.00%	20.00%	If the DLOM had increased/decreased by 10% with all other variables held constant, the fair value at the year ended 31 December 2025 would have decreased/increased by RMB580,000 (2024: increased/decreased RMB1,198,000)
			Discount rate	13.00%	13.00%	If the discount rate had increased/decreased by 10% with all other variables held constant, the fair value at the year ended 31 December 2025 would have decreased/increased by RMB4,644,000 (2024: increased/decreased RMB7,788,000)

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts in RMB unless otherwise stated)

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

(b) Fair value measurements using significant unobservable inputs (level 3) (continued)

Description	Fair value		Significant unobservable inputs	Range of inputs		Relationship of unobservable inputs to fair value
	As at 31 December			2025	2024	
	2025 RMB'000	2024 RMB'000				
- Financial assets at FVOCI	41,181	50,840	Price/Earnings multiple	9.58	11.31	If the Price/Earnings multiple had increased/decreased by 10% with all other variables held constant, the fair value at the year ended 31 December 2025 would have increased/decreased by RMB4,118,000 (2024: increased/decreased RMB5,084,000)
			DLOM	30.00%	30.00%	If the DLOM had increased/decreased by 10% with all other variables held constant, the fair value at the year ended 31 December 2025 would have decreased/increased by RMB1,765,000 (2024: increased/decreased RMB2,179,000)
Total	252,231	386,571				

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

(c) Valuation processes

In relation to the valuation of level 3 instruments, the directors (i) selected qualified persons with adequate knowledge and conducted valuation on the investments in unlisted companies and financial instruments without readily determinable fair value; (ii) engaged competent independent third-party valuer to appraise the fair value of certain investments that are significant; (iii) reviewed and agreed on the valuation approaches adopted and key assumptions used based on the knowledge and understanding of the industrial data and development and the commercial strategies of the investee business; and (iv) approved the results if the procedures were deemed satisfactory. Based on the above processes, the directors are of the view that the valuation analysis performed by the Group is fair and reasonable, and the fair value measurements of level 3 instruments are properly prepared.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Fair value for financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group involves engaged independent valuer to determine the inputs used in the fair value measurements. For details of the key assumptions used and the impact of changes to these assumptions see Note 3.3.

(b) Expected credit loss

The loss allowance for financial assets arising from credit risk is based on assumptions about risk of defaults and expected loss rates. The Group uses judgements in making these assumptions and selecting the inputs to the loss allowance calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each Reporting Period.

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4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(c) Current and deferred income taxes

The Group is mainly subject to income tax in China, but are also subject to taxation on profit arising in or derived from the tax jurisdiction where the subsidiaries are domiciled and operate outside of China. Income taxes are assessed and determined on an entity basis. There are transactions (including entitlement to preferential tax treatment and deductibility of expenses) where the ultimate tax determination is uncertain until the final tax position is confirmed by relevant tax authorities. In addition, the Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes could be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, the differences will impact the income tax and deferred tax provisions in the period in which the determination is made.

Deferred income tax is recognized for all temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available in the future against which the temporary differences, the carry forward of unused tax credits and unused tax losses could be utilized. Deferred income tax is provided in full, using the liability method. The deferred tax assets recognized are mainly related to tax losses carried forward, as well as temporary differences arising from licensed copyrights, property and equipment, and expenses which are not deductible until paid under the applicable PRC tax laws. The Group has also recognized deferred tax liabilities on the undistributed earnings generated by our subsidiaries in China, which are subject to withholding tax when the subsidiaries resolve to distribute dividends to the Group.

5 REVENUE AND SEGMENT INFORMATION**(a) Revenue**

The principal activities of the Group are digital payment services and value-added services. Categorized by geographical coverage, digital payment services include global payment and domestic payment. For global payment, the Group primarily helps merchants who sell their goods on global and regional e-commerce platforms to repatriate their funds. For domestic payment, the Group acts primarily as a payment service provider to help enterprise customers to streamline their fund collection process and reduce operational costs by offering enterprise customers a digital platform, which consolidates payment information from various online and offline payment methods initiated by end-buyers when purchasing goods.

Breakdown of revenue by business lines is as follows:

	Year ended 31 December	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from contracts with customers:		
Digital payment services	1,450,023	1,150,632
Value-added services	264,886	146,193
Rental income	18,892	18,134
	1,733,801	1,314,959
Revenue from contracts with customers:		
At a point in time	1,694,804	1,278,656
Over time	38,997	36,303
	1,733,801	1,314,959

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5 REVENUE AND SEGMENT INFORMATION (continued)

(b) Segment information

The Group's chief operating decision-maker ("CODM") consisting of the executive directors and the other key management, examines the Group's performance from a product perspective. Management has determined the operating segments based on the reports reviewed by CODM that are used to make strategic decisions. On this basis, the Group evaluated its operating segments separately or aggregately, and determined that it has reportable segments as follows:

- Global payment
- Domestic payment
- Value-added services
- Others

The unallocated amount in segment assets and liabilities mainly includes the long-term equity investments in Express (Hangzhou) Technology Services Company Limited ("LianTong") and DFX Advance, the equity investments in Hangzhou Hyperchain Technology Co., Ltd. ("Hyperchain Technology"), the investments in treasury investments, the investments in listed equity securities and the investments in long-term investments measured at amortized cost. The unallocated amount in profit or loss mainly includes gains on disposal of investments accounted for using the equity method, dilution gains, investment gains or losses, deferred income tax expenses and share based compensation expenses of senior management.

(i) Segment results, assets and liabilities

Segment information as at and for the year ended 31 December 2025 is as follows:

	Global payment RMB'000	Domestic payment RMB'000	Value-added services RMB'000	Others RMB'000	Unallocated amounts RMB'000	Inter- segment elimination RMB'000	Total RMB'000
Revenue	1,044,586	405,437	264,886	18,892	-	-	1,733,801
Cost of sales	(289,533)	(311,991)	(245,816)	(13,010)	-	-	(860,350)
Segment gross profit	755,053	93,446	19,070	5,882	-	-	873,451
Depreciation, amortisation and impairment charges included in segment cost	(11,149)	(16,984)	(4,996)	(6,756)	-	-	(39,885)
Finance income	17,143	1,877	1	5,209	-	-	24,230
Finance costs	(4,270)	(3,294)	-	(5,378)	-	-	(12,942)
Share of net loss of associates accounted for using the equity method	-	-	-	-	(139,340)	-	(139,340)
Profit/(loss) before income tax	363,910	(56,511)	(38,159)	(89,361)	1,902,260	-	2,082,139
Income tax expenses	(5,705)	(12,697)	(685)	(564)	(400,365)	-	(420,016)
Profit/(loss) for the year	358,205	(69,208)	(38,844)	(89,925)	1,501,895	-	1,662,123
Segment assets	17,310,763	3,805,917	130,146	288,925	4,037,806	(2,631,843)	22,941,714
Segment liabilities	17,966,052	2,683,240	61,921	185,009	661,294	(1,687,676)	19,869,840

5 REVENUE AND SEGMENT INFORMATION (continued)**(b) Segment information** (continued)**(i) Segment results, assets and liabilities** (continued)

Segment information as at and for the year ended 31 December 2024 is as follows:

	Global payment RMB'000	Domestic payment RMB'000	Value-added services RMB'000	Others RMB'000	Unallocated amounts RMB'000	Inter- segment elimination RMB'000	Total RMB'000
Revenue	807,772	342,860	146,193	18,134	–	–	1,314,959
Cost of sales	(226,408)	(275,234)	(118,240)	(12,556)	–	–	(632,438)
Segment gross profit	581,364	67,626	27,953	5,578	–	–	682,521
Depreciation, amortisation and impairment charges included in segment cost	(7,245)	(16,187)	(3,235)	(8,181)	–	–	(34,848)
Finance income	2,478	525	6	5,044	–	–	8,053
Finance costs	(6,977)	(6,581)	–	(6,166)	–	–	(19,724)
Share of net loss of associates accounted for using the equity method	–	–	–	–	(292,518)	–	(292,518)
Profit/(loss) before income tax	126,866	(79,602)	(18,968)	(71,470)	(528,833)	–	(572,007)
Income tax credits/(expenses)	11,189	907	(662)	48	393,987	–	405,469
Profit/(loss) for the year	138,055	(78,695)	(19,630)	(71,422)	(134,846)	–	(166,538)
Segment assets	10,776,505	2,879,348	153,935	856,515	2,673,364	(2,800,850)	14,538,817
Segment liabilities	11,208,928	2,353,431	65,406	322,881	988,584	(1,635,920)	13,303,310

(c) Information about major customers

No revenue from services provided to a single customer accounted for 10% or more of total revenue of the Group for the years ended 31 December 2025 and 2024.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts in RMB unless otherwise stated)

5 REVENUE AND SEGMENT INFORMATION (continued)

(d) Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Contract liabilities – Current	12,782	10,407

(i) Changes in contract liabilities

Contract liabilities of the Group mainly arise from the advance payments made by customers while services are yet to be provided.

(ii) Revenue recognised that was included in the balance of contract liabilities at the beginning of the year

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Credited to the consolidated statements of comprehensive income/(loss)	10,407	12,645

(e) Transaction price allocated to unsatisfied long-term contract

The Group has no significant unsatisfied performance obligations arising from revenue contracts that have an original expected duration more than one year, thus management applied practical expedient under IFRS 15 and is not disclosing the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied or partially satisfied at the end of the Reporting Period.

5 REVENUE AND SEGMENT INFORMATION (continued)

(f) Accounting policies of revenue recognition

Revenues are principally arising from digital payment services and value-added services. The Group recognises revenues when or as the control of the promised goods or services is transferred to the customers, netting of value-added taxes (“VAT”) and discounts. Depending on the terms of the contracts and the laws that apply to the contracts, control of the goods and services may be transferred over time or at a point in time. Control of the goods and services is transferred over time if the Group’s performance:

- provides all the benefits received and consumed simultaneously by the customer; or
- creates and enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the promised goods or services is transferred over time, revenues are recognised over the period of the contracts by reference to the progress towards complete satisfaction of those performance obligations. Otherwise, revenues are recognised at a point in time when the customers obtain control of the promised goods or services. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

When either party to a contract has performed, the Group presents the contract in the balance sheets as a contract asset or a contract liability, depending on the relationship between the entity’s performance and the customer’s payment. A contract liability represents the Group’s obligation to provide service to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

(i) *Digital payment services*

The Group considers that it acts as a principal in offering payment services to the customers as the Group (1) is the primary obligor in the arrangement; (2) has latitude in establishing the selling price, i.e. service fee rate; and (3) has involvement in the determination of product or services specifications; and (4) has discretion in the selection of distribution channels to assist its payment services and to maintain relationship with its customers and to handle their enquiries about the services. The Group shares its service revenue with distribution channels in accordance with the service agreements entered into with them and the related commissions are recognized as its cost of revenue of the payment services.

The Group provides digital payment services, which mainly include pay-in, pay-out, acquiring, foreign exchange, virtual card and payment aggregation services.

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(All amounts in RMB unless otherwise stated)

5 REVENUE AND SEGMENT INFORMATION (continued)

(f) Accounting policies of revenue recognition (continued)

(i) *Digital payment services* (continued)

The fee of global and domestic payment services is mainly calculated based on applicable service fee rates of the transaction amount or a fixed services fee per transaction as agreed in the customer contracts. Revenue under such arrangement is recognised, at a point in time, upon completion of the payment services. The Group also collects a fixed fee on monthly, quarterly or annual basis from its customers, of which the revenue is recognised over a period of time.

In addition, the Group also provides global foreign exchange conversion services to the customers. Currency exchange income is recognised at a point in time when the currency exchange transaction is completed.

A contract liability is recognized when customers pay the service fee in advance.

(ii) *Value-added services*

The Group also provides a series of value-added services such as (i) business services including digital marketing and referral services, (ii) technology services including account and e-wallet services and software development services. Revenues for most of the value-added services are recognised at a point of time when the service is provided to the customers. Account and e-wallet services fee is recognised over the service period.

(iii) *Rental income*

Rental income is recognised on a time proportion basis over the lease terms in accordance with IFRS 16 Leases.

6 EXPENSES BY NATURE

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Employee benefits (Note 7)	921,718	816,275
Processing fees to financial institutions and payment networks	505,184	346,116
Service charge	324,168	243,312
Professional service expenses	109,243	88,402
Marketing and promotion expenses	96,548	72,029
Travel and Entertainment Expense	41,420	37,980
Cloud Computing Service Fee	26,934	16,669
Office and telecommunication expenses	20,665	20,289
Depreciation of property, plant and equipment (Note 13)	16,178	13,716
Depreciation of right-of-use assets (Note 14(a))	15,114	12,973
Outsourcing labour costs	12,027	8,016
Auditors' remuneration		
– Audit services	5,050	5,180
– Non-audit services	1,792	1,784
Other taxes and surcharges	6,413	6,472
Expense relating to short-term leases (Note 14(b))	5,424	5,123
Property management expenses	5,288	4,656
Amortisation of intangible assets (Note 16)	4,534	4,132
Depreciation of investment properties (Note 15)	4,059	4,027
Listing expenses	–	7,799
Others	23,179	45,693
Total cost of sales, selling and marketing expenses, general and administrative expenses and research and development expenses	2,144,938	1,760,643

7 EMPLOYEE BENEFITS EXPENSES

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Wages, salaries and bonuses	568,438	468,494
Share-based compensation expenses (Note 28)	209,046	237,432
Employee social security plans, medical insurances, other social insurances obligations and housing benefits (a)	95,616	85,100
Welfare and other benefits	48,618	25,249
	921,718	816,275

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7 EMPLOYEE BENEFITS EXPENSES (continued)

(a) Employee social security plans, housing funds, medical insurances and other social insurances obligations

No forfeited contributions were utilised during the years end 31 December 2025 and 2024 to offset the Group's contribution to the abovementioned social security plans.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2025, include 2 (2024: 3) directors whose emoluments are reflected in analysis shown in Note 41 below. The emoluments payable to the remaining 3 (2024: 2) individuals for the years ended 31 December 2025 and 2024 are as follows:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Basic salaries, housing allowances, share options, other allowances and benefits in kind	27,753	18,485
Discretionary bonuses	5,848	2,900
Contribution to pension scheme	237	141
	33,838	21,526

The remaining highest paid individuals fell within the following bands:

	Year ended 31 December	
	2025	2024
Emolument bands:		
HK\$10,000,001-HK\$11,500,000	1	–
HK\$11,500,001-HK\$13,000,000	1	2
HK\$13,000,001-HK\$14,500,000	1	–
	3	2

8 OTHER INCOME

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Interest income on funds segregated for customers	284,353	206,717
Government grants (i)	17,028	4,741
Dividend income (ii)	1,117	919
	302,498	212,377

- (i) The amounts represent grants received from the local government, which are recognised in the profit or loss upon receipt of these cash rewards. There were no unfulfilled conditions or contingencies relating to these grants.
- (ii) For the years ended 31 December 2025 and 2024, dividends were from financial assets measured at FVOCI and FVPL.

9 OTHER GAINS/(LOSSES) - NET

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Gains on disposal of investments accounted for using the equity method (i)	1,601,460	–
Dilution gains resulted in deemed disposal of interests in associates (i)	453,156	–
Gains on disposal of a subsidiary (ii)	347,972	–
Gains on disposal of financial assets at FVPL	10,136	894
Gains/(losses) on disposal of property, plant and equipment and right-of-use assets	63	(113)
Fair value losses of financial assets at FVPL (Note 21(b))	(42,560)	(34,877)
Foreign exchange (losses)/gains, net	(41,903)	13,544
Others	(7,440)	(7,738)
	2,320,884	(28,290)

- (i) In December 2024, the Company entered into an equity transfer and capital increase agreement (the "Agreement") with American Express. Under the Agreement, American Express agreed to purchase from the Company 14.56% of the equity interests in LianTong at a cash consideration of RMB1,601,460,000 (the "Disposal"). Besides, pursuant to the Agreement, American Express would also make capital increase of RMB3,167,332,000 to LianTong (the "Capital Increase"). The Disposal and Capital Increase were approved by People's Bank of China in December 2024.

After the completion of the Disposal in February 2025 and Capital Increase in March 2025, the total board seats of LianTong changed to four, of which the Company held one and continued to have significant influence over LianTong. A disposal gain of RMB1,601,460,000 was recognised upon the completion of the Disposal (the carrying amount of the investment in LianTong as at disposal date is nil). The capital injection by American Express resulted in a deemed partial disposal of the Group's interest in LianTong whereby a dilution gain of RMB452,181,000 was recognised.

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9 OTHER GAINS/(LOSSES) - NET (continued)

- (ii) In December 2025, the Company's subsidiary DFX Advance undertook an equity financing transaction with third-party investors pursuant to which the Group's ownership interest was reduced from 100% to 49% and the Group holds only 1 out of 5 board seats. As a consequence of the reduced ownership interest and the changed corporate governance structure, DFX Advance was no longer controlled by the Group upon the completion of the transaction, but became an associate since the Group has significant influence over DFX Advance via the retained equity interest and the board representation.

Upon loss of control, the retained equity interest in DFX Advance was remeasured at fair value on the date of deconsolidation and recognised as the new carrying amount of RMB422,221,000 for this investment in an associate (Note 17(a)). The difference between the fair value of the retained interest and the net assets of DFX Advance included in the consolidated financial statements immediately before the deconsolidation was recognised in profit or loss as a gain on disposal of the subsidiary, amounting to RMB347,972,000.

10 FINANCE INCOME/(COSTS) - NET

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Finance income:		
Investment income on cash and cash equivalents	24,230	8,053
Finance costs:		
Interest expense on bank and other borrowings	(11,652)	(18,708)
Interest expense on lease liabilities (Note 14(b))	(1,290)	(1,016)
	(12,942)	(19,724)
Finance income/(costs) - net	11,288	(11,671)

11 INCOME TAX EXPENSES/(CREDITS)

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Current income tax expenses	9,717	3,917
Deferred income tax expenses/(credits) (Note 33)	410,299	(409,386)
	420,016	(405,469)

11 INCOME TAX EXPENSES/(CREDITS) (continued)

PRC corporate income tax

The Group's subsidiaries established and operated in Mainland China are subject to the EIT on the taxable income as reported in their respective statutory financial statements adjusted in accordance with the Enterprise Income Tax Law ("EIT Law"). Pursuant to the EIT Law, the Group's subsidiaries established in Mainland China are generally subject to EIT at the statutory rate of 25%.

Lianlian Yintong Electronic Payment Co., Ltd. ("Lianlian Yintong") and Lianlian (Hangzhou) Information Technology Co., Ltd. ("Lianlian Hangzhou") were respectively certified as High and New Technology Enterprises ("HNTEs") in 2023 and 2024. Consequently, each company is entitled to a preferential Corporate Income Tax ("CIT") rate of 15% for a three-year period commencing from its respective qualification date.

Lianlian Bao (Hangzhou) obtained the High-Tech Enterprise qualification in 2021, and successfully renewed the qualification every year. Accordingly, it is entitled to a preferential EIT rate of 15% for the year ended 31 December 2025 (year ended 31 December 2024: 15%).

According to the relevant laws and regulations promulgated by the State Administration of Taxation of the PRC, enterprises engaging in research and development activities are entitled to claim 200% of their research and development expenses incurred as tax deductible expenses when determining their assessable profits for the year ("Super Deduction").

Hong Kong profits tax

Under the current Hong Kong Inland Revenue Ordinance, the Company's subsidiaries incorporated in Hong Kong are subject to a two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and estimated assessable profits above HK\$2 million will be taxed at 16.5%. The assessable profits of group entities incorporated in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

Cayman Islands and British Virgin Islands corporate income tax

Under the current laws of Cayman Islands and the British Virgin Islands, the entities incorporated in the Cayman Islands and British Virgin Islands are not subject to tax on income or capital gain.

Other countries

Corporate income tax in other jurisdictions, including the United States, Europe countries, Japan and Southeast Asian, etc, had been calculated on the estimated assessable profit for the year at the respective rates prevailing in the relevant jurisdictions, ranging from 12.5% to 34% (2024: 12.5% to 34%).

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11 INCOME TAX EXPENSES/(CREDITS) (continued)

Other countries (continued)

A reconciliation of the expected income tax calculated at the applicable tax rate and profit/(loss) before income tax, with the actual income tax is as follow:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Profit/(Loss) before income tax	2,082,139	(572,007)
Tax calculated at statutory tax rates of 25%	520,535	(143,002)
Different tax jurisdiction	(723)	(389)
Preferential income tax benefits applicable to subsidiaries in the PRC	(3,159)	(1,963)
Income not subject to income tax purposes (i)	(237,196)	(32,823)
Expenses not deductible for tax purpose (ii)	77,944	61,063
Super deduction for research and development expenses	(10,084)	(14,529)
Utilisation or recognition of previously unrecognised tax losses and temporary differences (iii)	(20,192)	(373,980)
Temporary differences for which no deferred tax assets were recognised	35,753	40,755
Tax losses for which no deferred tax assets were recognized (iv)	57,138	59,399
Income tax expenses/(credits)	420,016	(405,469)

(i) Income not subject to income tax purposes

Income not subject to income tax purposes for the year ended 31 December 2025 mainly consists of dilution gains arising from the deemed disposal of interests in associates and gains on disposal of a subsidiary (Note 9).

(ii) Expenses not deductible for tax purpose

Expenses not deductible for tax purpose was mainly comprised of share-based compensation expenses of the Group for the years ended 31 December 2025 and 2024.

(iii) In 2024, the Group recognised a deferred tax asset of RMB294,545,000 for temporary differences arising from the cumulated share of net loss of RMB1,178,182,000 related to the investment in LianTong, to the extent, that the temporary difference will reverse in the foreseeable future and taxable profit will be available, in consideration of the disposal of the equity interests in LianTong (Note 17). In 2025, as the taxable profit related to the disposal of the equity interests in LianTong is available, the related deferred tax asset was reversed (Note 33).

11 INCOME TAX EXPENSES/(CREDITS) (continued)**Other countries** (continued)**(iv) Tax losses**

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Unused tax losses for which no deferred tax assets have been recognised will be expired		
2025	–	5,280
2026	8,320	9,488
2027	18,049	18,659
2028	8,248	8,248
2029	398,420	519,146
2030	45,589	55,548
After 2030	428,690	332,184
Infinite	100,283	208,965
	1,007,599	1,157,518

As at 31 December 2025, the Group had unused tax losses of approximately RMB1,007,599,000 (31 December 2024: RMB1,157,518,000) that can be carried forward against future taxable income. Deferred income tax assets have not been recognized in respect of such tax losses due to the unpredictability of future taxable income.

The Group principally conducted its business in the PRC, where the accumulated tax losses will normally expire within 5 years. Pursuant to the relevant regulations on extension for expirations of unused tax losses of HNTE and Small & Middle-Sized High-Tech Enterprises issued in August 2018, the accumulated tax losses of Lianlian Yintong and Lianlian Hangzhou will expire within 10 years.

According to the Hong Kong tax laws and regulations, the tax losses are carried forward and deducted for income tax purposes, without expiry date.

(a) Accounting policies of current and deferred tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred income tax assets and liabilities attributable to temporary differences and to unused tax losses.

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11 INCOME TAX EXPENSES/(CREDITS) (continued)

(a) Accounting policies of current and deferred tax (continued)

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the Reporting Period in the countries where the Company and its subsidiary operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(ii) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the Reporting Period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The Group shall recognise a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint arrangements, except to the extent that both of the following conditions are satisfied:

- the Group is able to control the timing of the reversal of the temporary difference; and
- it is probable that the temporary difference will not reverse in the foreseeable future.

11 INCOME TAX EXPENSES/(CREDITS) (continued)**(a) Accounting policies of current and deferred tax** (continued)**(ii) Deferred income tax** (continued)

Deferred income tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets and liabilities and when the deferred income tax balances relate to the same taxation authority. Current income tax assets and income tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The Group considers the asset and the liability separately for lease transactions. The Group recognises a deferred income tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred income tax liability for all deductible and taxable temporary differences associated with the right-of-use assets and the lease liabilities since initial recognition.

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(All amounts in RMB unless otherwise stated)

12 EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue for the years ended 31 December 2025 and 2024.

	For the year ended 31 December	
	2025 RMB'000	2024 RMB'000
Profit/(loss) attributable to the owners of the Company	1,663,754	(168,219)
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	1,068,670	1,063,734
Basic earnings/(loss) per share (RMB per share)	1.56	(0.16)

(b) Diluted earnings/(loss) per share

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

During the year ended 31 December 2025, the Company had one category of potential ordinary shares: share options granted under the ESOP plans. As the Company incurred losses for the years ended 31 December 2024, these potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive.

	For the year ended 31 December 2025 RMB'000
Profit attributable to the owners of the Company	1,663,754
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	1,068,670
Adjustments for the impacts of share options granted ('000)	30,619
Weighted average number of ordinary shares for calculation of diluted earnings per share ('000)	1,099,289
Diluted earnings per share (RMB per share)	1.51

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(All amounts in RMB unless otherwise stated)

13 PROPERTY, PLANT AND EQUIPMENT

	Buildings RMB'000	Vehicles RMB'000	Electronic equipment RMB'000	Furniture and office equipment RMB'000	Leasehold improvement RMB'000	Total RMB'000
As at 1 January 2024						
Cost	162,086	2,593	79,733	9,578	460	254,450
Accumulated depreciation	(55,987)	(1,136)	(69,057)	(7,202)	(295)	(133,677)
Net book value	106,099	1,457	10,676	2,376	165	120,773
Year ended 31 December 2024						
Opening net book value	106,099	1,457	10,676	2,376	165	120,773
Additions	853	–	7,683	484	3,580	12,600
Disposals	(82)	(16)	(2)	–	–	(100)
Depreciation charge (Note 6)	(5,956)	(450)	(5,852)	(782)	(676)	(13,716)
Closing net book value	100,914	991	12,505	2,078	3,069	119,557
As at 31 December 2024						
Cost	162,830	2,289	87,381	10,062	4,040	266,602
Accumulated depreciation	(61,916)	(1,298)	(74,876)	(7,984)	(971)	(147,045)
Net book value	100,914	991	12,505	2,078	3,069	119,557
Year ended 31 December 2025						
Opening net book value	100,914	991	12,505	2,078	3,069	119,557
Additions	301	–	6,337	827	4,473	11,938
Disposal of a subsidiary	–	–	(3,645)	(185)	(1,973)	(5,803)
Disposals	–	–	(599)	(8)	–	(607)
Depreciation charge (Note 6)	(5,906)	(451)	(7,579)	(963)	(1,279)	(16,178)
Closing net book value	95,309	540	7,019	1,749	4,290	108,907
As at 31 December 2025						
Cost	163,131	2,289	86,840	10,661	5,366	268,287
Accumulated depreciation	(67,822)	(1,749)	(79,821)	(8,912)	(1,076)	(159,380)
Net book value	95,309	540	7,019	1,749	4,290	108,907

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(All amounts in RMB unless otherwise stated)

13 PROPERTY, PLANT AND EQUIPMENT (continued)

(i) Pledged of assets

The Group's buildings with net book value of RMB95,309,000 as at 31 December 2025 (31 December 2024: RMB100,914,000) were pledged for the Group's long-term bank borrowings (Note 31 and 37).

(ii) Depreciation of property, plant and equipment has been charged to the consolidated statements of comprehensive income/(loss) as follows:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
General and administrative expenses	9,326	8,338
Research and development expenses	6,446	4,925
Selling and marketing expenses	406	453
	16,178	13,716

14 LEASES**(a) Right-of-use assets**

	Offices <i>RMB'000</i>	Land use rights <i>RMB'000</i>	Data Centre <i>RMB'000</i>	Total <i>RMB'000</i>
As at 1 January 2024				
Cost	18,936	3,865	17,157	39,958
Accumulated depreciation	(8,686)	(1,044)	(10,847)	(20,577)
Net book value	10,250	2,821	6,310	19,381
Year ended 31 December 2024				
Opening net book value	10,250	2,821	6,310	19,381
Additions	24,231	–	–	24,231
Depreciation charge (Note 6)	(8,959)	(78)	(3,936)	(12,973)
Modifications	(1,437)	–	–	(1,437)
Closing net book value	24,085	2,743	2,374	29,202
As at 31 December 2024				
Cost	32,749	3,865	17,157	53,771
Accumulated depreciation	(8,664)	(1,122)	(14,783)	(24,569)
Net book value	24,085	2,743	2,374	29,202
Year ended 31 December 2025				
Opening net book value	24,085	2,743	2,374	29,202
Additions	6,151	–	9,513	15,664
Depreciation charge (Note 6)	(11,890)	(83)	(3,141)	(15,114)
Disposal of a subsidiary	(2,568)	–	–	(2,568)
Disposals	(448)	–	–	(448)
Closing net book value	15,330	2,660	8,746	26,736
As at 31 December 2025				
Cost	28,204	3,865	13,229	45,298
Accumulated depreciation	(12,874)	(1,205)	(4,483)	(18,562)
Net book value	15,330	2,660	8,746	26,736

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(All amounts in RMB unless otherwise stated)

14 LEASES (continued)

(a) Right-of-use assets (continued)

(i) Pledged of assets

The Group's land use rights amounted to RMB2,660,000 as at 31 December 2025 (31 December 2024: RMB2,743,000) were pledged to secure the Group's long-term bank borrowings (Note 31 and 37).

(ii) Depreciation of right-of-use assets has been charged to the consolidated statements of comprehensive income/(loss) as follows:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
General and administrative expenses	9,863	8,556
Research and development expenses	3,424	4,013
Selling and marketing expenses	1,827	404
Total	15,114	12,973

(b) Lease liabilities

(i) The carrying amounts of the Group's lease liabilities and the movements for the years ended 31 December 2025 and 2024 are as follows:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Carrying amounts at the beginning of the year	27,455	17,473
Additions	15,664	24,231
Accretion of interest recognized (Note 10)	1,290	1,016
Payments	(16,141)	(13,869)
Disposal of a subsidiary	(3,049)	–
Disposals	(482)	(1,396)
Carrying amounts at the end of the year	24,737	27,455

14 LEASES (continued)**(b) Lease liabilities** (continued)

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Lease liabilities		
Current	12,225	12,893
Non-current	12,512	14,562
	24,737	27,455

(ii) A maturity analysis of lease liabilities as at 31 December 2025 and 2024 is shown in the table below:

Minimum lease payments due

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Within 1 year	13,212	13,742
Between 1 and 2 years	7,759	11,344
Between 2 and 5 years	5,256	3,628
	26,227	28,714
Less: future finance charges	(1,490)	(1,259)
	24,737	27,455

Present value of lease liabilities

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Within 1 year	12,225	12,893
Between 1 and 2 years	7,431	10,988
Between 2 and 5 years	5,081	3,574
	24,737	27,455

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(All amounts in RMB unless otherwise stated)

14 LEASES (continued)

(b) Lease liabilities (continued)

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Interest expenses (included in finance cost) (Note 10)	1,290	1,016
Expense relating to short-term leases (included in expenses) (Note 6)	5,424	5,123
	6,714	6,139
Cash outflow for leases as operating activities	5,424	5,123
Cash outflow for leases as financing activities	16,141	13,869
	21,565	18,992

15 INVESTMENT PROPERTIES

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Opening net book amount	161,012	165,039
Depreciation of investment properties (Note 6)	(4,059)	(4,027)
Closing net book value	156,953	161,012
At end of the year		
Cost	195,819	195,819
Accumulated depreciation	(38,866)	(34,807)
Net book value	156,953	161,012
Fair value	331,100	298,900

15 INVESTMENT PROPERTIES (continued)**(i) Amounts recognised in profit or loss for investment properties**

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Rental income from operating leases	18,892	18,134
Direct operating expenses that generated rental income	(9,347)	(8,683)
	9,545	9,451

(ii) Non-current assets pledged as security

The Group's investment properties with net book value of RMB156,953,000 as at 31 December 2025 (31 December 2024: RMB161,012,000) were pledged for the Group's long-term bank borrowings (Note 31 and 37).

(iii) Valuations for investment properties

The fair values of the Group's investment properties are categorized under Level 3 fair value hierarchy and determined using income approach by taking into account the rental income derived from existing leases and achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalized to determine the market value at an appropriate capitalisation rate. When actual rent differs materially from the estimated rents, adjustments have been made to the estimated rental value.

The Group engaged an external, independent and qualified valuer to determine the fair value of the investment properties.

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(All amounts in RMB unless otherwise stated)

16 INTANGIBLE ASSETS

	Trademarks and Patents <i>RMB'000</i>	Software <i>RMB'000</i>	Licence <i>RMB'000</i>	Goodwill <i>RMB'000</i>	Total <i>RMB'000</i>
As at 1 January 2024					
Cost	664	28,914	2,892	3,650	36,120
Accumulated amortization	(351)	(18,578)	–	–	(18,929)
Net book value	313	10,336	2,892	3,650	17,191
Year ended 31 December 2024					
Opening net book value	313	10,336	2,892	3,650	17,191
Additions	–	6,300	–	–	6,300
Amortization charge (Note 6)	(31)	(4,101)	–	–	(4,132)
Closing net book value	282	12,535	2,892	3,650	19,359
As at 31 December 2024					
Cost	664	35,214	2,892	3,650	42,420
Accumulated amortization	(382)	(22,679)	–	–	(23,061)
Net book value	282	12,535	2,892	3,650	19,359
Year ended 31 December 2025					
Opening net book value	282	12,535	2,892	3,650	19,359
Additions	–	4,088	–	–	4,088
Amortization charge (Note 6)	(30)	(4,504)	–	–	(4,534)
Disposal of a subsidiary	–	(197)	–	–	(197)
Disposal	–	(70)	–	–	(70)
Closing net book value	252	11,852	2,892	3,650	18,646
As at 31 December 2025					
Cost	664	38,933	2,892	3,650	46,139
Accumulated amortization	(412)	(27,081)	–	–	(27,493)
Net book value	252	11,852	2,892	3,650	18,646

16 INTANGIBLE ASSETS (continued)

Amortisation of intangible assets has been charged to the consolidated statements of comprehensive income/(loss) as follows:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Research and development expenses	3,236	2,932
General and administrative expenses	1,124	868
Selling and marketing expenses	174	332
Total	4,534	4,132

- (i) As at 31 December 2025 and 2024, the goodwill of RMB3,650,000 was mainly arising from the acquisition of Lianlian Yintong and is attributable to the acquired market shares, future expansion prospect, economies of scale and synergies expected to be derived from combining the resources and operations of the Group following the acquisition.

Impairment review on the goodwill of the Group has been conducted by management as at 31 December 2025 and 2024 according to IAS 36 "Impairment of assets". For the purpose of the impairment review, the recoverable amount of cash-generating units ("CGU") is determined based on fair value less costs of disposal. Based on the results of the impairment assessments, no impairment loss on the goodwill relating to Lianlian Yintong was recognized for the years ended 31 December 2025 and 2024.

As at 31 December 2025 and 2024, based on management's assessment on the recoverable amounts, the headroom of Lianlian Yintong were as below:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Lianlian Yintong	648,106	354,563

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16 INTANGIBLE ASSETS (continued)

(i) (continued)

The following table sets out the key assumptions for Lianlian Yintong:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Enterprise value to sales ratio	1.98	1.75
Liquidity discount	30%	30%

As at 31 December 2025, 20% decrease in comparable company multiples will decrease the headroom of Lianlian Yintong by approximately RMB173,115,000 (31 December 2024: RMB149,561,000). A reasonably possible change in key parameters would not cause the carrying amount of the CGU to exceed its recoverable amount.

(ii) Impairment review on the license of the Group is conducted by management on an annual basis. For the purposes of the impairment review, the recoverable amount of the CGU to which the license belongs is determined based on value in use ("VIU") calculations which requires the use of assumptions including but not limited to the cash flow projections based on business projection covering a five-year period. The management leveraged their extensive experiences in the industries and prepared the forecast based on their expectation of future business projection and market development. The discount rates adopted were derived from the analysis of the Group's time value and specific risk.

As at 31 December 2025, based on management's assessment on the recoverable amounts, the headroom of the CGU to which the license belongs were IDR1,345,584,000 (equivalent to RMB562,000) (31 December 2024: IDR1,216,770,000 (equivalent to RMB549,000)).

The following table sets out the key assumptions for impairment testing of the license. The directors of the Group were of the view that reasonably possible change in the key assumptions would not cause the carrying amount of the CGU to exceed its recoverable amount.

	Key assumptions	
	2025	2024
Revenue growth rate during the projection period	15.0% to 22.0%	15.0% to 25.0%
Terminal value growth rate	2.00%	2.00%
Pre-tax discount rate	15.00%	15.00%

17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD AND INVESTMENT IN SUBSIDIARIES

The amounts recognised in the consolidated balance sheets are as follows:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
DFX Advance (a)	422,221	–
LianTong (a)	312,841	–
Hangzhou Pulian Intelligent Technology Co., Ltd. ("Hangzhou Pulian") (b)	30,900	–
Zhejiang Zhong Pu Lian Technology Co., Ltd. ("Zhong Pu Lian Technology") (b)	975	–
	766,937	–

The share of loss recognised in the consolidated statements of comprehensive income/(loss) are as follows:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
LianTong (a)	(139,340)	(291,157)
Zhong Pu Lian Technology (b)	–	(1,361)
	(139,340)	(292,518)

(a) Individual investment in DFX Advance and LianTong

Set out below are the investment in DFX Advance and LianTong as at 31 December 2025 and 2024.

Name of entity	Place of business/country of establishment	% of ownership interest		Nature of relationship	Measurement method
		2025 %	2024 %		
DFX Advance	Cayman Islands	49.64	Not applicable	Associate	Equity method
LianTong	The PRC	17.63	45.20	Associate	Equity method

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17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD AND INVESTMENT IN SUBSIDIARIES (continued)

(a) Individual investment in DFX Advance and LianTong (continued)

- (i) The Group entered into an agreement with affiliates of American Express to establish LianTong in 2017. LianTong obtained its bankcard clearing business license in June 2020, and provides bankcard clearing and settlement services to issuing banks and merchant acquirers in its network, and offers cardholder benefits to Chinese consumers.

The Company holds 17.63% of the equity interests in LianTong as at 31 December 2025 (31 December 2024: 45.20%). Refer to Note 9 for the major change of the ownership interest in LianTong for the year ended 31 December 2025. The Group has significant influence over LianTong through board representation. Pursuant to the agreement between American Express and the Company, the Company does not have control over LianTong's operation. Accordingly, LianTong was accounted for as an associate of the Group by using the equity method for the years ended 31 December 2025 and 2024.

- (ii) Based on the impairment assessment and analysis performed by the Group, the recoverable amount of investment in LianTong as at 31 December 2025 was higher than the respective carrying amount of the investment, and the directors of the Company were of the view that there was no need for impairment provision in the carrying values of the Group's investments in LianTong.

17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD AND INVESTMENT IN SUBSIDIARIES (continued)**(a) Individual investment in DFX Advance and LianTong** (continued)*Summarised balance sheets of DFX Advance and LianTong*

	DFX Advance		LianTong	
	As at 31		As at 31 December	
	December	December	2025	2024
	2025	2025	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000
Current assets				
Cash and cash equivalents	193,648	2,055,824		516,752
Other current assets	310,200	314,048		221,301
Total current assets	503,848	2,369,872		738,053
Non-current assets	8,567	239,758		297,031
Current liabilities	(12,495)	(747,066)		(1,432,992)
Non-current liabilities	(3,049)	(88,246)		(50,093)
Net assets/(deficits)	496,871	1,774,318		(448,001)
Group's share in %	49.64%	17.63%		45.20%
Group's share in RMB'000	246,647	312,841		–
Goodwill	175,574	–		–
Carrying amount	422,221	312,841		–

Summarised income statements of LianTong

	LianTong	
	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Revenue	576,660	423,104
Interest income	24,558	8,156
Depreciation and amortisation	(51,507)	(61,893)
Interest expense	(8,766)	(12,897)
Income tax expenses	–	–
Loss for the year	(945,013)	(1,092,153)
Total comprehensive loss for the year	(945,013)	(1,092,153)

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17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD AND INVESTMENT IN SUBSIDIARIES (continued)

(b) Investment in individually immaterial associates

In December 2025, the Group acquired 44.69% equity interests in Hangzhou Pulian at a cash consideration of RMB30,900,000. The Group has significant influence over Hangzhou Pulian through board representation. Pursuant to the agreement between Hangzhou Pulian and the Company, the Company does not have control over Hangzhou Pulian's operation. Accordingly, Hangzhou Pulian was accounted for as an associate of the Group by using the equity method for the year ended 31 December 2025.

As at 31 December 2025, the Group's actual capital contribution amounted to RMB2,720,000, with the remaining amount of RMB28,180,000 expected to be paid within one year.

Set out below are the movement of Hangzhou Pulian and Zhong Pu Lian Technology for the years ended 31 December 2025 and 2024.

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Aggregate carrying amount of individually immaterial associate	31,875	–
Aggregate amounts of the Group's share of:		
Loss of the associate	–	(1,361)
Total comprehensive loss	–	(1,361)

17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD AND INVESTMENT IN SUBSIDIARIES (continued)

(c) Accounting policy of associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. The Group's investments in associates include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Group determines whether there is any objective evidence that the investments in the associate are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to "share of net loss of associates accounted for using the equity method" in the consolidated statement of comprehensive income/(loss).

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

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17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD AND INVESTMENT IN SUBSIDIARIES (continued)

(d) Subsidiaries

The Group's principal subsidiaries at 31 December 2025 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Country/place and date of incorporation/establishment and kind of legal entity	Principal activities	Particulars of registered/issued share capital	Ownership interests held by the Group as at 31 December		Ownership interests held by non-controlling interests as at 31 December	
				2025	2024	2025	2024
				100%	100%	100%	100%
Subsidiaries directly held:							
Lianlian Yintong Electronic Payment Co., Ltd.	The PRC, 7 August 2003, limited liability company	Internet payment	RMB325,000,000	100%	100%	-	-
Lianlian Yinjia Information Technology Co., Ltd.	The PRC, 8 July 2016, limited liability company	Information technology service	RMB100,000,000	100%	100%	-	-
Lianlian Hong Kong Company Limited	Hong Kong, 17 April 2018, limited liability company	Investment holding	USD4,500,000	100%	100%	-	-
Lianlian (Hangzhou) Information Technology Co., Ltd.	The PRC, 20 October 2005, limited liability company	Information technology service	RMB80,198,000	100%	100%	-	-
Subsidiaries indirectly held:							
Zhejiang Lianlian Information Technology Co., Ltd.	The PRC, 2 August 2011, limited liability company	Investment properties leasing and property management	RMB318,000,000	100%	100%	-	-
Lianlianbao (Hangzhou) Information Technology Co., Ltd.	The PRC, 15 August 2019, limited liability company	Information technology service	RMB100,000,000/ RMB100,000,000	100%	100%	-	-
LL Pay U.S. LLC	The U.S.A., 5 July 2016, limited liability company	Internet payment	USD14,960,000/ USD14,960,000	100%	100%	-	-
Lianlian International Company Limited	Hong Kong, 20 June 2016, limited liability company	Internet payment	HKD1	100%	100%	-	-
Zhejiang Lianlianbao Network Co., Ltd.	The PRC, 22 February 2019, limited liability company	Information technology service	RMB50,000,000/ RMB50,000,000	100%	100%	-	-
Lite Pay Company Limited	Hong Kong, 9 September 2016, limited liability company	Internet payment	HKD1	100%	100%	-	-

18 FINANCIAL INSTRUMENTS BY CATEGORY

	As at 31 December	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Assets as per balance sheets		
<i>Financial assets at amortised costs:</i>		
– Funds segregated for customers and restricted cash (Note 24)	19,483,847	12,606,903
– Cash and cash equivalents (Note 24)	1,087,931	522,250
– Long-term investments measured at amortized cost (Note 23)	102,102	–
– Other receivables (Note 19)	106,517	114,973
– Trade receivables (Note 20)	106,351	93,038
<i>Financial assets at fair value:</i>		
– Highly liquid investments with underlying in bank term deposits (Note 24(a))	539,675	–
– Financial assets at FVPL (Note 21)	333,297	353,002
– Financial assets at FVOCI (Note 22)	41,181	50,840
	21,800,901	13,741,006
Liabilities as per balance sheets		
<i>Financial liabilities at amortised costs:</i>		
– Borrowings (Note 31)	148,017	479,313
– Other payables (excluding VAT payables and other tax payables, staff costs and welfare accruals) (Note 30)	19,373,903	12,553,234
– Trade payables (Note 29)	113,636	74,710
<i>Lease liabilities (Note 14(b))</i>	24,737	27,455
	19,660,293	13,134,712

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(All amounts in RMB unless otherwise stated)

19 PREPAYMENTS, OTHER RECEIVABLES AND OTHER CURRENT ASSETS

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Included in current assets		
Prepayments:		
Prepaid expenses	25,061	24,337
Other current assets:		
Value-added tax recoverable	15,896	16,582
Prepaid income tax	2,974	1,895
Inventories	601	615
	19,471	19,092
Other receivables:		
Deposits for payment channels and rentals	58,674	45,596
Advance paid on behalf of customers (i)	45,197	65,927
Others	3,692	4,426
	107,563	115,949
Less: loss allowance	(1,046)	(976)
	106,517	114,973
Total	151,049	158,402

(i) Advance paid on behalf of customers

Advance paid on behalf of customers will usually be settled on a quarterly basis.

20 TRADE RECEIVABLES

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Trade receivables	117,214	103,149
Less: loss allowance (Note 3.1(b)(ii))	(10,863)	(10,111)
	106,351	93,038

The carrying amounts of the Group's trade receivables are mainly denominated in RMB and approximate their fair values.

21 FINANCIAL ASSETS AT FVPL**(a) Classification of financial assets at FVPL**

Financial assets measured at FVPL include the following:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Included in current assets		
Unlisted equity investments (i)	211,507	178,865
Treasury investments (ii)	112,223	87,970
Listed equity securities	9,567	16,804
	333,297	283,639
Included in non-current assets		
Unlisted equity investments (i)	–	69,363
	333,297	353,002

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(All amounts in RMB unless otherwise stated)

21 FINANCIAL ASSETS AT FVPL (continued)

(a) Classification of financial assets at FVPL (continued)

The details of the investments in unlisted investments are as follows:

- (i) The Group held 4.84% of the equity interests of Hangzhou Hyperchain Technology Co., Ltd. ("Hyperchain Technology") as at 31 December 2025 and 2024. The Group does not participate in or influence the financial and operating policy decisions of Hyperchain Technology and, consequently, the Group has no significant influence over Hyperchain Technology.

The Group intends to sell the equity interests of Hyperchain Technology and, therefore, included it in current assets based on management's expectation.

The Group held 12.96% of the voting rights in Queen Bee Capital Co., Ltd. ("QBC") as at 31 December 2025 and 2024. The Group does not participate in or influence the financial and operating policy decisions of QBC, as a result, the Group has no significant influence over QBC. Therefore, it was accounted for as financial assets at FVPL.

As at 31 December 2025, the Group reclassified its equity interests in QBC from non-current to current assets following a change in holding intention from strategic investment to trading purposes (31 December 2024, classified as non-current assets).

- (ii) As at 31 December 2025, this represents the Group's investments in treasury investments with expected return rate range of 0.65% - 3.09% per annum (31 December 2024: expected return rate range of 4.00% - 5.50%), which are mainly principal guaranteed funds investing in the foreign money funds with short terms.

21 FINANCIAL ASSETS AT FVPL (continued)**(b) Amounts recognised in profit or loss**

For the years ended 31 December 2025 and 2024, the following gains were recognised in profit or loss:

Financial assets measured at FVPL include the following:

	Unlisted equity investments		Treasury investments	Listed equity securities	Total
	Current	Non-current	Current	Current	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2025	178,865	69,363	87,970	16,804	353,002
Additions	–	–	6,669,361	–	6,669,361
Fair value (losses)/gains (Note 9)	(7,288)	(28,331)	29	(6,970)	(42,560)
Disposal gains (Note 9)	–	–	10,136	–	10,136
Currency translation difference	–	(1,102)	–	(267)	(1,369)
Disposals	–	–	(6,655,273)	–	(6,655,273)
Reclassification	39,930	(39,930)	–	–	–
As at 31 December 2025	211,507	–	112,223	9,567	333,297

	Unlisted equity investments		Treasury investments	Listed equity securities	Total
	Current	Non-current	Current	Current	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2024	192,321	82,445	–	–	274,766
Additions	–	–	164,929	25,558	190,487
Fair value (losses)/gains (Note 9)	(13,456)	(14,164)	1,693	(8,950)	(34,877)
Disposal gains (Note 9)	–	–	894	–	894
Currency translation difference	–	1,082	819	196	2,097
Disposals	–	–	(80,365)	–	(80,365)
As at 31 December 2024	178,865	69,363	87,970	16,804	353,002

(c) Risk exposure and fair value measurements

Information about the methods and assumptions used in determining fair value is provided in Note 3.3.

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22 FINANCIAL ASSETS AT FVOCI

(a) Classification of financial assets at FVOCI

Financial assets measured at FVOCI include the following:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Included in non-current assets		
Unlisted equity investments (i)	41,181	50,840

(i) The details of the investments in unlisted investments are as follows:

NetsUnion Clearing Corporation (“NUCC”) was a unified clearing platform for online payment. As at 31 December 2025 and 2024, the Group is a shareholder of NetsUnion with an equity interests of 0.84%.

The Group does not participate in or influence the financial and operating policy decisions of NUCC, therefore the Group has no significant influence over NetsUnion. The Group intends to hold shares of NetsUnion as strategic investments instead of held-for-trading (Note 3.3).

(b) Risk exposure and fair value measurements

Information about the methods and assumptions used in determining fair value is provided in Note 3.3.

23 LONG-TERM INVESTMENTS MEASURED AT AMORTIZED COST

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Long-term investments measured at amortized cost (i)	102,102	–

- (i) Long-term investments measured at amortized cost are primarily certificates of deposit with fixed rate of 2.15% and initial term over 12 months, denominated in RMB, where the contractual cash flows are solely principal and interest.

Certificates of deposit that are only held for collection of contractual cash flows are measured at amortized cost.

24 CASH AND CASH EQUIVALENTS, FUNDS SEGREGATED FOR CUSTOMERS AND RESTRICTED CASH

Cash and cash equivalents:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Cash at bank	20,571,606	13,128,945
Highly liquid investments with underlying in bank term deposits (a)	539,675	–
Cash on hand	172	208
	21,111,453	13,129,153
Less: Funds segregated for customers and restricted cash (b)	(19,483,847)	(12,606,903)
Cash and cash equivalents	1,627,606	522,250

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24 CASH AND CASH EQUIVALENTS, FUNDS SEGREGATED FOR CUSTOMERS AND RESTRICTED CASH (continued)

(a) Highly liquid investments with underlying in bank term deposits

Highly liquid investments are redeemable on a daily basis, with underlying in bank term deposits. These investments are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(b) Funds segregated for customers and restricted cash

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Funds deposited in segregated accounts for customers (i)	19,465,705	12,597,785
Performance guarantees for payment business (ii)	17,296	8,228
Others	846	890
	19,483,847	12,606,903

(i) Funds deposited in segregated accounts for customers

Funds deposited in segregated accounts for customers mainly represent funds collected from customers and awaiting disbursement as requested. They are not reported as cash and cash equivalents as they represent the collected funds solely for the designated purposes of providing digital payment.

Funds deposited in segregated accounts for customers also comprise the service fees earned by the Group arising from completed digital payment services which has not been withdrawn by the Group from the segregated accounts. It also includes, to a lesser extent, deposits made by the Group to meet requests from customers seeking expedited settlements and frozen temporarily by the bank due to official requirements. These balances were not reported as cash and cash equivalents because they were held in the segregated accounts with collected funds.

24 CASH AND CASH EQUIVALENTS, FUNDS SEGREGATED FOR CUSTOMERS AND RESTRICTED CASH (continued)**(b) Funds segregated for customers and restricted cash** (continued)**(ii) Performance guarantees for payment business**

Performance guarantees for payment business mainly represents the amounts pledged to banks as collateral for issuance of letters of guarantee and other purpose relating to the global and domestic payment business.

Cash and cash equivalents, restricted cash and funds segregated for customers are denominated in the following currencies:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Cash and cash equivalents		
USD	841,241	187,313
RMB	690,112	123,436
HKD	37,839	166,259
EUR	22,465	15,724
GBP	7,649	11,675
Others	28,300	17,843
	1,627,606	522,250
Funds segregated for customers and restricted cash		
USD	10,635,557	5,541,399
RMB	5,039,734	3,668,061
EUR	1,333,217	1,289,437
GBP	663,729	519,834
JPY	486,929	478,913
CAD	309,345	252,073
HKD	207,638	152,322
SGD	37,585	197,802
Others	770,113	507,062
	19,483,847	12,606,903

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25 SHARE CAPITAL

As at 31 December 2025, the authorised share capital of the Company comprised 1,121,098,000 ordinary shares with par value of RMB1.00 per share (31 December 2024, 1,079,060 ordinary shares with par value of RMB1.00 per share).

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Authorized, issued and fully paid		
Number of shares (in thousand)	1,121,098	1,079,060
Share capital (in RMB'000)	1,121,098	1,079,060

Movement on the share capital are as follows:

	Share capital As at 31 December	
	2025 RMB'000	2024 RMB'000
As at 1 January	1,079,060	1,014,760
Issuance of ordinary shares (a)	38,400	64,300
Exercise of share options	3,638	–
As at 31 December	1,121,098	1,079,060

- (a) On 28 March 2024, the Company issued 64,300,000 H shares at par value of RMB1.00 per share in connection with its initial listing on the Main Board of The Stock Exchange of Hong Kong.

In July 2025, the Company completed a placing and issued 38,400,000 shares at price of HK\$10.25 per share to several third-party investors. This transaction results in an increase in share capital of RMB38,400,000 and an increase in share premium of RMB314,486,000 (Note 27).

26 TREASURY SHARES AND SHARES HELD BY A TRUSTEE

	Number of shares (in thousand)	Amounts RMB'000
As at 1 January 2025	–	–
Acquisition of shares by a trustee (i)	28,608	274,468
Acquisition of shares by the Company (ii)	15,625	109,919
As at 31 December 2025	44,233	384,387

- (i) In December 2024, the Company established a trust in Hong Kong to reward its employees in the future. During the year ended 31 December 2025, the trust acquired 28,608,000 shares (31 December 2024: Nil) in the open market. The shares were acquired at prices ranging from HKD6.03 to HKD11.60 per share, with an average price of HKD10.37 per share.
- (ii) During the year ended 31 December 2025, the Company acquired 15,625,000 of ordinary shares (31 December 2024: Nil) in the open market. The shares were acquired at prices ranging from HKD5.99 to HKD8.48 per share, with an average price of HKD7.70 per share.

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27 OTHER RESERVES

	Note	Share-based Premium RMB'000	Share-based Compensation Reserve RMB'000	Statutory Reserves RMB'000	FVOCI Reserves RMB'000	Translation Differences RMB'000	Total RMB'000
As at 1 January 2024		1,561,585	671,093	771	18,875	2,762	2,255,086
Issuance of ordinary shares	25	498,709	-	-	-	-	498,709
Profit appropriations to statutory reserves		-	-	32	-	-	32
Fair value change of financial assets at FVOCI, net off tax impact		-	-	-	10,059	-	10,059
Share-based compensation	28	-	237,432	-	-	-	237,432
Currency translation differences		-	-	-	-	(3,246)	(3,246)
As at 31 December 2024		2,060,294	908,525	803	28,934	(484)	2,998,072
As at 1 January 2025		2,060,294	908,525	803	28,934	(484)	2,998,072
Issuance of ordinary shares	25	314,486	-	-	-	-	314,486
Exercise of share options	28	59,142	(45,502)	-	-	-	13,640
Profit appropriations to statutory reserves		-	-	1,335	-	-	1,335
Fair value change of financial assets at FVOCI, net off tax impact		-	-	-	(8,210)	-	(8,210)
Share-based compensation	28	-	209,046	-	-	-	209,046
Transactions with non-controlling interests (i)		(13,697)	-	-	-	-	(13,697)
Currency translation differences		-	-	-	-	9,780	9,780
As at 31 December 2025		2,420,225	1,072,069	2,138	20,724	9,296	3,524,452

- (i) On 30 July 2025, the Group entered into an equity interest purchase agreement with the non-controlling shareholders of its subsidiary. Subject to the terms and conditions in the agreement, the Group acquired 32.50% of the equity interests of Starlink Financial Technologies Pte. Ltd. from the non-controlling interests' shareholders at a cash consideration of USD3,200,000 (equivalent to RMB22,878,000). The ownership interests of Starlink Financial Technologies Pte. Ltd. held by the Group reached to 100% since then.

28 SHARE-BASED PAYMENTS

(a) Share option scheme

On 1 February 2021, the Company approved the share option scheme to attract, retain and motivate talented employees to strive towards long term performance targets set by the Group (the “2021 Pre-IPO Share Option Scheme”). The Company granted 40,339,000 units of stock option to the incentive recipients at an exercise price of RMB2.96. The vesting periods of the options granted to eligible employees were 12 months from the grant date for the first 50% and 24 months from the grant date for the remaining 50%, and the stock options are not exercisable until the first trading day after the Company’s IPO. In addition, exercisable conditions also include company performance indicators. The 2021 Pre-IPO Share Option Scheme shall be valid and effective for the period of six years commencing on the date of grant. On 8 June 2023, the Company approved the revision of the share option scheme, the vesting periods of the remaining options were modified to 18 months after the Company’s IPO.

On 8 June 2023, the Company approved another share option scheme to grant 56,125,300 units of stock option to the incentive recipients at an exercise price of RMB5.00 (the “2023 Pre-IPO Share Option Scheme”). The share options granted to eligible employees are not exercisable until 18 months after the Company’s IPO. The 2023 Pre-IPO Share Option Scheme shall be valid and effective for the period of five years commencing on the date of grant.

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28 SHARE-BASED PAYMENTS (continued)

(a) Share option scheme (continued)

Movements in the options granted under the options Incentive Plan are as below:

	Weighted average exercise price in RMB per share option <i>RMB</i>	Number of options
As at 31 December 2023	4.96	69,891,800
Forfeited	4.41	(1,415,000)
As at 31 December 2024	4.58	68,476,800
Forfeited	4.46	(2,654,700)
Exercised	4.28	(3,638,000)
As at 31 December 2025	4.60	62,184,100

- (i) Details of the expiry dates, exercise prices and the respective numbers of share options which remained outstanding as at 31 December 2025 and 2024 are as follows:

Grant date	Expiry date	Exercise price	Number of share options as at 31 December 2025	Number of share options as at 31 December 2024
February 2021	28 September 2026	RMB2.96	12,089,000	14,083,000
June 2023	28 September 2026	RMB5.00	50,095,100	54,393,800

Weighted average remaining contractual life of options outstanding as at 31 December 2025 and 2024 were 0.8 years and 1.9 years.

28 SHARE-BASED PAYMENTS (continued)**(a) Share option scheme** (continued)

(ii) The Group recognised share based compensation expenses of RMB209,046,000 and RMB237,432,000 for the years ended 31 December 2025 and 2024 in relation to share options granted by the Company respectively.

(b) The Group has used the discounted cash flow method to determine the underlying equity fair value of the Company and adopted option-pricing model to determine the fair value of the underlying ordinary shares. Key assumptions, such as discount rate, are determined by the Group with best estimate.

The estimate of the fair value of the share options granted is measured by an external independent valuer using Black-Scholes and Binomial option pricing model as at the respective grant dates, which is to be expensed over the relevant vesting periods. The significant inputs into the model were listed below:

	2023	2021
Expected volatility	51.16%	51.89% – 58.17%
Risk-free interest rate	2.24%	2.60% – 2.79%
Dividend yield	0.00%	0.00%
Exercise price	5.00	2.96

The expected volatility was estimated at the grant date based on the average of historical volatilities of the comparable companies with length commensurable to the time to maturity of the options. Management estimated the risk-free interest rate based on the yield of China government bond with a maturity life equal to the life of shares. Dividend yield is based on management estimation at the grant date.

(c) The Group is required to estimate the annual forfeiture rate to determine the amount of share-based compensation expenses charged to the consolidated statement of comprehensive income/(loss).

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28 SHARE-BASED PAYMENTS (continued)

(d) Accounting policy of share-based payments

Employee options

The fair value of options granted under the employee option plan is recognised as an employee benefits expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions (e.g., remaining an employee of the entity over a specified time period).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

If an equity award is cancelled by forfeiture, when the vesting conditions (other than market conditions) have not been met, any expense not yet recognized for that award, as at the date of forfeiture, is treated as if it had never been recognized. At the same time, any expense previously recognized on such cancelled equity awards are reversed from the accounts effective as at the date of forfeiture.

Where there is any modification of terms and conditions in a manner that reduces the total fair value of the share-based payment arrangement, or is not otherwise beneficial to the employee, the entity shall nevertheless continue to account for the services received as consideration for the equity instruments granted as if that modification had not occurred (other than a cancellation of some or all the equity instruments granted).

The grant by the Company of its equity instruments to the employees of the subsidiaries are made in exchange for their services related to the subsidiaries. Accordingly, the share-based compensation expenses are treated as part of the "investments in subsidiaries" in the Company's balance sheets.

29 TRADE PAYABLES

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Trade payables (a)		
– Service charge payables	84,304	51,758
– Payable for processing fees to financial institutions and payment networks	28,027	21,524
– Others	1,305	1,428
	113,636	74,710

(a) Trade payables

Trade payables are unsecured and are usually paid within 90 days of recognition. As at 31 December 2025 and 2024, the aging analysis of the trade payables based on invoice date is as follows:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
0 to 90 days	75,702	54,749
91 to 180 days	20,159	5,335
181 days to 1 year	11,163	5,928
Over 1 year	6,612	8,698
	113,636	74,710

30 ACCRUALS AND OTHER PAYABLES

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Payables to merchants and other customers (i)	19,245,599	12,466,651
Staff costs and welfare accruals	180,217	130,791
Payables for acquisition of investments accounted for using the equity method (Note 17(b))	28,180	–
VAT payables and other tax payables	8,734	7,483
Payables for acquisition of long-term assets	2,304	435
Others	97,820	86,148
	19,562,854	12,691,508

- (i) The balance represents funds processed by the Group for merchants and other customers, which are awaiting to be settled with merchants and other customers as requested.

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31 BORROWINGS

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Borrowings included in non-current liabilities:		
Bank borrowings, pledged (a)	125,800	136,850
Borrowings included in current liabilities:		
Current portion of long-term bank borrowings, pledged (a)	11,199	11,231
Bank borrowings, unsecured (b)	11,018	331,232
	22,217	342,463
	148,017	479,313

- (a) As at 31 December 2025, bank borrowings of RMB136,999,000 (31 December 2024: RMB148,081,000) were pledged by the Group's investment properties (Note 15), buildings (Note 13), and land use rights (Note 14). The carrying amounts of assets pledged as security for current and non-current borrowings are disclosed in Note 37.

As at 31 December 2025, the interest rate on long-term borrowings was 3.0% (31 December 2024: 4.0%). The interest should be paid quarterly and the principal should be repaid semi-annually before 20 September 2037.

- (b) As at 31 December 2025 and 2024, the Group has entered into several short-term agreements with certain banks in the Mainland China. The borrowings had the maturity of one year or less and the interest rates ranging from 2.35% to 2.40% per annum as at 31 December 2025 (31 December 2024: 3.15% to 4.05%).
- (c) As at 31 December 2025 and 2024, the Group's borrowings were repayable as follows:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Within 1 year	22,217	342,463
Between 1 and 2 years	11,050	11,050
Between 2 and 5 years	33,150	33,150
Over 5 years	81,600	92,650
	148,017	479,313

32 DEFERRED INCOME

The Group's deferred income represents government grants received from governmental authorities. The movement of deferred income is set out below:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
At the beginning of the year	12,640	9,480
Additions	–	3,160
Recognised in profit or loss	(12,640)	–
At the end of the year	–	12,640

33 DEFERRED INCOME TAXES

The analysis of deferred income tax assets and deferred income tax liabilities are as follows:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Total deferred income tax assets:	112,497	492,856
Set-off of deferred tax assets pursuant to set-off provisions (a)	(94,395)	(67,604)
Net deferred income tax assets	18,102	425,252
Deferred income tax assets:		
– to be recovered within 1 year	8,852	415,192
– to be recovered more than 1 year	103,645	77,664
	112,497	492,856
Total deferred income tax liabilities	96,095	67,604
Set-off of deferred tax liabilities pursuant to set-off provisions (a)	(94,395)	(67,604)
Net deferred income tax liabilities	1,700	–
Deferred income tax liabilities:		
– to be recovered within 1 year	2,133	2,159
– to be recovered more than 1 year	93,962	65,445
	96,095	67,604

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33 DEFERRED INCOME TAXES (continued)

- (a) The Group only offset deferred tax assets and deferred tax liabilities for presentation purposes only if the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same tax authority on same tax payee.

The movement in deferred income tax assets are as follows:

Deferred income tax assets	Unused tax losses RMB'000	Investments in associates (Note 11) RMB'000	Lease liabilities RMB'000	Advertising expenses RMB'000	Share-based compensation expenses RMB'000	Others RMB'000	Total RMB'000
As at 1 January 2024	57,221	–	3,055	9,581	2,954	1,543	74,354
Credit to profit or loss (Note 11)	116,765	294,545	1,429	798	4,115	850	418,502
As at 31 December 2024	173,986	294,545	4,484	10,379	7,069	2,393	492,856
Debited to profit or loss (Note 11)	(72,133)	(294,545)	(558)	(7,813)	(4,783)	(527)	(380,359)
As at 31 December 2025	101,853	–	3,926	2,566	2,286	1,866	112,497

- (b) The movement in deferred income tax liabilities are as follows:

Deferred income tax liabilities	Changes in fair value RMB'000	Undistributed profits of overseas subsidiaries RMB'000	Right-of-use assets RMB'000	Others RMB'000	Total RMB'000
As at 1 January 2024	46,116	7,579	2,824	194	56,713
(Credit)/Debited to profit or loss (Note 11)	(3,365)	11,092	1,552	(163)	9,116
Credit to other comprehensive income	1,775	–	–	–	1,775
As at 31 December 2024	44,526	18,671	4,376	31	67,604
(Credit)/Debited to profit or loss (Note 11)	(1,946)	32,497	(580)	(31)	29,940
Debited to other comprehensive income	(1,449)	–	–	–	(1,449)
As at 31 December 2025	41,131	51,168	3,796	–	96,095

34 DIVIDENDS

No dividend has been paid or declared by the Company for the years ended 31 December 2025 and 2024.

35 CASH FLOW INFORMATION

(a) Reconciliation of profit/(loss) before income tax to net cash used in operations

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Profit/(loss) before income tax	2,082,139	(572,007)
Adjustments for:		
– Depreciation of property and equipment (Note 6)	16,178	13,716
– Depreciation of investment properties (Note 6)	4,059	4,027
– Depreciation of right-of-use assets (Note 6)	15,114	12,973
– Amortisation of intangible assets (Note 6)	4,534	4,132
– Dividend income from financial assets (Note 8)	(1,117)	(405)
– (Gains)/loss on disposal of property and equipment	(63)	72
– Share of loss of investments accounted for using the equity method (Note 17)	139,340	292,518
– Impairment losses on financial assets (Note 3.1(b))	2,054	6,221
– Fair value loss on financial assets at FVPL (Note 9)	32,424	33,983
– Share-based compensation expenses (Note 7)	209,046	237,432
– Interest income on funds segregated for customers (Note 8)	(200,328)	(184,527)
– Dilution gains (Note 9)	(453,156)	–
– Gains on disposal of a subsidiary (Note 9)	(347,972)	–
– Gains on disposal of an associate (Note 9)	(1,601,460)	–
– Modification of lease contract (Note 14)	–	41
– Finance (income)/costs – net (Note 10)	(11,288)	11,671
Operating cash flows before changes in working capital	(110,496)	(140,153)
Changes in working capital:		
– Trade receivables, prepayments, other receivables and other current assets	1,078	(102,102)
– Deferred income	(12,640)	3,160
– Trade payables, other payables and accruals, and contract liabilities	6,901,823	3,375,884
– Funds segregated for customers and restricted cash	(6,876,944)	(3,422,992)
Cash used in operations	(97,179)	(286,203)

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35 CASH FLOW INFORMATION (continued)

(b) Net asset reconciliation

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Cash and cash equivalents (Note 24)	1,627,606	522,250
Lease liabilities (Note 14)	(24,737)	(27,455)
Borrowings (Note 31)	(148,017)	(479,313)
Net asset	1,454,852	15,482

	Liabilities from financing activities			Other assets	Total RMB'000
	Lease liabilities RMB'000	Borrowings RMB'000	Subtotal RMB'000	Cash and cash equivalents RMB'000	
As at 1 January 2024	(17,473)	(437,545)	(455,018)	189,840	(265,178)
Cash flows	13,869	(22,896)	(9,027)	327,045	318,018
Accrued interest expenses (Note 10)	(1,016)	(18,708)	(19,724)	–	(19,724)
Foreign exchange adjustments	–	(164)	(164)	5,365	5,201
Other non-cash movements	(22,835)	–	(22,835)	–	(22,835)
As at 31 December 2024	(27,455)	(479,313)	(506,768)	522,250	15,482
Cash flows	16,141	342,766	358,907	1,119,734	1,478,641
Accrued interest expenses (Note 10)	(1,290)	(11,652)	(12,942)	–	(12,942)
Foreign exchange adjustments	–	182	182	(14,378)	(14,196)
Other non-cash movements	(12,133)	–	(12,133)	–	(12,133)
As at 31 December 2025	(24,737)	(148,017)	(172,754)	1,627,606	1,454,852

36 COMMITMENTS**(a) Capital commitments**

As at 31 December 2025 and 2024, there were no significant investments contracted for at the end of the year but not recognised as liabilities.

(b) Non-cancellable lease

The Group leases office buildings under non-cancellable leases. As at 31 December 2025 and 2024, lease commitments for the Group for leases not yet commenced or short-term leases are as follows:

	As at 31 December	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 year	2,059	1,618

37 ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	As at 31 December	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Non-current		
Investment properties	156,953	161,012
Property, plant and equipment	95,309	100,914
Land use rights	2,660	2,743
	254,922	264,669
	254,922	264,669

Assets pledged as security for current and non-current borrowings were disclosed in Notes 13, 14, 15 and 31.

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38 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control.

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business for the years ended 31 December 2025 and 2024, respectively.

The related party transactions were continuing transactions and carried out on terms mutually agreed between the parties. In the opinion of the directors of the Company, these transactions are in the ordinary courses of business of the Group and in accordance with the terms of underlying agreements.

(a) Name and relationship with related parties

Name of related party	Nature of relationship
LianTong	Associate
Zhong Pu Lian Technology	Associate
Zhonglian Intelligent Technology Co., Ltd.	Controlled by the ultimate controlling party
Hangzhou Fuyu Investment Management Co., Ltd.	Controlled by the ultimate controlling party
Ningbo Lianhui Commercial Factoring Co., Ltd. (formerly known as Lianhui Factoring)	Controlled by the ultimate controlling party
Hangzhou Chanliantong Technology Co., Ltd.	Under significant influence of the ultimate controlling party
Hangzhou Donghan Paifu Private Equity Fund Management Co., Ltd.	Under significant influence of the ultimate controlling party
Zhejiang Lianlian Technology Co., Ltd.	Jointly controlled by the ultimate controlling party
Zhejiang Helian Network Technology Co., Ltd.	Controlled by the Shareholder of the Company

38 RELATED PARTY TRANSACTIONS (continued)**(b) Major transactions with related parties****Trade nature***(i) Provision of services*

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Ningbo Lianhui Commercial Factoring Co., Ltd.	1,859	2,756
Others	660	62
	2,519	2,818

(ii) Rental income

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
LianTong	2,613	2,740
Others	360	702
	2,973	3,442

(c) Receivables from and payables to related parties**Trade nature***(i) Accounts receivables*

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Zhong Pu Lian Technology	1,590	1,590
Ningbo Lianhui Commercial Factoring Co., Ltd.	279	1,021
Others	13	4
	1,882	2,615

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38 RELATED PARTY TRANSACTIONS (continued)

(c) Receivables from and payables to related parties (continued)

Trade nature (continued)

(ii) *Advances from customers*

	As at 31 December	
	2025 RMB'000	2024 RMB'000
LianTong	845	807

(d) Key management personnel compensation

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Wages, salaries and bonuses	27,333	23,281
Share-based compensation expenses	92,278	107,262
Employee social security plans, medical insurances, other social insurances obligations and housing benefits	1,447	1,424
Welfare and other benefits	658	50
	121,716	132,017

39 EVENTS OCCURRING AFTER THE REPORTING PERIOD

There were no material subsequent events during the period from 1 January 2026 to the approval date of these consolidated financial statements by the Board on 26 March 2026.

40 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

	As at 31 December	
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Assets		
Non-current assets		
Property, plant and equipment	265	429
Deferred income tax asset	–	400,364
Right-of-use assets	343	579
Intangible assets	352	563
Investments accounted for using the equity method	313,816	–
Investments in subsidiaries	1,374,314	1,219,166
Total non-current assets	1,689,090	1,621,101
Current assets		
Prepayments, other receivables and other current assets	4,655	6,149
Amounts due from subsidiaries	1,570,443	224,514
Financial assets at FVPL	183,799	178,865
Cash and cash equivalents	608,598	91,413
Total current assets	2,367,495	500,941
Total assets	4,056,585	2,122,042

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40 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (continued)

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Liabilities		
Non-current liabilities		
Lease liabilities	113	349
Current liabilities		
Amounts due to subsidiaries	276,648	323
Accruals and other payables	36,440	18,265
Lease liabilities	217	237
Total current liabilities	313,305	18,825
Total liabilities	313,418	19,174
Equity		
Share capital	1,121,098	1,079,060
Shares held by the Company	(109,919)	–
Shares held by a trustee	(274,468)	–
Other reserves (a)	3,335,662	2,798,490
Accumulated losses	(329,206)	(1,774,682)
Total equity	3,743,167	2,102,868
Total equity and liabilities	4,056,585	2,122,042

The balance sheet of the Company was approved by the Board on 26 March 2026 and was signed on its behalf.

Xin Jie
Director

Wei Ping
Director

40 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (continued)**(a) Reserve movement of the Company**

	Share Premium RMB'000	Share-based Compensation Reserve RMB'000	Total RMB'000
As at 1 January 2024	1,638,189	424,160	2,062,349
Issuance of ordinary share	498,709	–	498,709
Share-based compensation	–	237,432	237,432
As at 31 December 2024	2,136,898	661,592	2,798,490
Issuance of new ordinary shares (Note 25)	314,486	–	314,486
Exercise of share options (Note 28)	59,142	(45,502)	13,640
Share-based compensation	–	209,046	209,046
As at 31 December 2025	2,510,526	825,136	3,335,662

41 BENEFITS AND INTERESTS OF DIRECTORS**(a) Directors' and chief executive's emoluments**

The remuneration of every director and the chief executive, including their role as senior management or employees before their appointment as directors respectively for the years ended 31 December 2025 and 2024 respectively is set out below:

Emoluments paid or payable in respect of a person's service as a director

	Salaries/ Director's fee RMB'000	Discretionary bonuses RMB'000	Share-based compensation expenses RMB'000	Social security plans, housing benefits and employee welfare RMB'000	Total RMB'000
For the year ended 31 December 2025					
Executive directors					
Zhang Zhengyu (i)	1,199	1,826	–	173	3,198
Xin Jie (iii)	1,200	2,200	37,246	145	40,791
Wei Ping (ii)	1,199	1,005	11,174	41	13,419
Zhu Xiaosong (ii)	1,237	960	6,891	805	9,893
Wang Yu (ii)	687	–	5,401	108	6,196

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41 BENEFITS AND INTERESTS OF DIRECTORS (continued)

(a) Directors' and chief executive's emoluments (continued)

	Salaries/ Director's fee RMB'000	Discretionary bonuses RMB'000	Share-based compensation expenses RMB'000	Social security plans, housing benefits and employee welfare RMB'000	Total RMB'000
Independent non-executive directors					
Chun Chang (vi)	366	–	–	–	366
Wong Chi Kin (v)	366	–	–	–	366
Lin Lanfen (v)	366	–	–	–	366
Supervisors					
Wu Wei (iv)	366	–	–	–	366
Song Jingfang (iv)	332	60	–	63	455
Hong Xiaoxue (iv)	264	27	–	105	396
	7,582	6,078	60,712	1,440	75,812
For the year ended 31 December 2024					
Executive directors					
Zhang Zhengyu (i)	1,199	1,182	–	144	2,525
Xin Jie (iii)	1,200	1,200	42,799	138	45,337
Wei Ping (ii)	1,152	713	12,840	36	14,741
Zhu Xiaosong (ii)	1,240	660	7,801	170	9,871
Wang Yu (ii)	1,140	660	6,103	207	8,110
Xue Qiangjun (ii)	1,199	960	8,242	132	10,533
Independent non-executive directors					
Chun Chang (vi)	365	–	–	–	365
Wong Chi Kin (v)	365	–	–	–	365
Lin Lanfen (v)	365	–	–	–	365
Supervisors					
Wu Wei (iv)	365	–	–	–	365
Song Jingfang (iv)	290	60	–	108	458
Hong Xiaoxue (iv)	255	30	–	97	382
	9,135	5,465	77,785	1,032	93,417

41 BENEFITS AND INTERESTS OF DIRECTORS (continued)**(a) Directors' and chief executive's emoluments** (continued)

- (i) Mr. Zhang Zhengyu was appointed as an executive director of the Company since 3 December 2020, and he was the chief executive officer of the Company till March 2023.
- (ii) Mr. Wang Yu and Mr. Zhu Xiaosong were appointed as the executive directors of the Company since 3 December 2020. Mr. Xue Qiangjun resigned in June 2024, and Ms. Wei Ping was appointed as an executive director to replace his position in June 2024. Mr. Wang Yu resigned in July 2025.
- (iii) Mr. Xin Jie was appointed as an executive director of the Company since 4 April 2021. He was appointed as the chief executive officer of the Company in March 2023.
- (iv) Mr. Wu Wei, Ms. Song Jingfang, Ms. Hong Xiaoxue were appointed as supervisors of the Company since 3 December 2020.
- (v) Ms. Li Qi and Ms. Feng Yan resigned in 2023, and Mr. Wong Chi Kin and Ms. Lin Lanfen were appointed as independent non-executive directors to replaced their positions in June and July 2023, respectively.
- (vi) Mr. Chun Chang was appointed as an independent non-executive director of the Company since 4 April 2021.

(b) Directors' retirement benefits

None of the directors received any retirement benefits for the years ended 31 December 2025 and 2024, except for contributions to pension plans.

(c) Directors' termination benefits

None of the directors received any termination benefits for the years ended 31 December 2025 and 2024.

(d) Consideration provided to third parties for making available directors' services

For the years ended 31 December 2025 and 2024, the Company did not pay consideration to any third parties for making available directors' services.

(e) Information about loans, quasi-loans and other dealings in favour of directors, bodies corporate controlled by or entities connected with directors

Save as disclosed in the Note 38(b), there were no loans, quasi-loans and other dealings in favour of directors, bodies corporate controlled by and entities connected with such directors for the years ended 31 December 2025 and 2024.

41 BENEFITS AND INTERESTS OF DIRECTORS (continued)

(f) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in Note 38(b), no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time for the years ended 31 December 2025 and 2024.

42 SUMMARY OF OTHER ACCOUNTING POLICIES

This note provides a list of other accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of the Company and its subsidiaries.

42.1 Principles of consolidation and equity accounting

42.1.1 Subsidiaries

Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group except for the business combinations under common control (Refer to Note 42.1.3(a)).

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statements of comprehensive income/(loss), statements of changes in equity and balance sheets respectively.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.1 Principles of consolidation and equity accounting (continued)

42.1.2 Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

42.1.3 Business combinations

(a) Business combinations under common control

Business combinations under common control refers to combinations where combining entities/businesses are controlled by the same parties before and after the combination and that control is not transitory.

The Group applies merger accounting to account for the business combinations (including acquisition of subsidiaries) under common control, where all assets and liabilities are recorded at predecessor carrying amounts, as if the combining entities have been consolidated from the date when they first came under the control of the controlling party, where differences between consideration payable and the net assets value are taken to the capital reserve.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.1 Principles of consolidation and equity accounting (continued)

42.1.3 Business combinations (continued)

(b) Business combination not under common control

The acquisition method of accounting is used to account for business combinations not under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interests in the subsidiary

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interests in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a gain on bargain purchase.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.1 Principles of consolidation and equity accounting (continued)

42.1.3 Business combinations (continued)

(b) Business combination not under common control (continued)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interests in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

42.1.4 Separate financial statements

Investments in subsidiaries is accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of the subsidiary are accounted for by the Group on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from the investment if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

42.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors and the other key management.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.3 Foreign currency translation

42.3.1 Functional and presentation currency

Items included in the financial information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currencies of the Company and the Company's subsidiaries in the Mainland China are RMB. The functional currency of the Company's subsidiaries outside Mainland China are measured using the currency of the primary economic environment in which the subsidiary operates.

As the major operations of the Group for the years ended 31 December 2025 and 2024 are within the Mainland China, the Group determined to present its consolidated financial statements in RMB (unless otherwise stated).

42.3.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses) - net.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on equities held at FVPL are recognised in profit or loss as part of the fair value gain or loss, and translation differences on equities classified as at FVOCI are recognised in other comprehensive income as part of the fair value gain or loss.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.3 Foreign currency translation (continued)

42.3.3 Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income/(loss) are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

42.4 Investment properties

Investment properties are properties held to earn rentals. Investment properties are initially measured at cost and are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any.

The above investment properties are depreciated over their estimated useful lives of 46 years using the straight-line method. Depreciation is recognized over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each Reporting Period.

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42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.5 Property, plant and equipment

Property, plant and equipment, are stated at historical cost less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss for the years ended 31 December 2025 and 2024 in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives:

	Estimated useful lives	Residual rate
– Buildings	5 years, 10 years, 46 years	5%
– Vehicles	5-10 years	5%
– Furniture and office equipment	3-5 years	0%
– Electronic equipment	3-5 years	0%
– Leasehold improvement	Shorter of remaining lease term or useful life	

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each Reporting Period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 42.7).

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in "other gains/(losses) - net" in the consolidated statements of comprehensive income/(loss).

42.6 Intangible assets

(a) Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring the specific software into usage. These costs are amortized using the straight-line method over their estimated useful lives of 3-10 years. Costs associated with maintaining computer software programs are recognized as expense as incurred.

(b) Trademarks and patents

Acquired trademarks and patents are capitalized on the basis of the costs incurred to acquire. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses. Amortization is calculated using the straight-line method to allocate the cost of patents over their estimated useful lives of 10 years.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)**42.6 Intangible assets** (continued)**(c) Licence**

Licence acquired in a business combination are recognised at fair value at the acquisition date. They have an indefinite life and are subsequently carried at cost without amortisation, but is tested for impairment annually.

(d) Goodwill

Goodwill is measured as described in Note 16. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to CGU for the purpose of impairment testing. The allocation is made to those CGU or groups of CGU that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (Note 5).

(e) Research and development expenditures

The Group incurs significant costs and efforts on research and development activities. Research expenditures are charged to the profit or loss as an expense in the period the expenditures are incurred. Development costs are recognised as assets if they can be directly attributable to a newly developed product and all the following can be demonstrated:

- it is technically feasible to complete the development project so that it will be available for use;
- management intends to complete the development project, and use or sell it;
- the ability to use or sell the development project;
- it can be demonstrated how the development project will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and the ability to use or sell the development project are available; and
- the expenditure attributable to the asset during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the development project include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.6 Intangible assets (continued)

(e) *Research and development expenditures* (continued)

Other development expenditures that do not meet those above criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

For the years ended 31 December 2025 and 2024, there were no development costs meeting these criteria and capitalised as intangible assets.

42.7 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (CGU). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each Reporting Period.

42.8 Financial assets and liabilities

42.8.1 *Financial assets*

(a) *Classification*

The Group classifies its financial assets in the following measurement categories:

- (i) Those to be measured subsequently at fair value (either through other comprehensive income ("OCI"), or through profit or loss), and
- (ii) Those to be measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For financial assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.8 Financial assets and liabilities (continued)

42.8.1 Financial assets (continued)

(b) *Recognition*

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset.

(c) *Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- (i) **Amortised cost:** Assets that are held (i) for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ("SPPI") are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method. Impairment losses are presented as separate line item in the consolidated statements of comprehensive income/(loss).

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e., its amortised cost before any expected credit losses ("ECL") allowance) or to the amortised cost of a financial liability. The calculation does not consider ECL and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.8 Financial assets and liabilities (continued)

42.8.1 Financial assets (continued)

(c) *Measurement* (continued)

Debt instruments (continued)

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets

- (ii) FVOCI: Assets that are held for collection of contractual cash flows and for sale, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses) - net. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in "other gains/(losses) - net". Impairment losses are presented as separate line item in the consolidated statements of comprehensive income/(loss).
- (iii) FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the consolidated statements of comprehensive income/(loss) within "other gains/(losses) - net" in the period in which it arises.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.8 Financial assets and liabilities (continued)

42.8.1 Financial assets (continued)

(c) Measurement (continued)

Debt instruments (continued)

Business model: the business model reflects how the Group manages the assets in order to generate cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g., financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the "SPPI test"). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVPL.

The Group reclassifies debt financial assets when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first Reporting Period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) - net in the statement of comprehensive income/(loss) as applicable.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.8 Financial assets and liabilities (continued)

42.8.1 Financial assets (continued)

(d) Impairment

The Group assesses the ECL associated with its debt instruments carried at amortised cost. The Group recognises a loss allowance for such losses. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort about past events, current conditions and forecasts of future economic conditions.

Note 3.1(b) provides more details of how the "Provision for impairment" is measured.

(e) Derecognition

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Group transfers substantially all the risks and rewards of ownership, or (ii) the Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

(f) Write-off

Financial assets (and the related ECL allowance) are normally written off, either partially or in full, when there is no realistic prospect of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. Impairment losses on financial assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.8 Financial assets and liabilities (continued)

42.8.2 Financial liabilities

(a) *Classification and subsequent measurement*

Financial liabilities are classified as subsequently measured at amortised cost, except for:

Financial liabilities at FVPL: this classification is applied to derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each Reporting Period.

(b) *Derecognition*

Financial liabilities are derecognised when they are extinguished (i.e., when the obligation specified in the contract is discharged, cancelled or expires).

42.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated balance sheets where the Group currently has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts in RMB unless otherwise stated)

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.10 Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection of trade receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 20 for further information about the Group's accounting for trade receivables and Note 3.1(b) for a description of the Group's impairment policies.

42.11 Cash and cash equivalents and Funds segregated for customers

For the purpose of presentation in the consolidated statements of cash flows, cash and cash equivalents include deposits held at call with banks, cash at other third-party online payment platforms, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Funds segregated for customers mainly represent customer funds actually collected and awaiting disbursement as requested.

42.12 Trade and other payables

Trade payables mainly represent the obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. The Group shares its payment service revenue with distribution channels in the form of commissions in accordance with the terms of the service agreements.

Payables to merchants included in other payables represent the funds in customer deposit accounts which has not been transferred to merchant customers due to the settlement cycle or the preferences of merchant customers for periodic collection of funds. The carrying amounts are estimated to be approximating their fair values, due to their short-term nature. Trade and other payables are presented as current liabilities unless payment is not due within one year or less after the Reporting Period.

Trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.13 Borrowings and borrowing costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the consolidated balance sheets when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the Reporting Period.

Other borrowing costs are expensed in the period in which they are incurred.

42.14 Employee benefits

(a) Employee social security plans, housing funds, medical insurances and other social insurances obligations

The Group only operates defined contribution pension plans. Employees of the Group are covered by various government-sponsored social security plans under which the employees are entitled to a monthly pension based on certain formulas. The relevant government agencies are responsible for the pension liability to these employees when they retire. The Group contributes on a monthly basis to these pension plans for the employees which are determined at a certain percentage of their salaries. Under these plans, the Group has no obligation for post-retirement benefits beyond the contribution made. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the governments. Contributions to these plans are expensed as incurred.

Employees of the Group are entitled to participate in various government supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each period. Contributions to these plans are expensed as incurred.

(b) Short-term obligations

Liabilities for salaries and bonuses, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the Reporting Period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations and reflected in "Accruals and other payables" in the balance sheets.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

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42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.14 Employee benefits (continued)

(c) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(d) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the Reporting Period are discounted to present value.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.15 Earnings per share

(a) *Basic earnings per share*

Basic earnings per share is calculated by dividing:

- The earnings attributable to equity holders of the Company;
- By the weighted average number of ordinary shares outstanding during the financial year.

(b) *Diluted earnings per share*

Diluted earnings per share adjusts the figures used in the determination of basic loss per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.16 Leases

(a) Definition of a lease and the Group as a lessee

The Group leases various buildings and data centre in the PRC and abroad as lessee. Rental contracts are typically made for fixed periods of 2 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments (if applicable):

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implied in the lease, if that rate can be determined, or the respective incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)**42.16 Leases** (continued)**(a) Definition of a lease and the Group as a lessee** (continued)

Right-of-use assets are measured at cost comprising the following (if applicable):

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Right-of-use assets are subject to impairment (Note 42.7). Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of less than 12 months.

(i) Modification of lease

A lease liability is remeasured upon a change in the lease term, changes in an index or rate used to determine the lease payments or reassessment of exercise of a purchase option. The corresponding adjustment is made to the related right-of-use assets.

(b) The Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms of an operating lease and is included in revenue in consolidated statements of comprehensive income/(loss) due to its operating nature.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts in RMB unless otherwise stated)

42 SUMMARY OF OTHER ACCOUNTING POLICIES (continued)

42.17 Interest income

Interest accrual from financial assets at FVPL has been included in the net fair value gains/(losses) on these assets in “other gains/(losses) - net”, see Note 9 above.

Investment income is presented as “Finance income” where it is earned from cash and cash equivalents, see Note 10 above.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset that is not credit impaired.

Interest income from financial assets at amortised cost is included in the “Other income” or “Finance income”, see Note 8 and Note 10 above.

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Lianlian DigiTech Co., Ltd.