



SY HOLDINGS GROUP LIMITED

盛業控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 6069

2025

ANNUAL REPORT



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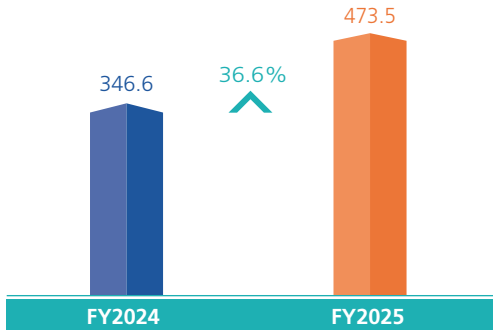
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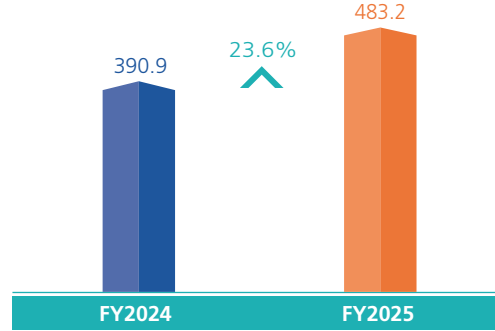
2 PERFORMANCE HIGHLIGHTS

For the year ended 31 December 2025

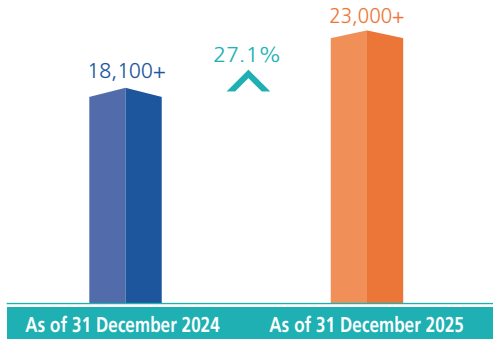
Revenue from platform-based technology services^(note) (RMB in millions)



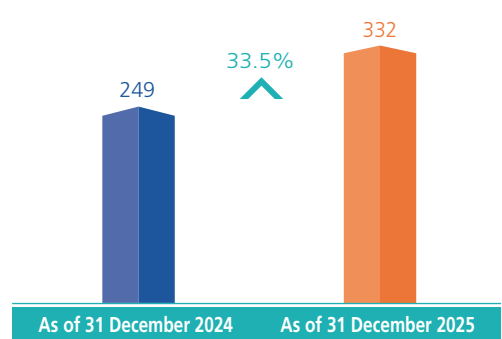
Profit after taxation (RMB in millions)



Total cumulative platform users



Total cumulative supply chain assets processed (RMB in billions)



Proportion of revenue from platform-based technology services
During the year ended 31 December 2025

52.4%

Cumulative R&D investment (RMB)
As of 31 December 2025

>300 million

the cumulative business scale in the e-commerce segment (RMB)
As of 31 December 2025

>6 billion **+440%**

AI service contract revenue for the first time
During the year ended 31 December 2025

>17.0 million

Note: The platform-based technology services included technology and other services for loan facilitation, referral service, technology service for asset-backed securitisation products, supply chain technology services and other services.

SUMMARY OF FINANCIAL INFORMATION 3

	FOR THE YEAR ENDED 31 December 2025 RMB'000	FOR THE YEAR ENDED 31 December 2024 RMB'000	FOR THE YEAR ENDED 31 December 2023 RMB'000	FOR THE YEAR ENDED 31 December 2022 RMB'000	FOR THE YEAR ENDED 31 December 2021 RMB'000
OPERATING RESULTS					
Revenue and income from principal activities	903,508	919,366	963,518	800,425	575,333
– Revenue from platform-based technology services	473,526	346,571	170,234	103,267	50,155
– Income from digital financing solutions	375,944	521,884	722,811	624,871	430,014
– Gain on refinancing of supply chain assets upon derecognition	54,038	50,911	70,473	72,287	95,164
Finance costs	242,678	359,076	408,797	276,348	129,228
Share of results of associates	151,321	124,565	20,360	(927)	16,814
Net profit	483,205	390,867	285,545	243,608	421,473
Earnings per share (RMB cents)	48	39	27	22	43
	AS AT 31 December 2025 RMB'000	AS AT 31 December 2024 RMB'000	AS AT 31 December 2023 RMB'000	AS AT 31 December 2022 RMB'000	AS AT 31 December 2021 RMB'000
FINANCIAL POSITION					
Total assets	11,601,422	10,598,922	11,819,568	11,378,459	8,802,773
Total liabilities	7,184,573	6,484,540	7,756,281	7,254,770	4,849,179
Net assets	4,416,849	4,114,382	4,063,287	4,123,689	3,953,594



4 CHAIRMAN'S STATEMENT

Dear Shareholders, Business Partners, Colleagues and Friends:

The year 2025 marked a pivotal moment in global economic restructuring and the accelerated deployment of new productive forces. It also represented an important milestone for SY as it actively lays out its strategic footprint in new industries and builds dual growth engines in the e-commerce and overseas expansion initiatives.

In the face of an increasingly complex and volatile external environment, we remained steadfast in our goal of "Serving the Real Economy and Empowering Small and Medium-sized Enterprises (SMEs)". Driven by technology, underpinned by data, and supported by our platform, we steadily advanced our strategic upgrade and business expansion, delivering a solid annual performance characterized by robust growth and high-quality development. Particularly encouraging was the approximately 24% year-on-year increase in net profit to RMB483 million, marking 12 consecutive years of profitability and further fulfilling our long-term commitment to all stakeholders.

Steady Platform Growth and Tangible Strategic Progress

As a leading supply chain fintech platform, SY has established long-term strategic partnerships with 17 top-tier core enterprises. Over 12 years of dedicated cultivation, we have accumulated vast multi-dimensional transaction data and achieved compounded annual profit growth approaching 30%. We have deeply cultivated key pillar industries such as infrastructure, pharmaceuticals, and commodities, while also adopting a forward-looking approach to strategically position ourselves in high-growth emerging sectors like e-commerce, overseas expansion, and AI infrastructure.

Today, leveraging our "SY Cloud Platform" and AI agent capabilities, we are accelerating the development of an industry supply-chain service ecosystem characterized by the principles of "data-driven operations, technology empowerment, and ecosystem collaboration."

In 2025, the company's core business indicators continued to improve steadily, with main business revenue reaching approximately RMB904 million, sustaining strong growth momentum. Platform technology services stood out as a particular highlight, generating approximately RMB474 million in annual revenue—a substantial year-on-year increase of approximately 37%—representing more than 52% of total revenue. This milestone signifies that the "platform-based, asset-light" business model has become the defining driver of the company's accelerating performance. At the same time, our differentiated "transaction focused" risk management approach effectively addresses the pain points of financing difficulty, slow capital turnover, and low operational efficiency prevalent in industrial supply chains, meaningfully supporting SMEs in achieving stable operations and enhanced productivity. As of the end of 2025, the platform had cumulatively served more than 23,000 clients, an increase of over 27% year-on-year, while the cumulative volume of intelligently matched transactions exceeded RMB332.4 billion, up more than 33% year-on-year, further underscoring the platform's growing scale advantages.



CHAIRMAN'S STATEMENT

AI Integration Accelerates Formation of New Growth Engine

Throughout the year, we continued to intensify our efforts in integrating AI technology with industrial application scenarios, and consistently enhanced our intelligent risk management, matchmaking, and operations systems. By embedding the value of “Going Beyond Expectations” into every dimension of our service delivery, we not only elevated platform operational efficiency and service precision, but also drove a sustained increase in the proportion of technology service revenue, further solidifying the Company's asset-light, platform-focused strategy. As of the end of 2025, our cumulative R&D investment exceeded RMB300 million; our R&D team comprised more than 120 professionals; and we held over 100 national invention patents and computer software copyrights, covering innovative applications across critical domains including big data risk control and intelligent operations.

Leveraging our AI innovation capabilities and platform connectivity, we have deeply integrated into the ecosystems of major e-commerce platforms, with cumulative e-commerce service volume exceeding RMB6 billion-more than a 4.4-fold increase year-on-year. We have also developed specialized AI service capabilities that enable precise matching of optimal supply chain solutions for our clients. As of year-end 2025, AI service contract revenue on the platform exceeded RMB17 million, representing a sequential increase of more than 40-fold. Backed by our solid technological capabilities and financial performance, SY was successfully included in the HKEX Tech 100 Index, joining the core cohort of Hong Kong's technology-sector listed companies-a strong endorsement of our growth potential and investment value by the capital markets.

Committed to Long-termism-Sharing the Fruits of Corporate Growth

This year, we remained firmly committed to the principles of long-termism, safeguarding the enduring interests of our shareholders through sound financial performance and sustainable growth momentum. The company has maintained a high-dividend policy for 8 consecutive years. For this reporting period, we propose to distribute an ordinary dividend of RMB0.4047 per share and a special dividend of RMB0.2319 per share, with total distributions expected to exceed RMB677.8 million. Based on the closing share price on the date of the result announcement for financial year of 2025, the annual dividend yield exceeds 7%. We commit to maintaining a payout ratio of no less than 90% for fiscal years 2024 through 2026, ensuring that our investors continue to share in the Company's ongoing growth and prosperity.

As we look back on our journey, we remain ever grateful for the path that has brought us here. As a bridge connecting industry and finance, we focus on the most pressing challenges faced by SMEs-lowering service barriers through digital means, broadening access to financial services, and supporting the healthy flow of capital through the real economy. At the same time, we uphold the highest standards of compliance, continuously strengthen our risk management framework, and build a solid foundation for sustainable development-achieving a harmonious alignment of commercial value and social responsibility. To date, SMEs account for more than 96% of our client base. We have cumulatively helped these clients reduce financing costs by more than RMB3.3 billion, and have supported an average increase in their annual sales volumes of over 60%.

Looking back over the years, SY has weathered countless storms and pressed forward with unwavering determination. Every step of our growth has been made possible by the trust and support of our shareholders, the partnership and dedication and trust of our clients, the commitment and contributions of our management team, and the hard work and dedication of all our employees. On behalf of the Board of Directors, I wish to extend our most sincere gratitude to all who have cared for, supported, and accompanied SY on its journey.



6 CHAIRMAN'S STATEMENT

Looking ahead, the integration of artificial intelligence, the digital economy, and the real economy will continue to deepen, presenting a golden opportunity for the digital and intelligent transformation of industrial supply chains. The development of new-quality productivity will inject fresh momentum into various industries. SY will remain steadfast in its mission and vision of "Empowering Chinese SMEs or reshape the global supply chain." We will continue to increase investment in R&D, deepen innovation and its practical application; continue to expand our industrial ecosystem boundaries, building a more sustainable growth trajectory; and continue to uphold our commitment to compliance and prudent development, raising the standards of corporate governance-delivering superior operating results for our shareholders, creating greater value for industry, and giving back to society.

The road ahead may be long, but every step forward brings us closer to our destination. In 2026, we will embrace transformation and seize opportunity with greater conviction and pragmatic resolve, walking side by side with all our stakeholders to create a sustainable and prosperous future together.

SY Holdings Group Limited

Tung Chi Fung

Chairman and Executive Director



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

2025 Annual Review

SY Holdings Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**” or “**SY**”) is a leading supply chain fintech platform. The Group has consistently maintained its strategic focus at the management level, dedicating itself to becoming a rare and outstanding enterprise in the supply chain fintech sector with the greatest longevity, the steadiest growth, and the most sustainable profitability. While deeply cultivating its solid fundamentals in national pillar industries such as infrastructure, pharmaceuticals and commodities, the Group has actively strategically positioned itself in emerging industries such as e-commerce and overseas expansion, thereby forging a robust dual growth engine.

Driven by the deepened implementation of the “asset-light and platform-based” strategy, which has propelled an expansion in the business scale of platform-based technology services, and benefiting from the further improvement in the performance of the Company’s associates supported by the strong backing and complementary resources of both shareholders, the Group recorded steady growth during the period. For the year ended 31 December 2025:

- The Group achieved a net profit of approximately RMB483.2 million, representing a significant year-on-year increase of approximately 23.6%;
- The Group achieved a total principal business revenue and income of approximately RMB903.5 million, representing a slight year-on-year decrease of approximately 1.7%;
- The Group achieved a share of results of associates of approximately RMB151.3 million, representing a significant year-on-year increase of approximately 21.5%.

With the deepening of the platform-based strategy and the accumulation of data assets, the Group’s core business and operational metrics have achieved breakthrough progress:

- **Continuous Expansion of Platform Customer Base:** As of 31 December 2025, the total number of cumulative platform customers exceeded 23,000, representing a year-on-year increase of approximately 27.1% from 18,100 as of 31 December 2024; for the year ended 31 December 2025, micro, small and medium enterprises (the “**SMEs**”) accounted for over 96% of the total number of clients;
- **Intelligent Facilitation Business Hitting Record Highs:** As of 31 December 2025, the cumulative business scale of intelligent facilitation by the platform exceeded RMB332.4 billion, representing an increase of approximately 33.5% from RMB248.9 billion as of 31 December 2024;
- **Technology-Empowered Inclusive Finance:** As of 31 December 2025, the Group had cumulatively reduced funding costs for SME customers by over RMB3.3 billion;



MANAGEMENT DISCUSSION AND ANALYSIS

- **Remarkable Results in Asset-Light Transformation:** For the year ended 31 December 2025, the platform-based technology facilitation business accounted for over 87% of the total, and the revenue from platform-based technology services was RMB473.5 million, representing an increase of approximately 36.6% from RMB346.6 million for the year ended 31 December 2024. The proportion of technology revenue to the Group's total principal business revenue and income was approximately 52.4%, representing a substantial increase compared to approximately 37.7% for the year ended 31 December 2024.

Differentiated Advantages: "Transaction-Focused and Entity-Light" and Data Barriers

The core competitive barrier of the Group lies in the continuous optimization of its data-driven "transaction-focused and entity-light" risk control model. Distinguished from the model of traditional financial institutions which heavily relies on entity credit, SY manages the underlying transactions across their entire lifecycles-encompassing orders, contracts, logistics, warehousing, progress control, acceptance, reconciliation, and settlement-and leverages multi-dimensional transaction data for cross-verification. Through 12 years of vertical industry data accumulation, the Group has established system linkages with 17 leading core enterprises. This model not only reduces customer acquisition costs to near zero, but also yields remarkable results in enhancing operational efficiency, controlling risk costs, and improving customer experience. Abundant industrial data and an efficient platform-based model have forged the Group's differentiated advantages and wide economic moat characterized by "high growth and steady dividend payout".

Business Layout: Solid Fundamentals + Dual Growth Engines

In terms of business expansion, the Group adheres to a development strategy that places equal emphasis on solid fundamentals and dual growth engines. The infrastructure, pharmaceuticals and commodities sectors serve as the solid fundamentals for the Group's steady development. Their massive potential market size and high customer stickiness provide a continuously steady profit cornerstone for the Group. Concurrently, the Group has significantly enhanced its operational efficiency through AI technology. By integrating its resource advantages in industry data, risk control algorithms, and computing power reserves, the Group has driven the rapid replication of its platform-based technology service capabilities across innovative sectors such as e-commerce and overseas expansion. This has propelled the e-commerce and overseas expansion businesses to become the dual growth engines of the Group, demonstrating explosive momentum for the year ended 31 December 2025:

- **Robust Growth in E-commerce Business Scale:** The Group has completed its business coverage across 6 major top-tier e-commerce platforms, namely Douyin, SHEIN, Shopee, Kuaishou, WeChat Video Channel, and Dewu, and has introduced Be Friends Holdings Limited (Stock Code: 1450.HK), a "cross-platform live-streaming e-commerce leader", as a strategic investor to accelerate linkages within the live-streaming e-commerce industry ecosystem. Accordingly, by leveraging dynamic operating data and 'shipped but pending settlement' orders, the Group is able to assist e-commerce merchants in efficiently addressing their supply chain service needs across various stages, including order surges, procurement and inventory stocking, as well as marketing and traffic acquisition. As of 31 December 2025, the cumulative platform service business scale in the e-commerce segment exceeded RMB6 billion, representing a growth of over 4.4 times compared to the data as of 31 December 2024;



MANAGEMENT DISCUSSION AND ANALYSIS

- Overseas Expansion Business Achieving “0 to 1” Breakthrough:** The founding team of the Group possesses a global perspective and has been deeply engaged in the supply chain technology sector for 12 years, equipped with mature technological systems and service models. Having secured strategic investment and resource support from Temasek, a sovereign wealth fund of Singapore, the Group is well-positioned for the rapid replication and rollout of its business across Southeast Asia. At present, the Group has officially designated the “overseas expansion strategy” as a core driving force, and has established its international headquarters in Singapore with a professional team currently under development. The Group focuses on serving the overseas expansion needs of leading Chinese high-end manufacturing enterprises in sectors such as robotics, electric vehicles (the “EVs”), and Artificial Intelligence (the “AI”) infrastructure, providing one-stop solutions that encompass logistics, warehousing, customs declaration, cross-border settlement, exchange rate management, and order facilitation. As of 31 December 2025, the Group had reached strategic partnerships with nearly 10 pre-IPO robotics companies and established a cooperative relationship with Carro, the largest online used car platform in Southeast Asia, jointly assisting EV brands such as ZEEKR in exploring overseas markets. In the strategic layout of AI infrastructure, the Group has entered into a strategic partnership with Yangtze Optical Fibre and Cable Joint Stock Limited Company (the “YOFC”, stock codes: 601869.SH, 06869.HK), a global leader in the optical communication industry, leveraging AI technology to provide flexible supply chain value-added services for YOFC’s upstream suppliers. In terms of industrial global expansion, both parties will rely on YOFC’s globally leading technological strength and market presence, coupled with SY’s one-stop international supply chain technology service capabilities, to assist China’s AI infrastructure industry in “going global”.

R&D Capabilities and Commercial Empowerment of AI

- As a technology-driven platform, the Group continuously increases its research and development (the “R&D”) investment, with cumulative R&D investments exceeding RMB300 million, holding 100 national invention patents and computer software copyrights, which encompass innovative applications in key domains such as big data risk control and intelligent operations;
- In terms of AI technology application, during the year, the efficiency of intelligent sorting of customer data was enhanced by over 95%, with an accuracy rate of 100%; intelligent contract review achieved processing of 200 pages in 2 minutes, with an accuracy rate of over 98%. For the year ended 31 December 2025, AI technology empowerment drove a year-on-year increase of over 40% in per capita business processing volume;



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- The Group has further effectively translated its AI capabilities into commercialized value-added services. Its proprietary “SY Cloud Platform” (the “**Platform**”) deeply integrates mainstream open-source large models such as DeepSeek, Qwen, and Doubao, forging professional AI service capabilities across key links of supply chain management, thereby matching clients with optimal supply chain solutions. For instance, by leveraging AI to analyze market and consumer data, the platform provides e-commerce merchants with precise decision-making support across stages such as product selection, sales, and inventory stocking. For the year ended 31 December 2025, the Group achieved AI service contract revenue of over RMB17.0 million, realizing a substantial period-over-period growth of over 40 times compared to the contract revenue for the six months ended 30 June 2025. Concurrently, the Group recognized an AI-powered information services revenue of approximately RMB2.3 million for the first time. AI technology is progressively becoming a vital driver for the Group’s cost reduction, efficiency enhancement, and revenue growth;
- With the support of the Wuxi municipal government, the Group has integrated with the Xuelang Computing Center, the NVIDIA AI Computing Center, and the Sugon Advanced Computing Center, securing resources of over 60 H800 servers and possessing an intelligent computing power of over 1,000 Petaflops (P). Concurrently, the construction of the Group’s East China headquarters located in Wuxi-the Apex-has been completed. It will serve as the nation’s first digital ecosystem base for the AI industry, driving the deep integration of AI technology within the industrial supply chain and actively responding to the policy call of the national “AI+” initiative.

Since its inception in 2013, SY has remained profitable for 12 consecutive years and has consistently implemented a steady dividend policy for 8 consecutive years, with aggregate dividend payouts over RMB1.4 billion. To continuously reward investors for their enduring support and trust, SY announced a dividend payment plan in 2024, pursuant to which the dividend payout ratio shall be no less than 90% for the three-year period ending 31 December 2024, 31 December 2025, and 31 December 2026 (details of the dividend payment plan are disclosed in the Company’s announcement dated 10 October 2024). For the year ended 31 December 2025, the Directors recommended the payment of a dividend of RMB40.47 cents per ordinary share of the Company. The Directors also approved the payment of a special dividend of RMB23.19 cents per ordinary share of the Company to further reward shareholders for their support and trust. The Company has consistently adopted a prudent dividend policy and will consider further special dividend plans having regard to market conditions and subject to the final approval of the Board.

BUSINESS OUTLOOK AND PROSPECTS

Looking ahead, the reconstruction of global supply chains is continuously deepening, and the integration of the digital economy with the real economy is further accelerating. The Group will firmly adhere to its strategic positioning as a “leading supply chain fintech platform”, continuously leverage its differentiated advantage of being “transaction-focused and entity-light”, and comprehensively propel the in-depth development of three major innovative segments: e-commerce, overseas expansion and AI value-added services, working alongside Chinese SMEs to reshape the global supply chain.



MANAGEMENT DISCUSSION AND ANALYSIS 11

Deep Penetration and Ecosystem Co-construction in the E-commerce Sector

In the field of e-commerce services, the Group will firmly grasp the rapid growth dividends of live-streaming e-commerce and cross-border e-commerce, continuously deepening direct system connections and ecosystem integration with major top-tier e-commerce platforms. Relying on our advantages in AI applications and platform connectivity, we will further embed digital services deeply into the ecosystems of various platforms. In the future, the Group will leverage the synergistic effects of strategic investors and ecosystem partners to provide broader e-commerce merchants with flexible supply chain solutions based on dynamic operational data. This will help merchants efficiently address their funding needs for inventory stocking and traffic acquisition, driving sustained and high-speed compound growth in the business scale of the e-commerce segment.

Accelerated Implementation of the Overseas Strategy and Global Layout

In response to the increasingly robust overseas expansion needs of Chinese high-end manufacturing enterprises and SME merchants, the Group will center on its international headquarters in Singapore to deeply link Southeast Asia and the broader international market. Targeting pain points in cross-border trade, such as high pressure for advance funding, long supply chain cycles, and high barriers to entry for overseas banks, the Group will continuously optimize our one-stop solutions encompassing logistics, warehousing, customs declaration, and order matching. Concurrently, to resolve critical bottlenecks restricting the globalization of SMEs, such as high exchange rate volatility and low payment efficiency in international trade, the Group plans to compliantly explore the innovative application of stablecoins in international supply chain capital turnover services. Utilizing the peer-to-peer transmission capabilities of blockchain technology to achieve instantaneous clearing of “payment upon settlement,” the Group is committed to reducing cross-border payment costs and circumventing exchange rate volatility risks, thereby “building a bridge” for the global expansion of SMEs in the Asia-Pacific region.

Scaling and Commercialization of AI Value-Added Services

AI represents a potent potential growth curve for the Group in the future. The Group will continuously deepen the application of AI technology within industrial intelligent agents, fully utilize regional computing power resources, and continuously optimize vertical AI Agent models. Based on over 3.8 million entries of vertical industry bidding and procurement data and 150 million entries of product benchmarking information accumulated over the past 12 years, the Group will further enrich value-added service scenarios such as “procurement services” and “intelligent facilitation,” helping clients to realize “finding orders via AI.” The Group expects AI value-added services to become a new growth engine with high gross profit margins, projecting that AI service revenue will achieve further breakthroughs by 2026. Moving forward, the Group will continue to export our AI technological capabilities to SMEs within the ecosystem, growing alongside our clients, and dedicating ourselves to becoming the benchmark enterprise with the highest investment value and technological attributes in the supply chain fintech sector.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue and income from principal activities

The Group's total revenue and income from principal activities slightly decreased by 1.7% year-on-year to RMB903.5 million for the year ended 31 December 2025, compared to RMB919.4 million for the previous year. The decrease was primarily attributable to the Group's continued implementation of its asset-light strategy and enhancement of technology platform capabilities, which has directed more of the supply chain working capital needs of SMEs clients to be met by external funding partners connected through the Platform. As a result, revenue from digital financial solutions continued to decline, partially offset by the significant growth in the revenue from platform-based technology service driven by the Group's platform-based strategy.

Platform-based technology services

The Group's platform technology services, powered by the Platform, connect the industrial ecosystem with financial institutions. By leveraging advanced technology-driven models, the Platform provides comprehensive sales and supply chain management solutions to enterprise clients, effectively addressing their order acquisition and supply chain working capital needs. Revenue from platform-based technology services significantly increased by 36.6% year-on-year to approximately RMB473.5 million for the year ended 31 December 2025, compared to approximately RMB346.6 million for the preceding year, mainly due to the strengthening of platform ecosystem connectivity and technological capabilities, the Group has continuously enhanced customer acquisition efficiency and risk control, which has enabled more SMEs to access supply chain working capital solutions through the Platform's network of external funding partners.

Furthermore, the Group has continuously enhanced its differentiated services, providing clients within the industrial ecosystem with AI-driven value-added supply chain technology services, which include leveraging the Platform to assist clients in order acquisition and marketing management, intelligent goods receipt and inspection, as well as the digitalization of procurement, sales, and inventory.

Digital financing solutions

The Group's digital financial solutions primarily facilitate supply chain working capital support for SMEs clients by its internal funding and credit enhancement entities through intelligent matching on the Platform. Revenue from digital financing solutions decreased by 28.0% year-on-year to RMB375.9 million for the year ended 31 December 2025, compared to RMB521.9 million for the last year, mainly due to the fact that the Group has further deepened its asset-light operating strategy and continued to enhance its platform capabilities, enabling a greater portion of the supply chain working capital needs of SMEs clients to be met through external funding partners connected via the Platform, thereby reducing the use of the Group's own capital.

Gain on refinancing of supply chain assets upon derecognition

For supply chain assets held by the Group, the Platform may facilitate refinancing by introducing funding partners, thereby maximizing the value of our supply chain assets and enhancing the Company's cash flow management. Gain from this business segment is equal to the excess amount received or receivable from refinancing transactions over the carrying amount of the supply chain assets, as the Group does not bear the associated risks of these assets after such refinancing arrangements. The gain on refinancing of supply chain assets upon derecognition increased by 6.1% year-on-year to RMB54.0 million for the year ended 31 December 2025, compared to RMB50.9 million for the preceding year.



MANAGEMENT DISCUSSION AND ANALYSIS

Other gains and losses

The Group booked other gains of RMB46.2 million in the year of 2025, a decrease of 36.5% year-on-year, compared to RMB72.9 million for the preceding year. The decrease is mainly due to (i) Gain of RMB49.3 million recognized in 2024 from the remeasurement of previously held equity interest in an associate upon step acquisition of a subsidiary; (ii) Gain of RMB5.2 million recognized in 2024 from disposal of subsidiaries; offset by (iii) an increase in fair value gain of other financial assets at FVTPL.

Share of results of associates

The growth of the Group's major associate companies continues to thrive due to the strong support and resource synergy provided by joint venture partners. On one hand, these associate companies utilize the Group's industrial ecosystem connections, big data analytics, AI-driven enhancements, and comprehensive system support to improve customer acquisition efficiency and strengthen risk management capabilities. This has led to significant increases in both business scale and revenue while effectively mitigating risks. On the other hand, the credit backing from their controlling shareholders has further reduced funding costs, resulting in a substantial rise in net profits for these associate companies. The development of these associate companies is a crucial part of the Group's platform-based strategy, facilitating business expansion and revenue growth through resource integration. The share of results of associates surged 21.5% year-on-year, rising from RMB124.6 million for the year ended 31 December 2024 to RMB151.3 million for the year ended 31 December 2025.

Expenses

The following table sets forth the comparative figures of the principal components of the operational expenses for the year ended 31 December 2025 and 2024.

	Year ended 31 December		
	2025 RMB'000	2024 RMB'000	Year-on-year
Staff costs	194,775	187,608	3.8%
Depreciation and amortisation	38,502	32,195	19.6%
Other costs and operating expenses (excluding materials cost)	70,593	55,531	27.1%
Total	303,870	275,334	10.4%

The Group's total operational expenses increased by 10.4% year-on-year to RMB303.9 million for the year ended 31 December 2025, compared to RMB275.3 million for the year ended 31 December 2024, mainly due to the increase in staff costs of RMB7.2 million, depreciation of property, equipment, right-of-use assets and investment property and amortisation of intangible assets of RMB6.3 million and other operating expenses of RMB14.4 million as a result of business expansion.

The operational cost-to-income ratio for the year of 2025 was 33.6% when compared with 29.9% in 2024, excluding material costs and one-time expenses.

Net profit

Net profit in the year of 2025 was RMB483.2 million, an increase of RMB92.3 million or 23.6% year-on-year, compared to RMB390.9 million for the year ended 31 December 2024.



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Adjusted net profit

Adjusted net profit increased by 41.5% year-on-year to RMB485.7 million for the year ended 31 December 2025, compared to RMB343.3 million for the year ended 31 December 2024.

Non-HKFRSs Measure: adjusted net profit

To supplement our consolidated results which are prepared and presented in accordance with Hong Kong Financial Reporting Standards (the “HKFRSs”), we utilize non-HKFRSs adjusted net profit (“**adjusted net profit**”) as an additional financial measure. We define adjusted net profit as profit for the year, as adjusted by excluding remeasurement gain of previously held equity interest in an associate upon step acquisition of a subsidiary, gain on disposal of subsidiaries and equity-settled share-based payments based on our share incentive plan.

Adjusted net profit is not required by, or presented in accordance with, HKFRSs. We believe that the presentation of non-HKFRSs measures when shown in conjunction with the corresponding HKFRSs measures provides useful information to investors and management regarding financial and business trends in relation to our financial condition and results of operations, by eliminating any potential impact of items that our management does not consider to be indicative of our operating performance, such as certain non-cash items and the impact of certain non-recurring investment transactions. We also believe that the non-HKFRSs measures are appropriate for evaluating the Group’s operating performance. However, the use of this particular non-HKFRSs measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under HKFRSs. In addition, this non-HKFRSs financial measure may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures used by other companies.

Supply chain assets at fair value through other comprehensive income (“FVTOCI”)

Supply chain assets at FVTOCI as of 31 December 2025 were RMB4,361.4 million, a 10.8% decrease year-on-year. Daily average balance of self-funded supply chain assets over the year of 2025 was RMB3,834.0 million, a 33.7% decrease over the year of 2024, mainly due to the deepened asset-light strategy. Based on the daily average balance of self-funded supply chain assets, interest yield on supply chain assets in the year of 2025 was 8.7%, which was 0.3 percentage points higher year-on-year.

The details of major terms of supply chain assets, including collateral types, maturity profile, and the size and diversity of clients are set out below.

As at 31 December 2025, all of the total supply chain assets were secured by charge over trade receivable, in respect of which the legal title and legal right to receivable cash flows were also transferred to the Group. Furthermore, the supply chain assets of RMB6.6 million were secured by certain commercial acceptance bills received from customers and the supply chain assets of RMB11.8 million were secured by deposit from customers, while as of 31 December 2024, the supply chain assets of RMB217.1 million were secured by certain commercial acceptance bills received from customers. These bills can be applied and used to settle any outstanding receivables of supply chain assets for the corresponding contract if default occurs.

As at 31 December 2025, there were a total of 20,446 (31 December 2024: 5,125) outstanding supply chain assets obtained by the Group, out of which 315 (31 December 2024: 173) supply chain assets are referred to as sizeable loans with principal amount exceeds RMB10 million, 1,021 (31 December 2024: 343) supply chain assets with principal amount between RMB1 million and RMB10 million, 19,110 (31 December 2024: 4,609) supply chain assets with principal amount less than RMB1 million.



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As at 31 December 2025, no supply chain assets (31 December 2024: Nil) were obtained from the related parties (which are associates of the Group under the Listing Rules and the non-controlling shareholder of a material subsidiary) of the Group. The remaining balance of the outstanding supply chain assets were obtained from the independent third parties of the Group. The supply chain assets normally have a term of 3 days to 36 months (31 December 2024: 7 days to 25 months) and the effective interest rates ranging mainly from 5.0% to 16.2% (31 December 2024: 5.00% to 15.50%) per annum.

Supply chain assets at FVTOCI with ageing analysis presented below per maturity dates:

	As at	
	31 December 2025 RMB'000	31 December 2024 RMB'000
Within six months	4,071,171	3,311,862
Within a period of more than six months but not exceeding one year	2,173	1,577,396
Within a period of more than one year but not exceeding two years	288,072	2,049
	4,361,416	4,891,307

Movements in impairment loss allowance on supply chain assets

The Group's impairment loss allowance on supply chain assets decreased by 13.3% year-on-year to RMB49.8 million as at 31 December 2025, compared to RMB57.4 million as at 31 December 2024, mainly attributable to the decrease in gross balance of supply chain assets as at 31 December 2025 and the improvement on the quality of supply chain assets. No impairment loss allowance were written off for the year ended 31 December 2025 (for the year ended 31 December 2024: Nil).

Borrowings and finance cost

Borrowings, including loans from related parties, as of 31 December 2025 was RMB5,139.5 million, a 0.1% increase year-on-year. Daily average balance of borrowings over the year of 2025 were RMB4,860.2 million, a 17.9% decrease year-on-year. The decrease in finance costs of RMB116.4 million year-on-year was mainly due to the decrease in the daily average balance of borrowings and the decrease in average borrowings interest rate from 6.1% over the year of 2024 to 5.0% over the year of 2025.



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Taxation

Income tax expenses represent the tax expense arising from the assessable profit generated by the Group in the PRC, withholding tax levied on interest income of Hong Kong subsidiaries, withholding tax levied on dividend declared of PRC subsidiaries and deferred tax. Except for certain PRC subsidiaries that enjoy preferential tax rates, PRC enterprise income tax is calculated at 25% of the estimated assessable profits for both years ended 31 December 2025 and 2024. The increase in effective tax rate from 24.9% for the year ended 31 December 2024 to 25.6% for the year ended 31 December 2025 was mainly attributable to the increase in profit before taxation in subsidiaries with applicable tax rate of 25% and the increase in withholding tax on the undistributed earnings of PRC subsidiaries.

For the year ended 31 December 2025, income tax expenses amounted to approximately RMB166.4 million (for the year ended 31 December 2024: RMB129.3 million).

KEY INTERNAL CONTROLS IN RESPECTIVE OF DIGITAL FINANCING SOLUTIONS

The Group has established and maintained comprehensive approval and risk assessment procedures, sound internal control system and robust credit risk control policies in place which take into account internal and external factors to determine the approval of digital financing solutions. The Group applies industry risk assessment model which is based on a conventional risk control and industry-specific evaluation model for credit assessment of digital financing solutions.

Leveraging years of accumulated industry experience, the Group conducts cross-verification of transaction data through multi-dimensional data to validate and confirm the authenticity and reasonableness of transactions made by SME customers. By performing comprehensive assessments on SME customers, including defining customer profiles, profiling core enterprises within the supply chain, and evaluating the transaction status corresponding to accounts receivable, the Group supports SME customers and provides them with prudent and tailored digital financial solutions while mitigating fraud risks.

Credit Approval

With the aid of industry risk assessment models, the Group adopts a dual approval mechanism for core enterprise admission evaluation and transaction-level evaluation in its digital financial solutions business to manage the risk exposure of individual accounts receivable financing and the Group's overall business operations.

- **Core Enterprise Admission Evaluation**

Core enterprises serve as key entities in the operation of industrial supply chains, holding critical resources and data within the supply chain. Strategically, the Group focuses on selected key industries and core enterprises to develop and refine its industry risk assessment models. Based on this, the Group conducts admission evaluations for core enterprises within selected key industries, comprehensively considering their financial conditions, payment capabilities, operational records, and future development. Furthermore, the Group implements concentration control to manage the upper limit of business scale for individual core enterprises.



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- **Transaction-Level Evaluation**

Once a core enterprise within a specific industry is admitted by the Group, customers within the ecosystem of that core enterprise can apply for supply chain financing under the digital financial solutions based on their accounts receivable from the core enterprise. For each accounts receivable financing application, the Group conducts a transaction-level evaluation and determines the financing limit, taking into account factors including but not limited to: (i) The amount of accounts receivable held by the customer, which must have sufficient value (i.e., equal to or greater than the financing amount applied for) to serve as a credit enhancement measure for the specific application under the digital financial solutions; and (ii) The real-time transaction profile of the underlying transactions for the accounts receivable maintained by the Group.

The transaction-level evaluation is empowered by the Group's data-driven supply chain technology platform, "SY Cloud platform." This Platform connects industry ecosystem data and integrates multiple technologies, including Artificial Intelligence ("AI"), electronic signatures, Optical Character Recognition ("OCR"), Natural Language Processing ("NLP"), big data analytics, video verification, and facial recognition. Through multi-dimensional and multi-source data, it verifies the authenticity and reasonableness of transactions.

Monitoring of loan recoverability

The timely repayment of the digital financing solutions and risk exposures is monitored by the Group's Risk Management Department. Leveraging on the data-driven technology platform, the Group continues to monitor its assets through regular monitoring of repayment, invoice status verification and 24-hour public opinion monitoring to ensure that the entire financing process is under comprehensive, continuous and effective management and control.

The Group establishes close cooperation with various banks, opens designated accounts, collects and monitors the repayment information in a timely manner, and effectively tracks the customers' continuity of business operation and stability of cooperation with core enterprises, thereby further strengthening the risk control and realizing closed-loop cash flow management.

Loan collection

Where irregularity is noted by the Group's Risk Management Department, a working group comprised of multi-functional team members will plan and take remedial actions, which normally include extending repayment terms or negotiating settlement proposals with the customer. If these remedial actions prove unsuccessful, the Group will take legal action against the customer and take control of the collateral assets.



MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL STRUCTURE, LIQUIDITY, FINANCIAL RESOURCES AND GEARING

During the year ended 31 December 2025, the Group's main source of funds was the cash generated from its daily operations and proceeds from new borrowings. As at 31 December 2025, the Group had cash and cash equivalents of RMB712.2 million (31 December 2024: RMB515.6 million), of which 79.9% and 9.4% were denominated in RMB and HKD respectively. Net cash from operating activities was RMB2,204.0 million in 2025 (for the year ended 31 December 2024: RMB2,759.7 million), a decrease of RMB555.7 million year-on-year was mainly due to the decrease in net cash from supply chain assets at FVTOCI of RMB2,160.6 million for the year ended 31 December 2024 to RMB1,320.0 million for the year ended 31 December 2025.

As at 31 December 2025, the Group had interest-bearing borrowings and loans from related parties which amounted to RMB5,139.5 million (31 December 2024: RMB5,136.1 million). Its gearing ratio, expressed as total liabilities over total equity was 1.63 as at 31 December 2025 (at 31 December 2024: 1.58).

FINAL DIVIDEND

The Directors recommend the payment of a final dividend of RMB40.47 cents per ordinary share of the Company for the year ended 31 December 2025 (for the year ended 31 December 2024: RMB34.70 cents per ordinary share). As of the date of this announcement, the Company holds 521,000 treasury shares, which will not be eligible for dividends or distributions.

EXPECTED DATE OF DIVIDEND PAYMENT AND CURRENCY ELECTION FOR FINAL DIVIDEND

The Board recommend that the proposed final dividend be paid on Monday, 17 August 2026 to those shareholders whose names appear on the Company's register of members on Monday, 20 July 2026 (the record date), subject to approval by the shareholders of the Company at the forthcoming annual general meeting to be held in May 2026.

For the Shareholders to receive the final dividend for the year ended 31 December 2025, the Company will provide currency options. If Shareholders wish to receive all (but not part, save in the case of HKSCC Nominees Limited, which may elect to receive part of its entitlement in HKD) of the final dividend for the year ended 31 December 2025 in HKD, Shareholders should complete a dividend currency election form ("**Dividend Currency Election Form**"), which is expected to be despatched to Shareholders on Friday, 24 July 2026 and shall be returned to Union Registrars Limited, the branch share registrar and transfer office of the Company in Hong Kong, at "Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong" not later than 4:30 p.m. on Monday, 10 August 2026. If no election is made by a Shareholder or no Dividend Currency Election Form is received by Union Registrars Limited, the branch share registrar and transfer office of the Company in Hong Kong, by 4:30 p.m. on Monday, 10 August 2026, such Shareholder will automatically receive the final dividend for the year ended 31 December 2025 in RMB. If Shareholders wish to receive the final dividend for the year ended 31 December 2025 in RMB in the usual way, no additional action would be required.



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CLOSURE OF REGISTER OF MEMBERS FOR FINAL DIVIDEND

To ascertain Shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed on Monday, 20 July 2026, and no transfer of shares will be effected on that day. In order to qualify for the proposed final dividend, Shareholders should ensure that all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged for registration with Union Registrars Limited, the Company's Hong Kong branch share registrar and transfer office, at "Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong" no later than 4:30 p.m. on Friday, 17 July 2026. The ex-dividend date for the proposed final dividend will be on Thursday, 16 July 2026.

The Company will further announce the dates of closure of register of members of the Company for the purpose of determining the entitlement to attend and vote at the forthcoming annual general meeting as and when appropriate in accordance with the requirements of the Listing Rules.

SPECIAL DIVIDEND

To further reward investors for their continuous support and trust, the Directors have resolved to declare a special dividend of RMB23.19 cents per ordinary share of the Company, which is expected to be paid on 26 February 2027. In respect of the closure of the register of members and the currency election arrangement for the special dividend, the Company will make further announcement(s) in due course, and will comply with the Article of Association of the Company, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and other applicable laws and regulations for the time being.

USE OF PROCEEDS

The Placement in 2021

On 24 September 2021 (after the trading hours), the Company and China International Capital Corporation Hong Kong Securities Limited (the "**2021 Placement Agent**") entered into a placement agreement pursuant to which the Company conditionally agreed to place, through the 2021 Placement Agent on a best effort basis, a maximum of 63,068,000 ordinary shares at a price of HK\$8.80 per share (the "**2021 Placement**"). The placing shares were allotted and issued pursuant to the general mandate for the Company.

The 2021 Placement was completed on 5 October 2021. An aggregate of 63,068,000 new shares were successfully issued by the Company and placed by the 2021 Placement Agent to two placees, namely Xitong International Holdings (HK) Limited and Pavilion Capital Fund Holdings Pte. Ltd., at a price of HK\$8.80 for each new share. The new shares from the 2021 Placement represent approximately 6.29% of the issued share capital of the Company translating to total net proceeds of approximately HK\$550.8 million (equivalent to approximately RMB456.2 million, after deduction of placing commissions, discretionary fees and other professional expenses related to the placement).

The placing price of HK\$8.80 per share represents: (i) a discount of approximately 7.95% to the closing price of HK\$9.56 per share as quoted on the Stock Exchange on 24 September 2021; (ii) a discount of approximately 9.45% to the average closing price of the shares of approximately HK\$9.718 per share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding but excluding 24 September 2021; and (iii) a discount of approximately 9.44% to the average closing price of the shares of approximately HK\$9.717 per share as quoted on the Stock Exchange for the last ten consecutive trading days immediately preceding but excluding 24 September 2021.



MANAGEMENT DISCUSSION AND ANALYSIS

The Placement in May 2025

On 13 May 2025 (before the trading hours), the Company and Guotai Junan Securities (Hong Kong) Limited (the “**May 2025 Placement Agent**”) entered into a placement agreement pursuant to which the Company conditionally agreed to place, through the May 2025 Placement Agent on a best effort basis, a maximum of 17,480,000 ordinary shares at a price of HKD11.99 per share (the “**May 2025 Placement**”). The maximum aggregate nominal value of the placing shares under the 2025 May Placement will be HK\$174,800. The placing shares were allotted and issued pursuant to the general mandate for the Company.

The May 2025 Placement was completed on 20 May 2025. An aggregate of 17,480,000 new shares were successfully issued by the Company and placed by the May 2025 Placement Agent to not less than six placees (being professional, institutional, or other investors including a subsidiary of XtalPi Holdings Limited (Stock Code: 2228) and Be Friends Holding Limited (Stock Code:1450)), at a price of HKD11.99 for each new share. The new shares from the May 2025 Placement represent approximately 1.74% of the issued share capital of the Company translating to total net proceeds of approximately HK\$208.7 million (equivalent to approximately RMB193.7 million, after deduction of placing commissions, discretionary fees and other professional expenses related to the placement). On such basis, the net issue price per placing share will be approximately HK\$11.94.

The placing price of HK\$11.99 per placing share represents: (i) a discount of approximately 6.91% to the closing price of HK\$12.88 per share as quoted on the Stock Exchange on 12 May 2025; and (ii) a discount of approximately 8.50% to the average closing price of approximately HK\$13.104 per share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to 12 May 2025.

Details of the May 2025 Placement are disclosed in the Company’s announcement dated 13 May 2025.

The Placement in September 2025

On 3 September 2025 (after the trading hours), the Company and Guotai Junan Securities (Hong Kong) Limited (the “**September 2025 Placement Agent**”) entered into a placement agreement pursuant to which the Company conditionally agreed to place, through the September 2025 Placement Agent on a best effort basis, a maximum of 56,286,000 ordinary shares at a price of HKD10.66 per share (the “**September 2025 Placement**”). The maximum aggregate nominal value of the placing shares under the Placing will be HK\$562,860. The placing shares were allotted and issued pursuant to the general mandate for the Company.

The September 2025 Placement was completed on 10 September 2025. An aggregate of 56,286,000 new shares were successfully issued by the Company and placed by the September 2025 Placement Agent to not less than six placees (who shall be all professional, institutional, or other investors including the strategic investment institutions supporting the Company’s global expansion, well-known long-only mutual funds and leading international investment institutions), at a price of HKD10.66 for each new share. The new shares from the September 2025 Placement represent approximately 5.28% of the issued share capital of the Company translating to total net proceeds of approximately HK\$592.87 million (equivalent to approximately RMB540.85 million, after deduction of placing commissions, discretionary fees and other professional expenses related to the placement). On such basis, the net issue price per placing shares will be approximately HK\$10.53.

The placing price of HK\$10.66 per placing share represents: (i) a discount of approximately 5.08% to the closing price of HK\$11.23 per share as quoted on the Stock Exchange on 2 September 2025; and (ii) a discount of approximately 13.12% to the average closing price of approximately HK\$12.27 per share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to 2 September 2025.

Details of the September 2025 Placement are disclosed in the Company’s announcement dated 3 September 2025.



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Use of proceeds from the 2021 Placement, the May 2025 Placement and the September 2025 Placement

During the year ended 31 December 2022, 2023, 2024 and 2025, details of the use of proceeds of the placement were as follows:

Use of proceeds	Net proceeds raised (Approximately HK\$ million)	Actual use of net proceeds during the year ended 31 December 2022 (Approximately HK\$ million)	Actual use of net proceeds during the year ended 31 December 2023 (Approximately HK\$ million)	Actual use of net proceeds during the year ended 31 December 2024 (Approximately HK\$ million)	Actual use of net proceeds during the year ended 31 December 2025 (Approximately HK\$ million)	Intended use and expected timeline of the remaining amount of net proceeds
2021 Placement – Strategic acquisition of and/or investment in business(es) in the industrial technology and digital financing	275.4	–	–	–	–	The amount of strategic acquisition of and/or investment in business(es) in the industrial technology and digital financing had been fully utilised during the year ended 31 December 2021.
2021 Placement – Expansion and development of the Group's supply chain technology services segment	165.2	33.2	20.7	41.4	67.6	The amount of net proceeds for the expansion and development of the Group's supply chain technology services segment had been fully utilised.
2021 Placement – General working capital of the Group's platformisation	110.2	103.1	–	–	–	The amount of net proceeds for general working capital of the Group's platformisation had been fully utilised.
May 2025 Placement – Accelerating platform-based tech service expansion focused on innovation-driven sectors (e.g., e-commerce, AI, robotics, cross-border business) via ecosystem data integration, investment incubation, order matching, and working capital support, while boosting R&D in "SY Cloud Platform" intelligent upgrade and industrial data-based AI application development/commercialisation	167.0	–	–	–	167.0	The amount of accelerating platform-based tech service expansion focused on innovation-driven sectors (e.g., e-commerce, AI, robotics, cross-border business) via ecosystem data integration, investment incubation, order matching, and working capital support, while boosting R&D in "SY Cloud Platform" intelligent upgrade and industrial data-based AI application development/commercialisation had been fully utilised.



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Use of proceeds	Net proceeds raised (Approximately HK\$ million)	Actual use of net proceeds during the year ended 31 December 2022	Actual use of net proceeds during the year ended 31 December 2023	Actual use of net proceeds during the year ended 31 December 2024	Actual use of net proceeds during the year ended 31 December 2025	Intended use and expected timeline of the remaining amount of net proceeds
		(Approximately HK\$ million)	(Approximately HK\$ million)	(Approximately HK\$ million)	(Approximately HK\$ million)	
May 2025 Placement – Other general working capital purposes	41.7	-	-	-	41.7	The amount of net proceeds for the other general working capital had been fully utilised.
September 2025 Placement – R&D in AI Agent & other innovative technologies, and empowering the Company's business expansion in innovation sectors such as e-commerce and robotics	237.1	-	-	-	237.1	The amount of net proceeds for R&D in AI Agent & other innovative technologies, and empowering the Company's business expansion in innovation sectors such as e-commerce and robotics had been fully utilised.
September 2025 Placement – International Growth & Strategic Investment	237.1	-	-	-	237.1	The amount of net proceeds for International Growth & Strategic Investment had been fully utilised.
September 2025 Placement – Other general working capital purposes	118.7	-	-	-	87.7	The remaining unutilised amount of approximately HK\$31 million will be used for other general working capital purposes and is expected to be fully utilised by 31 December 2026.

The Company has been actively expanding its supply chain technology service business, mainly focusing on developing supply chain technology services in the infrastructure and pharmaceutical industries to create business synergies. The remaining unutilised net proceeds allocated to expansion and development of the Group's supply chain technology services segment of approximately HK\$67.6 million had been fully utilised by 31 December 2025. Save as disclosed above, as at 31 December 2025, the aforementioned net proceeds from the placings have been strictly utilised in accordance with the intentions previously disclosed in the announcements relating to the 2021 Placement, the May 2025 Placement and the September 2025 Placement, and there was no material change or delay in the use of proceeds.



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The expected timeline of full utilisation of the unutilised net proceeds is based on the Directors' best estimation barring any unforeseen circumstances, and may be subject to change based on the market conditions. Should there be any material change or delay in the use of proceeds, further announcement(s) will be made by the Company as and when appropriate.

CAPITAL COMMITMENTS

As at 31 December 2025, the capital commitments of the Group comprised purchase of property and equipment of approximately RMB40.0 million and investment in an associate of approximately RMB0.2 million (31 December 2024: purchase of property and equipment of approximately RMB236.9 million and investment in an associate of approximately RMB0.2 million).

CONTINGENT LIABILITIES

Save as disclosed in note 31 of the "Notes to the consolidated financial statements", the Group did not have any other guarantees or other material contingent liabilities.

PLEDGE OF ASSETS

As at 31 December 2025, the Group had security deposits of RMB147.0 million, pledged bank deposits of RMB1,794.9 million, leasehold land with carrying amount of RMB78.2 million, and certain supply chain assets with an aggregate carrying amount of RMB2,879.0 million to banks, associates and third parties for facilities, loan facilitation platform in partnership with banks and derivative financial instruments (31 December 2024: pledged bank deposits of RMB1,401.4 million, wealth management products of RMB14.2 million, equity tranche of RMB100.3 million, investment property with carrying amount of RMB30.2 million, leasehold land with carrying amount of RMB80.4 million, and certain supply chain assets with an aggregate carrying amount of RMB3,067.1 million to banks, associates and third parties for facilities, loan facilitation platform in partnership with banks and derivative financial instruments).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

During the year ended 31 December 2025, the Group did not make any material acquisitions and disposals of subsidiaries and associates.



MANAGEMENT DISCUSSION AND ANALYSIS

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

The information on the Group's significant investments held as at 31 December 2025 is as follows:

Investments in Associates

Name of investee	Nature of investment	Registered	Equity	Investment cost	Carrying	Percentage to	Share of result	Dividend
		capital as at 31 December 2025 (RMB'000)			interest (%)	amount as at 31 December 2025 (RMB'000)	the Group's total asset as at 31 December 2025 (%)	of associates during the full year (RMB'000)
Wuxi Guojin Factoring Limited ("WXGJ")	Investment in shares	240,000	49%	734,752	822,667	7.09%	60,405	12,422

WXGJ is principally engaged in the provision of supply chain services. Leveraging the business growth opportunities presented by WXGJ, the Group considers it could extend its leading supply chain technology services and inclusive financial solutions to SMEs clients within the ecosystem. This initiative aims to foster additional growth in platform-based service fees, thereby driving further optimization of revenue structure. As of 31 December 2025, the Group's investment in associates amounted to RMB1,597 million, representing a year-on-year increase of approximately 6.2% from RMB1,504 million as of 31 December 2024. As a key initiative under the platform-based strategy, the development of associated companies has received further resource support from the shareholders of the associated companies of the Group. Among them, with additional capital contributions from the co-investing shareholders, WXGJ (a former subsidiary of the Group) became one of the Group's key associated companies in February 2024 after the capital increase pursuant to the Collaboration Agreement as disclosed in the Company's announcements dated 28 February 2024 and 20 March 2024 and the Company's circular dated 24 April 2024. Furthermore, WXGJ and other key associated companies of the Group have continued to benefit from strong joint venture shareholders backing and complementary resources, leading to significant growth in business scale and revenue.



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Great Style Holdings Limited

On 9 July 2024, a direct wholly-owned subsidiary of the Company (“**Purchaser**”), the Company and Future Gold Enterprises Limited (“**Vendor**”) entered into an acquisition agreement (“**Acquisition Agreement**”), pursuant to which the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, the Sale Share, representing all the issued shares of the Great Style Holdings Limited (“**Target Company**”), at a closing consideration of RMB300 million. Subject to the satisfaction of the performance targets of the Target Company in 2024 and 2025, the Purchaser has agreed to pay an additional contingent consideration of up to RMB500 million in aggregate. Pursuant to the Acquisition Agreement, the consideration comprises (i) the closing consideration of RMB300 million (the “**Closing Consideration**”), (ii) contingent consideration to be assessed in respect of the financial year ended 31 December 2024 of up to RMB200 million (if any) (“**Contingent Consideration A**”) and (iii) contingent consideration to be assessed in respect of the two financial years ended 31 December 2025 of up to RMB300 million (if any) (“**Contingent Consideration B**” together with Contingent Consideration A, the “**Contingent Consideration**”). Pursuant to the terms and subject to the conditions of the Acquisition Agreement, the Company and the Purchaser shall have the right to unilaterally decide that all or part of Contingent Consideration B be settled by allotment and issue and/or transfer out of treasury, of consideration shares to the Vendor pursuant to the future General Mandate (“**Consideration Shares**”). Pursuant to the supplemental agreement to the Acquisition Agreement dated 23 August 2024, the parties agreed that (i) the issue/transfer price per Consideration Share will be at a discount of 15% to the average closing price on the Stock Exchange in the 5 trading days immediately prior to the date of the report certifying the adjusted net profit of the Target Company for the financial year ended 31 December 2025, subject to the lowest issue/transfer price of HK\$5.2 (“**New Floor Price**” previously HK\$4.7 (“**Change in Floor Price**”)); and (ii) the Consideration Shares be subject to a lock-up period of 90 days from the date of allotment and issue of the Consideration Shares (including the transfer of treasury shares) by the Company to the Vendor (both dates inclusive), during which any or all of the Consideration Shares obtained by the Vendor under the Acquisition Agreement may not be transferred in any manner and may not be used to secure or repay debts (“**Lock-up Restrictions**”).

In the event that (i) the Contingent Consideration B becomes payable and the Company elects to satisfy the Contingent Consideration B wholly by way of the allotment and issue of Consideration Shares, and (ii) the New Floor Price is eventually adopted as the issue price for the Consideration Shares, the Change in Floor Price will reduce the dilution effect to the then Shareholders as a result of the issuance of the Consideration Shares. The Lock-up Restrictions aim to prevent the immediate transfer/pledge of the Consideration Shares after their allotment and issue (or transfer) to the Purchaser, thereby reducing market volatility.

The calculation and payment of the Contingent Consideration will be subject to (i) the fulfillment of the performance targets, i.e. the audited or reviewed consolidated net profit after taxation, exclusive of fair value gains or losses derived from the financial instruments of the Target Group, to be achieved by the Target Company (“**Adjusted Net Profit**”) for the relevant assessment period, and (ii) any NPL Compensation (as applicable) (as defined in the announcement of the Company dated 9 July 2024) payable by the Vendor to the Purchaser being settled by the Vendor in full in accordance with the Acquisition Agreement. If any Contingent Consideration B becomes payable, the Company will decide whether any Consideration Shares will be issued based on the then circumstances including, among other things, the amount of Contingent Consideration B payable (if any), the then prevailing market price of the Shares and the cash flow position of the Group at the relevant time.



MANAGEMENT DISCUSSION AND ANALYSIS

For illustration purposes only, (i) the maximum amount of Contingent Consideration A of RMB200 million would only be applicable if the Adjusted Net Profit for the financial year ending 31 December 2024 is not less than RMB29.4 million; and (ii) the maximum amount of Contingent Consideration B of RMB300 million would only be applicable if the Adjusted Net Profit for the financial year ending 31 December 2025 is not less than RMB47 million. On one hand, the Contingent Consideration provide significant incentives for the Vendor to ensure a smooth and successful development of the Target Group post-completion because their entitlement to receive the Contingent Consideration ultimately depends on whether the Target Group could continue serving its existing major customers and/or to secure additional or alternative customers. On the other hand, the respective caps of Contingent Consideration provide more certainty to the Group in terms of the maximum amount of Consideration payable by it under the acquisition and will facilitate the Group's management of its financial resources. The Contingent Consideration constitutes a performance guarantee by the Vendor in relation to the Target Group, and the Company will comply with the disclosure requirements under Rule 14.36B of the Listing Rules as and when appropriate. As of 31 December 2025, the adjusted net profit of the Target Company was approximately RMB87.7 million, which has met the performance guarantee and the payment conditions for Contingent Consideration B. According to the consideration calculation method announced on 9 July 2024, the consideration paid by the Purchaser to the Vendor is RMB100 million. This consideration has been fully paid in cash as of 20 March 2026, marking the complete settlement of the Contingent Consideration. Details of the terms of the Acquisition Agreement are disclosed in the Company's announcements dated 9 July 2024, and the supplemental announcements dated 23 August 2024.

Save as disclosed above, the Group has no material acquisition or disposal of subsidiaries, associates and joint ventures the year ended 31 December 2025 and thereafter up to the date of this announcement.

Update on Web3.0 Innovative Applications and RWA Tokenisation of International Supply Chain Assets

Reference is made to the voluntary announcement of the Company dated 27 August 2025 in relation to the issuance of the Asia-Pacific's first supply chain asset backed Real World Assets (the "RWA") tokenisation project (the "RWA Project") on HashKey Chain. To further enhance investors' understanding of this innovative business deployment, the Company hereby provides the following supplemental information regarding the commercial rationale, operating mechanism, and compliance status of the RWA Project:

Commercial Rationale and Strategic Synergy: The RWA Project is not a separate business line; it is an innovative extension embedded within the Group's existing platform-based technology services. The project is designed to connect international SME customers with a broader spectrum of global capital providers (including Web3.0 investors and international institutions) through blockchain tokenisation technology, thereby diversifying funding sources and improving capital efficiency. By mapping authentic supply chain assets onto the blockchain, the Group further enhances the transparency and immutability of underlying trade data. This aligns with global and local policy trends, such as the Hong Kong Monetary Authority (HKMA)'s "Project Ensemble" sandbox, which explicitly includes tokenisation use cases for supply chain finance.

Operating Mechanism, Asset Ownership and Transaction Classification: The RWA Project comprises products including tokenised supply chain income rights and tokenised supply chain loans. Throughout the RWA Project, there is no transfer of ownership of the underlying supply chain assets, which remain owned by the Platform's SME customers. As the Group's role is to provide platform-based technology services to facilitate financing in its ordinary and usual course of business, participation in the RWA Project does not constitute a notifiable transaction under Chapter 14 of the Listing Rules. Furthermore, as all current participants in the RWA Project are independent third parties, it does not constitute any connected transaction for the Company under Chapter 14A of the Listing Rules.

MANAGEMENT DISCUSSION AND ANALYSIS 27

Strict Compliance and Regulatory Standards: In respect of the tokenised supply chain loans, the Group (through its wholly-owned subsidiary) enters into targeted bilateral loan agreements with overseas funding partners under normal commercial terms. The tokens issued on the blockchain serve solely as digital certificates evidencing the loan amount and key terms. They are not offered to the public and do not constitute “security tokens” or any form of stablecoin. Accordingly, such arrangements do not trigger any requirement for regulatory approval or licensing from the Securities and Futures Commission (SFC) or the HKMA. Meanwhile, HashKey Chain and HashKey NexaToken act solely as technology providers supporting the underlying blockchain and tokenisation technology, and do not engage in any regulated activity. The Group will continue to ensure that future RWA projects remain in full compliance with all applicable laws and regulatory guidelines.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As a leading supply chain fintech platform, the Group will continue to explore investment opportunities to acquire technological capabilities and more comprehensive data insights, as well as to unlock new markets, thereby capturing the robust demand for supply chain fintech services. Looking ahead, SY will persistently strategize its industrial investments to access high-quality enterprises equipped with technological barriers and commercialization potential. This will foster a full-cycle value chain of ‘industrial investment – ecosystem service empowerment’, which will continuously consolidate our differentiated advantage of being ‘transaction-focused and entity-light’, and propel the in-depth development of the Group’s innovative segments in e-commerce and overseas expansion.

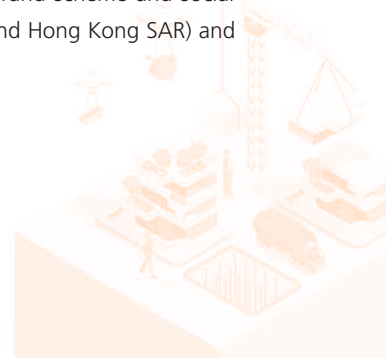
Concurrently, SY continues to scale up its investments in R&D, focusing on critical domains such as AI, big data, and computing power. This enables us to persistently export our AI technological capabilities to SMEs within the ecosystem, thereby further driving the scaling and commercialization of the Group’s AI value-added services.

FOREIGN EXCHANGE RISKS

The Group’s exposure to foreign currency risk related primarily to cash and cash equivalents, pledged bank deposits, other receivables, equity instruments at FVTOCI, trade and other payables, borrowings and lease liabilities that are denominated in HK\$, US\$ and S\$. The Group has entered into foreign currency exchange swap contracts, cross currency swap contracts and foreign currency forward contracts during the year to manage its foreign currency risk exposures arising from certain variable-rate bank borrowings denominated in HK\$ and US\$. The management manages and monitors this exposure to ensure appropriate measures are implemented on a timely and effective manner.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group had a total of 398 staff (31 December 2024: 363 staff). Total staff costs (including Directors’ emoluments) were approximately RMB221.4 million (including share option benefits reversed RMB0.5 million and RSU benefits recognised RMB3.0 million) for the year ended 31 December 2025 (for the year ended 31 December 2024: RMB214.6 million, including share option benefits RMB5.6 million and RSU benefits RMB1.3 million). Remuneration is determined by reference to market conditions and the performance, qualifications and experience of individual employee. In light of the Group’s continuous strive to maintain its market position, recruitment and retention of talent is of paramount importance to the future development of the Group. Therefore, the Group is committed to continuously enhancing and optimizing its remuneration and benefits policies to remain competitive. A comprehensive incentive plan has been adopted to reward existing and retain new senior management members and employees. Year-end bonuses are based on individual performance and are paid to employees as recognition of and reward for their contributions. Other benefits include contributions to the statutory mandatory provident fund scheme and social insurance together with housing provident funds for the employees in the PRC (including mainland China and Hong Kong SAR) and Singapore, respectively.



MANAGEMENT DISCUSSION AND ANALYSIS

The Group operates a share scheme for the purpose of providing incentives and rewards to eligible directors and employees of the Group, who contribute to the success of the Group's operations, and to attract suitable personnel for further development of the Group.

Employees in mainland China are covered by the mandatory social security schemes operated by the PRC Government. The Group is required by the PRC laws to contribute a certain percentage of payroll cost to the retirement benefits scheme to fund the benefits.

In Hong Kong, the Group participates in the Mandatory Provident Fund Scheme (the "**MPF Scheme**") established under the Mandatory Provident Fund Schemes Ordinance (Cap 485 of the Laws of Hong Kong). The assets of the MPF Scheme are held separately from those of the Group and administered by an independent trustee. Under the MPF Scheme, the Group and its employees are each required to make a contribution to the MPF Scheme at 5% of the employees' relevant monthly income subject to a cap, which is currently set at HK\$1,500.

In Singapore, the Group participates in a defined contribution scheme which is administered by the Central Provident Fund ("**CPF**") Board in Singapore. Under the CPF, the employer and its employees are each required to make contributions to the fund at the applicable rates of the eligible employees' salaries.

RECENT DEVELOPMENT OF REGULATORY FRAMEWORK

There was no significant change of the regulatory framework which would have material adverse impact on the Group's business and operations during the year ended 31 December 2025.

The Directors confirmed that the Group will be able to comply with the applicable laws.



BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Tung Chi Fung, aged 39, is the founder of the Group. He was appointed as an Executive Director and the Chairman of the Board on 4 March 2017. Mr. Tung is the Compliance Officer and Authorised Representative of the Group. He is also the Chairman of the Nomination Committee and a member of the Remuneration Committee of the Group. Further, Mr. Tung is one of the members of the Risk Management Committee of the Group.

Mr. Tung is responsible for the overall strategic planning, business development and maintaining relations with customers and monitoring the implementation of human resources policies.

Mr. Tung is an honorary director of Raleigh China (a non-profit making organisation in the People's Republic of China), the vice president of Handpicked Love Foundation (a non-profit making organisation in the People's Republic of China), a director of The Lok Sin Tong Benevolent Society, Kowloon (a non-profit making organisation in Hong Kong), the sponsoring body manager of Lok Sin Tong Leung Kau Kui College, as well as a Committee Member of the Singapore Management University ("SMU") Enterprise Board, a member of the SMU International Advisory Council and a donor of the SMU P.A. K Entrepreneurship Fund.

Ms. Wang Ying, aged 38, was appointed as an Executive Director on 29 November 2024 and has been appointed as the CFO of the Group since October 2024, responsible for the Group's overall financial management, capital and liquidity management. She was appointed as the Chairman of the Sustainability Committee with effect from 29 November 2024. Ms. Wang is one of the members of the Risk Management Committee of the Group.

Ms. Wang obtained her Bachelor's Degree in Management from the China University of Geosciences in 2011.

Ms. Wang has over 10 years of experience in financial management. Prior to joining the Group, Ms. Wang served as a financial executive in Ningbo Shanshan Co., Ltd. ("**Ningbo Shanshan**" stock code: 600884, a company listed on the Shanghai Stock Exchange) from March 2011 to December 2012, where she was responsible for preparing financial reports. From May 2018 to May 2021, Ms. Wang was the head of finance department, board secretary, joint company secretary and executive director at FY Financial (Shenzhen) Co., Ltd. (stock code: 8452), a company listed on GEM of the Stock Exchange, which is a subsidiary of Ningbo Shanshan.

NON-EXECUTIVE DIRECTOR

Mr. Lo Wai Hung, aged 66, Mr. Lo joined the Group in January 2016 as the Chief Financial Officer of the Group where he was responsible for the Group's overall financial accounting and reporting corporate finance and company secretarial matters. He was also a member of the Risk Management Committee of the Group until March 2020. From March 2017 to November 2019, he also served as the company secretary of the Group. Mr. Lo ceased to be the Chief Financial Officer with effect from 10 December 2021 and was appointed as a non-executive director of the Group on the same date. He was appointed as a member of the Audit Committee and a member of the Sustainability Committee with effect from 29 November 2024.

Mr. Lo obtained a Bachelor of Commerce Degree from the James Cook University of North Queensland in Australia in May 1985. He became an associate member of the Institute of Chartered Accountants in Australia and New Zealand in April 1991 and became a member and a fellow member of the Hong Kong Institute of Certified Public Accountants in February 1992 and November 1999, respectively. Mr. Lo has over 25 years of experience in auditing, finance and management.

As at the date of this annual report, Mr. Lo also served as an independent non-executive director of (1) Talent Property Group Limited (stock code: 760) since 1 February 2011; (2) 5100 Xizang Glacier Company Limited (stock code: 1115) since 28 September 2021; and (3) China New Town Development Company Limited (stock code: 1278) since 30 December 2021. Mr. Lo was an independent non-executive director of (1) Shandong Weigao Group Medical Polymer Company Ltd (stock code: 1066) from 10 August 2009 to 6 June 2022 and (2) C Cheng Holdings Limited (stock code: 1486) from 5 December 2013 to 3 April 2023. All the aforementioned companies are listed on the Main Board of The Stock Exchange of Hong Kong Limited.



30 BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tang King San Terence, aged 53, was appointed as an Independent Non-executive Director on 10 December 2021. He is the chairman of the Audit Committee and a member of the Nomination Committee. He obtained an Honor Bachelor's Degree in Mathematics with a double major in Actuarial Science and Statistics from the University of Waterloo, Canada in 1996 and a Master of Accounting from the Curtin University of Technology, Australia in April 2000. Mr. Tang is a member of the Hong Kong Institute of Certified Public Accountants and CPA Australia. He is also a certified information system auditor (CISA), certified information security manager (CISM) and certified internal auditor (CIA). He also served as a director of the Information Systems Audit and Control Association, China Hong Kong Chapter from 2008 to 2018.

Mr. Tang has over 20 years of experience in financial audit, data governance, operations improvement, and information system implementations. Prior to joining the Group, since July 1998, he worked as an accountant at Deloitte Touche Tohmatsu ("**Deloitte**") and had advanced to the position of senior manager in June 2004. He left Deloitte briefly and re-joined Deloitte in May 2006 where he was thereafter admitted to partnership in June 2008 and retired as partner in October 2018. He has led and served numerous advisory and attest projects for global conglomerates in financial services, technology and consumer business sectors in the PRC.

Ms. Chan Yuk Ying Phyllis, aged 65, was appointed as an Independent Non-executive Director in July 2022. She is the chairwomen of the Remuneration Committee and a member of the Nomination Committee, and was appointed as a member of the Audit Committee with effect from 6 September 2025. She obtained a Degree of Bachelor of Economics with Honors from the La Trobe University in Australia in 1985. Ms. Chan is a member of the Chartered Accountants Australian and New Zealand. Ms. Chan has over 35 years of experience in financial audit, regulatory bodies, financial advisory, business development and investor relations.

Ms. Chan worked as auditor between March 1986 to January 1991 in Hong Kong and Australia. She worked as an analyst in the Corporate Regulation Division of the Australian Securities Commission between January 1991 to March 1992 responsible for examination of accounts for compliance with disclosure requirements and approving accounting standards under the Corporations Law and served on some multi-discipline investigative teams. She worked in the Listing Division of The Stock Exchange of Hong Kong Limited between April 1992 to May 1996. After working five years in regulatory bodies, she worked for 10 years in corporate finance in investment banks between May 1996 to April 2006 responsible for financial advisory and initial public offerings. In Shandong Weigao Group Medical Polymer Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1066), she was responsible for business development and investor relations from May 2006 to February 2022.



BIOGRAPHIES OF THE DIRECTORS AND SENIOR MANAGEMENT 31

Mr. Sun Wei Yung Kevin, aged 54, a great-great-grandnephew of Dr. Sun Yat-sen, is a member of the fifth generation of Dr. Sun's family. Mr. Sun was appointed as an Independent Non-executive Director of the Company with effect from 15 October 2024. He was also appointed as a member of the Remuneration Committee and a member of the Sustainability Committee with effect from 29 November 2024.

Mr. Sun received his Bachelor of Science Degree from the Cornell University School of Hotel Administration in 1994 and has over 30 years of experience in the travel and hospitality industry. From 1995 to 1999, Mr. Sun worked on hotel project development in the Hong Kong Special Administrative Region and China's mainland. From 1999 to 2008, Mr. Sun served as Assistant Vice President of Customer Service, Director of Project Development and Vice President of Consulting Services in the business units of Associated International Hotels Limited (Stock Code: 0105.HK), CK Asset Holdings Limited (Stock Code: 1113.HK), and The Wharf (Holdings) Limited (Stock Code: 0004.HK), which are companies listed on the Main Board of the Stock Exchange. During 2009 to 2021, Mr. Sun established Prolink Hotel Development Limited and Hong Kong Prolink Development Limited, which is principally engaged in tourism and hotel projects, asset management, financial analysis, research and evaluation.

Mr. Sun has been active in public service for many years. Currently Mr. Sun is serving as the Hong Kong Deputy to the 14th National People's Congress of the People's Republic of China, the Executive Vice President of the Hong Kong Association for Promotion of Peaceful Reunification of China, the Trustee of the China Overseas Friendship Association, the Vice President of the Hong Kong China Friendship Association, the Councillor of the China Soong Ching Ling Foundation, the Vice President of Hong Kong Rosamond Foundation, the Honorary President of Federation of Hong Kong Zhongshan Community Organisations and the Honorary President of Hong Kong Ningxia Society Association.

As at the date of this annual report, Mr. Sun also served as an independent non-executive director of Skyworth Group Limited (stock code: 0751) since 28 September 2025.



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SENIOR MANAGEMENT

Mr. Yuan Ye, aged 38, is the Chief Strategy Officer of the Group. Mr. Yuan joined the Group in April 2021 and is responsible for corporate strategic planning, strategic investments, investor relations and branding activities.

Mr. Yuan has extensive capital market and managerial experience. Prior to joining the Group, he was an Executive Director of Olympus Capital Asia, which is a Pan-Asia private equity firm with AUM over USD2 billion. Mr. Yuan had led the firm's investment activities in China and Southeast Asia, with a focus on fin-tech, logistics, e-commerce and corporate services. He had led several stellar investments cross the region, including SY, Scommerce which is the largest private logistics platform in Vietnam, and Bukalapak which is a leading e-commerce player in Indonesia.

Before that, he was a partner at an investment advisory firm, focusing on special situations investments and state-owned assets privatization in China. Mr. Yuan is also a Chartered Accountant in Singapore, and holds a BBA Hons (Accountancy) Degree from the National University of Singapore.

COMPANY SECRETARY

Mr. Wang Zheng, aged 36, was appointed as the Company Secretary of the Group in November 2019. Mr. Wang joined the Group in November 2018 and is responsible for company secretarial and corporate governance matters.

Mr. Wang has solid experience in legal, regulatory and compliance, and obtained a Bachelor of Laws Degree in International Law and Legal Studies from the Shanghai University of Political Science and Law in 2012, the National Legal Professional Qualification in the People's Republic of China in 2012, a Master of Laws Degree in International Economic Law from the School of Oriental and African Studies, University of London in 2013 and a Master of Corporate Governance Degree awarded by the Open University of Hong Kong (now known as Hong Kong Metropolitan University) in 2018. Mr. Wang has also been an associate of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries (now known as the Hong Kong Chartered Governance Institute) since 2018.



CORPORATE GOVERNANCE REPORT 33

The Board of directors of the Company (the “**Board**”) understands that sound corporate governance practices is fundamental to maintaining and promoting the confidence of shareholders. The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability. Throughout the financial year ended 31 December 2025, the Group had complied with the code provisions in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 of The Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The Board is committed to maintaining and ensuring a high standard of corporate governance. The Board will review the corporate governance practices of the Group from time to time to ensure that they reflect the latest development and meet the expectations of the Shareholders.

CODE OF CONDUCT REGARDING DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with provisions set out in Appendix C3 of the Listing Rules. Having made specific enquiries of all Directors, all Directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company during the year ended 31 December 2025.

CORPORATE CULTURE

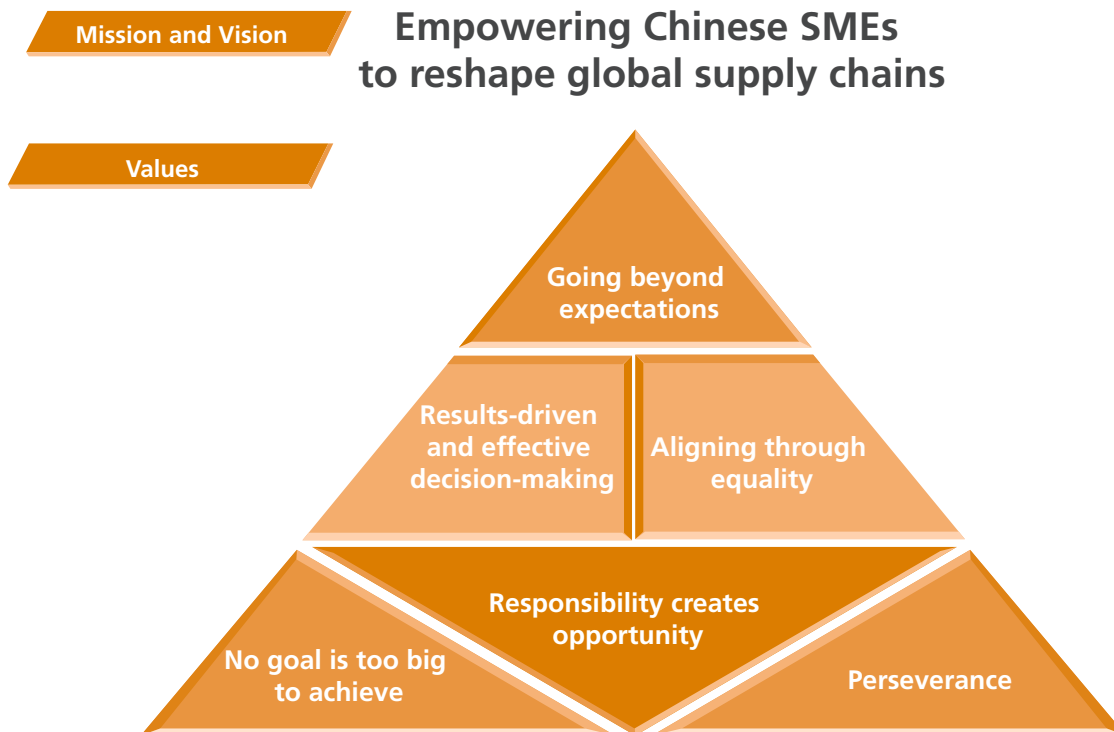
The Board is responsible for shaping and overseeing the Group’s corporate culture, ensuring that it is aligned with the Group’s purpose, values and long-term strategic objectives. The Board has reviewed and confirmed that the Group’s corporate culture framework operates effectively and continues to drive its implementation in daily operations.

Desired Corporate Culture

During the year under review, the Group officially launched its Corporate Culture 3.0, marking the third major iteration and upgrade of the Group’s corporate culture. Following the Corporate Culture 1.0 (“Sharing and Growth”) during the start-up growth stage and the Corporate Culture 2.0 (Vision: To become the most trusted supply chain technology platform in the Asia-Pacific region; Mission: Making supply chains more efficient and finance more inclusive) during the platform development stage, the Corporate Culture 3.0 established the Group’s new mission and vision for its next development stage – “Empowering Chinese SMEs to reshape global supply chains”, and defined six new core values, namely: “Going beyond expectations”, “Results-driven and effective decision-making”, “Aligning through equality”, “No goal is too big to achieve”, “Perseverance”, and “Responsibility creates opportunity”.



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The above mission, vision and core values are closely linked to the Group’s long-term operational, compliance and reporting objectives. The Group drives a customer-centric operating model through “Going beyond expectations”, achieves efficient operations and resource allocation through “Results-driven and effective decision-making”, promotes internal communication and collaboration through “Aligning through equality”, and strengthens accountability mechanisms and talent development through “Responsibility creates opportunity”. These values collectively constitute the Group’s code of conduct as demonstrated in its daily operations and relationships with stakeholders.

Company-wide Co-creation Process

The update of the Corporate Culture 3.0 originated from the Board’s and management’s in-depth reflection on past corporate culture practices. The Board recognised that the previous corporate culture, due to limitations of the respective development stages, had certain shortcomings including the lack of long-term planning, insufficient employee participation, weak employee connection, and challenges in practical implementation. Accordingly, this corporate culture update adopted, for the first time, a “company-wide co-creation” approach. Under the guidance of an external professional coaching team, the process spanned 7 months, with 263 participants, 345 cumulative person-times of participation, and 75% employee coverage. The co-creation process comprised 3 partner meetings (senior leadership strategic alignment), 2 workshop sessions (cross-departmental in-depth discussions), 4 core refinement meetings (iterative refinement of each value statement), and 60 group discussions/opinion collection sessions (broad participation across all employee levels), ensuring the professionalism, neutrality and systematic nature of the co-creation process.



CORPORATE GOVERNANCE REPORT 35

Role of the Board and Management

The Board played a central leadership role in the formulation of the Corporate Culture 3.0. The Chairman of the Board and all executive Directors participated in depth in partner meetings and core refinement meetings, ensuring from a strategic perspective that the direction of the new corporate culture is aligned with the Group's purpose, values and long-term objectives. Under the Board's guidance, the management was responsible for driving the organisation and implementation of the co-creation process and ensuring full participation across all employee levels. The final version of the Corporate Culture 3.0 was reviewed, assessed and approved by all Directors.

Communicating the Desired Corporate Culture

To ensure that the Corporate Culture 3.0 is fully understood and communicated throughout the Company, the Group adopted a phased implementation plan: Phase I – Visual Identity (VI), including comprehensive updates across online platforms (official website, office systems, WeCom, etc.) and offline environments (office culture walls, business cards, etc.) to create an all-round cultural atmosphere; Phase II – Behavioural Implementation (BI), including the formulation of departmental behavioural codes, updates to values-based assessment mechanisms and supporting policy and institutional enhancements, translating values into specific behavioural standards; and Phase III – Mindset Integration (MI), including the selection of culture ambassadors, development of internal best practice case studies, and regular cultural engagement activities, embedding the corporate culture into the hearts and minds of all employees.

Assessment and Accountability

The Board continues to oversee and assess the implementation of the desired corporate culture. The Group has integrated values-based assessment into its performance evaluation system and monitors cultural practices through non-financial indicators such as employee surveys, complaint and whistleblowing mechanisms, and employee turnover rates. The Board and management are accountable for their actions, ensuring that decisions and conduct are consistent with the desired corporate culture. Should any deviation from the desired corporate culture be identified during the implementation process, the Board will decisively raise and seek to address such issues.

For details of the relevant measures, please refer to the Group's 2025 Environmental, Social and Governance ("ESG") Report (the "2025 ESG Report"). Further information on the Company's vision, mission and values is available on the Group's website (www.syholdings.com).



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BOARD OF DIRECTORS

Responsibilities

The Company aims to establish and maintain a competent and independent Board to supervise the Group's business. The Board is primarily responsible for overseeing and supervising the management of the business affairs and the overall performance of the Group. The Board sets the Group's missions and standards and ensures that the requisite financial and human resources support is in place for the Group to achieve its objectives.

The Board has established Board committees and has delegated to these committees various responsibilities as set out in their respective terms of reference. The Board may from time to time delegate certain functions to senior management of the Group if and when considered appropriate. The management of day-to-day operation of the Group's businesses and implementation of the business plans, strategies and policies adopted by the Board has been delegated to the senior management of the Group.

The main functions performed by the Board include but are not limited to the following matters:

- Formulate the Group's strategy and direction and monitor the implementation thereof;
- Decide all material contracts, acquisitions, investments, divestments, disposals of assets or any significant capital expenditure;
- Review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
- Develop, monitor and review the Group's corporate governance practices and the effectiveness of the Group's financial controls, internal control and risk management systems;
- Approve the Group's annual and interim financial statements, reports, announcements and other disclosures required under the Listing Rules;
- Review and monitor the training and continuous professional development of Directors and senior management;
- Appoint or removal of Directors and senior management; and
- Monitor the performance of the management.

Composition

As at 31 December 2025 and up to the date of this annual report, the Board comprises of two Executive Directors, one Non-executive Director ("NED") and three Independent Non-executive Directors ("INEDs"), details are as follows:

Executive Directors

Mr. Tung Chi Fung (Chairman)

Ms. Wang Ying

Non-executive Director

Mr. Lo Wai Hung



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Independent Non-executive Directors

Mr. Tang King San Terence

Ms. Chan Yuk Ying Phyllis

Mr. Sun Wei Yung Kevin

Biographical information of each of the Directors are set out in the section headed “Biographies of the Directors and Senior Management” of this annual report.

Independence

The Company recognises that Board independence is pivotal in good corporate governance and Board effectiveness. The Board has established mechanisms to ensure independent views and input from any Director of the Company are conveyed to the Board for enhancing an objective and effective decision making.

To the best knowledge of the Company, there is no other relationship (including financial, business, family or other material/relevant relationship(s)) among the members of the Board.

In compliance with Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules, the Company has appointed three INEDs, representing at least one-third of the Board and at least one of them has appropriate professional qualifications, or accounting or related financial management expertise.

The INEDs are responsible for making independent judgment on the issues relating to the strategy, performance, conflict of interest and management process of the Group to ensure that the interest of the shareholders as whole have been duly considered. Furthermore, in accordance with the requirement of the Listing Rules, the Audit Committee was chaired by an INED with the appropriate accounting qualification and professional experience.

The Company has received from each INED an annual confirmation of his or her independence, and the Company has assessed and considered and confirmed such Directors to be independent in accordance with each and the various guidelines set out in Rule 3.13 of the Listing Rules.

The governance framework and the following mechanisms are reviewed annually by the Board, through its Nomination and Remuneration Committee, to ensure their effectiveness:

1. External independent professional advice is available as and when required by individual Directors.
2. All Directors are encouraged to express freely their independent views and constructive challenges during the Board/Board Committee meetings.
3. No equity-based remuneration with performance-related elements will be granted to INEDs.
4. A Director (including INED) who has a material interest in a contract, arrangement or other proposal shall not vote or be counted in the quorum on any Board resolution approving the same.
5. The Chairman of the Board meets with INEDs annually without the presence of the other Executive Director and the NED.



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BOARD DIVERSITY POLICY

The Board has adopted a Board Diversity Policy which sets out the approach to achieve a sustainable and balanced development of the Company and to enhance the quality of performance of the Company.

Measurable objectives and selection

In designing the Board's composition, a number of perspectives which include race, gender, age, cultural and educational background, industry experience, technical and professional experience, knowledge, skills, length of service, personal integrity and time commitments of the proposed candidates will be taken into consideration. The Company will also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision is based on merit and contribution that the candidates will bring to the Board.

The Board will take opportunity to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments. The Board will ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity. The Board also aspires to having an appropriate proportion of Directors who have direct experience in the Group's core markets, with different ethnic backgrounds, and reflecting the Group's strategy.

Implementation and monitoring

The Nomination Committee will monitor the implementation of the Board Diversity Policy and the Directors' skills matrix for reporting to the Board annually. As at the date of this annual report, the composition of the Board in terms of diversity and the Directors' skills matrix is summarized as follows:

Name of Director	Age Group		
	30 to 45	46 to 59	Above 60
Mr. Tung Chi Fung	✓		
Ms. Wang Ying	✓		
Mr. Lo Wai Hung			✓
Mr. Tang King San Terence		✓	
Ms. Chan Yuk Ying Phyllis			✓
Mr. Sun Wei Yung Kevin		✓	

Name of Director	Professional Experience				
	Supply chain technology industry	Capital market	Accounting and finance/auditing	Regulatory and compliance/risk management	Technology and data
Mr. Tung Chi Fung	✓	✓			
Ms. Wang Ying	✓	✓	✓	✓	
Mr. Lo Wai Hung	✓	✓	✓		
Mr. Tang King San Terence			✓	✓	✓
Ms. Chan Yuk Ying Phyllis		✓	✓	✓	
Mr. Sun Wei Yung Kevin			✓	✓	

CORPORATE GOVERNANCE REPORT 39

For the year ended 31 December 2025, the Company has maintained an effective Board comprising members of different genders, professional background and industry experience. The Company's Board Diversity Policy has consistently been implemented. As at the date of this annual report, the Board comprises two female Directors and four male Directors, and the Nomination Committee has appointed a female Independent Non-executive Director as its member. The Board considers that the gender diversity in respect of the Board taking into account the business model and specific needs of the Company is satisfactory.

The Group has also taken, and continues to take steps to promote diversity at all levels of its workforce. Opportunities for employment, training and career development are equally opened to all eligible employees without discrimination. Currently, the female ratio in the workforce of the Group including senior management is approximately 50%, which is in line with the industry and the population spread of the operating locations. The Board considers that the gender diversity in workforce is currently achieved.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Company has arranged appropriate insurance cover in respect of potential legal action against its Directors and officers arising out of corporate activities of the Group.

DIRECTORS' TRAINING AND SUPPORT

The Company recognises the importance of continuous professional development for the Directors to effectively discharge their duties. Pursuant to the Corporate Governance Code and Rule 3.09F of the Listing Rules, all Directors are required to participate in continuous professional development to develop and refresh their knowledge and skills, so as to ensure that their contribution to the Board remains informed and relevant.

During the year ended 31 December 2025, all Directors received an aggregate of approximately 14 hours of annual training, covering all five specific training topics prescribed under Rule 3.09G of the Listing Rules, namely (i) board and directors' duties; (ii) Listing Rules and Hong Kong legal compliance; (iii) corporate governance and ESG; (iv) risk management and internal controls; and (v) industry and business developments. Training was delivered through external training courses provided by professional institutions (including international accounting firms and law firms), covering topics such as compliance and governance, financial and tax matters, market trends and directors' duties; as well as internal training arranged by the Company, including monthly directors' briefings on the Group's operational and financial performance, material developments and regulatory updates.

All Directors have provided their training records to the Company, and the Company has properly maintained such records. The company secretary of the Company is responsible for arranging and coordinating director training, and for briefing the Board on the latest developments in laws, rules and regulations that may affect the Group's business and operations. Each Director has adequate access to the Company's senior management, the company secretary and external professional advisers to obtain the information and support required for the discharge of their duties. The Board will continue to review and enhance director training arrangements in accordance with the requirements of the Corporate Governance Code, to ensure that all Directors are able to keep their knowledge and skills up to date and effectively discharge their duties.



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BOARD MEETINGS AND DIRECTORS' ATTENDANCE RECORDS

The Board has been scheduled to meet at least four times a year at approximately quarterly intervals with at least 14 days' notice given to the Directors. For all other Board meetings, Directors were given reasonable notice.

All Directors are provided with adequate information before the meetings. To enable the Directors to have a good understanding on the issues which will be discussed at the Board meeting and to make informed decisions, an agenda and the accompanying Board papers together with all relevant information will be sent to all the Directors at least three days before the intended date of each regular Board meeting. The Directors are allowed to include any other matters in the agenda that is required for discussion and decision at the meeting. The initial draft of the minutes of Board meeting are sent to the Directors for review and comment; and the final draft of the minutes will be sent to the Directors for signature and for the Company's records.

The Directors may participate in Board meetings either in person or through electronic means of communication. The Directors have separate and independent access to the Company Secretary and the management from time to time. The minutes of Board meetings are kept by the Company Secretary, and such minutes are opened for inspection at any reasonable time on reasonable notice by the Directors.

During the year ended 31 December 2025, eighteen Board meetings were held at which the Directors discussed and approved, amongst other matters, the Group's annual report of 2024, interim report of 2025, results announcements, ESG report, appointment and removal of directors, share award, share placement and dividend payment.

The attendance of each Director at General Meetings and Board meetings during the year is set out below:

Name of Directors	Number of Attendance/ Number of General Meetings	Number of Attendance/ Number of Board Meeting
Executive Directors		
Mr. Tung Chi Fung (Chairman)	1/1	18/18
Ms. Wang Ying	1/1	18/18
Non-executive Director		
Mr. Lo Wai Hung	1/1	18/18
Independent Non-executive Directors		
Mr. Fong Heng Boo (retired on 6 September 2025)	1/1	17/17
Mr. Tang King San Terence	1/1	18/18
Ms. Chan Yuk Ying Phyllis	1/1	18/18
Mr. Sun Wei Yung Kevin	1/1	18/18



CORPORATE GOVERNANCE REPORT 41

APPOINTMENT AND RE-ELECTION OF DIRECTORS

All Directors are appointed for a specific term under their service contracts and every Director is subject to retirement by rotation and re-election at an annual general meeting at least once every three years in accordance with the articles of association of the Company.

Article 108 of the articles of association of the Company provides that at each annual general meeting, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

Article 112 of the articles of association of the Company provides that the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting or these Articles. Any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election. Any Director appointed under this Article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

Mr. Tung Chi Fung, the Chairman and an Executive Director, has entered into a service contract with the Company commencing from 6 July 2017 (the “**Listing Date**”) on subject to termination in accordance with the terms of the service contract, by not less than three months’ notice in writing served by either party. The service contract was renewed for an initial fixed term of three years commencing from 6 July 2023.

Ms. Wang Ying, an Executive Director, has entered into a service contract with the Company commencing from 29 November 2024 on subject to termination in accordance with the terms of the service contract, by not less than three months’ notice in writing served by either party. The service contract was for an initial fixed term of three years commencing from 29 November 2024.

Mr. Lo Wai Hung, the Non-executive Director, was appointed by way of a formal appointment letter for a term of three years unless terminated by either party giving not less than one month’s notice in writing on the other. The appointment letter of Mr. Lo Wai Hung was renewed for a term of three years commencing from 10 December 2024.

Each of the INEDs, Mr. Tang King San Terence, Ms. Chan Yuk Ying Phyllis and Mr. Sun Wei Yung Kevin was appointed by way of a formal appointment letter for a term of three years unless terminated by either party giving not less than one month’s notice in writing on the other. The appointment letters of Mr. Tang King San Terence were renewed for a term of three years commencing from 10 December 2024. The appointment letter of Ms. Chan Yuk Ying Phyllis and Mr. Sun Wei Yung Kevin were for a term of three years commencing from 15 July 2025 and 15 October 2024 respectively. Mr. Fong Heng Boo resigned on 6 September 2025 upon the expiration of his term of office. Having considered Mr. Fong Heng Boo’s extensive and invaluable experience in auditing, risk management and corporate governance, as well as his deep network of industry resources in Southeast Asia, particularly in Singapore, the Company, through its international headquarters in Singapore, entered into a consultancy agreement (the “**Consultancy Agreement**”) with Mr. Fong Heng Boo. The Consultancy Agreement has a term of 3 years, commencing from 8 September 2025 to 7 September 2028. Pursuant to the Consultancy Agreement, Mr. Fong Heng Boo will be appointed as a consultant of the Group to provide strategic advice and share his industry resources and expertise, so as to support the Group’s global expansion strategy and international business development.

Save as disclosed above, none of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.



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NOMINATION POLICY

The Company has adopted a Nomination Policy for the Nomination Committee to consider and make recommendations to Shareholders for election as Directors at general meetings or appoint as Directors to fill casual vacancies.

Selection criteria

The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate:

- (1) reputation for integrity;
- (2) accomplishment and experience in the business in which the Group is engaged in;
- (3) commitment in respect of available time and relevant interest;
- (4) diversity in all its aspects, including but not limited to race, gender, age (18 years or above), educational background, professional experience, skills and length of service;
- (5) qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- (6) the number of existing directorships and other commitments that may demand the attention of the candidate;
- (7) requirement for the Board to have Independent Non-executive Directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules;
- (8) board diversity policy of the Company and any measurable objectives adopted by the Committee for achieving diversity on the Board; and
- (9) such other perspectives appropriate to the Company's business.



CORPORATE GOVERNANCE REPORT 43

Director nomination procedure

Subject to the provisions in the Articles of Association of the Company and the Listing Rules, if the Board recognises the need for an additional Director or member of senior management:

- (1) the Nomination Committee and/or Board identifies potential candidates based on the criteria as set out in the selection criteria, possibly with assistance from external agencies and/or advisors;
- (2) the Nomination Committee and/or the Company Secretary of the Company provides the Board with the biographical details and details of the relationship between the candidate and the Company and/or Directors, directorships held, skills and experience, other positions which involve significant time commitment and any other particulars required by the Listing Rules, the Companies Law of the Cayman Islands and other regulatory requirements for any candidate for appointment to the Board;
- (3) the Nomination Committee would make recommendations on the proposed candidate(s) and the terms and conditions of the appointment to the Board;
- (4) the Nomination Committee should ensure the proposed candidate(s) will enhance the diversity of the Board, being particularly mindful of gender balance;
- (5) in the case of the appointment of an Independent Non-executive Director, the Nomination Committee and/or the Board obtains all information in relation to the proposed Director to allow the Board to adequately assess the independence of the Director in accordance with the factors set out in Rule 3.13 of the Listing Rules, subject to any amendments as may be made by the Stock Exchange from time to time; and
- (6) the Board deliberates and decides on the appointment based upon the recommendation of the Committee.

Re-Election of Director at general meeting

The Nomination Committee shall review the overall contribution and service to the Company of the retiring Director including his/her attendance of Board meetings and, where applicable, general meetings of the Company, and the level of participation and performance on the Board. The Nomination Committee shall also review and determine whether the retiring Director continues to meet the criteria as set out in the selection criteria. The Nomination Committee and/or the Board shall then make recommendations to shareholders of the Company in respect of the proposed re-election of Director at the general meeting of the Company.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

According to the code provision C.2.1 of the CG Code, the roles of the Chairman and the Chief Executive Officer (the “CEO”) should be separate and performed by different individuals to ensure a balance of power and authority so that power is not concentrated in any one individual. Mr. Tung was the chairman of the Board throughout the year ended 31 December 2025. During the year ended 31 December 2025, the responsibilities of the CEO were shared amongst the Executive Directors.

BOARD COMMITTEES

The Board has established four board committees (the “Board Committees”), namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the Sustainability Committee, with defined terms of reference explaining their respective roles and the authority delegated by the Board. These defined terms of reference are available on the websites of the Company and the Stock Exchange.

The Board Committees are provided with sufficient resources to perform their duties and, upon reasonable request, are able to seek independent professional advice, at the Company’s expenses.



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AUDIT COMMITTEE

The Company established an Audit Committee on 19 June 2017 with written terms of reference in compliance with Rules 3.21 to 3.24 of the Listing Rules and code provision D.3.3 of the CG Code as set out in Appendix C1 of the Listing Rules. The written terms of reference of the Audit Committee (amended and approved by the Board on 23 October 2019) are available on the website of the Company and the Stock Exchange.

The Audit Committee comprises of three members, namely two INEDs, Mr. Tang King San Terence and Ms. Chan Yuk Ying Phyllis, and one NED, Mr. Lo Wai Hung. Mr. Tang King San Terence is the chairman of the Audit Committee who has appropriate professional qualifications and experience in accounting and auditing matters. Other members of the Audit Committee are also experts with audit and financial experience.

The primary duties of the Audit Committee are mainly to make recommendations to the Board on the appointment and removal of the external auditors, review financial statements and oversee the internal control and risk management procedures and systems of the Group.

During the year ended 31 December 2025, three meetings have been held by the Audit Committee, at which the Audit Committee reviewed, amongst other matters, the Group's annual report for the year ended 31 December 2024, the interim period ended 30 June 2025, periodic risk management report of the Group and the audit approach and plans for the year ended 31 December 2025.

The attendance record of each member at the Audit Committee Meetings held during the year is set out below:

Name of Directors	Number of Attendance/ Number of Audit Committee Meeting
Mr. Tang King San Terence	3/3
Mr. Fong Heng Boo (retired on 6 September 2025)	2/2
Mr. Lo Wai Hung	3/3
Ms. Chan Yuk Ying Phyllis (appointed as a member of the Audit Committee on 6 September 2025)	1/1

There was no disagreement between the Board and the Audit Committee during the year.

As the previous engagement partner of Deloitte Touche Tohmatsu as the Company's independent external auditors had served on the audit of the Group since 2015, a new engagement partner was assigned to the Company in 2022 and in charge of the audit of the Group since the financial year ended 31 December 2022.

At the Audit Committee Meeting held on 17 March 2026, all the members of the Audit Committee reviewed the Company's audited consolidated financial statements for the year ended 31 December 2025, including the accounting principles and practice adopted by the Group, the Company's compliance with the CG Code and disclosure in this Corporate Governance Report, the effectiveness of the Group's internal control, risk management systems and internal audit function and recommended to the Board for consideration the reappointment of Deloitte Touche Tohmatsu as the Company's independent external auditors at the forthcoming Annual General Meeting. The Board is not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the ability of the Company to continue as a going concern basis.

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REMUNERATION COMMITTEE

The Company established the Remuneration Committee on 19 June 2017 with written terms of reference in compliance with Rules 3.25 to 3.27 of the Listing Rules and code provision E.1.2 of the CG Code as set out in Appendix C1 of the Listing Rules. The written terms of reference of the Remuneration Committee (amended and approved by the Board on 15 May 2023) are available on the website of the Company and the Stock Exchange.

The primary duties of the Remuneration Committee are to make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group, review performance-based remuneration and ensure none of the Directors determine their own remuneration.

The Remuneration Committee currently consists of three members, comprising two INEDs namely Ms. Chan Yuk Ying Phyllis (Chairman) and Mr. Sun Wei Yung Kevin and one Executive Director, namely Mr. Tung Chi Fung.

During the year ended 31 December 2025, two meetings have been held by the Remuneration Committee, which amongst other matters, reviewed the remuneration of Directors and senior management for the year ended 31 December 2023, adjustments of the remunerations of the INED, proposed contract amount under the consultancy agreement with a retired INED, and grant of Share Options to the eligible participants.

The attendance record of each member at the Remuneration Committee Meeting held during the year is set out below:

Name of Directors	Number of Attendance/ Number of Remuneration Committee Meeting
Ms. Chan Yuk Ying Phyllis	2/2
Mr. Tung Chi Fung	2/2
Mr. Sun Wei Yung Kevin	2/2

Apart from the meeting mentioned above, the Company did not hold any Remuneration Committee Meeting during the year.



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NOMINATION COMMITTEE

The Company established the Nomination Committee on 19 June 2017 with written terms of reference in compliance with code provision B.3.1 of the CG Code and Corporate Governance Report as set out in Appendix C1 of the Listing Rules. The written terms of reference of the Nomination Committee (amended and approved by the Board on 23 October 2019) are available on the website of the Company and the Stock Exchange.

The Nomination Committee currently consists of three members, comprising one Executive Director namely Mr. Tung Chi Fung (Chairman) and two INEDs, namely Mr. Tang King San Terence and Ms. Chan Yuk Ying Phyllis.

The primary duties of the Nomination Committee are to (i) review the structure, size and composition of the Board on a regular basis; (ii) identify individuals suitably qualified to become Board members; (iii) assess the independence of INEDs; (iv) make recommendations to the Board on relevant matters relation to the appointment or re-appointment of Directors; and (v) review the Board Diversity Policy, as appropriate, review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and progress on achieving the objectives, and make recommendations to the Board on any of the aforesaid matters, and make disclosure of its review results in the Corporate Governance Report of the Company annually.

During the year ended 31 December 2025, two meetings have been held by the Nomination Committee to review the structure, size and composition of the Board, to assess the independence of the Independent Non-executive Directors to determine their eligibility, review the Board Diversity Policy and to review the retiring of an INED.

The attendance record of each member at the Nomination Committee Meeting held during the year is set out below:

Name of Directors	Number of Attendance/ Number of Nomination Committee Meeting
Mr. Tung Chi Fung	2/2
Mr. Tang King San Terence	2/2
Ms. Chan Yuk Ying Phyllis	2/2

Save as the above, the Company did not hold any other Nomination Committee Meeting during the year.



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SUSTAINABILITY COMMITTEE

The Company established the Sustainability Committee on 29 November 2024 with written terms of reference in compliance with Corporate Governance Report as set out in Appendix C2 of the Listing Rules. The written terms of reference of the Sustainability Committee (approved by the Board on 29 November 2024) are available on the website of the Company and the Stock Exchange.

The Sustainability Committee currently consists of three members, comprising one Executive Director namely Ms. Wang Ying (Chairman), one NED namely Mr. Lo Wai Hung and one INED namely Mr. Sun Wei Yung Kevin.

The primary duties of the Sustainability Committee are to (i) formulate and review the Company's Environmental, Social and Governance ("ESG") strategy and practices, monitor the progress and make recommendations to the Board for its approval; (ii) monitor and review the Company's ESG performance, assess and manage ESG related matters and risks, and report to the Board on any significant issues; (iii) review and inspect ESG risks and opportunities that have potentially material impact on the Company, report to the Board and recommend annual ESG strategic objectives; (iv) set targets for the Company's ESG performance, monitor and review the implementation of the Company's ESG work and make evaluations thereof; (v) receive reports from the ESG working group and the management, as well as review and approve disclosure materials of ESG information; (vi) oversee or approve other material matters in relation to the Company's ESG management.

For the year ended 31 December 2025, the Sustainability Committee held one meeting to review the strategy, targets and 2024 performance of the Company's ESG initiatives, and to make recommendations.

Name of Directors	Number of Attendance/ Number of Sustainability Meeting
Ms. Wang Ying	1/1
Mr. Lo Wai Hung	1/1
Mr. Sun Wei Yung Kevin	1/1

Save as the above, the Company did not hold any Sustainability Committee Meeting during the year.



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DIVIDEND POLICY

The Company has adopted a dividend policy that aims to provide the guidelines for the Board to determine whether dividends are to be declared and paid to the Shareholders and the level of dividend to be paid. Under the dividend policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, among others,

- (1) the Group's actual and expected financial performance;
- (2) the Group's expected working capital requirements, capital expenditure requirements and future expansion plans;
- (3) retained earnings and distributable reserves of the Company and each of the members of the Group;
- (4) the Group's liquidity position;
- (5) interest of shareholders;
- (6) taxation consideration;
- (7) potential effect on creditworthiness;
- (8) the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- (9) any other factors that the Board deems appropriate.

The declaration and payment of dividends by the Company shall remain to be determined at the sole discretion of the Board and is also subject to any restrictions under the Companies Law of the Cayman Islands, the Listing Rules, the laws of Hong Kong and the Company's Memorandum and Articles of Association and any other applicable laws and regulations. The Company does not have any pre-determined dividend distribution ratio. The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in the future.

The Company will continue to review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and the Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.



CORPORATE GOVERNANCE REPORT 49

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Particulars of the Directors' remuneration and the 5 highest paid employees for the Financial Year are set out in note 13 to the consolidated financial statements.

Pursuant to code provision E.1.5 of the CG Code, the remuneration of the members of the senior management (other than the Directors) for the financial year ended 31 December 2025 by band is set out below:

Remuneration band	Number of individuals
Nil to HK\$4,000,000	0
HK\$4,000,000 and above	5

AUDITORS' REMUNERATION

The Company has appointed Deloitte Touche Tohmatsu as its external auditors for the year ended 31 December 2025. Details of the fees paid/payable to Deloitte Touche Tohmatsu during the year are as follows:

	RMB'000
Audit services	2,710
Review of interim financial information	600
Subtotal	3,310
Others	63
Total	3,373

FINANCIAL REPORTING

The Directors acknowledge their responsibility for the preparation of financial statements for the relevant accounting period which give a true and fair view of the Group's financial position, results of operations and cash flows. In preparing the financial statements for the year ended 31 December 2025, the Directors have applied all the applicable accounting policies, adopted the appropriate accounting standards and prepared the accounts on a going concern basis.

The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

The responsibilities of the Group's external auditors, Deloitte Touche Tohmatsu, on the Company's consolidated financial statements are set out in the Independent Auditor's Report on pages 81 to 86 of this annual report.



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COMPANY SECRETARY

Mr. Wang Zheng was appointed as the Company Secretary of the Company on 29 November 2019. Mr. Wang had been informed of the requirement of Rule 3.29 of the Listing Rules and he confirmed that he had attained no less than 15 hours of relevant professional training during the year ended 31 December 2025.

SHAREHOLDERS' RIGHTS

Procedures for shareholders to convene an extraordinary general meeting ("EGM")

Pursuant to article 64 of the articles of association of the Company, an EGM shall be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the Company Secretary for the purpose of requiring an EGM to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Procedures for shareholders to send enquiries to the Board

Shareholders can direct their questions to Union Registrars Limited, the Company's branch registrar and transfer office in Hong Kong at "Suites 3301-04, 33/F, Two Chinachem Exchange Square 338, King's Road, North Point, Hong Kong", about their shareholdings.

Shareholders may also raise questions, request for publicly available information, provide comments and suggestions to the Directors and management of the Company. Such questions, requests, comments and suggestions can be addressed to the Company by post to the Company's office in Hong Kong at "Room 4202, 42/F, Tower 1, Lippo Centre, 89 Queensway, Admiralty, Hong Kong" or via email to ir@syholdings.com for the attention of the Company Secretary.

Procedures for shareholders to put forward proposals at shareholders' meetings

There are no provisions allowing shareholders to move new resolutions at the general meetings under the Companies Law (Revised) of Cayman Islands. However, pursuant to the articles of association of the Company, shareholders who wish to move a resolution may by means of requisition convene an EGM following the procedures set out above.

CONSTITUTIONAL DOCUMENTS

There is no change in the Company's constitutional documents during the year ended 31 December 2025. A copy of the Third Amended and Restated Memorandum and Articles of Association has been published on the websites of the Stock Exchange and the Company.



CORPORATE GOVERNANCE REPORT 51

INVESTOR RELATION

The Board recognises the importance of good communications with its shareholders and investors. The Company has adopted a shareholders' communication policy (the "**Shareholders' Communication Policy**") setting out the principles of the Company in relation to shareholders' communications, with the objectives of ensuring a transparent and timely communication with shareholders via various means.

The Board has reviewed the implementation and effectiveness of the Shareholders' Communication Policy including steps taken at the general meetings, the handling of queries received (if any) and the multiple channels of communication and engagement in place, and considered that the Shareholders' Communication Policy has been properly implemented during the year, under review and is effective.

To ensure timely, transparent and accurate communications between the shareholders of the Company (the "**Shareholders**") and the Company, information is communicated to the Shareholders mainly through the Company's interim reports and annual reports, annual and extraordinary general meetings, as well as circulars and announcements published on the website of the Stock Exchange (www.hkexnews.hk) and on the Company's website (www.syholdings.com).

The annual general meetings and other general meetings of the Company are the primary communication forum between the Company and the Shareholders. Shareholders are encouraged to participate in general meetings physically or to appoint proxies to attend vote at such meetings for and on their behalf if they are unable to attend.

Board meetings, in particular, the chairman of the Board Committees or their delegates, appropriate senior executives and the external auditors will attend the general meetings to answer the Shareholders' questions.

The chairman of the general meetings will propose to vote the resolutions (except resolutions which relate purely to procedural or administrative matters) by poll in accordance with the articles of association of the Company. Scrutineer will be appointed for the vote-taking at the general meetings and the voting results will be published on the website of the Stock Exchange (www.hkexnews.hk) and on the Company's website (www.syholdings.com) subsequent to the close of the general meetings.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises its responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group conducts annual review on the overall adequacy and effectiveness of the Group's risk management and internal control systems, covering material controls, including financial, operational and compliance controls, to safeguard the Shareholders' investment and the Group's assets. A system of risk management and internal control procedures are designed to manage, but not eliminate, the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against the risk of material misstatement, fraud or loss. The Group also has an internal audit function and has established the Corporate Government Department and Risk Management Department for the purposes of simultaneous updates between the corporate governance and the CG Code and continuously improving the effectiveness of the Company's risk management and internal controls.

The Board has delegated to the Audit Committee its responsibility (with relevant authorities) of risk management and internal control and assesses the effectiveness of the risk management and internal control systems annually through the reviews performed by the Audit Committee. Consequently, the Audit Committee is responsible for the design, implementation and monitoring of the risk management and internal control systems. The management would report to the Audit Committee any identified deficiencies from time to time.



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The Corporate Governance Department (the “**CG Department**”) has been taking over the roles in relation to the internal control and compliance issues. To manage and mitigate the risk exposures on the group level and improve the effectiveness of internal control system, the CG Department works with other business units to optimize the operational procedures and workflow as well as reviews the policies and standards of the Group. In terms of governance, the CG Department leads several projects of, inter alia, audit of IT security, financial management, operational management as well as training sessions of anti-corruption and whistleblowing policies to supervise and encourage good governance in the Group. The CG Department reports the implementation and effectiveness of the internal control system and relevant projects to the Audit Committee from time to time.

The Risk Management Department (the “**RM Department**”) is responsible for achieving the risk targets set by the Board or the Risk Management Committee and managing the risks arising from the principle business of the Group. In line with the strategic transformation of the Group, the RM Department works on the improvement of the online risk management platform to enhance the risk management capacity of the Group. To achieve the Group’s risk management targets, the RM Department reviews and amends the risk management policies and standards on a continuous basis, assesses and monitors the risk of the transactions, customers and industries, and reports to the Risk Management Committee and the Audit Committee on a quarterly basis, and if applicable, from time to time.

The Board has received confirmation from the departments and management of the effectiveness and adequacy of the Group’s risk management and internal control systems. The Board, through the Audit Committee, reviews the risk management and internal controls annually in accordance with D.2 of the Corporate Governance Code. The Audit Committee has conducted a review of, and is satisfied with the effectiveness and adequacy of the risk management and internal control systems for the year ended 31 December 2025. The Board through the Audit Committee reviewed the risk management and internal control systems of the Group for the year ended 31 December 2025, including material controls, financial, operational and compliance controls, as well as risk management mechanisms. In particular, the Board considered the resources, staff qualifications and experience, training programmes and budget of the Company’s accounting, internal audit and financial reporting functions are adequate. The review was conducted through discussions with the management of the Company, its external and internal auditors and the assessment performed by the Audit Committee. The Board believes that the existing risk management and internal control systems are adequate and effective, in particular, for financial reporting and Listing Rules compliance as well as for resolving internal control defects (if any). Based on the result of the review, the Board considered that for the year ended 31 December 2025, the risk management and internal control systems of the Group were effective and adequate.

DIVERSITY

The Company is committed to developing a positive and progressive culture that is anchored by its Value. In particular, we cultivate a culture that is healthy, diverse and inclusive, where everyone can be their true self and fulfill their own potential, bringing his or her whole self to work every day. More details on the Group’s diversity and inclusion initiatives, including employees’ gender ratios, are set out in the Group’s 2025 ESG Report.



CORPORATE GOVERNANCE REPORT 53

ANTI-CORRUPTION POLICY AND WHISTLEBLOWING POLICY

The Company has adopted an Anti-corruption Policy which observes the Group's ESG Policy and supports applicable anti-corruption laws and regulations with periodic review in place to ensure its effectiveness and compliance with the prevailing regulatory requirements. The Company has also adopted a Whistleblowing Policy which offers a safe, flexible and confidential ways to raise concerns across various channels.

For more details of the Company's Anti-Corruption Policy and Whistleblowing Policy, please refer to our 2025 ESG Report and the Group's website (www.syholdings.com).

HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Company has established and maintained procedures and internal controls for the handling and dissemination of inside information. The Company has adopted a code of conduct for dealing in the securities of the Company by the Directors in accordance with provisions set out in Appendix C3 of the Listing Rules. Other employees of the Group who are likely to be in possession of inside information of the Company are also subject to dealing restrictions. Any inside information and any information which may potentially constitute inside information is promptly identified, assessed and escalated to the Board and for the Board to decide on the need for disclosure. Inside information and other information which is required to be disclosed pursuant to the Listing Rules will be announced on the respective websites of the Stock Exchange and the Company in due course.



54 DIRECTORS' REPORT

The directors of the Company (the “**Directors**”) are pleased to present the annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2025 (the “**Reporting Period**”).

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding and the Group is a leading supply chain fintech platform. The Group has consistently maintained its strategic focus at the management level, dedicating itself to becoming a rare and outstanding enterprise in the supply chain fintech sector with the greatest longevity, the steadiest growth, and the most sustainable profitability. While deeply cultivating its solid fundamentals in national pillar industries such as infrastructure, pharmaceuticals and commodities, the Group has actively strategically positioned itself in emerging industries such as e-commerce and overseas expansion, thereby forging a robust dual growth engine. Further discussion and analysis of these activities as required by Schedule 5 to the Companies Ordinance, including a review of the Group’s business, a description of the principal risks and uncertainties facing the Group as well as an indication of likely future development in the Group’s business, can be found in the “Chairman’s Statement” and the “Management Discussion and Analysis” of this annual report. The discussion forms part of this report of the Directors. There were no significant changes in the nature of the principal activities of the Group during the year.

FINANCIAL SUMMARY

A summary of the Group’s financial performance for the last five financial years are set out on page 3 of this annual report. This summary does not form part of the audited consolidated financial statements.

RESULTS

The results of the Group for the year ended 31 December 2025 are set out on pages 87 to 211 of this annual report.

FINAL DIVIDENDS

The Directors recommend the payment of a final dividend of RMB40.47 cents per ordinary share for the year ended 31 December 2025. Details of the dividends paid or proposed to be paid by the Company are set out in note 14 to the financial statements.

EXPECTED DATE OF DIVIDEND PAYMENT AND CURRENCY ELECTION FOR FINAL DIVIDEND

The Board recommend that the proposed final dividend be paid on Monday, 17 August 2026 to those shareholders whose names appear on the Company’s register of members on Monday, 20 July 2026 (the record date), subject to approval by the shareholders of the Company at the forthcoming annual general meeting to be held in May 2026.

For the Shareholders to receive the final dividend for the year ended 31 December 2025, the Company will provide currency options. If Shareholders wish to receive all (but not part, save in the case of HKSCC Nominees Limited, which may elect to receive part of its entitlement in HKD) of the final dividend for the year ended 31 December 2025 in HKD, Shareholders should complete a dividend currency election form (“**Dividend Currency Election Form**”), which is expected to be despatched to Shareholders on Friday, 24 July 2026 and shall be returned to Union Registrars Limited, the branch share registrar and transfer office of the Company in Hong Kong, at “Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong” not later than 4:30 p.m. on Monday, 10 August 2026. If no election is made by a Shareholder or no Dividend Currency Election Form is received by Union Registrars Limited, the branch share registrar and transfer office of the Company in Hong Kong, by 4:30 p.m. on Monday, 10 August 2026, such Shareholder will automatically receive the final dividend for the year ended 31 December 2025 in RMB. If Shareholders wish to receive the final dividend for the year ended 31 December 2025 in RMB in the usual way, no additional action would be required.

CLOSURE OF REGISTER OF MEMBERS FOR FINAL DIVIDEND

To ascertain Shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed on Monday, 20 July 2026, and no transfer of shares will be effected on that day. In order to qualify for the proposed final dividend, Shareholders should ensure that all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged for registration with Union Registrars Limited, the Company's Hong Kong branch share registrar and transfer office, at "Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong" no later than 4:30 p.m. on Friday, 17 July 2026. The ex-dividend date for the proposed final dividend will be on Thursday, 16 July 2026.

The Company will further announce the dates of closure of register of members of the Company for the purpose of determining the entitlement to attend and vote at the forthcoming annual general meeting as and when appropriate in accordance with the requirements of the Listing Rules.

SPECIAL DIVIDEND

To further reward investors for their continuous support and trust, the Directors have resolved to declare a special dividend of RMB23.19 cents per ordinary share of the Company, which is expected to be paid on 26 February 2027. In respect of the closure of the register of members and the currency election arrangement for the special dividend, the Company will make further announcement(s) in due course, and will comply with the Article of Association of the Company, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and other applicable laws and regulations for the time being.

SUBSIDIARIES

Details of our Company's principal subsidiaries as at 31 December 2025 are set out in note 44 to the financial statements.

SHARE CAPITAL, SHARE OPTION AND RESTRICTED SHARE UNIT ("RSU")

Details of movements in the share capital, share options and RSU of the Company during the year are set out in notes 34, 36(a) and 36(b), respectively, to the financial statements.

RESERVES

Details of movements in the reserves of the Company during the year ended 31 December 2025 are set out in note 45 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2025, the Company has distributable reserves of RMB1,775 million in total available for distribution.

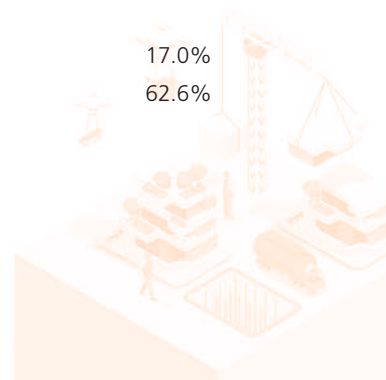
MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2025, the percentage of revenue and income attributable to the Group's major customers is set out below:

Revenue and income from principal activities

- The largest customer
- The total of five largest customers

17.0%
62.6%



56 DIRECTORS' REPORT

As far as the Directors aware, neither the Directors nor their associates nor any shareholders (which to the knowledge of Directors own more than 5% of the Company's issued share capital) had any interest in the five largest customers of the Group.

The Group primarily provides order acquisition and working capital support services to small and micro-enterprise clients through its independently developed supply chain technology platform, the Group does not have any major suppliers.

USE OF PROCEEDS

The net proceeds from the three placements of shares completed by the Company on 11 July 2018, 21 September 2020 and 5 October 2021, respectively, had been fully utilized by 31 December 2022. For further details on the use of proceeds from the May 2025 placement and the September 2025 placement, please refer to the section headed "Management Discussion and Analysis" in this annual report.

DIRECTORS AND SERVICE CONTRACTS

As at 31 December 2025 and up to the date of this annual report, the Board comprises of two Executive Directors, one Non-executive Director and three INEDs, details are as follows:

Executive Directors

Mr. Tung Chi Fung (Chairman)

Ms. Wang Ying

Non-executive Director

Mr. Lo Wai Hung

Independent Non-executive Directors

Mr. Tang King San Terence

Ms. Chan Yuk Ying Phyllis

Mr. Sun Wei Yung Kevin

Biographical information of each of the Directors is set out in the section headed "Biographies of the Directors and Senior Management" of this annual report.

All Directors are appointed for a specific term under their service contracts and every Director is subject to retirement by rotation and re-election at an annual general meeting at least once every three years in accordance with the articles of association.

Each of the Directors has been appointed for a fixed term of three years and shall be subject to retirement, re-election and removal in accordance with the articles of association of the Company.

Save as disclosed above, none of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.



DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Related Party Transactions" on page 76 of this annual report and note 38 to the consolidated financial statements, there were no transaction, arrangement, or contract of significance in relation to the Group's business to which the Company or any of its subsidiaries, its fellow subsidiaries or its holding companies was a party and in which any Director or any entities connected with a Director, the controlling Shareholder, the substantial Shareholders had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2025.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

There was no contract of significance between the Company or any of its subsidiaries and any controlling shareholder of the Company or any of its subsidiaries during the year ended 31 December 2025.

COMPLIANCE WITH LAWS AND REGULATIONS

During the year, to the best knowledge of the Directors, the Group has complied with all the relevant laws and regulations that have a significant impact on the Group.

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS, INVESTORS AND SUPPLIERS

To maintain continuous growth of the business operation, the Group recognises that employees, customers, investors and suppliers are the keys to its sustainable development.

The Group maintains good relationship with these stakeholders.

Employees are the assets of the Group. The Group provides competitive remuneration package and a pleasant workplace environment to attract and motivate the employees. An annual performance evaluation will be conducted annually based on individual's contributions and achievements throughout the year and the Group will make necessary adjustments based on the result of the performance evaluation. The Group provides periodical trainings for staff to keep them abreast of the latest developments in the market and industry, in the form of both internal trainings and trainings provided by experts from external organisations.

The Group understands the importance of maintaining a good relationship with its business partners which include the suppliers, customers, banks and other financial institutions. The Group believes that a healthy relationship can be built up by providing enhanced services to the customers, maintaining an effective communication channel to the employees and its business partners.

The Group engaged professional services on investor relationship from service provider for advising and promoting professional communication with existing and potential investors.

PROPERTY AND EQUIPMENT

The movements in the Group's property and equipment for the year are set out in note 16 to the financial statements.

GOODWILL AND INTANGIBLE ASSETS

The movements in the Group's goodwill and intangible assets for the year are set out in note 19 to the financial statements.



58 DIRECTORS' REPORT

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 December 2025, the Company and its subsidiaries did not purchase, sell or redeem any listed securities of the Company (including treasury shares).

As at 31 December 2025, the Company held 521,000 treasury shares, representing approximately 0.05% of the Company's shares in issue. The Company intends to use the treasury shares, when it considers necessary and expedient, for (i) the settlement of the underlying shares upon the exercise and/or vesting of share awards pursuant to the share schemes adopted by the Company; (ii) the settlement of part or all of the consideration of transactions conducted by the Group from time to time; and (iii) the sale of treasury shares subject to the compliance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

CHARITABLE DONATIONS

The Group's external charitable donations for the year amounted to RMB0.6 million (2024: RMB0.7 million).

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2025, the interests or short positions of the Directors and the chief executive 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 were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to provisions set out in Appendix C3 of the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Interest in the Company

Name of Director	Capacity/nature of interest	Number and class of securities interested	Percentage of shareholding
Mr. Tung ^(Note 1)	Beneficiary of a trust and settlor of a discretionary trust	564,107,960 (L) ^(Note 2)	52.95%
	Deemed interests of treasury shares held by the Company	521,000 (L) ^(Notes 2 and 3)	0.05%
Ms. Wang Ying	Share option	482,812 (L) ^(Note 4)	0.05%
Mr. Lo Wai Hung	Beneficial owner	360,000 (L) ^(Note 2)	0.03%

Notes:

1. Wisdom Cosmos Limited ("Wisdom Cosmos"), a company incorporated in the British Virgin Islands ("BVI"), is the beneficial owner of 564,107,960 shares of the Company, representing approximately 52.95% shareholding interests in the Company. The entire issued share capital of Wisdom Cosmos is owned by Eander Limited ("Eander"), a company incorporated in the BVI, which is in turn wholly owned by TMF (Cayman) Ltd ("TMF Trust"), trustee of the Pak Jeff Trust ("PJ Trust"), an irrevocable reserved power trust established by Mr. Tung. Mr. Tung and his family members are the beneficiaries of the PJ Trust. Under the SFO, Mr. Tung, TMF Trust and Eander are deemed to be interested in all the shares of the Company registered in the name of Wisdom Cosmos. Mr. Tung, being a director of the Company, is also the director of Wisdom Cosmos.
2. The letter "L" denotes long position of the shares of the Company.
3. As at 31 December 2025, the Company repurchased an aggregate of 521,000 shares for holding as treasury shares. As such, Wisdom Cosmos, Eander, TMF Trust and Mr. Tung as controlling shareholders of the Company are taken to have an interest in 521,000 treasury shares of the Company, representing approximately 0.05% shareholding interests in the Company.
4. This refers to the number of underlying Shares for the share options granted.

DIRECTORS' REPORT

Save as disclosed herein, as at 31 December 2025, none of the Directors or chief executive of the Company or their associates (as defined in the Listing Rules) had any interests and short positions in any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were 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 or short positions which each of them has taken or deemed to have taken under the provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein; or which were required, pursuant to provisions set out in Appendix C3 of the Listing Rules, to be notified to the Company and the Stock Exchange.

Save as disclosed herein, as at the 31 December 2025, so far as was known to the Directors, none of the Directors was a director or an employee of a company which had an interest or short position in the Company's shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

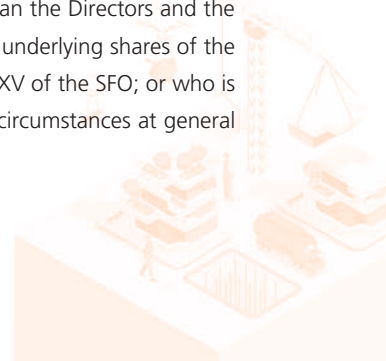
As at 31 December 2025, so far as is known to the Directors, the following persons, not being Directors or chief executive of the Company had, or were deemed to have, interests or short position in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or who is directly or indirectly, to be interested in 5% or more of issued share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name	Capacity/nature of interest	Number and class of securities interested ^(Note 1 and 3)	Percentage of shareholding
TMF Trust ^(Note 2)	Trustee	564,107,960 (L)	52.95%
	Deemed interests of treasury shares held by the Company	521,000 (L)	0.05%
Eander ^(Note 2)	Interest in a controlled corporation	564,107,960 (L)	52.95%
	Deemed interests of treasury shares held by the Company	521,000 (L)	0.05%
Wisdom Cosmos ^(Note 2)	Beneficial owner	564,107,960 (L)	52.95%
	Deemed interests of treasury shares held by the Company	521,000 (L)	0.05%

Notes:

- The letter "L" denotes long position of the shares of the Company.
- Wisdom Cosmos, a company incorporated in the BVI, is the beneficial owner of 564,107,960 shares of the Company, representing approximately 52.95% shareholding interests in the Company. The entire issued share capital of Wisdom Cosmos is owned by Eander, a company incorporated in the BVI, which is in turn wholly owned by TMF Trust, trustee of the PJ Trust, an irrevocable reserved power trust established by Mr. Tung. Mr. Tung and his family members are the beneficiaries of the PJ Trust. Under the SFO, Mr. Tung, TMF Trust and Eander are deemed to be interested in all the shares of the Company registered in the name of Wisdom Cosmos.
- As at 31 December 2025, the Company repurchased an aggregate of 521,000 shares for holding as treasury shares. As such, Wisdom Cosmos, Eander, TMF Trust and Mr. Tung as controlling shareholders of the Company are taken to have an interest in 521,000 treasury shares of the Company, representing approximately 0.05% shareholding interests in the Company.

Save as disclosed above, as at 31 December 2025, the Directors are not aware of any other person, other than the Directors and the chief executive of the Company who had, or was deemed to have, interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO; or who is directly or indirectly, to be interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or options in respect of such share capital.



60 DIRECTORS' REPORT

2017 SHARE OPTION SCHEME

On 19 June 2017, the sole shareholder of the Company adopted the share option scheme (the “**2017 Share Option Scheme**”) by way of written resolution which became effective on 6 July 2017 (the “**Listing Date**”). At the annual general meeting of the Company held on 21 May 2024, the Shareholders of the Company approved and adopted a new share scheme (the “**Share Scheme**”) to replace the 2017 Share Option Scheme.

A summary of the 2017 Share Option Scheme is set out below for reference. For further details, please refer to the prospectus of the Company dated 26 June 2017.

(a) Purpose of the 2017 Share Option Scheme

The 2017 Share Option Scheme enables the Company to grant options to subscribe for Shares granted pursuant to the 2017 Share Option Scheme (the “**Options**”) to any full-time or part-time employee of the Company or any member of the Group, including any Executive, Non-executive Directors and Independent Non-executive Directors, advisors, consultants, professionals, customers, suppliers, agents or partners of the Company or any of the subsidiaries (“**Eligible Persons**”) as incentives or rewards for their contributions to the Group.

(b) Who may join and basis of eligibility

The Board may, at its discretion, invite any Eligible Persons to take up Options at a price calculated in accordance with sub-paragraph (d) below. Upon acceptance of the Option, the Eligible Person shall pay HK\$1.00 to the Company by way of consideration for the grant. The Option will be offered for acceptance for a period of not less than 28 days from the date on which the Option is granted. The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, the Independent Non-executive Directors) from time to time on the basis of his contribution or potential contribution to the development and growth of the Group.

(c) Grant of Option

The total number of Shares issued and to be issued upon exercise of the Options granted to an Eligible Person who accepts or is deemed to have accepted the offer of any Option in accordance with the terms of the 2017 Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Participant (the “**Participant**”) under the 2017 Share Option Scheme and any other 2017 Share Option Schemes adopted by the Group from time to time pursuant to which options to subscribe for Shares may be granted (“**Other Schemes**”) (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the Shares in issue from time to time, and provided that if approved by Shareholders in general meeting with such Participant and his close associates (or his associates if the participant is a connected person) abstaining from voting, the Company may make a further grant of Options to such Participant (the “**Further Grant**”) notwithstanding that the Further Grant would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted under the 2017 Share Option Scheme and Other Schemes to such Participant (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of the Further Grant representing in aggregate over 1% of the Shares in issue from time to time. In relation to the Further Grant, the Company must send a circular to the Shareholders, which discloses the identity of the relevant Participant, the number and the terms of the Options to be granted (and Options previously granted to such Participant under the 2017 Share Option Scheme and Other Schemes) and the information required under the Listing Rules. The number and terms (including the exercise price) of Options which is the subject of the Further Grant shall be fixed before the relevant Shareholders' meeting and the date of meeting of the Board for proposing the Further Grant should be taken as the date of grant for the purpose of calculating the relevant subscription price.

(d) Price of Shares

The subscription price for the Shares subject to Options will be a price determined by the Board and notified to each Participant and shall be the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options, which must be a day on which trading of Shares take place on the Stock Exchange ("**Trading Day**"); (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Trading Days immediately preceding the date of grant of the Options; and (iii) the nominal value of a Share. For the purpose of calculating the subscription price, in the event that on the date of grant, the Company has been listed for less than five Trading Days, the Offer Price shall be used as the closing price for any Trading Day falling within the period before the Listing Date.

(e) Maximum number of Shares

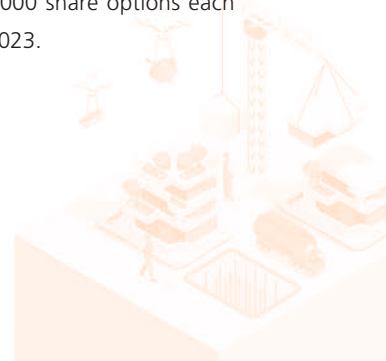
- (i) The total number of Shares which may be issued upon the exercise of all Options to be granted under the 2017 Share Option Scheme and Other Schemes must not, in aggregate, exceed 10% of the Shares in issue as at the Listing Date (the "**Scheme Mandate Limit**") provided that Options lapsed in accordance with the terms of the 2017 Shares Option Scheme or Other Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit. On the basis of 740,000,000 Shares in issue on the Listing Date, the Scheme Mandate Limit will be equivalent to 74,000,000 Shares, representing 10% of the Shares in issue as at the Listing Date and approximately 6.95% of the Shares in issue (excluding treasury shares) as at the date of this annual report.
- (ii) Notwithstanding the foregoing, the Company may not grant any Options if the number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the 2017 Share Option Scheme and Other Schemes exceeds 30% of the Shares in issue from time to time

(f) Time of exercise of Option

An Option may be exercised in accordance with the terms of the 2017 Share Option Scheme at any time during a period to be determined and notified by the Board to each Participant provided that the period within which the Option must be exercised shall not be more than 10 years from the date of the grant of Option. The exercise of an Option may be subject to the achievement of performance target and/or any other conditions to be notified by the Board to each Participant, which the Board may in its absolute discretion determine.

On 11 September 2017, the Company granted 12,620,000 share options to a director and the employees of the Group to subscribe for the ordinary shares of the Company with an exercise price of HK\$4.20 per share and for a validity period of 5 years. Among the share options granted, 2,000,000 granted options were granted to Mr. Chen Jen-Tse, an Executive Director of the Company as at the date of such grant. All share options granted in 2017 have expired after 10 September 2022.

On 14 November 2018, the Company granted 8,970,000 share options to the directors, employees and other eligible persons of the Group to subscribe for the ordinary shares of the Company with an exercise price of HK\$6.90 per share and for a validity period of 5 years. Among the share options granted, 1,000,000 share options were granted to Mr. Chen Jen-Tse, an Executive Director of the Company as at the date of such grant. Mr. Hung Ka Hai Clement, Mr. Loo Yau Soon and Mr. Tsoon Wai Mun, Benjamin, the INEDs of the Company as at the date of such grant, were granted 200,000 share options each (600,000 share options in total). All share options granted in 2018 have expired after 13 November 2023.



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On 15 July 2020, the Company granted 17,400,000 share options to the directors, employees and other eligible persons of the Group to subscribe for the ordinary shares of the Company with an exercise price of HK\$6.68 per share and for a validity period of 5 years. Among the share options granted, 3,000,000 and 400,000 share options were granted to Mr. Tung Chi Fung and Mr. Chen Jen-Tse respectively, the Executive Directors of the Company as at the date of such grant. Mr. Hung Ka Hai Clement, Mr. Loo Yau Soon, Mr. Tsoon Wai Mun Benjamin and Mr. Fong Heng Boo, the INEDs of the Company as at the date of such grant, were granted 300,000 share options each (1,200,000 share options in total).

On 10 June 2022, the Company granted 11,000,000 share options to a director and the employees of the Group to subscribe for the ordinary shares of the Company with an exercise price of HK\$6.46 per share and for a validity period of 10 years. Among the share options granted, 1,500,000 granted options were granted to Mr. Chen Jen-Tse, an Executive Director of the Company as at the date of such grant.

The grant of granted options to the abovementioned Director has been approved by the INEDs pursuant to the Listing Rules. Save as disclosed above, none of the other grantees is a Director, chief executive or substantial shareholder (as defined under the Listing Rules) of the Company or any of their respective associate(s) (as defined under the Listing Rules) as at the date of grant.

The following shows the outstanding position as at 31 December 2025 with respect to their granted options granted under the 2017 Share Option Scheme:

	Date of grant	Exercise price	Vesting period	Exercise period	Outstanding at 1 January 2025	Movement	Granted during the year (Note 3)	Exercised during the year	Lapsed during the year	Cancelled during the year	Outstanding at 31 December 2025	
Mr. Fong Heng Boo Resigned as an INED with effect from 6 September 2025	15 July 2020	HK\$6.68	15/7/2020-14/7/2021	15/7/2021-14/7/2025	75,000	-	-	(75,000)	-	-	-	
			15/7/2020-14/7/2022	15/7/2022-14/7/2025	75,000	-	-	(75,000)	-	-	-	
			15/7/2020-14/7/2024	15/7/2024-14/7/2025	150,000	-	-	(150,000)	-	-	-	
					300,000	-	-	(300,000)	-	-	-	
Employees	15 July 2020	HK\$6.68	15/7/2020-14/7/2021	15/7/2021-14/7/2025	1,987,500	-	-	(1,190,292)	(797,208)	-	-	
			15/7/2020-14/7/2022	15/7/2022-14/7/2025	2,112,500	-	-	(487,500)	(1,625,000)	-	-	
			15/7/2020-14/7/2024	15/7/2024-14/7/2025	4,425,000	-	-	(1,175,000)	(3,250,000)	-	-	
					8,525,000	-	-	(2,852,792)	(5,672,208)	-	-	
Ms. Wang Ying (Notes 1)	10 June 2022	HK\$6.46	10/6/2022-9/6/2024	10/6/2026-9/6/2032	100,000	-	-	-	-	-	100,000	
			10/6/2022-9/6/2024	10/6/2026-9/6/2032	100,000	-	-	-	-	-	-	100,000
			10/6/2022-9/6/2025	10/6/2027-9/6/2032	200,000	-	-	-	-	-	-	200,000
					400,000	-	-	-	-	-	400,000	
Employees (Note 2)	10 June 2022	HK\$6.46	10/6/2022-9/6/2024	10/6/2026-9/6/2032	1,025,000	-	-	-	(287,500)	-	737,500	
			10/6/2022-9/6/2024	10/6/2026-9/6/2032	1,025,000	-	-	-	(287,500)	-	-	737,500
			10/6/2022-9/6/2025	10/6/2027-9/6/2032	2,250,000	-	-	-	(575,000)	-	-	1,675,000
					4,300,000	-	-	-	(1,150,000)	-	3,150,000	

Note 1: Ms. Wang Ying and the senior managers have to achieve the performance target set by the Board from time to time on both the Group's level relating to the Group's net profits and the individual level relating to the KPIs set for them with reference to their positions, roles and responsibilities and the Group's expectation on their contribution.

Note 2: The share options granted to certain employees cannot be exercised during the first one or two years from the end of the vesting period.

Note 3: The weighted average closing price of the shares immediately before the dates on which the share options were exercised or vested pursuant to Rule 17.07(1)(d) is HK\$10.86.

During year ended 31 December 2025, (i) no share options were granted; (ii) 3,550,000 granted options were outstanding; (iii) 3,152,792 granted options were exercised; (iv) 6,822,208 granted options were lapsed; and (v) no granted options were cancelled under the 2017 Share Option Scheme.

Pursuant to Rule 17.07(1) (c) of the Listing Rules, the closing prices of the Shares immediately before 15 July 2020 and 10 June 2022, being the dates on which the share options were granted pursuant to the 2017 Share Option Scheme, were HK\$6.60 and HK\$6.32 respectively.

Pursuant to Rule 17.07(2) of the Listing Rules, the total number of share options available for grant under the 2017 Share Option Scheme as at 1 January 2025 and 31 December 2025 were nil.

Pursuant to Rule 17.09(3) of the Listing Rules, the total number of share options available for issue under the 2017 Share Option Scheme and remained outstanding is 3,550,000 Shares, representing approximately 0.33% of the 1,065,004,792 ordinary Shares of the Company in issue (excluding treasury shares) as at the date of this annual report.

Following the termination of the 2017 Share Option Scheme, no further options will be granted thereunder. None of the share options granted under the 2017 Share Option Scheme will become void or non-exercisable because of the termination of the 2017 Share Option Scheme.

RESTRICTED SHARE UNIT ("RSU") SCHEME

The RSU Scheme is adopted on 6 April 2022 ("**RSU Adoption Date**"). At the annual general meeting of the Company held on 21 May 2024, the Shareholders of the Company approved and adopted the Share Scheme to replace the RSU Scheme.

A summary of the RSU Scheme is set out below for reference. For further details, please refer to the announcement of the Company dated 6 April 2022.

(a) Purpose of the RSU Scheme

The purposes of the RSU Scheme are to (i) to recognize the contributions by the Grantees and to give incentives thereto in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

(b) Who may join and basis of eligibility

Person(s) eligible to receive awards of RSU ("**Awards**") under the RSU Scheme including who could be existing and former employees, directors or officers of the Company, PRC Operational Entity or other companies in the Group, or any other person selected by the Board or the Remuneration Committee at its sole discretion from time to time.



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(c) Maximum number of RSUs

- (i) Subject to the renewal of the scheme limit, no Award shall be granted pursuant to the RSU Scheme if as a result of such grant (assumed accepted), the aggregate number of Shares underlying all grants made pursuant to the RSU Scheme (excluding Awards that have lapsed or been cancelled in accordance with the rules of the RSU Scheme) shall exceed 2% of the number of Shares in issue as of the RSU Adoption Date (the "**Scheme Mandate Limit**"). On the basis of 1,004,628,500 Shares in issue on the RSU Adoption Date, the Scheme Mandate Limit will be equivalent to 20,092,570 Shares, representing 2% of the Shares in issue as at the RSU Adoption Date and approximately 2.03% of the Shares in issue (excluding treasury shares) as at the date of this annual report.
- (ii) The maximum number of Shares which may be awarded to any one Selected Persons under the Scheme may not exceed 1% of the issued share capital of the Company under the RSU Scheme.

(d) Duration and time of RSUs

Subject to any alteration and amendment of the Scheme, the Scheme shall be valid and effective for a period of 10 years commencing on the RSU Adoption Date, after which period no further Awards shall be granted or accepted, but the provisions of the Scheme shall remain in full force and effect in order to give effect to the vesting of Awards granted and accepted prior to the expiration of such period.

The Board or the Remuneration Committee has the sole discretion to determine the vesting schedule and vesting criteria (if any) for any grant of Award(s) to any Grantee, which may also be adjusted and redetermined by the Board from time to time.

(e) Grant of RSUs

On and subject to the rules of the Scheme and all applicable laws and other regulations, the Board or the Remuneration Committee may, within the Scheme Period, determine the Selected Persons to participate the Scheme. The Board or the Remuneration Committee shall, after the selection process, inform the RSU Trustee of the name(s) of the Selected Person(s), the number of Shares underlying the Award(s) to be granted to each of the Selected Person(s), the vesting schedule of the Award(s) and other terms and conditions (if any) that the Award(s) are subject to as determined by the Board or the Remuneration Committee.

Subject to limitations and conditions of the Scheme, the RSU Trustee shall, upon receipt of the notification from the Board or the Remuneration Committee, grant to each of the Selected Persons an offer of grant of Award(s) by way of a grant letter, subject to the conditions that the Board or the Remuneration Committee thinks fit.

Upon the receipt from the Selected Person of a duly executed acceptance notice and the relevant payment, the Award(s) is granted to the Selected Person, who becomes a Grantee in the Scheme.

On 10 June 2022, the Company granted 1,340,000 RSUs to the employees of the Group representing 1,340,000 underlying ordinary shares of the Company.



Movements of RSU Scheme during year ended 31 December 2025 are as follows:

Grantee	Date of grant	Vesting period	Outstanding at 1 January 2025	Granted during the year	Lapsed during the year	Cancelled during the year	Vested during the year	Outstanding at 31 December 2025
Employees	10 June 2022	10/6/2022-9/6/2024	-	-	-	-	-	-
		10/6/2022-9/6/2024	-	-	-	-	-	
		10/6/2022-9/6/2025	470,000	-	(50,000)	-	(420,000)	-
			470,000	-	(50,000)	-	(420,000)	-

Note: The weighted average closing price of the shares immediately before the dates on which the RSUs were exercised or vested pursuant to Rule 17.07(1) (d) is HK\$11.08.

During the year ended 31 December 2025, (i) no RSUs were granted; (ii) no granted RSUs were outstanding under the RSU scheme; (iii) 420,000 granted RSUs were vested; (iv) 50,000 granted RSUs were lapsed; and (v) no granted RSUs were cancelled under the RSU Scheme.

Pursuant to Rule 17.07(1) of the Listing Rules, the closing prices of the Shares immediately before 10 June 2022, being the date on which the RSUs were granted, was HK\$6.32.

Pursuant to Rule 17.07(2) of the Listing Rules, the total number of RSUs available for grant under the RSU scheme as at 1 January 2025 and 31 December 2025 were nil.

Pursuant to Rule 17.09(3) of the Listing Rules, the total number of Shares of the Company available for grant and issue under the RSU Scheme is nil as at the date of this annual report.

Following the termination of the RSU Scheme, no further RSUs will be granted thereunder. All RSUs granted prior to such termination and not vested on the date of termination shall remain valid.



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SHARE SCHEME

On 21 May 2024 (“**Adoption Date**”), at the annual general meeting of the Company held on 21 May 2024, the Shareholders of the Company approved and adopted the Share Scheme.

A summary of the Share Scheme is set out below for reference. For further details, please refer to the circular of the Company dated 29 April 2024.

(a) Purpose of the Share Scheme

The purpose of the Share Scheme is to provide incentive to the Eligible Participants (as defined hereunder) in order to promote the development and success of the business of the Group. The Share Scheme will give the Eligible Participants an opportunity to have a personal stake in the Company and will help motivate the Eligible Participants in optimizing their performance and efficiency and attract and retain the Eligible Participants whose contributions are important to the long-term growth of the Group.

For the purpose of this section, unless the context otherwise requires:

“Award” means an award granted under the Share Scheme, which may be a Share Option or a Share Award.

“Eligible Participants” means an Employee Participant or Related Entity Participant, and for the purposes of the Share Scheme, the Offer may be made to a vehicle (such as a trust or a private company) or similar arrangement for the benefit of a specified Eligible Participant subject to the fulfilment of requirements of the Listing Rules (including but not limited to a waiver from the Stock Exchange, where applicable).

“Minimum Period” with respect to an Award (which may be Share Option and/or Share Award), the period commences on the offer date and ending on the day immediately prior to the expiry of the twelve (12)-month period thereof.

“Offer” means an offer to an Eligible Participant for the grant of an Award (which may be Share Option and/or Share Award).

“Related Entities” means the holding companies, fellow subsidiaries or associated companies of the Company.

“Related Entity Participants” means the directors and employees (whether full-time, part-time or other employment arrangement) of the Related Entities.

(b) Eligible Participants and the basis of the eligibility

The Eligible Participants are the Employee Participants and the Related Entity Participants. In determining the basis of eligibility for Employee Participants, the factors in assessing whether any person is eligible to participate in the Share Scheme include:

- (1) the performance of the Employee Participant;
- (2) the skill, knowledge, experience, expertise and other personal qualities of the Employee Participant;
- (3) time commitment, responsibilities or employment conditions of the Employee Participant according to the prevailing market practice and industry standard;
- (4) the length of employment with the Group; and
- (5) the contribution or potential contribution of the Employee Participant to the development and growth of the Group.

In determining the basis of eligibility for Related Entity Participants, the Board would take into account, among others:

- (a) the actual degree of involvement of the Related Entity Participant in and/or cooperation with the Group and length of collaborative relationship such Related Entity Participant has established with the Group (e.g. the number of years of collaboration with the Group);
- (b) the positive impacts brought by, or expected from, the Related Entity Participant on the Group's business development in terms of an increase in turnover or profits of the Group and/or an addition of expertise to the Group;
- (c) whether the Related Entity Participant has referred or introduced opportunities to the Group which have materialized into further business relationships;
- (d) whether the Related Entity Participant has assisted the Group in tapping into new markets and/or increased its market share;
- (e) the amount of support, assistance, guidance, advice, efforts and contributions which the Related Entity Participant has exerted and given towards the success of the Group or the Related Entity Participant which is likely to be able to give or make towards the success of the Group in the future; and
- (f) the materiality and nature of the business relation of the holding companies, fellow subsidiaries or associated companies with the Group and the Related Entity Participant's contribution in such holding companies, fellow subsidiaries or associated companies which may benefit the core business of the Group through a collaborative relationship.

(c) Offer and Acceptance

Subject to and in accordance with the provisions of the Share Scheme and the Listing Rules, the Board shall be entitled (but shall not be bound), at any time and from time to time and within a period, to make an offer to such Eligible Participant as it may, in its absolute discretion, select, and subject to such conditions as the Board may think fit, provided that no such Offer shall be made if a prospectus is required to be issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any applicable laws or if such grant will result in the breach by the Company or any of the Directors of any applicable securities laws and regulations in any jurisdiction.

An Offer shall be made to an Eligible Participant in writing (and unless so made shall be invalid) in such form as the Board may from time to time determine specifying the terms of the Award (which may be Share Option and/or Share Award).

An Offer shall remain open for acceptance by the Eligible Participant concerned (and by no other person, including the Eligible Participant's personal representative) for a period of twenty-one (21) days from the date of the offer. For the avoidance of doubt, the Board may at its discretion specify any condition in the offer letter at the grant of the relevant Award (which may be Share Option and/or Share Award), including conditions and/or performance target(s) that must be achieved before any of such Award can be exercised, as well the clawback mechanism for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants.

An Offer shall be deemed to have been accepted by an Eligible Participant concerned in respect of all the Award Shares which are offered to such Eligible Participant when the duplicate letter comprising acceptance of the Offer duly signed by the Eligible Participant, together with a payment in favour of the Company of HK\$1.00 or such other amount (if any) as may be determined by the Board as consideration for the grant thereof, is received by the Company.



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Any Offer may be accepted by an Eligible Participant in respect of less than the number of Award Shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. The relevant Award Shares offered but not accepted shall lapse.

(d) Vesting Period

Save for the circumstances prescribed below and if there is an event of change in control of the Company (the particulars as set out in the Share Scheme), an Award (which may be Share Option and/or Share Award) must be held by the Grantee for a period that is not shorter than the Minimum Period before the Award can be exercised.

The Board may at its absolute discretion grant Awards (which may be Share Options and/or Share Awards) to Employee Participants only with a vesting period shorter than the Minimum Period in the following specific circumstances:

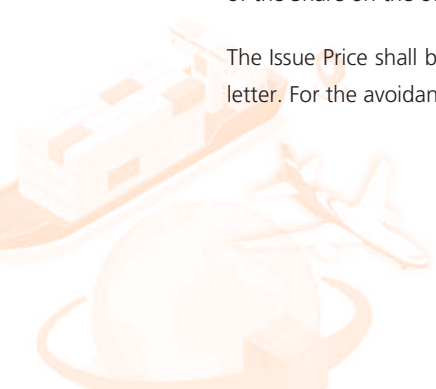
- (1) grants of "make-whole" Awards to new joiners to replace the award shares they forfeited when leaving the previous employers;
- (2) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- (3) grants that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch;
- (4) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months; or
- (5) grants with performance-based vesting conditions in lieu of time-based vesting criteria,

each of which are considered appropriate to provide flexibility to grant Awards (a) as part of competitive terms and conditions to induce valuable talent to join the Group (sub-paragraphs (1) and (4)); (b) reward past contribution which may otherwise be neglected due to administrative or technical reasons (sub-paragraphs (2) and (3)); (c) reward exceptional performers with accelerated vesting (sub-paragraph (4)); (d) to motivate exceptional performers based on performance metrics rather than time (sub-paragraph (5)); and (e) in exceptional circumstances where justified (sub-paragraphs (1) to (5)), which is consistent with the purpose of the Share Scheme.

(e) Exercise Price and Issue Price

The Exercise Price shall, subject to any adjustment made pursuant to the terms of the Share Scheme, be determined by the Board at its absolute discretion, provided that it shall be not less than the highest of: (i) the closing price of the Shares as shown in the daily quotations sheet of the Stock Exchange on the offer date, which must be a Business Day; (ii) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) consecutive days on which the Shares are traded on the Stock Exchange immediately preceding the offer date; and (iii) the nominal value of the Share on the offer date.

The Issue Price shall be such price determined by the Board in its absolute discretion and notified to the Grantee in the offer letter. For the avoidance of doubt, the Board may determine the Issue Price to be nil.



(f) Maximum number of Shares

The total number of Shares which may be issued in respect of all Awards (which may be Share Options and/or Share Awards) which may be granted at any time under the Share Scheme together with options and awards which may be granted under any other schemes of the Company shall not exceed such number of Shares as equals 10% of the Shares in issue (excluding treasury shares) as at the Adoption Date (the “**Scheme Mandate Limit**”). Awards (including Share Options and Share Awards) lapsed in accordance with the terms of the Share Scheme (and other schemes of the Company) will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. On the basis of 989,750,000 Shares in issue on the Adoption Date, the Scheme Mandate Limit will be equivalent to 98,975,000 Shares, representing 9.29% of the Shares in issue as at the Adoption Date and approximately 10% of the Shares in issue (excluding treasury shares) as at the date of this annual report.

If the Company conducts a share consolidation or sub-division after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under all of the schemes of the Company under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or sub-division shall be the same, rounded to the nearest whole share.

Subject to the approval of Shareholders in general meeting, the Company may refresh the Scheme Mandate Limit under the Share Scheme on or after the third (3rd) anniversary of the date of the Shareholders' approval for the last refreshment or the Adoption Date. The total number of Shares which may be issued upon exercise of all (i) the Awards (including Share Options and Share Awards) under the Share Scheme and (ii) the options and awards to be granted under any other schemes of the Company as “refreshed” must not exceed 10% of the Shares in issue (excluding treasury shares) as at the date of approval of the refreshment. For the purpose of seeking approval of the Shareholders under the refreshment, the Company must send a circular to the Shareholders containing the information required under the Listing Rules; and any refreshment within any three (3)-year period shall be subject to independent Shareholders' approval pursuant to Rule 17.03C(1) (b) and (c) of the Listing Rules.

(g) Grant of Share Options and/or Share Awards to a Director, Chief Executive or Substantial Shareholder of the Company or any of their Respective Associates

Any grant of an Award (which may be Share Option and/or Share Award) to a Director, a chief executive of the Company or substantial shareholder (as defined under the Listing Rules), or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who or whose associate is the proposed Grantee of the Award).

(a) Where any grant of an Award (which may be Share Option and/or Share Award) to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the 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 relevant schemes) to such person in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 0.1% of the Shares in issue (excluding treasury shares), or (b) where any grant of Share Awards (i.e., excluding grant of Share Options) 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 relevant schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding treasury shares) at the date of such grant, such grant of Award (which may be Share Option and/or Share Award) must be approved by the Shareholders in a general meeting of the Company.



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(h) Maximum Entitlement of each Eligible Participant

Where any grant of an Award (which may be Share Option and/or Share Award) to an Eligible Participant would result in the Shares issued and to be issued in respect of all options and awards granted to such Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 1% of the Shares in issue (excluding treasury shares), such grant must be separately approved by the Shareholders in a general meeting of the Company with such Eligible Participant and the person's close associates (or associates if the Eligible Participant is a connected person) abstaining from voting.

The Company must send a circular to the Shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the Awards (which may be Share Options and/or Share Awards) to be granted (and Awards previously granted to such Eligible Participant during the twelve (12)-month period), the purpose of granting the Awards (which may be Share Options and/or Share Awards) to the Eligible Participant, an explanation as to how the terms of such Awards serve such purpose and such information as may be required by the Stock Exchange from time to time. The number and terms (including the Exercise Price or Issue Price) of such Award to be granted to such Eligible Participant must be fixed before the Shareholders' approval. For the grant of Share Options, the date of the meeting of the Board for proposing such grant should be taken as the offer date for the purpose of calculating the Exercise Price.

(i) Time of Exercise of Options

Subject to the terms of the Share Scheme, an Award may be exercised in whole or in part at any time during the period stipulated in the Offer, provided that such period shall not go beyond the day immediately prior to the tenth (10th) anniversary of the offer date with respect of the relevant Award. The Board may at its discretion determine and provide in the offer letter at the grant of the relevant Award any performance target(s) as the Board may then specify which must be achieved by the Grantee before any of the Awards (which may be Share Options and/or Share Awards) can be exercised, as well as the clawback mechanism for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants.

On 29 November 2024, the Company granted 319,921 share options to a director and the employees of the Group to subscribe for the ordinary shares of the Company with an exercise price of HK\$7.25 per share and for a validity period of 10 years. Among the share options granted, 99,336 granted options were granted to Ms. Wang Ying, an Executive Director of the Company.

On 24 March 2025, the Company granted 259,580 share options to a director and the employees of the Group to subscribe for the ordinary shares of the Company with an exercise price of HK\$12.88 per share and for a validity period of 10 years. Among the share options granted, 82,812 granted options were granted to Ms. Wang Ying, an Executive Director of the Company.

The grant of granted options to the abovementioned Director has been approved by the INEDs pursuant to the Listing Rules. Save as disclosed above, none of the other grantees is a Director, chief executive or substantial shareholder (as defined under the Listing Rules) of the Company or any of their respective associate(s) (as defined under the Listing Rules) as at the date of grant.



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The following shows the outstanding position as at 31 December 2025 with respect to their granted options granted under the Share Scheme:

	Date of grant	Exercise price	Vesting period	Exercise period	Outstanding at 1 January 2025	Granted during the year	Exercised during the year ^(Note 1)	Lapsed during the year	Cancelled during the year	Outstanding at 31 December 2025
Ms. Wang Ying ^(Note 2)	29 November 2024	HK\$7.25	29/11/2024-29/11/2025	29/11/2025-29/11/2034	99,336	-	-	(99,336)	-	-
Employees ^(Note 2)	29 November 2024	HK\$7.25	29/11/2024-29/11/2025	29/11/2025-29/11/2034	220,585	-	-	(220,585)	-	-
					319,921	-	-	(319,921)	-	-
Ms. Wang Ying ^(Note 2)	24 March 2025	HK\$12.88	24/3/2025-24/3/2026	24/3/2026-24/3/2036	-	82,812	-	-	-	82,812
Employees ^(Note 2)	24 March 2025	HK\$12.88	24/3/2025-24/3/2026	24/3/2026-24/3/2036	-	176,768	-	-	-	176,768
					-	259,580	-	-	-	259,580

Note 1: No options were exercised or vested during the year. Therefore, the weighted average closing price of the shares immediately before the dates on which the options or awards were exercised or vested pursuant to Rule 17.07(1)(d) is not available.

Note 2: The vesting of the Share Options is subject to the satisfaction of certain performance targets and the conduct of the Grantees. The performance target is related to individual performance indicators relevant to the Grantees' roles and responsibilities.

During the year ended 31 December 2025, (i) 259,580 share options were granted; (ii) 259,580 granted options were outstanding; (iii) no granted options were exercised; (iv) 319,921 granted options were lapsed; and (v) no granted options were cancelled under the Share Scheme.

Pursuant to Rule 17.07(1)(c) of the Listing Rules, the closing prices of the Shares immediately before 29 November 2024 and 24 March 2025, being the date on which the share options were granted, were HK\$7.25 and HK\$12.88, respectively.

Pursuant to Rule 17.07(2) of the Listing Rules, the total number of share options available for grant under the Share Scheme as at 1 January 2025 and 31 December 2025 were 98,655,079 and 98,715,420, respectively.

Pursuant to Rule 17.09(3) of the Listing Rules, the total number of Shares of the Company available for issue under the Share Scheme is 98,975,000 Shares, representing approximately 9.29% of the 1,065,004,792 ordinary Shares of the Company in issue (excluding treasury shares) as at the date of this annual report.

Pursuant to Rule 17.09(9) of the Listing Rules, as at 31 December 2025, the remaining term of the Share Scheme is about 8 years and 4 months.



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RESTRICTED SHARE AWARD SCHEME

Summary of the Scheme

The Company adopted the 2025 Restricted Share Award Scheme (the “**2025 RSA Scheme**”) in 17 March 2025, which is funded by existing shares of the Company and does not involve the issue of any new shares by the Company. A summary of the principal terms of the 2025 RSA Scheme is set out below:

- (i) **Purpose:** To recognise and reward the contributions of certain selected participants to the growth and development of the Group and to incentivise them for their retention; to provide additional incentives for selected participants to achieve performance goals; to better align the interests of officers and employees with those of the shareholders; and to attract suitable personnel for the further development of the Group.
- (ii) **Eligible participants:** Employees (whether full-time or part-time), directors or officers of the Company, any other member of the Group or any affiliate, and such other persons as permitted under the Listing Rules from time to time.
- (iii) **Scheme mandate limit:** The aggregate number of shares underlying all awards granted under the 2025 RSA Scheme (excluding awards that have lapsed, been forfeited or cancelled) shall not exceed 10% of the shares in issue (excluding treasury shares) as at the adoption date. The maximum entitlement of any single selected participant shall not exceed 1% of the shares in issue (excluding treasury shares) as at the adoption date. On the basis of 987,886,000 Shares in issue on 17 March 2025, being the adoption date of the 2025 RSA Scheme, the scheme mandate limit will be equivalent to 98,788,600 Shares, representing 10% of the Shares in issue as at the adoption date and approximately 9.28% of the Shares in issue (excluding treasury shares) as at the date of this annual report.
- (iv) **Vesting period:** As determined by the Board or the Remuneration Committee at its sole discretion, provided that it shall not be less than 12 months.
- (v) **Scheme period:** 10 years from the adoption date.
- (vi) **Funding:** Existing shares acquired by the trustee on the open market as directed by the Board, or cash equivalent settlement. No new shares of the Company will be issued.
- (vii) **Clawback mechanism:** The 2025 RSA Scheme includes a clawback mechanism under which the Company may recover or withhold awards granted in the event of serious misconduct, material misstatement in the Company’s financial statements or other specified circumstances.
- (viii) **Performance targets:** The Board or the Remuneration Committee may, at its discretion, attach performance, operating and financial targets to the awards granted.
- (ix) **Offer and acceptance:** An offer of the grant of an award shall be made to a selected participant by a letter of grant. The selected participant may accept the offer by signing and returning the acceptance notice within such period as specified in the letter of grant. No consideration is required to be paid by the selected participant for the application or acceptance of the award.



- (x) **Purchase price of shares awarded:** As the 2025 RSA Scheme involves the grant of restricted share awards funded by existing shares, there is no exercise price. The purchase price of the shares awarded (if any) shall be determined by the Board or the Remuneration Committee at its absolute discretion at the time of grant, taking into account the purposes of the 2025 RSA Scheme and the contributions of the relevant selected participants to the Group.
- (xi) **Time of exercise and vesting of awards:** The Board or the Remuneration Committee may determine at its absolute discretion the vesting period and the period within which the awards may be satisfied or vested, provided that such period shall not exceed the Scheme Period (i.e., 10 years from the adoption date). For the avoidance of doubt, the vesting period of the awards granted shall not be less than 12 months.

On 17 March 2025, the Company granted an aggregate of 930,000 awarded shares to two eligible participants under the 2025 RSA Scheme, who are among the Group's five highest paid individuals, to subscribe for the ordinary shares of the Company.

The Directors confirm none of the grantees is a Director, chief executive or substantial shareholder (as defined under the Listing Rules) of the Company or any of their respective associate(s) (as defined under the Listing Rules) as at the date of grant.

Awards Granted During the Year Under Review

Details of the awards granted under the 2025 RSA Scheme during the year ended 31 December 2025 (disclosed pursuant to Rule 17.12 of the Listing Rules) are set out below:

- (i) **Directors:** No awards were granted to any Director of the Company under the 2025 RSA Scheme during the year under review.
- (ii) **Five highest paid individuals:** During the year under review, an aggregate of 930,000 awarded shares were granted to two eligible participants under the 2025 RSA Scheme (disclosed on an aggregate basis), who are among the Group's five highest paid individuals.
- (iii) **Other participants:** No awarded shares were granted to other employees under the 2025 RSA Scheme during the year under review (disclosed on an aggregate basis).

The following shows the outstanding position as at 31 December 2025 with respect to their granted award granted under the 2025 RSA Scheme:

	Date of grant	Purchase price	Vesting period	Outstanding at 1 January 2025	Granted during the year	Lapsed during the year	Cancelled during the year	Vested during the year	Outstanding at 31 December 2025
Among the Group's five highest paid individuals <small>(Notes 1 and 2)</small>	17 March 2025	None	17/3/2025-16/3/2026	-	232,500	-	-	-	232,500
			17/3/2026-16/3/2027	-	232,500	-	-	-	232,500
			17/3/2027-16/3/2028	-	465,000	-	-	-	465,000
				-	930,000	-	-	-	930,000

Note 1: No awards were exercised or vested during the year. Therefore, the weighted average closing price of the shares immediately before the dates on which the awards were exercised or vested pursuant to Rule 17.07(1) (d) is not available.

Note 2: The vesting of the awards is subject to the satisfaction of certain performance targets and the conduct of the grantees. The performance target is related to individual performance indicators relevant to the grantees' roles and responsibilities.

During the year ended 31 December 2025, (i) 930,000 awards were granted; (ii) 930,000 awards were outstanding; (iii) no granted awards was vested; (iv) no granted awards was lapsed; and (v) no granted awards was cancelled under the 2025 RSA Scheme.

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Pursuant to Rule 17.07(1)(c) of the Listing Rules, the closing prices of the Shares immediately before 17 March 2025, being the date on which the awards were granted, was HK\$9.41.

Pursuant to Rule 17.07(2) of the Listing Rules, the total number of awards available for grant under the 2025 RSA Scheme as at 1 January 2025 and 31 December 2025 were 0 and 97,858,600, respectively.

Pursuant to Rule 17.09(3) of the Listing Rules, the total number of Shares of the Company available for grant under the 2025 RSA Scheme is 98,788,600 Shares, representing approximately 9.28% of the 1,065,004,792 ordinary Shares of the Company in issue (excluding treasury shares) as at the date of this annual report.

Pursuant to Rule 17.09(9) of the Listing Rules, as at 31 December 2025, the remaining term of the 2025 RSA Scheme is about 9 years and 2 months.

For further details of the awards granted under the 2025 RSA Scheme (including fair value and accounting treatment), please refer to the relevant sections of the notes to the consolidated financial statements in this annual report.

Pursuant to Rule 17.07(3) of the Listing Rules, the total number of shares that may be issued in respect of share options, RSUs and/or awards granted under the 2017 Share Option Scheme, the RSU Scheme, the Share Scheme and the 2025 RSA Scheme during the year ended 31 December 2025 divided by the weighted average number of shares of the relevant class in issue (excluding treasury shares) for the same financial year was 0.12%.

Information on the fair value of and accounting policy for share options, RSUs and/or awards granted under the schemes are provided in note 36 to the consolidated financial statements.

Apart from the aforesaid, at no time during the year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

PERMITTED INDEMNITY

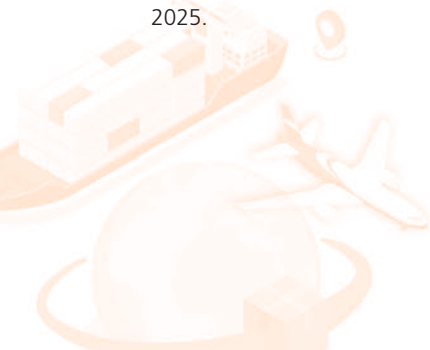
Pursuant to the articles of association of the Company, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all liabilities (to the fullest extent permitted by the Companies Ordinance) which he may incur in or about the execution of the duties of his office or otherwise in relation thereto. The Company has taken out insurance against all liabilities associated with defending any proceedings which may be brought against Directors and other officers of the Company.

MANAGEMENT CONTRACTS

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company's business was entered into or existed during the year of 2025.

EQUITY-LINKED AGREEMENTS

Save as disclosed under the section headed "2017 Share Option Scheme", "RSU Scheme", "Share Scheme" and "2025 RSA Scheme" above, there were no equity-linked agreements entered into by the Group or existed during the year ended 31 December 2025.



DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST IN COMPETING INTERESTS OR CONFLICT OF INTEREST

For the year ended 31 December 2025, the Directors are not aware of any business or interest of the Directors, the substantial shareholders of the Company and their respective associates (as defined in the Listing Rules) that competes or is likely to compete, either directly or indirectly, with the business of the Group and any other conflicts of interests which any such person has or may have with the Company.

COMPLIANCE OF NON-COMPETITION UNDERTAKINGS

Mr. Tung, TMF Trust, Eander and Wisdom Cosmos, the controlling shareholders of the Company (the "**Covenantors**", each a "**Covenantor**") executed the deed of non-competition undertaking dated 19 June 2017 in favour of the Company (for itself and as trustee for the subsidiaries of the Company (the "**Subsidiaries**")) (the "**Deed of Non-Competition**").

In accordance with the Deed of Non-Competition, the Covenantors irrevocably and unconditionally undertake to the Company, for itself and as trustee for and on behalf of the Subsidiaries, that they will not, and will use their best endeavours to procure any Covenantor, their respective close associates (collectively, the "**Controlled Persons**") and any company directly or indirectly controlled by the respective Covenantor (the "**Controlled Company**") not to, either on its own or in conjunction with any body corporate, partnership, joint venture or other contractual agreement, whether directly or indirectly, whether for profit or not, carry on, participate in, hold, engage in, acquire or operate, or provide any form of assistance to any person, firm or company (except members of the Group) to conduct any business which, directly or indirectly, competes or is likely to compete with the business of the Company or any of the Subsidiaries in Hong Kong, the PRC and such other places as the Company or any of the Subsidiaries may conduct or carry on business from time to time, including but not limited to providing commercial factoring, credit guarantee and accounts receivable management services (the "**Restricted Business**").

Further, the Covenantors irrevocably and unconditionally undertake to the Company, for itself and as trustee for and on behalf of the Subsidiaries, that if any Covenantor and/or any Controlled Company is offered or becomes aware of any business opportunity directly or indirectly to engage in or own a Restricted Business (the "**New Business Opportunity**"): (a) it shall within 10 days notify the Company of such New Business Opportunity in writing and refer the same to the Company for consideration, and shall provide the relevant information to the Company in order to enable us to make an informed assessment of such opportunity; and (b) it shall not, and shall procure that its Controlled Persons or Controlled Companies not to, invest or participate in any project and New Business Opportunity, unless such project and New Business Opportunity shall have been rejected by the Company and the principal terms of which the Covenantor or his Controlled Persons or Controlled Companies invest or participate in are no more favourable than those made available to the Company.

For further details of the Deed of Non-Competition, please refer to the section headed "Relationship with our Controlling Shareholders – Non-Competition Undertakings" in the prospectus of the Company dated 26 June 2017.

The Covenantors had continued to uphold, among others, their undertaking by allowing the Company and its representatives to have access to such information, financial and/or corporate records to facilitate the Company to determine the compliance of the undertakings contained in the Deed of Non-Competition from the Listing Date up to the date of the Annual Report.

Each of the Covenantors has confirmed to the Company of his/her/its compliance with the Deed of Non-Competition from the Listing Date up to the date of this annual report. The Independent Non-executive Directors have reviewed the status of compliance and confirmed that all the undertakings under the Deed of Non-Competition have been complied by each of the Covenantors from the Listing Date to the date of this annual report.



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RELATED PARTY TRANSACTIONS

Exempted continuing connected transactions

The Directors confirmed that the tenancy agreements (the “**Tenancy Agreements**”, collectively, the Tenancy Agreement I, Tenancy Agreement II, Tenancy Agreement III, Tenancy Agreement IV and Tenancy Agreement V) entered into by the Group with Bondlink Investment Limited (“**Bondlink**”) which is a connected person, constituted continuing connected transactions of the Group under Chapter 14A of the Listing Rules.

On 12 April 2018, Bondlink as lessor and one of the wholly owned subsidiary of the Company as lessee (the “**Lessee**”) entered into a tenancy agreement (the “**Tenancy Agreement I**”) for the leasing of the property located at “Room 4202, 42nd Floor, Tower 1, Lippo Centre, No. 89 Queensway, Hong Kong” for a term of two years covering the period from 16 April 2018 to 15 April 2021 (both days inclusive) at a monthly rent of HK\$166,320 exclusive of building management fee, Government rates and Government rent. The aggregate of the management fee, Government rates and Government rent is currently HK\$18,939 in total per month and subject to review from time to time.

On 7 April 2020, Bondlink and the Lessee entered into a tenancy agreement (the “**Tenancy Agreement II**”) for the leasing of the property with the same location for a term of two years covering the period from 16 April 2020 to 15 April 2022 (both days inclusive) at a monthly rent of HK\$144,000 exclusive of building management fee, Government rates and Government rent. The aggregate of the management fee, Government rates and Government rent is currently HK\$19,066 in total per month and subject to review from time to time.

On 11 April 2022, Bondlink and the Lessee entered into a tenancy agreement (the “**Tenancy Agreement III**”) for the leasing of the property with the same location for a term of two years covering the period from 16 April 2022 to 15 April 2024 (both days inclusive) at a monthly rent of HK\$102,000 exclusive of building management fee, Government rates and Government rent. The aggregate of the management fee, Government rates and Government rent is currently HK\$17,599 in total per month and subject to review from time to time. On 22 January 2024, Bondlink and the Lessee agreed to terminate the Tenancy Agreement III on 31 January 2024.

On 31 January 2024, Bondlink and the Lessee entered into a tenancy agreement (the “**Tenancy Agreement IV**”) for the leasing of the property with the same location for a term of two years covering the period from 1 February 2024 to 31 January 2026 (both days inclusive) at a monthly rent of HK\$50,000 exclusive of building management fee, Government rates and Government rent. The aggregate of the management fee, Government rates and Government rent is currently HK\$19,148 in total per month and subject to review from time to time.

On 9 January 2026, Bondlink and the Lessee entered into a tenancy agreement (the “**Tenancy Agreement V**”) for the leasing of the property with the same location for a term of two years covering the period from 1 February 2026 to 31 January 2028 (both days inclusive) at a monthly rent of HK\$50,000 exclusive of building management fee, Government rates and Government rent. The aggregate of the management fee, Government rates and Government rent is currently HK\$19,682 in total per month and subject to review from time to time.

As the applicable percentage ratios under Chapter 14A of the Listing Rules (other than the profit ratio) for the Tenancy Agreements on an annual basis exceed 0.1% but are less than 5% and the annual amount payable by the Group under the Tenancy Agreements will be less than HK\$3 million, the continuing connected transactions contemplated thereunder are fully exempt from all annual review, reporting, announcement and independent shareholders' approval (including independent financial advisor) requirements under Chapter 14A of the Listing Rules.

DIRECTORS' REPORT 77

Save for the transactions disclosed under "Related Party Transactions" section of this annual report, details of the related party transactions entered into by the Group are set out in note 38 to the consolidated financial statements, which do not constitute notifiable connected transactions under the Listing Rules. The Company has complied with all requirements in accordance with Chapter 14A of the Listing Rules.

CONTINUING DISCLOSURE UNDER RULE 13.22 OF THE LISTING RULES

Pursuant to Rule 13.22 of the Listing Rules, a combined statement of financial position of those affiliated companies with financial assistance given by the Group and guarantee given by the Group for facilities granted to them, and the Group's attributable interests in those affiliated companies as at 31 December 2025, are presented as follows:

	Combined statement of financial position (RMB'000)	The Group's attributable interests (RMB'000)
Non-current assets	81,834	34,467
Current assets	20,276,351	8,795,214
Current liabilities	(16,801,967)	(7,342,330)
Total assets less current liabilities	3,556,218	1,487,351
Non-current liabilities	(444,477)	(155,148)
Net assets	3,111,741	1,332,203

The combined statement of financial position of the affiliated companies was prepared by combining their statements of financial position, after making adjustments to conform with the Group's significant accounting policies and regrouping into significant classification in the statement of financial position, as at 31 December 2025.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the latest practicable date prior to the issue of this annual report, the Company maintained a sufficient public float at approximately 47.02% of our issued share capital listed on the Stock Exchange (excluding treasury shares) as at 31 December 2025, and has complied with the minimum percentage threshold of 25% applicable to the Company under Rule 13.32B of the Listing Rules throughout the year ended 31 December 2025.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the relevant laws of the Cayman Islands and there is no restriction against such rights which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

TAX RELIEF

The Directors are not aware of any tax relief available to the Shareholders of the Company by reason of their holding of the Company's securities.



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ENVIRONMENTAL POLICY AND SOCIAL RESPONSIBILITY

The Group is committed to sustainable development of the environment and our society. The Group works to advance environmental and social progress and conduct business in a way that creates value for its clients and employees. The Group complies with all relevant environmental regulations and practice "Reduce, Reuse and Recycle" with the following initiatives:

- Promotes the knowledge of environmental protection to staff and advocates to sort their trash into separate bins.
- Implement paperless documentation by application of electronic documents and encourage double-sided printing and recycling paper. Reduce printing of paper materials and paper consumption.
- Maintain suitable indoor temperature and clean regularly the air conditioners and the ventilation system to reduce electricity usage.

The Group proactively promote the spirit of corporate social responsibility within the Company by sponsoring charitable events, making donation and participating in community activities. The Group through this kind of events, aspires to giving back from its employees, foster positive relationships between its employees and the communities by caring for and helping the needy.

The Group strives to reshape the supply chain ecosystem through innovative application of information technology. The Group continues to provide diversified supply chain technology solutions to SMEs, alleviating their business pressures and injecting continuous momentum into the industry ecosystem. By providing convenient and flexible solutions directly to the SMEs, the Group contributes to the stable development of the real economy. The Group will share the development results with more stakeholders, improve the sustainability of markets, workplaces, communities and the environment, and create values that can be shared with society.

In terms of environment, the Group puts great effort in promoting low-carbon operations. Internally, the Company encourages employees to take small steps in saving resources and energy; externally, a comprehensive online platform is provided for business operation, thereby effectively reducing the amount of paper used in the operation and the volume of carbon emissions caused by the business travel of our customers.

Details will be found in our 2025 ESG Report, which will be available on the websites of the Company (www.syholdings.com) and The Stock Exchange (www.hkexnews.hk) by the end of April 2026.

CORPORATE GOVERNANCE

During the year ended 31 December 2025, the Company has complied with the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules.

The Directors are committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders. To accomplish this, the Group will continue to comply with the Corporate Governance Code as set out in Appendix C1 to the Listing Rules and the associated Listing Rules (collectively, the "CG Code").

The shares of the Company were successfully listed on GEM on 6 July 2017 (the "Listing Date") and transferred to the Main Board on 24 October 2019. To the best knowledge of the Board, the Company had complied with the code provisions in the CG Code during the year from the Listing Date to 31 December 2025.



REVIEW OF THE FINAL RESULTS BY AUDIT COMMITTEE

The Audit Committee comprises three members, namely Mr. Tang King San Terence (Chairman), Mr. Lo Wai Hung and Ms. Chan Yuk Ying Phyllis. Mr. Tang King San Terence and Ms. Chan Yuk Ying Phyllis are the Independence Non-executive Directors of the Company.

The Group's audited consolidated financial statements for the year ended 31 December 2025 and this annual report have been reviewed by the Audit Committee. The Board is of the opinion that such financial information has been prepared in compliance with the applicable accounting standards, the requirements under the Listing Rules and any other applicable legal requirements, and that adequate disclosures have been made.

AUDITOR

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

EVENTS AFTER THE REPORTING PERIOD

On 12 January 2026, to support the business development of Xiamen Xiangsheng Factoring Limited ("**Xiangsheng Factoring**") which is an affiliated company of the Company and to finance the operation of supply chain finance business engaged by Xiangsheng Factoring, the Company, Tianjin Xiangsheng Supply Chain Management Limited ("**TJXS**") which is an indirect wholly-owned subsidiary of the Company, Xiamen Xiangyu Group Limited ("**XMXYG**") and Xiamen Xiangyu Jinxiang Holdings Group Limited ("**Xiangyu Jinxiang**") entered into the amended Financial Assistance Agreement with Xiangsheng Factoring. Pursuant to the Previous Financial Assistance Agreement as revised by the amended Financial Assistance Agreement, the parties agreed, among other things, that within three (3) calendar years from the date of the Financial Assistance Agreement, Xiangyu Group will provide guarantees as security for the debt financing of Xiangsheng Factoring ("**Controlling Shareholder Guarantees**") and/or provide shareholder loans to Xiangsheng Factoring ("**Controlling Shareholder Loans**"), and the Group will, in proportion to its shareholding interest in Xiangsheng Factoring, (i) provide counter guarantees to Xiangyu Group in respect of the Controlling Shareholder Guarantees (the "**Financial Assistance A**"); and/or (ii) provide joint and several guarantees to Xiangyu Group in respect of the Controlling Shareholder Loans (the "**Financial Assistance B**") (the Financial Assistance A and the Financial Assistance B collectively, the "**Financial Assistance**"). The maturity date of the Financial Assistance is extended for three years from 11 January 2026 to 11 January 2029. The maximum aggregate amount of the Financial Assistance is revised from 4.3 times the net assets of Xiangsheng Factoring to 3.44 times the net assets of Xiangsheng Factoring. On 12 January 2026, the maximum aggregate amount of the Financial Assistance is approximately RMB1.91 billion. Details are set out in the announcement of the Company dated 12 January 2026.

On 13 March 2026, the Hong Kong Branch Share Registrar and Transfer Office of the Company was changed to Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square 338 King's Road North Point, Hong Kong. Details are set out in the announcement of the Company dated 13 February 2026.

On 17 April 2026, Ms. Wang Ying ("**Ms. Wang**") has resigned as an executive Director of the Company with effect from 17 April 2026 (the "**Effective Date**") in order to devote more time to her personal and family commitments.



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Prior to her resignation, Ms. Wang also served as the chief financial officer of the Company and the chairman and member of the Sustainability Committee under the Board. With effect from the Effective Date, Ms. Wang will cease to serve as an executive Director and the chairman and member of the Sustainability Committee, but will continue to discharge the duties of the chief financial officer on an interim basis to ensure a smooth transition of the relevant financial management functions. The Company is actively identifying a suitable candidate to assume the role of chief financial officer on a permanent basis and will make a further announcement in accordance with the requirements of the Listing Rules as and when such appointment is finalised. The Board further announces that Mr. Tung Chi Fung ("**Mr. Tung**"), the chairman of the Board and executive Director, has been appointed as a member and the chairman of the Sustainability Committee with effect from the Effective Date. Details are set out in the announcement of the Company dated 17 April 2026.

For further details, please refer to the Company's announcement dated 17 April 2026.

Except as disclosed above and in note 12 of the consolidated financial statements, the Group had no other significant subsequent event after the reporting period.

By order of the Board of
SY Holdings Group Limited
Tung Chi Fung
Chairman

Hong Kong, 17 March 2025



INDEPENDENT AUDITOR'S REPORT

The Deloitte logo is displayed in a large, bold, black font. To the left of the logo, there is a decorative graphic consisting of various orange and white icons related to business and technology, such as a DNA helix, a bar chart, a globe, and a network diagram.The Chinese characters for Deloitte, "德勤", are displayed in a large, bold, black font.

TO THE SHAREHOLDERS OF SY HOLDINGS GROUP LIMITED

盛業控股集團有限公司

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of SY Holdings Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 87 to 211, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

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 HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “**Code**”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.



KEY AUDIT MATTERS (continued)

Key audit matter

How our audit addressed the key audit matter

Impairment of supply chain assets at fair value through other comprehensive income ("FVTOCI") and provisions for financial guarantee contracts

We identified the impairment of supply chain assets at FVTOCI and provisions for financial guarantee contracts as a key audit matter due to its significance to the consolidated financial statements, and the use of judgement by the management in evaluating the expected credit losses ("ECL").

As set out in notes 24 and 31 to the consolidated financial statements, the carrying amount of supply chain assets at FVTOCI is RMB4,361,416 thousand and the maximum exposure of financial guarantee contracts is RMB12,635,719 thousand as at 31 December 2025. As set out in note 40(b), the impairment allowance in respect of supply chain assets at FVTOCI is RMB49,828 thousand and the provision for financial guarantee contracts is RMB67,772 thousand as at 31 December 2025.

At each reporting date, the management assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. In determining the impairment of supply chain assets at FVTOCI and provisions for financial guarantee contracts, the management considers shared credit risk characteristics for grouping, and assesses credit losses based on external or internal credit rating, and on a forward-looking basis with the use of appropriate models and assumptions related to the future macroeconomic conditions and creditworthiness.

In assessing the lifetime ECL on credit-impaired supply chain assets at FVTOCI and financial guarantee contracts of internal credit rating classified as loss as set out in note 40(b), the Group performs an assessment based on the borrowers' historical credit loss experience, internal credit rating adjustment, general economic conditions, the current conditions at the reporting date and forward-looking analysis. The Group also reviews the amount and timing of future cash flows in measuring impairment. The methodology and assumptions used for estimating the impairment amount are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

Our procedures in relation to the impairment of supply chain assets at FVTOCI and provisions for financial guarantee contracts included:

- Understanding key controls over the way in which the management estimates impairment for supply chain assets at FVTOCI and provisions for financial guarantee contracts;
- Obtaining an understanding of management's methodology for determining the ECL impairment allowance on supply chain assets at FVTOCI and provisions for financial guarantee contracts and assessing the appropriateness of the methodology used by management;
- On a sample basis, evaluating management's assessment of the credit quality of the supply chain assets at FVTOCI and financial guarantee contracts by examining the credit files, including financial condition of the borrower, past collection history, subsequent settlement, relevant deposits received, pledge and guarantees, as applicable;
- Assessing the reasonableness of key inputs and assumptions applied, including the Group's past experience of collecting payments, historical loss ratio, macroeconomic factors, external or internal credit rating and forward-looking information; and
- Testing the data inputs and the mathematical accuracy of the impairment allowance calculation.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS (continued)

Key audit matter

How our audit addressed the key audit matter

Impairment assessments of goodwill and intangible assets with indefinite useful life

We identified the annual impairment assessment of goodwill and intangible assets with indefinite useful life, namely license, which are allocated to the cash-generating unit ("CGU") Great Style Holdings Limited ("Great Style") as a key audit matter due to its significance to the consolidated financial statements and the involvement of significant management judgement and assumptions in this assessment.

As disclosed in notes 19 and 20 to the consolidated financial statements, the carrying amounts of goodwill and intangible assets with indefinite useful life allocated to the CGU of Great Style are RMB464,965 thousand and RMB128,193 thousand respectively, as at 31 December 2025. For the purpose of assessing impairment, the recoverable amounts of the CGU of Great Style have been determined by the management of the Group based on value in use calculations using financial budgets based on past performance and its expectations for market development, where the key input parameters include terminal growth rates and discount rates. The management also engaged an independent valuer to determine the impairment assessments.

Based on the management's assessment, there is no impairment in the CGU of Great Style containing goodwill and intangible assets with indefinite useful life during the year ended 31 December 2025.

Our procedures in relation to the impairment assessment of goodwill and intangible assets with indefinite useful life included:

- Understanding the Group's impairment testing process, assumptions used and the extent of involvement of a valuer;
- Evaluating the historical accuracy and reasonableness of financial budgets by checking to current year financial information;
- Evaluating the reasonableness of the management's estimate of growth rates in determining the value in use with reference to the historical performance, the latest budgets of the CGU and relevant market data;
- Working with our internal valuation specialists to assess the appropriateness of basis of calculation of the value in use prepared by the management, including the reasonableness of the discount rates and terminal growth rates;
- Checking the mathematical accuracy of the value in use calculation of the recoverable amount of the CGU of Great Style prepared by the management; and
- Evaluating the adequacy of disclosures relating to the impairment assessment of goodwill and intangible assets with indefinite useful life allocated to the Group's CGU.

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OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include 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 THOSE CHARGED WITH GOVERNANCE 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 HKFRS Accounting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors of the Company 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are 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 solely to you, as a body, in accordance with our agreed terms of engagement, 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 HKSAs 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.

INDEPENDENT AUDITOR'S REPORT

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

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional skepticism 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 of the Company.
- Conclude on the appropriateness of the directors of the Company's 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 group 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 those charged with governance 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.

INDEPENDENT AUDITOR'S REPORT



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

We also provide those charged with governance 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.

From the matters communicated with those charged with governance, 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 Sy, Sunnie (practising certificate number: P06034).

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

17 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	NOTES	2025 RMB'000	2024 RMB'000
<i>Revenue from platform-based technology services</i>	6	473,526	346,571
<i>Income from digital financing solutions</i>	6	375,944	521,884
<i>Gain on refinancing of supply chain assets upon derecognition</i>	6	54,038	50,911
Revenue and income from principal activities		903,508	919,366
Other income	7	110,361	56,851
Other gains and losses	8	46,238	72,861
Staff costs		(194,775)	(187,608)
Depreciation and amortisation	12(a)	(38,502)	(32,195)
Other costs and operating expenses	12(a)	(70,593)	(56,170)
Impairment losses (including reversals of impairment losses) on financial assets and financial guarantee contracts	9	(14,645)	(17,753)
Finance costs	10	(242,678)	(359,076)
Donation	12(a)	(648)	(721)
Share of results of associates		151,321	124,565
Profit before taxation		649,587	520,120
Taxation	11	(166,382)	(129,253)
Profit for the year	12(a)	483,205	390,867
Attributable to:			
– Owners of the Company		478,909	380,180
– Non-controlling interests		4,296	10,687
		483,205	390,867
Earnings per share	15		
– Basic (RMB cents)		48	39
– Diluted (RMB cents)		48	39

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	NOTES	2025 RMB'000	2024 RMB'000
Profit for the year	12(a)	483,205	390,867
Other comprehensive income (expense) ("OCI"):	12(b)		
<i>Item that will not be reclassified to profit or loss</i>			
Fair value gain on investments in equity instruments at fair value through OCI ("FVTOCI")	12(b)	16,978	913
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		(91)	34
Fair value gain (loss), net of impairment losses and reclassification of FVTOCI reserves upon derecognition on:	12(b)		
– supply chain assets at FVTOCI		(19)	(8,253)
Income tax relating to items that may be reclassified subsequently to profit or loss		4	2,063
Share of other comprehensive expense of associates, net of related income tax		–	128
Reclassification of FVTOCI reserve upon disposal of subsidiaries, net of related income tax		–	3,145
Reclassification of FVTOCI reserve upon acquisition of subsidiaries, net of related income tax		–	(25)
		(106)	(2,908)
Other comprehensive income (expense) for the year, net of income tax		16,872	(1,995)
Total comprehensive income for the year		500,077	388,872
Attributable to:			
– Owners of the Company		495,781	382,627
– Non-controlling interests		4,296	6,245
		500,077	388,872

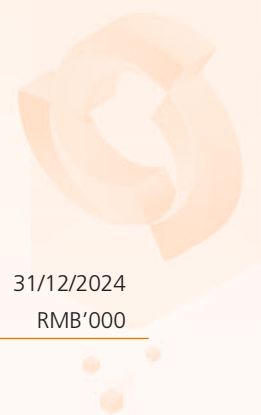
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	NOTES	31/12/2025 RMB'000	31/12/2024 RMB'000
NON-CURRENT ASSETS			
Property and equipment	16	386,246	159,452
Right-of-use assets	17	95,876	91,733
Investment property	18	29,287	30,170
Goodwill	19(a)	464,965	464,965
Intangible assets	19(b)	264,546	263,042
Investments in associates	21	1,596,931	1,504,285
Deferred tax assets	22	10,786	4,587
Derivative financial instruments	23(a)	68	–
Other financial assets at fair value through profit or loss (“FVTPL”)	23(b)	736,348	470,450
Supply chain assets at FVTOCI	24	288,072	2,049
Equity instruments at FVTOCI	26	148,367	62,711
Loans to related parties	38	55,163	–
Trade and bill receivables	27(c)	5,506	13,823
Other receivables, prepayments and others	27(d)	17,751	18,534
Pledged bank deposits	28	151,330	–
		4,251,242	3,085,801
CURRENT ASSETS			
Derivative financial instruments	23(a)	1,611	14,189
Other financial assets at FVTPL	23(b)	288,977	339,760
Supply chain assets at FVTOCI	24	4,073,344	4,889,258
Loan receivables	25	277,129	–
Loans to related parties	38	69,939	198,201
Debt instrument at amortised cost		4,944	–
Receivables from refinancing of supply chain assets upon derecognition	27(a)	1,023	4,128
Receivables from guarantee customers	27(b)	4,264	6,084
Trade and bill receivables	27(c)	57,676	37,760
Other receivables, prepayments and others	27(d)	215,167	106,337
Contract costs		354	385
Pledged bank deposits	28	1,643,599	1,401,405
Cash and cash equivalents	28	712,153	515,614
		7,350,180	7,513,121

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025



	NOTES	31/12/2025 RMB'000	31/12/2024 RMB'000
CURRENT LIABILITIES			
Loans from related parties	38	1,395,888	2,236,530
Trade and other payables	29	981,889	465,813
Derivative financial instruments	23(a)	6,635	5,529
Contract liabilities	30	86,762	73,326
Income tax payable		90,575	40,532
Liabilities arising from guarantee contracts	31	66,789	59,981
Borrowings	32	3,262,351	2,716,219
Other financial liabilities at FVTPL	23(c)	610,780	273,336
Lease liabilities	33	5,375	10,208
		6,507,044	5,881,474
NET CURRENT ASSETS			
		843,136	1,631,647
NON-CURRENT LIABILITIES			
Liabilities arising from guarantee contracts	31	1,776	4,133
Borrowings	32	315,635	183,301
Other financial liabilities at FVTPL	23(c)	34,593	295,465
Loans from related parties	38	165,641	–
Lease liabilities	33	8,912	531
Deferred tax liabilities	22	150,972	119,636
		677,529	603,066
NET ASSETS			
		4,416,849	4,114,382
CAPITAL AND RESERVES			
Share capital	34	9,251	8,547
Reserves		4,363,782	4,062,046
Equity attributable to owners of the Company		4,373,033	4,070,593
Non-controlling interests		43,816	43,789
TOTAL EQUITY			
		4,416,849	4,114,382

The consolidated financial statements on pages 87 to 211 were approved and authorised for issue by the board of directors on 17 March 2026 and are signed on its behalf by:

Mr. Tung Chi Fung
Director

Ms. Wang Ying
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Attributable to owners of the Company												
	Share capital	Treasury stock	Share premium	Share held for RSU Scheme	Capital reserves	FVTOCI reserves/ revaluation reserves (note i)	Translation reserve	Share-based payments reserve	Statutory reserve (note ii)	Retained profits	Subtotal	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	8,559	(1,009)	2,109,563	(59,444)	(87,181)	24,745	(233)	24,416	321,086	1,586,064	3,926,566	136,721	4,063,287
Profit for the year	-	-	-	-	-	-	-	-	-	380,180	380,180	10,687	390,867
Other comprehensive income (expense) for the year	-	-	-	-	-	2,413	34	-	-	-	2,447	(4,442)	(1,995)
Total comprehensive income (expense) for the year	-	-	-	-	-	2,413	34	-	-	380,180	382,627	6,245	388,872
Purchase of shares under RSU Scheme (note 36)	-	-	-	(2,188)	-	-	-	-	-	-	(2,188)	-	(2,188)
Repurchase of shares (note 34)	-	(6,457)	-	-	-	-	-	-	-	-	(6,457)	-	(6,457)
Cancellation of treasury stock (note 34)	(12)	5,315	(5,303)	-	-	-	-	-	-	-	-	-	-
Transfer to PRC statutory reserves (note ii)	-	-	-	-	-	-	-	-	72,887	(72,887)	-	-	-
Disposal of partial interests in subsidiaries without losing control (note iii)	-	-	-	-	1,868	-	-	-	-	-	1,868	3,574	5,442
Disposal of subsidiaries (note 43(a))	-	-	-	-	-	-	-	-	-	-	-	(101,191)	(101,191)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(1,560)	(1,560)
Recognition of equity-settled share-based payments	-	-	-	-	-	-	-	6,920	-	-	6,920	-	6,920
Dividends recognised as distribution (note 14)	-	-	(239,333)	-	-	-	-	-	-	-	(239,333)	-	(239,333)
Exercise of RSU	-	-	274	2,478	-	-	-	(2,162)	-	-	590	-	590
Lapse of share options/RSU	-	-	-	-	-	-	-	(1,918)	-	1,918	-	-	-
At 31 December 2024	8,547	(2,151)	1,865,201	(59,154)	(85,313)	27,158	(199)	27,256	393,973	1,895,275	4,070,593	43,789	4,114,382

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025



	Attributable to owners of the Company												
	Share capital	Treasury stock	Share premium	Share held for RSU Scheme	Capital reserves	FVTOCI reserves/ revaluation reserves	Translation reserve	Share-based payments reserve	Statutory reserve	Retained profits	Subtotal	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025	8,547	(2,151)	1,865,201	(59,154)	(85,313)	27,158	(199)	27,256	393,973	1,895,275	4,070,593	43,789	4,114,382
Profit for the year	-	-	-	-	-	-	-	-	-	478,909	478,909	4,296	483,205
Other comprehensive income (expense) for the year	-	-	-	-	-	16,963	(91)	-	-	-	16,872	-	16,872
Total comprehensive income (expense) for the year	-	-	-	-	-	16,963	(91)	-	-	478,909	495,781	4,296	500,077
Issue of new shares from placing (note 34)	675	-	740,797	-	-	-	-	-	-	-	741,472	-	741,472
Transaction costs attributable to issue of new shares from placing (note 34)	-	-	(6,541)	-	-	-	-	-	-	-	(6,541)	-	(6,541)
Transfer to PRC statutory reserves (note ii)	-	-	-	-	-	-	-	-	76,402	(76,402)	-	-	-
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	59	59
Dividends declared to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(4,328)	(4,328)
Recognition of equity-settled share-based payments	-	-	-	-	-	-	-	2,472	-	-	2,472	-	2,472
Dividends recognised as distribution (note 14)	-	-	(950,581)	-	-	-	-	-	-	-	(950,581)	-	(950,581)
Exercise of options/RSU	29	-	25,361	2,132	-	-	-	(7,685)	-	-	19,837	-	19,837
Lapse of share options/RSU	-	-	-	-	-	-	-	(10,699)	-	10,699	-	-	-
At 31 December 2025	9,251	(2,151)	1,674,237	(57,022)	(85,313)	44,121	(290)	11,344	470,375	2,308,481	4,373,033	43,816	4,416,849

Notes:

- (i) FVTOCI reserves attributable to owners of the Company represent (i) fair value changes, net of ECL and reclassification adjustments on FVTOCI after tax; (ii) share of FVTOCI reserves of associates; (iii) investment revaluation reserves; (iv) reclassification of FVTOCI reserve upon disposal/acquisition of subsidiaries.
- (ii) Pursuant to the articles of association of the subsidiaries established in the People's Republic of China ("PRC"), they are required to appropriate 10% of their profit after taxation in accordance with the relevant accounting rules and financial regulations of the PRC before any distribution of dividends to owners each year to the statutory reserves until the balance reaches 50% of their registered capital.
- (iii) During the year ended 31 December 2024, the Group disposed of partial equity interests in certain subsidiaries of the Group at a total consideration of RMB5,442,000, and retained control over the subsidiaries, with an adjustment to capital reserve amounting to RMB1,868,000 recognised directly in equity attributable to owners of the Company.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	2025 RMB'000	2024 RMB'000
OPERATING ACTIVITIES		
Profit for the year	483,205	390,867
Adjustment for:		
Taxation	166,382	129,253
Finance costs	242,678	359,076
Interest income	(27,393)	(29,630)
Dividends from equity investments	–	(16)
Share of results of associates	(151,321)	(124,565)
Depreciation of property and equipment	1,243	1,637
Depreciation of right-of-use assets	10,075	10,257
Depreciation of investment property	883	883
Amortisation of intangible assets	26,301	19,418
Impairment losses under ECL model, net of reversal	14,645	17,753
Equity-settled share-based payments expense	2,472	6,920
Gain on disposal of equipment	(5)	(56)
Gain from modification of lease contracts	–	(25)
Loss (Gain) from changes in fair value of		
– derivative financial instruments	4,077	(12,414)
– other financial assets at FVTPL	(66,807)	(29,097)
– other financial liabilities at FVTPL	13,346	9,269
Gain on disposal of subsidiaries	–	(5,177)
Remeasurement gain of previously held equity interest in an associate upon step acquisition of a subsidiary	–	(49,282)
Exchange loss, net	3,137	13,633
Operating cash flows before movements in working capital	722,918	708,704
Decrease in supply chain assets at FVTOCI	1,319,952	2,160,597
(Increase) decrease in other financial assets at FVTPL – supply chain/ distressed debt assets	(127,949)	2,158
Decrease (increase) in receivables from refinancing of supply chain assets upon derecognition	3,105	(4,128)
Decrease in receivables from guarantee customers	1,850	332
(Increase) decrease in trade and bill receivables	(11,885)	18,569
Decrease in contract costs	31	172
Decrease (increase) in other receivables, prepayments and others	14,593	(64,735)
Increase in pledged bank deposits for guarantee contracts	(95,730)	(166,409)
Increase in trade and other payables	468,053	186,833
Increase in contract liabilities	13,436	14,331
(Decrease) increase in liabilities arising from guarantee contracts	(13,220)	15,208
Cash from operations	2,295,154	2,871,632
Enterprise income tax paid	(91,198)	(111,977)
NET CASH FROM OPERATING ACTIVITIES	2,203,956	2,759,655

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025



	NOTES	2025 RMB'000	2024 RMB'000
INVESTING ACTIVITIES			
Proceeds from disposal of other financial assets at FVTPL		3,477,132	2,109,897
Repayment of loan receivables		519,699	6,264
Repayments from loans to related parties		327,500	295,222
Refund of construction prepayments		314,016	–
Dividends received from associates		58,675	11,143
Bank interest income received		14,439	18,940
Settlement of derivative financial instruments		9,539	10,178
Interest received from loans to related parties		8,713	7,139
Withdrawal of pledged bank deposits for derivative financial instruments		5,032	–
Interest received from loan receivables		3,545	–
Redemption of a debt instrument at amortised cost		3,250	19,000
Repayment of consideration receivable for disposal of partial interests in a subsidiary without losing control		2,000	–
Proceeds from disposal of equipment		58	112
Interest received from debt instrument at amortised cost		52	479
Redemption of time deposits		–	128,830
Dividends received from equity instrument at FVTOCI		–	16
Investments in associates		–	(86,000)
Net cash outflow on disposal of subsidiaries	43	–	(206,936)
Net cash outflow on acquisition of subsidiaries	42	–	(281,747)
Refundable rental deposits received		–	340
Payments for right-of-use assets		(2,277)	–
Payments for rental deposits		(2,921)	–
Payment for contingent consideration		(400,000)	–
Purchase of debt instrument at amortised cost		(8,222)	–
Placement of pledged bank deposits for derivative financial instruments		(8,434)	–
Payment for development costs and purchase of other intangible assets		(27,805)	(28,271)
Purchases of equity instruments at FVTOCI		(68,878)	(300)
Security deposits paid for performance commitments		(113,937)	–
Advances of loans to related parties		(258,064)	(105,000)
Payment for purchase of equipment and prepayments of a property		(483,915)	(75,148)
Advances of loan receivables		(797,694)	(6,262)
Purchases of other financial assets at FVTPL		(3,512,054)	(2,128,896)
NET CASH USED IN INVESTING ACTIVITIES		(940,551)	(311,000)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	NOTES	2025 RMB'000	2024 RMB'000
FINANCING ACTIVITIES	41		
Loans raised from related parties		3,679,217	5,513,871
New borrowings raised		6,053,274	2,925,725
Withdrawal of pledged bank deposits for borrowings		2,675,412	1,532,430
Issue of placing shares		734,931	–
Proceeds from other financial liabilities at FVTPL		554,451	72,429
Proceeds received on exercise of share options/RSU Scheme		19,837	590
Withdrawal of pledged wealth management products for borrowings		14,563	104,826
Proceeds from disposal of equity instruments at FVTOCI		200	–
Capital contribution by non-controlling interests		59	–
Proceeds from disposal of partial interest in a subsidiary without losing control		–	3,442
Purchase of shares under RSU Scheme		–	(2,188)
Payment on repurchase of shares		–	(6,457)
Placement of wealth management products for borrowings		–	(14,225)
Interest paid for lease liabilities		(530)	(915)
Dividends paid to non-controlling shareholders of subsidiaries		(4,328)	(30,044)
Repayment of lease liabilities		(10,608)	(10,297)
Repayment of security deposits for borrowings		(10,473)	–
Interest paid for borrowings		(112,170)	(181,664)
Interest paid for loans from related parties		(159,766)	(178,912)
Repayment of other financial liabilities at FVTPL		(91,225)	(63,901)
Dividends paid to the shareholders of the Company		(950,581)	(240,839)
Placement of pledged bank deposits for borrowings		(2,967,370)	(2,137,442)
Repayment of borrowings		(6,141,930)	(4,580,920)
Repayment of loans from related parties		(4,341,948)	(5,291,152)
NET CASH USED IN FINANCING ACTIVITIES		(1,058,985)	(2,585,643)
NET INCREASE IN (DECREASE) CASH AND CASH EQUIVALENTS		204,420	(136,988)
Effect of foreign exchange rate changes		(7,881)	(5,608)
CASH AND CASH EQUIVALENTS AT 1 JANUARY		515,614	658,210
CASH AND CASH EQUIVALENTS AT 31 DECEMBER		712,153	515,614

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL INFORMATION

SY Holdings Group Limited (the “**Company**”) is a public limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Company’s immediate holding company is Wisdom Cosmos Limited. Its ultimate shareholder is Mr. Tung Chi Fung, who is also the Chairman and Executive Director of the Company. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) are provision of digital financing solutions, platform-based technology services and refinancing of supply chain assets in the PRC. Details of the Company’s principal subsidiaries are set out in note 44.

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (continued)

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

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

Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards HKFRS 18	Annual Improvements to HKFRS Accounting Standards – Volume 11 ² Presentation and Disclosure in Financial Statements ³

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

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

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

HKFRS 18 Presentation and Disclosure in Financial Statements

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

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements which, the directors of the Company anticipate, the impact will not be material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”) and by the Hong Kong Companies Ordinance.

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its investment with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group’s equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Basis of consolidation (continued)

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in OCI in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 *Financial Instruments* or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisitions of businesses, other than business combination under common control are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Business combinations (continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes and HKAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 at the acquisition date (see the accounting policy below);
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Business combinations (continued)

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under HKFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU") (or group of CGUs) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and is not larger than an operating segment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Goodwill (continued)

A CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in an annual period, the CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment before the end of that annual period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of CGUs).

On disposal of the relevant CGU or any of the CGU within the group of CGUs, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the CGU (or a CGU within a group of CGUs), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the CGU) disposed of and the portion of the CGU (or the group of CGUs) retained.

The Group's policy for goodwill arising on the acquisition of an associate is described below.

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and OCI of the associate. Changes in net assets of the associate other than profit or loss and OCI are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are provided for, and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Investments in associates (continued)

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Income recognised in accordance with HKFRS 9

Digital financing solutions

Interest income from digital financing solutions consists of interest income which is recognised in accordance with HKFRS 9.

Guarantee income from digital financing solutions provided to customers in relation to the transactions with their suppliers and customers is recognised in accordance with HKFRS 9 under the accounting policy of financial guarantee contracts.

Revenue from contracts with customers

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Revenue from contracts with customers (continued)

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract, that best depict the Group's performance in transferring control of services.

Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

For contracts where the Group transferred the associated goods or services before payments from customers in which the Group adjusts for the promised amount of consideration for significant financing components, the Group applies a discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. The Group recognises interest income during the period between the payment from customers and the transfer of the associated goods or services.

Revenue recognition

The Group's revenue from contracts with customers recognition policies are from platform-based technology services. Platform-based technology services primarily include technology services and digital ecosystem services, referral service, AI-powered information services and other services.

Revenue from technology and digital ecosystem services for loan facilitation is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation when the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

Revenue from referral service, technology service for asset-backed securitisation ("ABS") products and AI-powered information services is recognised at a point in time when services are rendered in accordance with contract terms.

Revenue from other services is recognised over time or a point in time when services are rendered in accordance with contract terms.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the re-translation of monetary items, are recognised in profit or loss in the period in which they arise.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under "other income".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Employees in the PRC are members of a state-managed employee pension scheme operated by the relevant municipal government in the PRC which undertakes to assume the retirement benefit obligations of all existing and future retired employees. The Group's obligation is to make the required contributions under the scheme. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Share-based payment

Equity-settled share-based payment transactions

Share awards/Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

When share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to retained profits.

When share awards granted are vested, the amount previously recognised in share-based payments reserve will be transferred to share premium.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation because of income or expense that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Taxation (continued)

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to lease liabilities and the related assets separately.

The Group recognises a deferred tax asset related to lease liabilities 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 tax liability for all taxable temporary differences. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in OCI or directly in equity, in which case, the current and deferred tax are also recognised in OCI or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property and equipment

Property and equipment are tangible assets that are held for use in the supply of services, or for administrative purposes. Property and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Buildings in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of-use assets" in the consolidated statement of financial position.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Property and equipment (continued)

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful life that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Intangible assets (continued)

Intangible assets acquired separately (continued)

Internally-generated intangible assets – research and development expenditure (continued)

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with indefinite useful live are carried at cost less any subsequent accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on property and equipment, investment property carried at cost, right-of-use assets, contract costs and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property and equipment, investment property carried at cost, right-of-use assets, intangible assets with finite useful lives and contract costs to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful live and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

The recoverable amount of property and equipment, investment property carried at cost, right-of-use assets and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the CGU to which the asset belongs.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Impairment on property and equipment, investment property carried at cost, right-of-use assets, contract costs and intangible assets other than goodwill (continued)

In testing a CGU for impairment, corporate assets are allocated to the relevant CGU when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash generating unit or group of CGUs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a CGU) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of CGUs. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU or a group of CGUs) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU or a group of CGUs) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income arising from digital financing solutions which is derived from the Group's ordinary course of business is presented as revenue.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in OCI if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and supply chain assets subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

(ii) Supply chain assets classified as at FVTOCI

Subsequent changes in the carrying amounts for supply chain assets classified as at FVTOCI as a result of interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these supply chain assets had been measured at amortised cost. All other changes in the carrying amount of these supply chain assets are recognised in OCI and accumulated under the heading of FVTOCI reserves. Impairment allowances are recognised in profit or loss with corresponding adjustment to OCI without reducing the carrying amounts of these supply chain assets. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these supply chain assets had been measured at amortised cost. When these supply chain assets are derecognised, the cumulative gains or losses previously recognised in OCI are reclassified to profit or loss.

(iii) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the FVTOCI reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained profits.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the other income line item in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

Impairment of financial assets and financial guarantee contracts subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under ECL model on financial assets (including supply chain assets at FVTOCI, debt instrument at amortised cost, loans to related parties, loan receivables, receivables from guarantee customers, trade and bill receivables, other receivables, pledged bank deposits and cash and cash equivalents) and financial guarantee contracts which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("**12m ECL**") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment is done based on the Group's historical credit loss experience, and factors that are specific to the debtors, general economic conditions and an assessment of past events and current conditions at the reporting date as well as the forecast of future economic conditions.

The Group always recognises lifetime ECL for trade receivables without significant financing component.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and financial guarantee contracts subject to impairment assessment under HKFRS 9 (continued)

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from financial analysts, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers changes in the risk that the specified debtor will default on the contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and financial guarantee contracts subject to impairment assessment under HKFRS 9 (continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(iv) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default ("**PD**"), loss given default ("**LGD**") (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the PD and LGD is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and financial guarantee contracts subject to impairment assessment under HKFRS 9 (continued)

(iv) Measurement and recognition of ECL (continued)

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the ECL is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Except for supply chain assets that are measured at FVTOCI and financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade and bill receivables, where the corresponding adjustment is recognised through a loss allowance account. For supply chain assets that are measured at FVTOCI, the loss allowance is recognised in OCI and accumulated in the FVTOCI reserves without reducing the carrying amounts of these supply chain assets. Such amount represents the changes in the FVTOCI reserves in relation to accumulated loss allowance.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets (continued)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in supply chain assets classified as at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserves is reclassified to profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

For financial liabilities that are designated as at FVTPL, the amount of changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.

Financial liabilities at amortised cost

The Group's financial liabilities including loans from related parties, trade and other payables, borrowings are subsequently measured at amortised cost, using the effective interest method.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'Other gains and losses' line item in profit or loss (note 8) as part of net foreign exchange gains/(losses) for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025



4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgement in applying accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Derecognition of financial assets

In its normal course of business, the Group transfers financial assets through various types of transactions including regular way sales and transfers. The Group applies significant judgement in assessing whether it has transferred these financial assets which qualify for a full or partial derecognition.

The Group analyses the contractual rights and obligations in connection with such transfers to determine whether the derecognition criteria are met based on the following considerations:

- whether it has transferred the rights to receive contractual cash flows from the financial assets or the transfer qualified for the "pass through" of those cash flows to independent third parties; and
- where the Group neither retained nor transferred substantially all of the risks and rewards associated with their ownership, the Group analyses whether the Group has relinquished its control over these financial assets, and if the Group has continuing involvement in these transferred financial assets. Where the Group has not retained control, it derecognises these financial assets and recognises separately as assets or liabilities any rights and obligations created or retained in the transfer. Otherwise, the Group continues to recognise these financial assets to the extent of its continuing involvement in the financial assets.

During the year ended 31 December 2025, gain on refinancing of supply chain assets upon derecognition which met the derecognition criteria were RMB54,038,000 (2024: RMB50,911,000). Details of derecognition of supply chain assets are disclosed in note 6.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Measurement of ECL for supply chain assets at FVTOCI and financial guarantee contracts

For supply chain assets at FVTOCI and financial guarantee contracts that are assessed for impairment on ECL model, to measure the ECL, supply chain assets at FVTOCI and financial guarantee contracts of various debtors have been grouped considering shared credit risk characteristics. The credit losses expectations are based on external or internal credit rating and on a forward-looking basis and assumptions relate to the future macroeconomic conditions and creditworthiness. A considerable amount of judgement is required in estimating the ultimate realisation of supply chain assets and guaranteed loans, including the creditworthiness, the Group's past experience of collecting payments, historical loss ratio, industry practice, relevant deposits received, pledge or guarantee information, if any, and forward-looking information.

The measurement of ECL is sensitive to changes in estimates. The information about the Group's supply chain assets at FVTOCI, financial guarantee contracts, and the ECL are disclosed in notes 24, 31 and 40(b).

Estimated impairment of goodwill and intangible assets with indefinite useful life

Determining whether goodwill and intangible assets with indefinite useful life is impaired requires an estimation of the recoverable amount of the CGU (or group of CGUs) to which goodwill and intangible assets with indefinite useful life has been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU (or a group of CGUs) and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash flows or upward revision of discount rate, a material impairment loss or further impairment loss may arise. Furthermore, the estimated cash flows and discount rate are subject to change due to ongoing uncertain macroeconomic and geopolitical environment, which includes the persistent effects of climate-related matters, inflation, volatility in foreign exchange rates, increased interest rates and financial market turbulence.

As at 31 December 2025, the carrying amount of goodwill and intangible assets with indefinite useful life were RMB464,965,000 and RMB128,193,000 (2024: RMB464,965,000 and RMB128,193,000) respectively. Details of the recoverable amount calculation are disclosed in note 19.

Fair value measurement of other financial assets at FVTPL classified as level 3

As at 31 December 2025, certain of the Group's other financial assets at FVTPL classified as level 3, equity tranche, unlisted equity investment and trust fund, amounting to RMB765,910,000 (31 December 2024: RMB618,837,000) are measured at fair value with fair value being determined based on significant unobservable inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could result in material adjustments to the fair value of these instruments. See note 40(c) for further disclosures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

5. SEGMENT INFORMATION

The chief operating decision maker (“**CODM**”), being the executive directors of the Company, have determined that no segment information is presented other than entity wide disclosures throughout the reporting period, as the Group is principally engaged in providing platform-based technology services, digital financing solutions service and refinancing of supply chain assets mainly in the PRC, and the CODM, reviews the consolidated financial position and results of the Group as a whole for the purposes of allocating resources and assessing performance of the Group.

The Company is an investment holding company and the principal place of the Group’s operation is mainly in the PRC. Most of the Group’s revenue, income and major non-current assets are principally derived from or located in the PRC.

No revenue from individual customer contributing over 10% of total revenue of the Group during the year ended 31 December 2025 (2024: Nil).

6. REVENUE AND INCOME FROM PRINCIPAL ACTIVITIES

Revenue and income from principal activities for the year represents income received and receivable mainly from the provision of platform-based technology services, digital financing solutions and refinancing of supply chain assets in the PRC.

(i) Disaggregation of revenue from platform-based technology services

	2025 RMB'000	2024 RMB'000
Referral service	240,111	131,104
Technology services and digital ecosystem services	214,880	212,229
AI-powered information services	2,345	–
Other services	16,190	3,238
	473,526	346,571

Note: Other services primarily include income from providing accounts receivable management services without financing, including review and verification of documentation relating to the accounts receivable and collection of the accounts receivable on behalf of customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6. REVENUE AND INCOME FROM PRINCIPAL ACTIVITIES (continued)

(i) Disaggregation of revenue from platform-based technology services (continued)

	2025 RMB'000	2024 RMB'000
Timing of revenue recognition		
Over time		
– Technology services and digital ecosystem services	208,491	210,478
– Other services	8,706	3,238
	217,197	213,716
A point in time		
– Referral service	240,111	131,104
– Technology services and digital ecosystem services	6,389	1,751
– AI-powered information services	2,345	–
– Other services	7,484	–
	256,329	132,855
	473,526	346,571

All the Group's platform-based technology services are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2025 and 2024 is not disclosed.

(ii) Income from digital financing solutions

	2025 RMB'000	2024 RMB'000
Interest income from supply chain assets	331,960	484,348
Guarantee income	42,834	35,840
Interest income from contracts containing significant financing components	1,150	1,696
	375,944	521,884

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

6. REVENUE AND INCOME FROM PRINCIPAL ACTIVITIES (continued)

(iii) Gain on refinancing of supply chain assets upon derecognition

For the years ended 2025 and 2024, the Group sold part of supply chain assets to certain financial institutions mainly in the PRC. Refinancing of supply chain assets gave rise to full derecognition of the supply chain assets pursuant to the terms of sale agreements signed between the Group and relevant financial institutions.

	2025 RMB'000	2024 RMB'000
Gain on refinancing of supply chain assets upon derecognition	54,038	50,911

7. OTHER INCOME

	2025 RMB'000	2024 RMB'000
Channel income	48,050	5,702
Government subsidies (note)	33,384	20,114
Interest income		
– bank deposits	16,873	18,940
– loan receivables	5,570	2
– loans to related parties (note 38)	4,898	10,277
– debt instruments at amortised cost	52	411
Rental income from an investment property	622	643
Dividends from equity instruments at FVTOCI		
– relating to investments held at the end of the reporting period	–	16
Others	912	746
	110,361	56,851

Note: The government subsidies will be mainly received unconditionally by the Company's subsidiaries in the PRC from local government in relation to the incentive policy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

8. OTHER GAINS AND LOSSES

	2025 RMB'000	2024 RMB'000
Net gain (loss) from changes in fair value of		
– derivative financial instruments	(4,077)	12,414
– other financial assets at FVTPL	66,807	29,097
– other financial liabilities at FVTPL	(13,346)	(9,269)
Exchange loss, net	(3,137)	(13,633)
Gain on disposal of equipment	5	56
Remeasurement gain of previously held equity interest in an associate upon step acquisition of a subsidiary (note 42)	–	49,282
Gain from disposal of subsidiaries (note 43)	–	5,177
Gain from modification of lease contracts	–	25
Others	(14)	(288)
	46,238	72,861

9. IMPAIRMENT LOSSES (INCLUDING REVERSALS OF IMPAIRMENT LOSSES) ON FINANCIAL ASSETS AND FINANCIAL GUARANTEE CONTRACTS

	2025 RMB'000	2024 RMB'000
Impairment losses recognised (reversed) on:		
– Financial guarantee contracts	17,671	16,512
– Loan receivables	2,891	–
– Trade and bill receivables	286	(214)
– Debt instrument at amortised cost	28	(100)
– Receivables from guarantee customers	(30)	(4)
– Loans to related parties	(152)	(336)
– Supply chain assets at FVTOCI	(6,049)	1,895
	14,645	17,753

Details of impairment assessment are set out in note 40(b).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

10. FINANCE COSTS

	2025 RMB'000	2024 RMB'000
Interest on loans from related parties (note 38)	147,496	176,191
Interest on borrowings	99,905	182,002
Interest on lease liabilities (note)	530	915
Total finance costs	247,931	359,108
Less: amounts capitalised in the cost of buildings under construction	(5,253)	(32)
	242,678	359,076

Note: Details of the interest on lease liabilities in relation to related parties are set out in note 38.

During the years ended 31 December 2025, the weighted average capitalisation rate on the borrowing is 5% (2024: 5%) per annum.

11. TAXATION

	2025 RMB'000	2024 RMB'000
The charge comprises:		
Current tax		
– PRC Enterprise Income Tax (“EIT”)	129,375	112,460
– Withholding tax levied on interest income of Hong Kong subsidiaries	40	86
– Withholding tax levied on dividend declared of PRC subsidiaries	11,826	5,237
	141,241	117,783
Deferred tax (note 22)	25,141	11,470
	166,382	129,253

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group's operation in Hong Kong had no assessable profit during both years.

Under the Law of the PRC on EIT (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years. A PRC subsidiary enjoys preferential tax rate of 15% according to approval from local tax bureau.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

11. TAXATION (continued)

The tax charge for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss as follows:

	2025 RMB'000	2024 RMB'000
Profit before taxation	649,587	520,120
Tax at the domestic EIT rate of 25%	162,397	130,030
Tax effect of share of results of associates	(37,830)	(31,141)
Tax effect of income not taxable for tax purpose (note)	(5,317)	(12,321)
Tax effect of expenses not deductible for tax purposes	21,799	29,962
Effect of different tax rates of the subsidiaries	(36,857)	(23,013)
Tax effect of tax losses not recognised	35,769	14,712
Utilisation of tax losses previously not recognised	(2,968)	–
Tax benefit on research and development expenses	(4,192)	(3,905)
Withholding tax on distributable earnings of the PRC subsidiaries	33,581	24,929
Tax charge for the year	166,382	129,253

Note: The effect of income that is not taxable mainly represents (i) the non-taxable gain arising from changes in the fair value of other financial assets at FVTPL, and (ii) the non-taxable gain on the remeasurement of previously held equity interests in an associate in a step acquisition of a subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

12. PROFIT FOR THE YEAR/OTHER COMPREHENSIVE INCOME (EXPENSE)

(a) Profit for the year

Profit for the year has been arrived at after charging (crediting):

	2025 RMB'000	2024 RMB'000
Depreciation of property and equipment	1,243	1,637
Depreciation of right-of-use assets	12,290	12,415
Depreciation of investment property	883	883
Amortisation of intangible assets	26,301	19,418
Total depreciation and amortisation	40,717	34,353
Less: amount capitalised in buildings under construction	(2,215)	(2,158)
Depreciation and amortisation recognised in profit or loss	38,502	32,195
Research and development costs (note)	22,385	22,799
Auditor's remuneration	2,710	3,300
Donation	648	721

Note: During the year ended 31 December 2025, research and development costs recognised in other costs and operating expenses were mainly consists of staff costs amounted to RMB21,626,000 (2024: RMB22,156,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

12. PROFIT FOR THE YEAR/OTHER COMPREHENSIVE INCOME (EXPENSE) (continued)

(b) Other comprehensive income (expense)

Income tax effect relating to other comprehensive income (expense)

	Year ended 31/12/2025			Year ended 31/12/2024		
	Before tax amount RMB'000	Tax (expense) benefit RMB'000	Net of income tax RMB'000	Before tax amount RMB'000	Tax (expense) benefit RMB'000	Net of income tax RMB'000
<i>Item that will not be reclassified subsequently to profit or loss:</i>						
Fair value gain on investment in equity instruments at FVTOCI	16,978	-	16,978	913	-	913
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Exchange differences arising on translation of financial statements of foreign operations	(91)	-	(91)	34	-	34
Supply chain assets measured at FVTOCI:						
– Fair value changes during the year, net	60,068	(15,018)	45,050	40,763	(10,191)	30,572
– Reclassification adjustment to profit or loss on derecognition	(54,038)	13,510	(40,528)	(50,911)	12,728	(38,183)
(Reversal of impairment losses) impairment losses for supply chain assets at FVTOCI included in profit or loss	(6,049)	1,512	(4,537)	1,895	(474)	1,421
Fair value change, net of ECL and reclassification on derecognition	(19)	4	(15)	(8,253)	2,063	(6,190)
Share of other comprehensive expense of associates	-	-	-	128	-	128
Reclassification of FVTOCI reserve upon disposal of subsidiaries	-	-	-	3,145	-	3,145
Reclassification of FVTOCI reserve upon acquisition of subsidiaries	-	-	-	(25)	-	(25)
	16,868	4	16,872	(4,058)	2,063	(1,995)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

13. DIRECTORS' EMOLUMENTS AND TOP FIVE HIGHEST PAID EMPLOYEES

(a) Directors' emoluments

Directors' remuneration for the year, disclosed pursuant to the applicable Listing Rules and CO, is as follows:

Name of directors	Other emoluments					Total RMB'000
	Director's fee RMB'000	Retirement benefit scheme contributions RMB'000	mainly salaries and other benefits RMB'000	Performance related bonuses RMB'000	Share- based payment RMB'000	
<i>For the year ended 31 December 2025</i>						
Executive directors						
Mr. Tung Chi Fung	550	-	-	-	-	550
Ms. Wang Ying (note i)	110	67	1,788	1,167	374	3,506
Non-executive director						
Mr. Lo Wai Hung	330	-	-	-	-	330
Independent non-executive directors						
Mr. Tang King San Terence	330	-	-	-	-	330
Ms. Chan Yuk Ying	220	-	-	-	-	220
Mr. Fong Heng Boo (note ii)	189	-	-	-	-	189
Mr. Sun Wei Yung Kevin (note iv)	275	-	-	-	-	275
	2,004	67	1,788	1,167	374	5,400
<i>For the year ended 31 December 2024</i>						
Executive directors						
Mr. Tung Chi Fung	547	-	-	-	-	547
Ms. Wang Ying (note i)	10	64	1,636	1,409	311	3,430
Mr. Chen Jen-Tse (note iii)	86	47	1,218	626	1,226	3,203
Non-executive director						
Mr. Lo Wai Hung	328	-	-	-	-	328
Independent non-executive directors						
Mr. Tang King San Terence	328	-	-	-	-	328
Ms. Chan Yuk Ying	173	-	-	-	-	173
Mr. Fong Heng Boo (note ii)	274	-	-	-	41	315
Mr. Sun Wei Yung Kevin (note iv)	59	-	-	-	-	59
Mr. Loo Yau Soon (note v)	250	-	-	-	41	291
	2,055	111	2,854	2,035	1,619	8,674

Notes:

- (i) Ms. Wang Ying was appointed as an executive director of the Company with effect from 29 November 2024.
- (ii) Mr. Fong Heng Boo retired from the position as independent non-executive director of the Company with effect from 6 September 2025.
- (iii) Mr. Chen Jen-Tse resigned from the position as executive director of the Company with effect from 15 October 2024.
- (iv) Mr. Sun Wei Yung Kevin was appointed as an independent non-executive director of the Company with effect from 15 October 2024.
- (v) Mr. Loo Yau Soon resigned from the position as independent non-executive director of the Company with effect from 29 November 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

13. DIRECTORS' EMOLUMENTS AND TOP FIVE HIGHEST PAID EMPLOYEES (continued)

(a) Directors' emoluments (continued)

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The performance related bonus is determined with reference to the operating results and the individual's performance in each year.

The non-executive director's emoluments shown above were for his services as directors of the Company or its subsidiaries, if applicable.

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

During the year, a director was granted share options, in respect of the director' service to the Group under the share option scheme of the Company. Details of the share option scheme are set out in note 36 to the consolidated financial statements.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

(b) Five highest paid employees

The five highest paid employees of the Group during the year included no directors (2024: two directors), details of whose remuneration are set out in note 13(a) above. Details of the remuneration for the year of the remaining five (2024: three) highest paid employees who are not the directors of the Company are as follows:

	2025 RMB'000	2024 RMB'000
Salaries, allowances and other benefits	7,097	7,568
Performance related bonuses	32,653	9,697
Share-based payment	3,336	2,678
Staffs' retirement benefit scheme contributions	305	261
	43,391	20,204

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

13. DIRECTORS' EMOLUMENTS AND TOP FIVE HIGHEST PAID EMPLOYEES (continued)

(b) Five highest paid employees (continued)

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

	2025 No. of employees	2024 No. of employees
Hong Kong Dollars ("HK\$") 3,000,001 to HK\$3,500,000	–	–
HK\$3,500,001 to HK\$4,000,000	–	1
HK\$5,000,001 to HK\$5,500,000	1	–
HK\$6,500,001 to HK\$7,000,000	1	–
HK\$8,000,001 to HK\$8,500,000	1	–
HK\$8,500,001 to HK\$9,000,000	–	1
HK\$9,000,001 to HK\$9,500,000	1	1
HK\$17,500,001 to HK\$18,000,000	1	–
	5	3

During the year, certain non-director and non-chief executive highest paid employees were granted share options, in respect of their services to the Group under the share option scheme of the Company. Details of the share option scheme are set out in note 36 to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

14. DIVIDENDS

Dividends for ordinary shareholders of the Company recognised as distribution during the year:

	2025 RMB'000	2024 HK\$'000
2024 final – RMB34.7 cents (2024: 2023 final – HK26.9 cents) per share	349,504	262,893
2025 special dividend – RMB59.6 cents (2024: nil) per share	601,077	–
	950,581	262,893
	2025 RMB'000	2024 RMB'000
Shown in the consolidated financial statements	950,581	239,333

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2025 of RMB40.47 cents (2024: RMB34.70 cents) per ordinary share has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting of the Company.

Subsequent to the end of the reporting period, the directors have resolved to declare a special dividend of RMB23.19 cents (2024: nil) per ordinary share of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

15. EARNINGS PER SHARE

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

	2025 RMB'000	2024 RMB'000
Earnings:		
Profit for the year attributable to owners of the Company for the purpose of basic and diluted earnings per share	478,909	380,180
	2025 '000	2024 '000
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,002,905	976,219
Effect of dilutive potential ordinary shares:		
Share options/RSU Scheme	1,801	477
Weighted average number of ordinary shares for the purpose of diluted earnings per share	1,004,706	976,696

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

16. PROPERTY AND EQUIPMENT

	Leasehold improvement RMB'000	Electronic equipment RMB'000	Furniture and office equipment RMB'000	Buildings RMB'000	Motor vehicles RMB'000	Buildings under construction RMB'000	Total RMB'000
COST							
At 1 January 2024	5,566	12,408	1,718	–	1,840	65,219	86,751
Additions	–	631	–	–	1,438	90,841	92,910
Acquired on acquisition of subsidiaries (note 42)	–	–	40	–	–	–	40
Disposals of subsidiaries (note 43(a))	–	(164)	(121)	–	–	–	(285)
Disposals	(90)	(227)	(127)	–	(354)	–	(798)
At 31 December 2024	5,476	12,648	1,510	–	2,924	156,060	178,618
Additions	4,579	610	30	–	–	222,871	228,090
Disposals	–	(726)	(97)	–	(180)	–	(1,003)
At 31 December 2025	10,055	12,532	1,443	–	2,744	378,931	405,705
DEPRECIATION							
At 1 January 2024	5,555	10,254	1,130	–	1,548	–	18,487
Charges for the year	11	1,177	217	–	232	–	1,637
Disposals of subsidiaries (note 43(a))	–	(132)	(84)	–	–	–	(216)
Eliminated on disposals	(90)	(206)	(112)	–	(334)	–	(742)
At 31 December 2024	5,476	11,093	1,151	–	1,446	–	19,166
Charges for the year	–	768	189	–	286	–	1,243
Eliminated on disposals	–	(691)	(88)	–	(171)	–	(950)
At 31 December 2025	5,476	11,170	1,252	–	1,561	–	19,459
CARRYING VALUES							
At 31 December 2025	4,579	1,362	191	–	1,183	378,931	386,246
At 31 December 2024	–	1,555	359	–	1,478	156,060	159,452

The above items of property and equipment except for construction in progress are depreciated on a straight-line basis at the following estimated useful lives:

Leasehold improvement	3 years or over the term of the relevant lease
Electronic equipment	3 years
Furniture and office equipment	5 years
Motor vehicles	4 to 8 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

17. RIGHT-OF-USE ASSETS

	Leasehold land RMB'000	Leased properties RMB'000	Total RMB'000
As at 31 December 2025			
Carrying amounts	80,441	15,435	95,876
As at 31 December 2024			
Carrying amounts	80,379	11,354	91,733
For the year ended 31 December 2025			
Depreciation charge	2,215	10,075	12,290
Capitalised in buildings under construction	(2,215)	–	(2,215)
	–	10,075	10,075
For the year ended 31 December 2024			
Depreciation charge	2,158	10,257	12,415
Capitalised in buildings under construction	(2,158)	–	(2,158)
	–	10,257	10,257
		2025	2024
		RMB'000	RMB'000
Expense relating to short-term leases		1,243	2,711
Total cash outflow for leases		12,381	13,923
Additions to right-of-use assets			
– new leases of properties		14,156	–
– new lease of leasehold land		2,277	–
– lease modification		–	1,404
– disposals of subsidiaries		–	(229)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

17. RIGHT-OF-USE ASSETS (continued)

For both years, the Group leases various offices for its operations. Lease contracts are entered into for fixed term of 1 to 5 years (2024: 1 to 5 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Leasehold land represents upfront payments for leasehold land in the PRC, for which the Group has obtained the land use right certificate. As at 31 December 2025 and 2024, the leasehold land had been pledged to source general banking facilities granted to the Group.

The Group regularly entered into short-term leases for leased properties. As at 31 December 2025 and 2024, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense is disclosed in the table above.

In addition, as at 31 December 2025, lease liabilities of RMB14,287,000 (31 December 2024: RMB10,739,000) are recognised with related right-of-use assets of RMB15,435,000 (31 December 2024: RMB11,354,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

18. INVESTMENT PROPERTY

	Investment property RMB'000
COST	
As at 1 January 2024, 31 December 2024 and 31 December 2025	32,378
DEPRECIATION	
As at 1 January 2024	1,325
Charge for the year	883
As at 31 December 2024	2,208
Charge for the year	883
As at 31 December 2025	3,091
CARRYING VALUES	
At 31 December 2025	29,287
At 31 December 2024	30,170

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

18. INVESTMENT PROPERTY (continued)

The above investment property is measured using the cost model and represent office unit located in Hong Kong and is depreciated on a straight-line basis over 37 years.

The fair value of the Group's investment property as at 31 December 2025 was RMB31,200,000 (2024: RMB33,500,000).

The fair value was determined based on the direct comparison approach, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property. In estimating the fair value of the property, the highest and best use of the property is their current use. The fair value of the Group's investment property as at 31 December 2025 and 2024 is grouped into Level 3 of fair value measurement.

As at 31 December 2024, the investment property has been pledged to secure banking facilities granted to the Group.

19. GOODWILL AND INTANGIBLE ASSETS

(a) Goodwill

	2025 RMB'000	2024 RMB'000
COST		
At 1 January	464,965	316,028
Arising on acquisition of a subsidiary (note 42)	–	464,965
Disposal of a subsidiary (note 43(a))	–	(316,028)
At 31 December	464,965	464,965
IMPAIRMENT		
At 1 January and 31 December	–	–
CARRYING VALUES		
At 31 December	464,965	464,965

Particulars regarding impairment testing on goodwill are disclosed in note 20.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

19. GOODWILL AND INTANGIBLE ASSETS (continued)

(b) Intangible assets

	Development costs RMB'000 (note i)	Software system RMB'000	Brand name RMB'000 (note ii)	Customer relationship RMB'000	License RMB'000 (note ii)	Total RMB'000
COST						
At 1 January 2024	93,309	4,867	113,000	-	-	211,176
Additions	26,956	1,310	-	-	-	28,266
Acquired on acquisition of subsidiaries (note 42)	-	-	-	70,390	128,193	198,583
Disposals of subsidiaries (note 43(a))	-	(41)	(113,000)	-	-	(113,041)
At 31 December 2024	120,265	6,136	-	70,390	128,193	324,984
Additions	27,642	163	-	-	-	27,805
At 31 December 2025	147,907	6,299	-	70,390	128,193	352,789
AMORTISATION AND IMPAIRMENT						
At 1 January 2024	38,923	3,642	-	-	-	42,565
Charges for the year	16,102	732	-	2,584	-	19,418
Disposals of subsidiaries (note 43(a))	-	(41)	-	-	-	(41)
At 31 December 2024	55,025	4,333	-	2,584	-	61,942
Charges for the year	19,626	511	-	6,164	-	26,301
At 31 December 2025	74,651	4,844	-	8,748	-	88,243
CARRYING VALUES						
At 31 December 2025	73,256	1,455	-	61,642	128,193	264,546
At 31 December 2024	65,240	1,803	-	67,806	128,193	263,042

Notes:

- (i) Development costs represent expenditure, mainly including staff costs, capitalised during development phase of internal projects for development of online platform.
- (ii) Brand name and license is considered by the management of the Group as having an indefinite useful life because it is expected to contribute to net cash inflows indefinitely. The brand name and license will not be amortised until its useful life is determined to be finite. Instead it will be tested for impairment annually and whenever there is an indication that it may be impaired. Particulars of the impairment testing are disclosed in note 20.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

19. GOODWILL AND INTANGIBLE ASSETS (continued)

(b) Intangible assets (continued)

The above items of intangible assets other than brand name with indefinite useful life are amortised on a straight-line basis at the following estimated useful lives:

Development costs	3 – 5 years
Software system	3 – 5 years
Customer relationship	11 years

20. IMPAIRMENT TEST ON GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE

For the purposes of impairment testing, goodwill and intangible assets with indefinite useful life set out in note 19 have been allocated to one CGU (2024: one). The carrying amounts of goodwill and intangible assets with indefinite useful life allocated to the unit are as follows:

	31/12/2025		31/12/2024	
	Goodwill RMB'000	License RMB'000	Goodwill RMB'000	License RMB'000
Great Style	464,965	128,193	464,965	128,193

In addition to goodwill and intangible assets with indefinite useful life above, other assets and liabilities that generate cash flows together with the related goodwill and intangible assets with indefinite useful life are also included in the CGUs for the purpose of impairment assessment.

The recoverable amount of CGUs are determined based on the higher of fair value less costs of disposal and value in use calculations.

For the year ended 31 December 2025, the recoverable amount of the CGU is determined based on a value in use calculation. The value in use calculation uses pre-tax cash flow projections based on financial budgets approved by management covering a five-year period (2024: five-year), and pre-tax discount rate of 12.62% (2024: 12.62%). Great Style's cash flows beyond the five-year period are extrapolated using a steady growth rate of 1.50% (2024: 2.00%). This growth rate is based on the overall economy growth rate, industry growth rate, inflation rate and other related factors. Management determines the financial budgets based on past performance and its expectations for market development, including the expected economic growth, prospective GDP and CPI growth rates, future developments of the industry, among others. The Group engages an independent qualified valuer, Royson Valuation Advisory Limited to determine the future growth rates and discount rates used in the value in use calculations prepared by the management of the Group.

As at 31 December 2025 and 2024, no impairment of the CGU containing goodwill and license with indefinite useful life has been identified. Management believes that any reasonably possible change in any of the above assumptions would not cause the aggregate carrying amount of the above CGU to exceed the respective aggregate recoverable amounts.

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For the year ended 31 December 2025

21. INVESTMENTS IN ASSOCIATES

Details of the Group's investments in associates are as follows:

	31/12/2025 RMB'000	31/12/2024 RMB'000
Cost of investments in associates, unlisted	1,373,450	1,373,450
Share of post-acquisition profit, net of dividends declared	223,481	130,835
	1,596,931	1,504,285

Details of the Group's associates at the end of the reporting period are as follows:

Name of entities	Place of incorporation/ establishment	Particulars of authorised and paid up capital	Proportion of ownership interest/ voting rights held by the Group as at		Principal activities
			31/12/2025	31/12/2024	
Wuxi Guojin Factoring Limited [#] (無錫國金商業保理有限公司) ("WXGJ")	PRC	RMB489,800,000 RMB489,800,000	49%	49%	Provision of supply chain service
Qingdao Haikong Factoring Limited [#] (青島海控商業保理有限公司) ("QDHK")	PRC	RMB527,000,000 RMB527,000,000	40%	40%	Provision of supply chain service
Ningbo Guofu Commercial Factoring Co., Ltd [#] (寧波國富商業保理有限公司) ("NBGF")	PRC	RMB500,000,000 RMB500,000,000	35%	35%	Provision of supply chain service
Xiamen Xiangsheng Factoring Limited [#] (廈門象盛商業保理有限責任公司) ("XMXS")	PRC	RMB500,000,000 RMB500,000,000	43%	43%	Provision of supply chain service
Guangxi Maojing Trading Co., Ltd [#] (廣西茂景商貿有限公司) ("GXMJ")	PRC	RMB2,000,000 RMB1,000,000	20%	20%	Provision of trade service

[#] English translated name is for identification purpose only.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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21. INVESTMENTS IN ASSOCIATES (continued)

Summarised financial information of the material associate

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts in associates' financial statements prepared in accordance with HKFRS Accounting Standards.

The associate is accounted for using the equity method in the Group's consolidated financial statements.

WXGJ

	31/12/2025 RMB'000	31/12/2024 RMB'000
Total assets	8,874,500	6,095,691
Total liabilities	7,625,635	4,944,751
Net assets	1,248,865	1,150,940
	For the year from 1/1/2025 to 31/12/2025 RMB'000	For the period from 1/3/2024 to 31/12/2024 RMB'000
Revenue	454,799	282,137
Profit before taxation	180,881	108,674
Profit for the year	123,275	81,492
OCI for the year	–	–
Total comprehensive income for the year	123,275	81,492
Dividends received from the associate during the year	12,422	–

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21. INVESTMENTS IN ASSOCIATES (continued)

WXGJ (continued)

Reconciliation of the above summarised financial information to the carrying amount of the investment in WXGJ recognised in its consolidated financial statements:

	31/12/2025 RMB'000	31/12/2024 RMB'000
Net assets of WXGJ	1,248,865	1,150,940
Proportion of the Group's ownership investment in WXGJ	49%	49%
The Group's share of net assets of WXGJ	611,944	563,961
Goodwill	210,722	210,722
Carrying amount of the Group's investment in WXGJ	822,666	774,683

Aggregate information of associates that are not individually material

	2025 RMB'000	2024 RMB'000
The Group's share of profit	90,916	84,634
The Group's share of other comprehensive income	–	128
The Group's share of total comprehensive income	90,916	84,762
Dividends received from these associates	46,253	11,143
Aggregate carrying amount of the Group's investments in these associates	774,265	729,602

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For the year ended 31 December 2025

22. DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purposes:

	31/12/2025 RMB'000	31/12/2024 RMB'000
Deferred tax assets	10,786	4,587
Deferred tax liabilities	(150,972)	(119,636)
	(140,186)	(115,049)

The following are the major deferred tax assets (liabilities) recognised and movements thereon during the year:

	Undistributed earnings of PRC subsidiaries RMB'000	Deferred income RMB'000	ECL provision RMB'000	Fair value adjustments RMB'000	Intangible assets acquired in business combination RMB'000	Others RMB'000 (note)	Total RMB'000
At 1 January 2024	(43,101)	(18,945)	23,844	(8,215)	–	(74)	(46,491)
(Charge) credit to profit or loss	(19,692)	(6,304)	4,153	3,470	646	6,257	(11,470)
Credit to OCI	–	–	–	2,063	–	–	2,063
Acquisition of subsidiaries (note 42)	–	(195)	308	(84)	(49,646)	–	(49,617)
Disposal of subsidiaries (note 43)	–	(686)	(7,181)	(1,645)	–	(22)	(9,534)
At 31 December 2024	(62,793)	(26,130)	21,124	(4,411)	(49,000)	6,161	(115,049)
(Charge) credit to profit or loss	(21,755)	8,808	2,449	(9,850)	1,541	(6,334)	(25,141)
Credit to OCI	–	–	–	4	–	–	4
At 31 December 2025	(84,548)	(17,322)	23,573	(14,257)	(47,459)	(173)	(140,186)

Note: Others represent deferred taxation arising from (i) tax losses of a PRC subsidiary and (ii) leasing transactions where Amendments to HKAS 12 are adopted.

Pursuant to the EIT Law and its detailed implementation rules, dividend distributed out of the profit generated thereafter, shall be subject to EIT at 10% and withheld by the PRC entities. By the Tax Arrangement for Avoidance of Double Taxation between China and Hong Kong, a Hong Kong resident company should be entitled to preferential tax rate of 5% when receiving dividend from its PRC subsidiaries. The Hong Kong subsidiaries of the Group enjoyed the preferential tax rate aforementioned. Accordingly, deferred tax liability has been provided for in the consolidated financial statements in respect of the expected dividend stream from the PRC subsidiaries with the applicable tax rate of 5%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

22. DEFERRED TAXATION (continued)

As at 31 December 2025, the Group has unused tax losses of RMB443,320,000 (2024: RMB340,707,000) available for offset against future profits. A deferred tax asset has been recognised in respect of nil (2024: RMB18,314,000) of such losses as at 31 December 2025. No deferred tax asset has been recognised on the tax losses of remaining RMB443,320,000 (2024: RMB322,393,000) of such losses as at 31 December 2025 due to the unpredictability of future profit streams. The unrecognised tax losses with expiry dates are disclosed in the following table.

	31/12/2025 RMB'000	31/12/2024 RMB'000
2025	–	3,880
2026	9,392	9,392
2027	10,443	11,201
2028	9,566	11,396
2029	16,673	32,354
2030	20,231	–
Indefinitely	377,015	254,170
	443,320	322,393

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For the year ended 31 December 2025

23. DERIVATIVE FINANCIAL INSTRUMENTS/OTHER FINANCIAL ASSETS AT FVTPL/OTHER FINANCIAL LIABILITIES AT FVTPL

(a) Derivative financial instruments

	31/12/2025		31/21/2024	
	Assets RMB'000	Liabilities RMB'000	Assets RMB'000	Liabilities RMB'000
Foreign currency forward contracts	1,495	6,098	14,189	5,091
Foreign exchange swap contracts	184	–	–	438
Foreign exchange option	–	537	–	–
	1,679	6,635	14,189	5,529
Analysed for reporting purposes as:				
Current	1,611	6,635	14,189	5,529
Non-current assets	68	–	–	–
	1,679	6,635	14,189	5,529

At 31 December 2025, the bank deposits of United States Dollars (“US\$”)1,200,000 (equivalent to RMB8,434,000) (31 December 2024: US\$700,000 (equivalent to RMB5,032,000)) were pledged as security for the derivative financial instruments. The balance of the bank deposits can be applied and used to settle any outstanding payments for the corresponding contracts if default occurs.

The above derivatives are measured at fair value at the end of the reporting period and changes in fair value are recognised in the profit or loss. Their fair values are determined by China Enterprise Appraisals Consultation Co., Ltd., an independent valuer, based on appropriate valuation techniques as detailed in note 40(c).

Foreign currency forward contracts

The major terms of the outstanding foreign currency forward contracts at the end of the reporting period are as follow:

At 31 December 2025, the Group entered into several foreign currency forward contracts relating to the purchase of US\$ and the sale of RMB at contract rates ranging from RMB6.9580 to RMB7.7480 (31 December 2024: RMB6.9450 to RMB7.1767) per US\$ with future maturity dates ranging from 23 January 2026 to 5 August 2027 (31 December 2024: 17 January 2025 to 19 December 2025), at an aggregate notional amount of US\$161,700,000 (31 December 2024: US\$163,340,000).

At 31 December 2025, the Group entered into several foreign currency forward contracts relating to the purchase of HK\$ and the sale of RMB at contract rates ranging from RMB0.9060 to RMB0.9118 (31 December 2024: nil) per HK\$ with future maturity dates ranging from 11 March 2026 to 18 June 2026 (31 December 2024: nil), at an aggregate notional amount of HK\$167,750,000 (31 December 2024: nil).

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For the year ended 31 December 2025

23. DERIVATIVE FINANCIAL INSTRUMENTS/OTHER FINANCIAL ASSETS AT FVTPL/OTHER FINANCIAL LIABILITIES AT FVTPL (continued)

(a) Derivative financial instruments (continued)

Foreign exchange swap contracts

At 31 December 2025

Notional amount	Commencement date	Maturity date	Contracted swap rate
Singapore Dollar (“S\$”)	10/23/2025	1/5/2026	Commencement date: S\$: RMB1:5.4846 Settlement date: S\$: RMB1:5.4854 S\$ against RMB swap rates

At 31 December 2024

Notional amount	Commencement date	Maturity date	Contracted swap rate
US\$1,850,000	11/11/2024	13/11/2025	Commencement date: US\$: RMB1:7.1900 Settlement date: US\$: RMB1:7.0335 US\$ against RMB swap rates

Foreign exchange option

At 31 December 2025

Notional amount	Commencement date	Maturity date	Contracted exchange rate
Sell US\$1,200,000	10/24/2025	10/26/2026	US\$: HK\$1:7.7250

The Group entered into foreign currency forward contracts and foreign exchange swap contracts to manage its foreign currency risk exposures arising from certain of its supply chain assets and bank borrowings denominated in S\$, US\$ and HK\$ (31 December 2024: US\$ and HK\$) and make low-risk investments.

The Group sells foreign exchange options to enhance cash flow by collecting option premiums, while accepting limited contractual obligations within the expected range of exchange rate fluctuations.

The Group did not formally designate or document the hedging transactions with respect to the foreign currency forward contracts, interest rate swap contracts and foreign exchange option. Therefore, those transactions were not designated for hedge accounting.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

23. DERIVATIVE FINANCIAL INSTRUMENTS/OTHER FINANCIAL ASSETS AT FVTPL/OTHER FINANCIAL LIABILITIES AT FVTPL (continued)

(b) Other financial assets at FVTPL

	31/12/2025 RMB'000	31/12/2024 RMB'000
Unlisted investment funds (note i)	493,972	437,077
Unlisted equity investments (note i)	186,376	75,550
Supply chain assets	127,949	–
Wealth management products (note iii)	121,459	65,390
Equity tranche (notes i & ii)	92,760	230,522
Trust fund	2,809	1,671
	1,025,325	810,210
Analysed for reporting purposes as:		
Current assets	288,977	339,760
Non-current assets	736,348	470,450
	1,025,325	810,210

Notes:

- (i) Except for the fair values of certain unlisted investment funds with an aggregate fair value of approximately RMB226,200,000 (31 December 2024: RMB81,433,000) are determined based on net assets values of funds with reference to fair value of underlying investment, the remaining fair values are determined by China Enterprise Appraisals Consultation Co., Ltd., and Ravia Global Appraisal Advisory Limited, independent valuers, based on appropriate valuation techniques as detailed in note 40(c).
- (ii) As at 31 December 2024, the Group's equity tranche with an aggregate fair value of approximately RMB100,300,000 was pledged to third parties in the PRC respectively to secure borrowings of the Group.
- (iii) The Wealth management products are short-term investments issued by banks with minimum guaranteed return and have a total expected return, depending on the indices quoted in the market as specified in the terms of relevant deposits.

As at 31 December 2024, the Group's structured deposits of the Wealth management products with an aggregate fair value of approximately RMB14,225,000 was pledged to several banks in the PRC respectively to secure certain bank borrowings of the Group.

The financial assets were classified as FVTPL as their contractual cash flows do not meet the solely payments of principal and interest criterion.

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For the year ended 31 December 2025

23. DERIVATIVE FINANCIAL INSTRUMENTS/OTHER FINANCIAL ASSETS AT FVTPL/OTHER FINANCIAL LIABILITIES AT FVTPL (continued)

(c) Other financial liabilities at FVTPL

	31/12/2025 RMB'000	31/12/2024 RMB'000
Structured notes (note)	545,710	74,116
Deferred contingent consideration (note 42)	99,663	494,685
	645,373	568,801
Analysed for reporting purposes as:		
Current liabilities	610,780	273,336
Non-current liabilities	34,593	295,465
	645,373	568,801

Note: The fair value of the structured notes are linked to the yield of supply chain assets at FVTOCI of the Group.

24. SUPPLY CHAIN ASSETS AT FVTOCI

	31/12/2025 RMB'000	31/12/2024 RMB'000
Supply chain assets at FVTOCI	4,361,416	4,891,307
Analysed for reporting purposes as:		
Current assets	4,073,344	4,889,258
Non-current assets	288,072	2,049
	4,361,416	4,891,307

As at 31 December 2025, the effective interest rates of the supply chain assets range mainly from 5.00% to 16.2% (31 December 2024: 5.00% to 15.50%) per annum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

24. SUPPLY CHAIN ASSETS AT FVTOCI (continued)

As at 31 December 2025, certain commercial acceptance bills are received from customers with fair value amounting of RMB6,605,000 (31 December 2024: RMB210,867,000) as pledged bills to the supply chain assets. The bills can also be applied and used to settle any outstanding receivables of supply chain assets for the corresponding contract if default occurs, otherwise the Company needs to return the bills if the outstanding supply chain assets are settled. Until such time as default occurs and they are used to settle the supply chain assets, the commercial acceptance bills are not recognised as an asset in the financial statements.

Details of deposits from digital financing solutions customers are set out in note 29.

As at 31 December 2025, the gross carrying amount of supply chain assets of RMB5,682,000 is past due (31 December 2024: RMB9,007,000). When analysing the credit quality of supply chain assets at FVTOCI, the entire outstanding of balance of the supply chain assets is classified as past due in the event that instalments repayment of a supply chain asset at FVTOCI is past due.

The following is an aging analysis based on due dates of the supply chain assets at FVTOCI instalments which are past due (instalments which are not yet due at the end of the reporting period are excluded):

	31/12/2025 RMB'000	31/12/2024 RMB'000
<i>Past due by:</i>		
0 – 30 days	81	–
61 – 90 days	2,681	4,132
Over 90 days	2,920	4,875
	5,682	9,007

Details of impairment assessment are set out in note 40(b).

25. LOAN RECEIVABLES

	31/12/2025 RMB'000	31/12/2024 RMB'000
Carrying amount receivable based on maturity set out in the loan agreement:		
– within one year	280,020	–
Less: ECL allowance	(2,891)	–
	277,129	–

The effective interest rates on the Group's loan receivables are 6% per annum. Details of impairment assessment are set out in note 40(b).

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For the year ended 31 December 2025

26. EQUITY INSTRUMENTS AT FVTOCI

	31/12/2025 RMB'000	31/12/2024 RMB'000
Listed equity securities	70,526	–
Unlisted equity investments (note)	77,841	62,711
	148,367	62,711

Note: These investments are not held for trading, instead, they are held for long-term strategic purposes. The directors of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

27. RECEIVABLES FROM REFINANCING OF SUPPLY CHAIN ASSETS UPON DERECOGNITION/RECEIVABLES FROM GUARANTEE CUSTOMERS/TRADE AND BILL RECEIVABLES/OTHER RECEIVABLES, PREPAYMENTS AND OTHERS

(a) Receivables from refinancing of supply chain assets upon derecognition

As at 31 December 2025, the outstanding balance of receivables from refinancing of supply chain assets upon derecognition is RMB1,023,000 (2024: RMB4,128,000).

(b) Receivables from guarantee customers

For provision of guarantee service which is in the scope of HKFRS 9, the Group recognises receivables from guarantee customers equal to the guarantee fees less amounts that the Group received from the customer.

	31/12/2025 RMB'000	31/12/2024 RMB'000
Receivables from guarantee customers	4,291	6,141
Less: ECL allowance	(27)	(57)
	4,264	6,084

The following is an aged analysis of receivables from guarantee customers presented based on the date of payment.

	31/12/2025 RMB'000	31/12/2024 RMB'000
0 – 30 days	4,291	6,141

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

27. RECEIVABLES FROM REFINANCING OF SUPPLY CHAIN ASSETS UPON DERECOGNITION/RECEIVABLES FROM GUARANTEE CUSTOMERS/TRADE AND BILL RECEIVABLES/OTHER RECEIVABLES, PREPAYMENTS AND OTHERS (continued)

(c) Trade and bill receivables

	31/12/2025 RMB'000	31/12/2024 RMB'000
Trade receivables	63,295	50,352
Bills receivable	442	1,500
	63,737	51,852
Less: ECL allowance	(555)	(269)
	63,182	51,583
Analysed for reporting purposes as:		
Current assets	57,676	37,760
Non-current assets	5,506	13,823
	63,182	51,583

Details of impairment assessment are set out in note 40(b).

The following is an aged analysis of trade and bill receivables presented based on the date of payment.

	31/12/2025 RMB'000	31/12/2024 RMB'000
0-30 days	63,737	51,852

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For the year ended 31 December 2025

27. RECEIVABLES FROM REFINANCING OF SUPPLY CHAIN ASSETS UPON DERECOGNITION/RECEIVABLES FROM GUARANTEE CUSTOMERS/TRADE AND BILL RECEIVABLES/OTHER RECEIVABLES, PREPAYMENTS AND OTHERS (continued)

(d) Other receivables, prepayments and others

	31/12/2025 RMB'000	31/12/2024 RMB'000
Security deposits for performance commitments and loan facilitation	134,000	72,949
Tax recoverable	37,834	23,579
Government subsidies receivables	16,980	–
Prepayments for non-current assets	12,435	15,126
Security deposits for borrowings (note 32)	10,473	–
Prepayments	6,446	2,743
Refundable rental deposits	6,417	3,496
Security deposits for guarantee contracts (note 31)	2,500	–
Consideration receivable for disposal of partial interests in subsidiaries without losing control	–	2,000
Other receivables and deposits	5,833	4,978
	232,918	124,871
Analysed for reporting purposes as:		
Current assets	215,167	106,337
Non-current assets	17,751	18,534
	232,918	124,871

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

28. PLEDGED BANK DEPOSITS/CASH AND CASH EQUIVALENTS

The ranges of fixed interest rates/market rates on the Group's pledged bank deposits/cash and cash equivalents are as follows:

	Range of interest rates (per annum)	
	31/12/2025 %	31/12/2024 %
Fixed-rate pledged bank deposits	0.05~3.70	0.10~4.00
Market rate cash and cash equivalents	0.00~3.63	0.00~4.55

An analysis of the Group's pledged bank deposits for the reporting period is as follows:

	31/12/2025 RMB'000	31/12/2024 RMB'000
The bank deposits pledged for:		
– bank borrowings (note 32)	1,338,203	1,043,767
– loan guarantee contracts in relation to third parties (note 31)	448,292	352,606
– derivative financial instruments (note 23(a))	8,434	5,032
	1,794,929	1,401,405

The pledged bank deposits will be released upon the settlement of relevant bank borrowings, loan guarantee contracts and derivative financial instruments.

Details of impairment assessment of pledged bank deposits and cash and cash equivalents are set out in note 40(b).

The pledged bank deposits and cash and cash equivalents that are denominated in currencies other than the functional currencies of each entity are set out below:

	31/12/2025 RMB'000	31/12/2024 RMB'000
HK\$	103,823	44,083
US\$	80,086	9,299
S\$	33,820	638
	217,729	54,020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

29. TRADE AND OTHER PAYABLES

	31/12/2025 RMB'000	31/12/2024 RMB'000
Settlement payables to customers and funding providers	763,619	290,447
Construction payables	89,603	41,571
Accrued charges	59,979	70,435
Other tax payables	52,991	55,501
Deposits from digital financing solutions customers	13,879	3,263
Trade payables	1,314	2,794
Dividend payable to shareholders of the Company	337	346
Other payables and deposits	167	1,456
	981,889	465,813

30. CONTRACT LIABILITIES

	31/12/2025 RMB'000	31/12/2024 RMB'000
Technology services and digital ecosystem services	86,762	73,326

The following table shows how much of the revenue recognised in the current year relates to carried-forward contract liabilities.

	31/12/2025 RMB'000	31/12/2024 RMB'000
Revenue recognised that was included in the contract liabilities at the beginning of the year	73,326	58,995

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For the year ended 31 December 2025

31. LIABILITIES ARISING FROM GUARANTEE CONTRACTS

	31/12/2025			31/12/2024		
	Premium less accumulated amortisation RMB'000	ECL provision RMB'000	Carrying amount RMB'000	Premium less accumulated amortisation RMB'000	ECL provision RMB'000	Carrying amount RMB'000
Guarantee contracts in relation to:						
– third parties (note i)	23,824	56,097	56,890	35,737	46,532	50,682
– associates (note ii)	340	11,675	11,675	1,647	12,338	13,432
	24,164	67,772	68,565	37,384	58,870	64,114
Analysed for reporting purposes as:						
Current	24,164	65,996	66,789	35,742	55,831	59,981
Non-current	–	1,776	1,776	1,642	3,039	4,133
	24,164	67,772	68,565	37,384	58,870	64,114

At the end of the reporting period, the directors of the Company have assessed the past due status of the debts under guarantee, the financial position of the debtors as well as the economic outlook of the industries in which the debtors operate.

The following is the maximum amount of the Group has guaranteed under the contracts and details of liabilities arising from guarantee contracts.

	31/12/2025 RMB'000	31/12/2024 RMB'000
Guarantee contracts in relation to:		
– third parties (note i)	5,494,863	4,498,693
– associates (note ii)	7,140,856	7,427,110
	12,635,719	11,925,803

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

31. LIABILITIES ARISING FROM GUARANTEE CONTRACTS (continued)

Notes:

- (i) As at 31 December 2025, the Group provided guarantee services for guarantee customers which are third parties of the maximum amount of RMB5,494,863,000 (31 December 2024: RMB4,498,693,000) and placed deposits to funding providers, including bank deposits of RMB448,292,000 and security deposits for guarantee contracts of RMB2,500,000 (31 December 2024: bank deposits of RMB352,606,000). The Group has to pay on behalf of guarantee customers to funding providers when the customers defaulted in settlement of their outstanding liabilities with funding providers when due, after deduction of the bank deposits placed to funding providers.

As at 31 December 2025, an amount of RMB56,097,000 (31 December 2024: RMB46,532,000) has been estimated as a loss allowance and an amount of RMB18,121,000 loss allowance was recognised (2024: RMB7,862,000) in the profit or loss because the premium received less cumulative amount of certain contracts were lower than the amount of loss allowance.

- (ii) As at 31 December 2025, the Group provided guarantees services for associates of the Group of the maximum amount of RMB7,140,856,000 (31 December 2024: RMB7,427,110,000). Fair value initially recognised in relation to the loan guarantees by the Group amounted to RMB615,000 (2024: RMB2,124,000). Their fair values are determined by China Enterprise Appraisals Consultation Co., Ltd., an independent valuer.

As at 31 December 2025, the directors of the Company have performed impairment assessment, and concluded that there has been no significant increase in credit risk since initial recognition of the financial guarantee contracts. Accordingly, the loss allowance for financial guarantee contracts issued by the Group is measured at an amount equal to 12m ECL. An amount of RMB11,675,000 (31 December 2024: RMB12,338,000) has been estimated as a loss allowance as at 31 December 2025. During the year ended 31 December 2025, an amount of RMB450,000 loss allowance was reversed (2024: an amount RMB8,650,000 loss allowance was recognised) in the profit or loss because the premium received less cumulative amount of certain contracts were lower than the amount of loss allowance.

- (iii) Details of impairment assessment are set out in note 40(b).

32. BORROWINGS

	31/12/2025 RMB'000	31/12/2024 RMB'000
Bank borrowings and bills discounted	3,003,197	2,079,146
ABS issued	301,489	–
Entrusted loans	56,150	290,968
Other loans (note)	217,150	529,406
	3,577,986	2,899,520
Secured	3,025,116	2,191,687
Unsecured	552,870	707,833
	3,577,986	2,899,520

Note: Other loans mainly consist of loans from private funds, commercial factoring company and other third parties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

32. BORROWINGS (continued)

	31/12/2025 RMB'000	31/12/2024 RMB'000
The carrying amounts of the above borrowings are repayable*:		
– within one year	3,262,351	2,716,219
– within a period of more than one year but not exceeding two years	177,266	174,569
– within a period of more than two years but not exceeding five years	40,000	8,732
– within a period of more than five years	98,369	–
	3,577,986	2,899,520
Less: Amounts due within one year shown under current liabilities	(3,262,351)	(2,716,219)
Amounts shown under non-current liabilities	315,635	183,301

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

The exposure of the Group's borrowings are as follows:

	31/12/2025 RMB'000	31/12/2024 RMB'000
Fixed-rate borrowings	3,209,543	2,734,918
Variable-rate borrowings	368,443	164,602
	3,577,986	2,899,520

The Group's variable-rate borrowings carry interest at Loan Prime Rate ("LPR") or HIBOR.

The principal ranges of effective interest rates on the Group's borrowings are as follows:

	31/12/2025 %	31/12/2024 %
Range of fixed-rate borrowings interest rates (per annum)	2.06~7.50	2.80~9.20
Range of variable-rate borrowings interest rates (per annum)	2.24~5.44	2.80~8.52

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32. BORROWINGS (continued)

The Group's borrowings had been secured by the pledge of equity interests of certain subsidiaries of the Company and the Group's assets. The carrying amounts of the respective assets are as follows:

	31/12/2025 RMB'000	31/12/2024 RMB'000
Supply chain assets (note i)	1,163,577	696,650
Bank deposits	1,338,203	1,043,767
Leasehold land	78,222	80,379
Security deposits	10,473	–
Equity tranche	–	100,300
Investment property	–	30,170
Wealth management products	–	14,225
	2,590,475	1,965,491

Notes:

- (i) The legal title and legal right to receive cash flows was transferred to the funding providers, details are set out in note 40(d).
- (ii) As at 31 December 2024, the bills received from customers as pledged to supply chain assets with par value of RMB3,040,000 were pledged to banks and RMB163,520,000 were discounted to banks.

Details of the Group's guaranteed borrowings are as follows:

	31/12/2025 RMB'000	31/12/2024 RMB'000
Carrying amount of borrowings guaranteed by: The Company and/or subsidiaries	1,222,516	833,735

The Group's borrowings that are denominated in currencies other the functional currencies of the relevant group entities are set out below:

	31/12/2025 RMB'000	31/12/2024 RMB'000
HK\$	202,151	170,448
US\$	–	88,784
	202,151	259,232

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33. LEASE LIABILITIES

	31/12/2025 RMB'000	31/12/2024 RMB'000
Lease liabilities payable:		
Within one year	5,375	10,208
Within a period of more than one year but not more than two years	5,475	531
Within a period of more than two years but not more than five years	3,437	–
	14,287	10,739
Less: Amount due for settlement with 12 months shown under current liabilities	(5,375)	(10,208)
Amount due for settlement after 12 months shown under non-current liabilities	8,912	531

The weighted average incremental borrowing rates applied to lease liabilities range from 5.50% to 7.22% (2024: 5.50% to 7.22%).

Lease obligations that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

	31/12/2025 RMB'000	31/12/2024 RMB'000
HK\$	42	577

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34. SHARE CAPITAL

Details of movements of share capital of the Company are as follows:

	Number of shares	Share capital HK\$
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 January 2024, 31 December 2024 and 31 December 2025	5,000,000,000	50,000,000
	Number of shares	Share capital HK\$
Issued:		
At 1 January 2024	989,750,000	9,897,500
Repurchase and cancellation of shares	(1,343,000)	(13,430)
At 31 December 2024	988,407,000	9,884,070
Issue of new shares from placing (note)	73,766,000	737,660
Exercise of share options	3,152,792	31,528
At 31 December 2025	1,065,325,792	10,653,258
	31/12/2025 RMB'000	31/12/2024 RMB'000
Shown in the consolidated statement of financial position	9,251	8,547

Note: On 13 May 2025, the Company and Guotai Junan Securities (Hong Kong) Limited (referred to as the "Placing Agent") entered into a placing agreement. An aggregate of 17,480,000 ordinary shares issued by the Company have been placed by the Placing Agent on 20 May 2025 at HK\$11.99 per share with the net proceeds of HK\$209.2 million (equivalent to RMB194.2 million, net of transaction cost amount of HK\$0.4 million (equivalent to RMB0.3 million)). Details are set out in the Company's announcements dated 13 May 2025 and 20 May 2025.

On 3 September 2025, the Company and Guotai Junan Securities (Hong Kong) Limited (referred to as the "Placing Agent") entered into a placing agreement. An aggregate of 56,286,000 ordinary shares issued by the Company have been placed by the Placing Agent on 10 September 2025 at HK\$10.66 per share with the net proceeds of HK\$593.2 million (equivalent to RMB540.8 million, net of transaction cost amount of HK\$6.8 million (equivalent to RMB6.2 million)). Details are set out in the Company's announcements dated 3 September 2025 and 10 September 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

34. SHARE CAPITAL (continued)

All the shares issued during the period ranked pari passu in all respects with the then existing shares in issue.

During the year ended 31 December 2024, the Company repurchased 1,638,500 of its own ordinary shares through the Stock Exchange with an aggregate consideration of HK\$7,104,000 (equivalent to RMB6,457,000) paid.

1,343,000 shares were cancelled upon repurchase and 521,000 shares were not cancelled and remained as treasury shares at the end of the reporting period.

At 31 December 2025, the Company had outstanding treasury shares of 521,000 (31 December 2024: 521,000) shares.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

All the shares issued during the year ranked pari passu in all respects with the then existing shares in issue.

35. CAPITAL COMMITMENTS

	31/12/2025 RMB'000	31/12/2024 RMB'000
Capital expenditure contracted for but not provided for in the consolidated financial statements		
– Property and equipment	39,960	236,894
– Investment in an associate	200	200
	40,160	237,094

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36. SHARE-BASED PAYMENT TRANSACTIONS

(a) Equity-settled share option scheme of the Company

The Company's share option scheme (the "**Scheme**") was adopted pursuant to resolutions passed on 15 July 2020, 10 June 2022, 29 November 2024 and 24 March 2025 ("**Option Grant Date**") for the primary purpose of providing incentives to directors and eligible employees, and will expire on 14 July 2025, 9 June 2032, 29 November 2034 and 24 March 2035 respectively. Under the Scheme, the board of directors of the Company may grant options to eligible employees, including certain directors of the Company and the management of an associate of the Company, to subscribe for shares in the Company.

As at 31 December 2025, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 3,809,580 (31 December 2024: 13,844,921), representing 0.36% (31 December 2024: 1.40%) of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

Options granted must be offered for acceptance for a period of not less than 28 days, upon payment of HK\$1.00 by each of eligible employees determined by the board of directors of the Company. Options may be exercised at any time from 1 year to 5 years from the date of grant of the share option to the 5th or 10th anniversary of the date of grant. The exercise price is determined by the directors of the Company and shall be the highest of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(a) Equity-settled share option scheme of the Company (continued)

Details of specific categories of options are as follows:

Equity-settled share option scheme on 15 July 2020:

	Date of grant	Vesting period	Exercise period	Exercise Price	Exercise dates
Tranche 1	15/7/2020	15/7/2020-14/7/2021	15/7/2021-14/7/2025	HK\$6.68	15/7/2021
Tranche 2	15/7/2020	15/7/2020-14/7/2022	15/7/2022-14/7/2025	HK\$6.68	15/7/2022
Tranche 3	15/7/2020	15/7/2020-14/7/2024	15/7/2023-14/7/2025	HK\$6.68	15/7/2023

Equity-settled share option scheme on 10 June 2022:

	Date of grant	Vesting period	Exercise period (note)	Exercise Price	Exercise dates
Tranche 4	10/6/2022	10/6/2022-9/6/2024	10/6/2024-9/6/2032	HK\$6.46	10/6/2024
Tranche 5	10/6/2022	10/6/2022-9/6/2024	10/6/2024-9/6/2032	HK\$6.46	10/6/2024
Tranche 6	10/6/2022	10/6/2022-9/6/2025	10/6/2025-9/6/2032	HK\$6.46	10/6/2025

Note: The share options granted to certain employees can't be exercised during the first one or two years from the end of the vesting period.

Equity-settled share option scheme on 29 November 2024:

	Date of grant	Vesting period	Exercise period	Exercise Price	Exercise dates
Tranche 7	29/11/2024	29/11/2024-28/11/2025	29/11/2025-29/11/2034	HK\$7.25	29/11/2025

Equity-settled share option scheme on 24 March 2025:

	Date of grant	Vesting period	Exercise period	Exercise Price	Exercise dates
Tranche 8	24/3/2025	24/3/2025-23/3/2026	24/3/2026-24/3/2036	HK\$12.88	24/3/2026

The exercise of an option may be subject to the achievement of performance target and/or any other conditions notified by the board of the Company to each participant, which the board of the Company may in its absolute discretion determine.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(a) Equity-settled share option scheme of the Company (continued)

The following table discloses movements of the Company's share options held by the directors of the Company and employees of the Group during both years:

Exercise period						Outstanding at
		Outstanding at 1 January 2025	Granted during year	Forfeited/lapsed during year	Exercised during year	31 December 2025
Tranche 1	15/7/2021-14/7/2025	2,062,500	-	(797,208)	(1,265,292)	-
Tranche 2	15/7/2022-14/7/2025	2,187,500	-	(1,625,000)	(562,500)	-
Tranche 3	15/7/2023-14/7/2025	4,575,000	-	(3,250,000)	(1,325,000)	-
Tranche 4	10/6/2024-9/6/2032	1,125,000	-	-	-	1,125,000
Tranche 5	10/6/2024-9/6/2032	1,125,000	-	-	-	1,125,000
Tranche 6	10/6/2025-9/6/2032	2,450,000	-	(1,150,000)	-	1,300,000
Tranche 7	29/11/2025-29/11/2034	319,921	-	(319,921)	-	-
Tranche 8	24/3/2026-24/3/2036	-	259,580	-	-	259,580
		13,844,921	259,580	(7,142,129)	(3,152,792)	3,809,580
Exercisable at the end of the reporting period		8,825,000				3,550,000
Weighted average exercise price per share		6.62	12.88	6.67	6.68	6.90

Exercise period						Outstanding at
		Outstanding at 1 January 2024	Granted during year	Forfeited/lapsed during year	Exercised during year	31 December 2024
Tranche 1	15/7/2021-14/7/2025	2,137,500	-	(75,000)	-	2,062,500
Tranche 2	15/7/2022-14/7/2025	2,262,500	-	(75,000)	-	2,187,500
Tranche 3	15/7/2023-14/7/2025	4,825,000	-	(250,000)	-	4,575,000
Tranche 4	10/6/2024-9/6/2032	1,600,000	-	(475,000)	-	1,125,000
Tranche 5	10/6/2024-9/6/2032	1,600,000	-	(475,000)	-	1,125,000
Tranche 6	10/6/2025-9/6/2032	3,200,000	-	(750,000)	-	2,450,000
Tranche 7	29/11/2025-29/11/2034	-	319,921	-	-	319,921
		15,625,000	319,921	(2,100,000)	-	13,844,921
Exercisable at the end of the reporting period		9,225,000				8,825,000
Weighted average exercise price per share		6.59	7.25	6.50	-	6.62

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(a) Equity-settled share option scheme of the Company (continued)

These fair values were calculated using the Binomial model. The inputs into the model were as follows:

	Grant date	Fair value per option HK\$	Share price HK\$	Exercise price HK\$	Expected volatility	Expected life	Risk-free rate	Expected dividend yield	
Tranche 1									
	– Directors	15/7/2020	2.27	6.68	6.68	42.00%	5 years	0.11%	0.76%
	– Employees	15/7/2020	1.86	6.68	6.68	42.00%	5 years	0.11%	0.76%
Tranche 2									
	– Directors	15/7/2020	2.27	6.68	6.68	42.00%	5 years	0.11%	0.76%
	– Employees	15/7/2020	2.04	6.68	6.68	42.00%	5 years	0.11%	0.76%
Tranche 3									
	– Directors	15/7/2020	2.27	6.68	6.68	42.00%	5 years	0.11%	0.76%
	– Employees	15/7/2020	2.17	6.68	6.68	42.00%	5 years	0.11%	0.76%
Tranche 4									
	– Director	10/6/2022	3.23	6.46	6.46	45.28%	10 years	2.63%	0.72%
	– Employees	10/6/2022	1.87	6.46	6.46	45.28%	10 years	2.63%	0.72%
Tranche 5									
	– Director	10/6/2022	3.25	6.46	6.46	45.28%	10 years	2.63%	0.72%
	– Employees	10/6/2022	2.20	6.46	6.46	45.28%	10 years	2.63%	0.72%
Tranche 6									
	– Director	10/6/2022	3.30	6.46	6.46	45.28%	10 years	2.63%	0.72%
	– Employees	10/6/2022	2.47	6.46	6.46	45.28%	10 years	2.63%	0.72%
Tranche 7									
	– Director	29/11/2024	2.28	7.25	7.25	39.94%	10 years	3.27%	3.79%
	– Employees	29/11/2024	2.02	7.25	7.25	39.94%	10 years	3.27%	3.79%
Tranche 8									
	– Director	24/3/2025	4.79	12.88	12.88	41.06%	10 years	3.53%	2.01%
	– Employees	24/3/2025	3.40	12.88	12.88	41.06%	10 years	3.53%	2.01%

Expected volatility was adopted as of the valuation date with reference to the annualised standard deviation of the continuously compounded rates of return on the daily average adjusted share price of a set of comparable companies. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group reversed the total expense of RMB537,000 for the year ended 31 December 2025 (2024: the total expense of RMB5,581,000 was recognised) in relation to share options granted by the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) RSU Scheme of the Company

The Company's RSU Scheme was adopted pursuant to a resolution passed 6 April 2022 for the primary purpose of providing incentives to eligible persons and attracting suitable personnel for further development of the Group. The RSU Scheme shall be valid and effective for a period of ten years commencing on 6 April 2022.

The maximum number of restricted share units ("RSUs") that may be granted under the RSU Scheme in aggregate (excluding RSUs that have lapsed or been cancelled in accordance with the rules of the RSU Scheme) shall not exceed 2% of the number of shares in issue from time to time.

The Company appointed an independent trustee, GIL Trust Limited (the "RSU Trustee"), to administer the granting and vesting of RSUs granted to eligible persons pursuant to the RSU Scheme.

Pursuant to the RSU Scheme, the underlying shares for the vesting of the RSUs can be satisfied by (i) existing shares to be purchased by the RSU Trustee on the market; (ii) new shares to be allotted and issued to the RSU Trustee by the Company under the general or specific mandate sought from the shareholders of the Company in its general meeting; and/or (iii) existing share to be contributed by Controlling Shareholder of the Company to the RSU Trustee as gift.

For the year ended 31 December 2024, the Company purchased 557,000 shares of the Company's own ordinary shares in the market through the RSU Trustee of the Company's RSU Scheme, at prices ranging from HK\$4.14 to HK\$4.48 per share for an aggregate consideration of approximately HK\$2,409,000 (equivalent to RMB2,188,000).

On 10 June 2022, an aggregate of 1,340,000 RSUs (the "2022 June RSU Awards") were granted to 36 eligible employees pursuant to the RSU Scheme. The grantees of the 2022 June RSU Awards are required to pay for the grant of any RSUs under the RSU Scheme based on 20% of the closing share price on the grant date, which amounted to HK\$1.29 per RSU.

On 17 March 2025, an aggregate of 930,000 RSUs were granted to 2 eligible employees pursuant to the RSU Scheme.

The 2022 June RSU Awards granted shall be vested in three tranches, (i) 25% of the award shares shall vest on the first anniversary date of the grant date, (ii) the additional 25% of the award shares shall vest on the second anniversary date of the grant date, and (iii) the remaining 50% of the award shares shall vest on the third anniversary date of the grant date.

The fair value of the RSUs granted is measured with reference to the closing price of the ordinary shares of the Company at the grant date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

36. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) RSU Scheme of the Company (continued)

The following tables disclose movements of the Company's RSUs:

Grantee	Vesting period	Outstanding at	Granted	Forfeited/	Vested	Outstanding at
		1 January 2025	during period	lapsed during period	during period	31 December 2025
Employees	10/6/2022-9/6/2025	470,000	-	(50,000)	(420,000)	-
	3/17/2025-3/17/2026	-	232,500	-	-	232,500
	3/17/2025-3/17/2027	-	232,500	-	-	232,500
	3/17/2025-3/17/2028	-	465,000	-	-	465,000
		470,000	930,000	(50,000)	(420,000)	930,000

Grantee	Vesting period	Outstanding at	Granted	Forfeited/	Vested	Outstanding at
		1 January 2024	during period	lapsed during period	during period	31 December 2024
Employees	10/6/2022-9/6/2024	270,000	-	(25,000)	(245,000)	-
	10/6/2022-9/6/2024	270,000	-	(25,000)	(245,000)	-
	10/6/2022-9/6/2025	540,000	-	(70,000)	-	470,000
		1,080,000	-	(120,000)	(490,000)	470,000

The Group recognised the total expense of approximately RMB3,009,000 for the year ended 31 December 2025 (2024: RMB1,339,000) for in relation to RSUs granted by the Company.

37. RETIREMENT BENEFIT SCHEME

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all its qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. Under the rule of MPF Scheme, the Group and its employees are each required to make a contribution to the MPF Scheme at 5% of the employees' relevant income subject to a cap of monthly relevant income as specified in the rules. No forfeited contribution is available to reduce the contribution payable in the future years.

The Group participates in a state-managed defined contribution retirement scheme organised by the relevant local government authority in the PRC. PRC employees of the Group eligible to participate in the retirement scheme are entitled to retirement benefits from the scheme. The Group is required to make monthly contributions to the retirement scheme of the eligible employees at specified percentage (i.e. 16%) of the payroll and the local government authority is responsible for the pension liabilities to these employees upon their retirement.

Total cost recognised in profit or loss and capitalised in development costs in respect of contributions paid or payable to the schemes by the Group for the year ended 31 December 2025 is RMB13,538,000 (2024: RMB13,050,000). As at 31 December 2025, contributions due in respect of the year ended 31 December 2025 had been paid over to the plans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

38. RELATED PARTY TRANSACTIONS

(a) Related parties and relationship

During the reporting period, the following parties are identified as related parties to the Group and the respective relationships are set out below:

Name of Related Parties	Relationship
TUNG CHI FUNG	Controlling shareholder of the Company
Yuan Ye	Key management
Bondlink Investment Limited	Related company controlled by TUNG CHI FUNG
HJ	Associate (before 31 July 2024)
GXMJ, NBGF, XMXS, QDHK and WXGJ	Associate

(b) Related party balances

(i) Loans to related parties

Name of Related Parties	31/12/2025 RMB'000	31/12/2024 RMB'000
NBGF	107,038	198,201
Key management personnel	18,064	–
	125,102	198,201

As at 31 December 2025, the balance of loans to NBGF carries fixed-rate interest at 3.00% (31 December 2024: 3.00%) with principal amount of RMB70,000,000 (31 December 2024: RMB192,500,000) repayable within one year and principal amount of RMB35,000,000 (31 December 2024: nil) repayable within a period of more than one year but not exceeding two years.

As at 31 December 2025, the balance of loans to a key management personnel carries free interest with principal amount of HK\$20,000,000 (equivalent to RMB18,064,000) (31 December 2024: nil) repayable within a period of four years.

Details of impairment assessment are set out in note 40(b).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

38. RELATED PARTY TRANSACTIONS (continued)

(b) Related party balances (continued)

(ii) Trade and bill receivables

Name of Related Parties	31/12/2025 RMB'000	31/12/2024 RMB'000
QDHK	1,772	1,020
WXGJ	228	1,749
	2,000	2,769

(iii) Other receivables

Name of Related Parties	31/12/2025 RMB'000	31/12/2024 RMB'000
WXGJ	132,000	–
QDHK	2,000	14,833
Bondlink Investment Limited	188	192
NBGF	–	58,116
	134,188	73,141

(iv) Loans from related parties

Name of Related Parties	31/12/2025 RMB'000	31/12/2024 RMB'000
WXGJ	1,194,265	1,223,865
QDHK	363,241	904,285
XMXS	4,023	108,380
	1,561,529	2,236,530

The loans carry fixed-rate interest at the range of 6.80% to 7.50% (31 December 2024: 6.30% to 7.56%) with principal amount of RMB1,395,888,000 (31 December 2024: RMB2,190,528,000) repayable within one year and RMB165,641,000 (31 December 2024: nil) repayable within a period of more than one year but not exceeding two years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

38. RELATED PARTY TRANSACTIONS (continued)

(b) Related party balances (continued)

(iv) Loans from related parties (continued)

The loans were secured by certain supply chain assets of the Group with an aggregate carrying values of RMB1,715,464,000 (31 December 2024: RMB2,370,433,000), in respect of which the legal title and legal right to receive cash flows was also transferred to the associates. Details of the transfer of financial assets are set out in note 40(d).

(v) Lease liabilities

Name of Related Party	31/12/2025 RMB'000	31/12/2024 RMB'000
Bondlink Investment Limited	42	577

(vi) Liabilities arising from guarantee contracts

Name of Related Parties	31/12/2025 RMB'000	31/12/2024 RMB'000
WXGJ	6,067	6,013
QDHK	2,498	3,499
NBGF	1,576	1,682
XMXS	1,534	2,238
	11,675	13,432

(c) Related party transactions

(i) Revenue and income from related parties

Name of Related Parties	2025 RMB'000	2024 RMB'000
QDHK	3,048	1,187
WXGJ	1,905	3,073
HJ	N/A	14,635
	4,953	18,895

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

38. RELATED PARTY TRANSACTIONS (continued)

(c) Related party transactions (continued)

(ii) Interest income from loans related parties

Name of Related Parties	31/12/2025 RMB'000	31/12/2024 RMB'000
NBGF	4,855	10,035
WXGJ	43	242
	4,898	10,277

(iii) Finance costs – interest on loans from related parties

Name of Related Parties	2025 RMB'000	2024 RMB'000
WXGJ	82,091	102,265
QDHK	43,654	50,322
NBGF	19,590	21,929
XMXS	2,161	1,665
HJ	N/A	10
	147,496	176,191

(iv) Finance costs – interest on lease liabilities

Name of Related Party	2025 RMB'000	2024 RMB'000
Bondlink Investment Limited	24	55

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

38. RELATED PARTY TRANSACTIONS (continued)

(d) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management of the Group during the year is as follows:

	2025 RMB'000	2024 RMB'000
Salaries, allowances and other benefits	17,541	21,949
Share-based payment	3,566	4,716
Performance related bonuses	23,524	16,070
Retirement benefit scheme contributions	682	750
	45,313	43,485

The remuneration of these key executives of the Group is determined by Chairman of the Company having regard to the performance of individuals and market trends.

(e) Guarantee

Details of the guarantee to associates are set out in note 31.

39. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to owners of the Company through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the reporting period.

The capital structure of the Group consists of borrowings as set out in note 32 and equity attributable to owners of the Company, comprising issued share capital and reserves.

The management of the Group reviews the capital structure on a regular basis. As part of this review, the management of the Group considers the cost of capital and the risks associated with the share capital and borrowings, balances the Group's overall capital structure through new share issues and raise of new borrowings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025



40. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	31/12/2025 RMB'000	31/12/2024 RMB'000
Financial assets		
Other financial assets at FVTPL	1,025,325	810,210
Derivative financial instruments	1,679	14,189
Amortised cost	3,158,929	2,260,438
Supply chain assets at FVTOCI	4,361,416	4,891,307
Equity instruments at FVTOCI	148,367	62,711
Financial liabilities		
Other financial liabilities at FVTPL	645,373	568,801
Derivative financial instruments	6,635	5,529
Amortised cost	6,008,434	5,475,927
Liabilities arising from guarantee contracts	68,565	64,114
Lease liabilities	14,287	10,739

(b) Financial risk management objectives and policies

The Group's major financial instruments include supply chain assets at FVTOCI, equity instruments at FVTOCI, other financial assets at FVTPL, derivative financial instruments, loans to related parties, debt instrument at amortised cost, loan receivables, receivables from refinancing of supply chain assets upon derecognition, receivables from guarantee customers, trade and bill receivables, other receivables, pledged bank deposits, cash and cash equivalents, loans from related parties, trade and other payables, borrowings, other financial liabilities at FVTPL, liabilities arising from guarantee contracts and lease liabilities. Details of these instruments are disclosed in respective notes.

The risks associated with the financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and impairment assessment and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk

(i) Currency risk

The Group's exposure to foreign currency risk related primarily to cash and cash equivalents, pledged bank deposits, other receivables, loan receivables, loans to related parties, debt instrument at amortised cost, equity instruments at FVTOCI, trade and other payables, borrowings and lease liabilities that are denominated in HK\$, US\$, and S\$. In addition, the Group entered into foreign currency forward contracts, foreign exchange swap contracts and foreign exchange option during the year which exposed the Group to currency risk. The management manages and monitors this exposure to ensure appropriate measures are implemented on a timely and effective manner.

The carrying amounts of the Group's foreign currencies denominated monetary assets and liabilities at the end of the reporting period are as follows:

	Assets		Liabilities	
	31/12/2025 RMB'000	31/12/2024 RMB'000	31/12/2025 RMB'000	31/12/2024 RMB'000
HK\$	392,077	44,275	202,641	170,951
US\$	85,081	9,299	–	88,784
S\$	33,820	638	–	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(i) Currency risk (continued)

The following table details the Group's sensitivity to a 5% appreciation and depreciation in RMB against HK\$, US\$ and S\$, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis adjusts the translation of the Group's foreign currency denominated monetary assets and liabilities at the year-end by a 5% change in the respective foreign currency rates.

	31/12/2025 RMB'000	31/12/2024 RMB'000
HK\$ impact:		
5% appreciation of RMB against HK\$		
Increase in profit before taxation for the year	(9,472)	6,334
5% depreciation of RMB against HK\$		
Decrease in profit before taxation for the year	9,472	(6,334)
US\$ impact:		
5% appreciation of RMB against US\$		
Increase in profit before taxation for the year	(4,254)	3,974
5% depreciation of RMB against US\$		
Decrease in profit before taxation for the year	4,254	(3,974)
S\$ impact:		
5% appreciation of RMB against S\$		
Increase in profit before taxation for the year	(1,691)	(32)
5% depreciation of RMB against S\$		
Decrease in profit before taxation for the year	1,691	32

In relation to foreign currency forward contracts:

As at 31 December 2025, if the relevant exchange rate had been 5% depreciation/appreciation of RMB against US\$ and all other variables were held constant, the Group's profit before taxation for the year would increase/decrease by approximately RMB9,887,700 (2024: RMB2,949,000).

In relation to foreign exchange swap contracts:

As at 31 December 2025, if the exchange rate relevant to the foreign exchange swap contracts had been 5% depreciation/appreciation of RMB against S\$ and all other variables were held constant, the Group's profit before taxation for the year would decrease/increase by approximately RMB294,000 (2024: RMB89,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(i) Currency risk (continued)

In relation to foreign exchange option contracts:

As at 31 December 2025, if the exchange rate relevant to the foreign exchange option contracts had been 5% depreciation/appreciation of RMB against US\$ and all other variables were held constant, the Group's profit before taxation for the year would decrease/increase by approximately RMB526,900/263,900 (2024: Nil).

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end date exposure does not reflect the exposure during the reporting period.

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate supply chain assets (see note 24 for details), fixed-rate debt instrument at amortised cost, fixed-rate loans to related parties (see note 38 for details), fixed-rate loan receivables (see note 25 for details), fixed-rate pledged bank deposit (see note 28 for details), fixed-rate borrowings (see note 32 for details), fixed-rate loans from related parties (see note 38 for details), lease liabilities (see note 33 for details) and the derivative financial instruments (see note 23 for details).

The Group is also exposed to cash flow interest rate risk in relation to variable-rate cash and cash equivalents (see note 28 for details), variable-rate borrowings (see note 32 for details). The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of the LPR/HIBOR rate arising from borrowings. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Management monitors the related interest exposure closely to ensure the interest rate risks are maintained at an acceptable level. The level of mismatch of interest rate repricing that may be undertaken is monitored closely.

The Group's exposures to interest rates on financial assets and liabilities are detailed in the liquidity risk management section of this note. These are excluded from sensitivity analysis as the directors of the Company consider that the exposure of fair value interest rate risk arising from fixed-rate financial assets and liabilities is insignificant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(ii) Interest rate risk (continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates risk for variable-rate borrowings at the end of each reporting period. 50 basis points increase or decrease is used when reporting interest rate risk internally to key management and represents management's assessment of the reasonably possible change in interest rates. Cash and cash equivalents are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate risk arising from variable-rate cash and cash equivalents is insignificant.

If interest rates had been 50 basis points higher/lower for variable-rate borrowings and all other variables were held constant, the Group's post-tax profit for the year would decrease/increase by RMB1,380,000 (2024: RMB617,000).

In the opinion of the management, the sensitivity analysis is unrepresentative of the interest rate risk as the year end exposure does not reflect the exposure during the year.

(iii) Other price risk

The Group's other price risk is mainly concentrated on the supply chain assets at FVTOCI. Details are set out in note 24.

For the outstanding supply chain assets at FVTOCI, if the risk adjusted discount rate of the counterparties had been 1% (2024: 1%) increase/decrease, post-tax OCI for the year ended 31 December 2025 would decrease/increase by RMB11,116,000/RMB11,278,000 (2024: RMB11,969,000/RMB11,351,000) as a result of the changes in the market price of debt financing instrument.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to supply chain assets at FVTOCI, debt instrument at amortised cost, loans to related parties, loan receivables, receivables from refinancing of supply chain assets upon derecognition, receivables from guarantee customers, trade and bill receivables, other receivables, pledged bank deposits, cash and cash equivalents and financial guarantee contracts.

The carrying amount of the Group's financial assets at FVTPL best represents their respective maximum exposure to credit risk. The Group holds no collateral over any of these balances.

Except for financial assets at FVTPL, the Group performed impairment assessment for financial assets and other items under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

Supply chain assets at FVTOCI/financial guarantee contracts in relation to third parties/receivables from guarantee customers

As at 31 December 2025, The Group's concentration of credit risk on supply chain assets and financial guarantee contracts in relation to third parties by geographical locations is mainly in PRC, which accounted for 100% (31 December 2024: 100%) of the aggregate outstanding balance at the respective year end date.

As at 31 December 2025, the Group's concentration of credit risk on supply chain assets included five major counterparties accounting for 58% (31 December 2024: 67%) and the largest counterparty accounting for 17% (31 December 2024: 17%), of the aggregate outstanding balance at the respective year end date.

In order to minimise the credit risk in relation to supply chain assets and financial guarantee contracts in relation to third parties, credit limits and credit terms granted to customers are approved by delegated officers and follow-up action is taken to recover overdue debts. The Group has closely monitored the recoverability of the receivables (i.e. supply chain assets and receivables from guarantee customers) to these counterparties, ensured adequate collateral is received from these counterparties and taken effective measures to ensure timely collection of outstanding balances. In this regard, the directors of the Company consider that the credit risk of the Group is significantly reduced.

In addition, the management of the Group performs impairment assessment under ECL model based on internal credit rating. Details of the quantitative disclosures are set out below in this note.

Debt instrument at amortised cost/loan receivables

For debt instrument at amortised cost and loan receivables, the management of the Group performs impairment assessment under ECL model based on internal credit rating. details of the amount of impairment are set out below in this note.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025



40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Loans to related parties/financial guarantee contracts in relation to associates

The Group regularly monitors the business performance of associates. The Group's credit risks in these balances are mitigated through the value of the assets held by these entities and the power to participate the relevant activities of associates. The management believes that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For the year ended 31 December 2025 and 2024, the Group assessed the ECL for loans to related parties and financial guarantee contracts in relation to associates and details of the amount of impairment are set out below in this note.

Trade and bill receivables

The Group always recognises lifetime ECL for trade receivables and ECL on these assets are assessed individually based on internal credit rating. For the year ended 31 December 2025 and 2024, the Group assessed the ECL for trade and bill receivables and details of the amount of impairment are set out below in this note.

Receivables from refinancing of supply chain assets upon derecognition/other receivables

For receivables from refinancing of supply chain assets upon derecognition and other receivables, the management makes periodic individual assessment on the recoverability of receivables from refinancing of supply chain assets upon derecognition based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For the years ended 31 December 2025 and 2024, the Group assessed the ECL for receivables from refinancing of supply chain assets upon derecognition and other receivables are insignificant and thus no loss allowance is recognised.

Pledged bank deposits/cash and cash equivalents

Credit risk on pledged bank deposits/cash and cash equivalents is limited because the counterparties are reputable banks with high credit ratings assigned by credit agencies. The Group assessed 12m ECL for pledged bank deposits/cash and cash equivalents by reference to information relating to PD and LGD of the respective credit rating grades published by external credit rating agencies. Based on the average loss rates, the 12m ECL on pledged bank deposits/cash and cash equivalents is considered to be insignificant and therefore no loss allowance was recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Supply chain assets/financial guarantee contracts/other financial assets	Trade receivables
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	12m ECL	Lifetime ECL – not credit-impaired
Watch list	The repayment schedule is extended over 30 days or past due or there have been significant increases in credit risk	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired or more than 90 days past-due	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the customer is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The tables below detail the credit risk exposures of the Group's financial assets and financial guarantee contracts, which are subject to ECL assessment:

As at 31 December 2025

	External/internal credit rating	12m or lifetime ECL	Average loss rate	Gross carrying amount/ exposure RMB'000	Impairment loss allowance RMB'000
Supply chain assets	Low risk	12m ECL	1.03%	4,307,210	44,477
at FVTOCI	Watch list	Lifetime ECL (not credit-impaired)	4.10%	93,273	3,823
	Loss	Lifetime ECL (credit-impaired)	52.33%	2,920	1,528
				4,403,403	49,828

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

As at 31 December 2025 (continued)

	External/internal credit rating	12m or lifetime ECL	Average loss rate	Gross carrying amount/ exposure RMB'000	Impairment loss allowance RMB'000
Financial assets at amortised cost					
Cash and cash equivalents	AAA/BBB+	12m ECL	–	712,153	–
Pledged bank deposits	AAA/BBB+	12m ECL	–	1,794,929	–
Debt instrument at amortised cost	Low risk	12m ECL	0.56%	4,972	28
Loan receivables	Low risk	12m ECL	1.03%	280,020	2,891
Loans to related parties	Low risk	12m ECL	0.15%	125,284	182
Receivables from guarantee customers	Low risk	12m ECL	0.63%	4,291	27
Receivables from refinancing of supply chain assets upon derecognition	Low risk	12m ECL	–	1,023	–
Trade and bill receivables	Low risk	Lifetime ECL (not credit-impaired)	0.87%	63,737	555
Other receivables	N/A (note i)	12m ECL	–	176,203	–
				3,162,612	3,683
Financial guarantee contracts (note ii)					
In relation to third parties	Low risk	12m ECL	1.01%	5,482,123	55,572
	Watch list	Lifetime ECL (not credit-impaired)	4.12%	12,740	525
	Loss	Lifetime ECL (credit-impaired)	N/A	–	–
In relation to associates	Low risk	12m ECL	0.16%	7,140,856	11,675
				12,635,719	67,772

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

As at 31 December 2024

	External/internal credit rating	12m or lifetime ECL	Average loss rate	Gross carrying amount/ exposure RMB'000	Impairment loss allowance RMB'000
Supply chain assets	Low risk	12m ECL	1.06%	4,864,419	51,371
at FVTOCI	Watch list	Lifetime ECL (not credit-impaired)	7.35%	71,600	5,260
	Loss	Lifetime ECL (credit-impaired)	16.74%	4,875	816
				4,940,894	57,447
Financial assets at amortised cost					
Cash and cash equivalents	AAA/BBB+	12m ECL	–	515,614	–
Pledged bank deposits	AAA/BBB+	12m ECL	–	1,401,405	–
Loans to related parties	Low risk	12m ECL	0.17%	198,535	334
Receivables from guarantee customers	Low risk Watch list	12m ECL Lifetime ECL (not credit-impaired)	0.91% 2.74%	6,068 73	55 2
Receivables from sales of supply chain assets	Low risk	12m ECL	–	4,128	–
Trade and bill receivables	Low risk	Lifetime ECL (not credit-impaired)	0.52%	51,852	269
Other receivables	N/A (note i)	12m ECL	–	83,423	–
				2,261,098	660

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

	External/internal credit rating	12m or lifetime ECL	Average loss rate	Gross carrying amount/ exposure RMB'000	Impairment loss allowance RMB'000
Financial guarantee contracts (note ii)					
In relation to third parties	Low risk	12m ECL	1.03%	4,477,513	46,139
	Watch list	Lifetime ECL (not credit-impaired)	1.57%	20,945	328
	Loss	Lifetime ECL (credit-impaired)	27.66%	235	65
In relation to associates	Low risk	12m ECL	0.17%	7,427,110	12,338
				11,925,803	58,870

Notes:

- (i) For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition. As at 31 December 2025 and 2024, all of other receivables were not past due.
- (ii) For financial guarantee contracts, the amount represents the maximum amount the Group has guaranteed under the contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025



40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The movements in the allowance for impairment in respect of supply chain assets at FVTOCI during the reporting period were as follows:

	12m ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January 2024	82,365	2,907	–	85,272
Changes due to supply chain assets at FVTOCI recognised as at 1 January:				
– Transfer to 12m ECL	63	(63)	–	–
– Transfer to lifetime ECL				
– not credit-impaired	(1,280)	1,280	–	–
– Transfer to lifetime ECL				
– credit-impaired	(32)	–	32	–
– Impairment losses, net of reversal	(65,120)	(11)	592	(64,539)
– Disposal	–	(962)	–	(962)
New financial assets purchased, net of settlement	59,689	6,553	192	66,434
New financial assets disposed	–	(1,265)	–	(1,265)
Acquisition of subsidiaries	1,233	–	–	1,233
Disposals of subsidiaries	(25,547)	(3,179)	–	(28,726)
As at 31 December 2024	51,371	5,260	816	57,447
Changes due to supply chain assets at FVTOCI recognised as at 1 January:				
– Transfer to 12m ECL	1,495	(1,495)	–	–
– Transfer to lifetime ECL				
– not credit-impaired	(368)	368	–	–
– Impairment losses, net of reversal	(52,226)	(1,735)	276	(53,685)
– Disposal	–	(137)	–	(137)
New financial assets purchased, net of settlement	44,205	2,995	436	47,636
New financial assets disposed	–	(1,433)	–	(1,433)
As at 31 December 2025	44,477	3,823	1,528	49,828

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The movements in the gross carrying amount of supply chain assets at FVTOCI were as follows:

	12m ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January 2024	7,673,021	64,459	–	7,737,480
Changes due to supply chain assets at FVTOCI recognised as at 1 January:				
– Transfer to 12m ECL	515	(515)	–	–
– Transfer to lifetime ECL				
– not credit-impaired	(149,789)	149,789	–	–
– Transfer to lifetime ECL				
– credit-impaired	(5,612)	–	5,612	–
– Settlement	(6,209,013)	(89,559)	(1,713)	(6,300,285)
– Disposal	–	(28,433)	–	(28,433)
New financial assets purchased	14,415,028	61,879	1,618	14,478,525
New financial assets settled	(6,564,761)	(3,229)	(642)	(6,568,632)
New financial assets disposed	(2,184,564)	(15,986)	–	(2,200,550)
Acquisition of subsidiaries	120,005	–	–	120,005
Disposals of subsidiaries	(2,230,411)	(66,805)	–	(2,297,216)
As at 31 December 2024	4,864,419	71,600	4,875	4,940,894
Changes due to supply chain assets at FVTOCI recognised as at 1 January:				
– Transfer to 12m ECL	5,105	(5,105)	–	–
– Transfer to lifetime ECL				
– not credit-impaired	(55,732)	55,732	–	–
– Settlement	(4,812,981)	(20,562)	(3,775)	(4,837,318)
– Disposal	–	(55,532)	–	(55,532)
New financial assets purchased	17,012,073	520,346	1,820	17,534,239
New financial assets settled	(12,220,751)	–	–	(12,220,751)
New financial assets disposed	(484,923)	(473,206)	–	(958,129)
As at 31 December 2025	4,307,210	93,273	2,920	4,403,403

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The movements in the allowance for impairment in respect of debt instrument at amortised cost, loans to related parties and trade and bill receivables during the reporting period were as follows:

	12m ECL		Lifetime ECL not credit-impaired trade and bill receivables RMB'000
	Loans to related parties RMB'000	Loan receivables RMB'000	
As at 1 January 2024	670	–	483
Changes due to financial assets recognised as at 1 January:			
– Impairment losses, net of reversal	(336)	–	(349)
New financial assets purchased, net of settlement	–	–	135
As at 31 December 2024	334	–	269
Changes due to financial assets recognised as at 1 January:			
– Impairment losses, net of reversal	(270)	–	(69)
New financial assets purchased, net of settlement	118	2,891	355
As at 31 December 2025	182	2,891	555

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The movements in the gross carrying amount of debt instrument at amortised cost, loans to related parties and trade and bill receivables were as follows:

	12m ECL		Lifetime ECL not credit-impaired trade and bill receivables RMB'000
	Loans to related parties RMB'000	Loans to third parties RMB'000	
As at 1 January 2024	370,397	–	70,421
Changes due to financial assets recognised as at 1 January:			
– Settlement	(171,862)	–	(46,858)
New financial assets purchased, net of settlement	–	–	28,289
As at 31 December 2024	198,535	–	51,852
Changes due to financial assets recognised as at 1 January:			
– Settlement	(161,372)	–	(22,252)
New financial assets purchased, net of settlement	88,121	280,020	34,137
As at 31 December 2025	125,284	280,020	63,737

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025



40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The movements in the allowance for impairment in respect of financial guarantee contracts during the reporting period were as follows:

	12m ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January 2024	29,426	674	–	30,100
Changes due to financial guarantee contracts recognised as at 1 January:				
– Transfer to lifetime ECL				
– not credit-impaired	(2,236)	2,236	–	–
– Impairment losses, net of reversal	(26,802)	8,576	–	(18,226)
– Disposal	–	(11,486)	–	(11,486)
New financial guarantee contracts entered, net of settlement	58,089	328	65	58,482
As at 31 December 2024	58,477	328	65	58,870
Changes due to financial guarantee contracts recognised as at 1 January:				
– Transfer to lifetime ECL				
– not credit-impaired	(2,801)	2,801	–	–
– Impairment losses, net of reversal	(54,299)	10,538	(65)	(43,826)
– Disposal	–	(13,667)	–	(13,667)
New financial guarantee contracts entered, net of settlement	65,870	525	–	66,395
As at 31 December 2025	67,247	525	–	67,772

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The movements in the exposure of financial guarantee contracts were as follows:

	12m ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January 2024	4,616,275	17,756	–	4,634,031
Changes due to financial guarantee contracts recognised as at 1 January:				
– Transfer to lifetime ECL				
– not credit-impaired	(218,000)	218,000	–	–
– Settlement	(4,165,126)	(6,056)	–	(4,171,182)
– Disposal	–	(229,700)	–	(229,700)
New financial guarantee contracts entered	12,373,022	22,634	235	12,395,891
New financial guarantee contracts expired	(701,548)	(1,689)	–	(703,237)
As at 31 December 2024	11,904,623	20,945	235	11,925,803
Changes due to financial guarantee contracts recognised as at 1 January:				
– Transfer to lifetime ECL				
– not credit-impaired	(273,150)	273,150	–	–
– Settlement	(10,790,723)	(20,757)	(235)	(10,811,715)
– Disposal	(45,085)	(273,338)	–	(318,423)
New financial guarantee contracts entered	13,570,969	12,740	–	13,583,709
New financial guarantee contracts expired	(1,743,655)	–	–	(1,743,655)
As at 31 December 2025	12,622,979	12,740	–	12,635,719

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the operations of the Group, and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of and financial liabilities.

In addition, the following tables detail the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted gross inflows and outflows on those derivative instruments that require gross settlement. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of each reporting period and projected exchange rates. The liquidity analysis for the Group's derivative financial instruments is prepared based on the contractual maturities as the management considers that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

	Weighted average effective interest rate %	On demand/ less than 1 month RMB'000	1 month to 3 months RMB'000	3 months to 1 year RMB'000	over 1 year RMB'000	Total undiscounted cash flow RMB'000	Carrying amount RMB'000
As at 31 December 2025							
<i>Non-derivative financial liabilities</i>							
Borrowings	3.43	996,791	541,918	1,752,912	359,754	3,651,375	3,577,986
Loans from related parties	6.95	57,258	75,697	1,304,627	184,161	1,621,743	1,561,529
Trade and other payables		868,919	-	-	-	868,919	868,919
Lease liabilities	5.51	511	2,007	3,508	9,355	15,381	14,287
Other financial liabilities at FVTPL	5.45	-	-	610,780	38,673	649,453	645,373
		1,923,479	619,622	3,671,827	591,943	6,806,871	6,668,094
<i>Derivatives – net settlement</i>							
Maximum amount guaranteed (note)		1,559,067	1,134,846	8,840,490	1,101,316	12,635,719	68,565
Foreign currency forward contracts		480	4,155	2,212	-	6,847	6,098
Foreign exchange option		-	-	537	-	537	537
		480	4,155	2,749	-	7,384	6,635

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For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

	Weighted average effective interest rate %	On demand/ less than 1 month RMB'000	1 month to 3 months RMB'000	3 months to 1 year RMB'000	over 1 year RMB'000	Total undiscounted cash flow RMB'000	Carrying amount RMB'000
As at 31 December 2024							
<i>Non-derivative financial liabilities</i>							
Loans from related parties	6.95	51,977	145,568	2,057,157	-	2,254,702	2,236,530
Borrowings	3.78	698,904	700,728	1,339,650	197,715	2,936,997	2,899,520
Trade and other payables		339,877	-	-	-	339,877	339,877
Lease liabilities	5.52	914	1,752	7,885	534	11,085	10,739
Other financial liabilities at FVTPL		-	14,392	259,724	300,000	574,116	568,801
		1,091,672	862,440	3,664,416	498,249	6,116,777	6,055,467
Maximum amount guaranteed (note)		312,592	1,607,435	8,159,516	1,846,260	11,925,803	64,114
<i>Derivatives – net settlement</i>							
Foreign currency forward contracts		-	-	5,165	-	5,165	5,091
Foreign exchange swap contract		-	-	563	-	563	438
		-	-	5,728	-	5,728	5,529

Note: The maximum amount guaranteed in respect of financial guarantees represents the total amount of liability should all customers default. Since a significant portion of guarantee is expected to expire without being called upon, the maximum liabilities do not represent expected future cash outflows.

The amounts included above for variable interest rate instruments for financial assets and financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025



40. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments

Fair value of the Group's financial assets and financial liabilities measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

Set out below is the information about how the fair values of the Group's financial instruments that are measured at fair value are determined, including the valuation techniques and inputs used:

Fair value hierarchy as at 31/12/2025

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets:				
Derivative financial instruments	–	1,679	–	1,679
Other financial assets at FVTPL	–	259,415	765,910	1,025,325
Supply chain assets at FVTOCI	–	–	4,361,416	4,361,416
Equity instruments at FVTOCI	70,526	14,058	63,783	148,367
	70,526	275,152	5,191,109	5,536,787
Financial liabilities:				
Derivative financial instruments	–	6,635	–	6,635
Other financial liabilities at FVTPL	–	–	645,373	645,373
	–	6,635	645,373	652,008

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments (continued)

Fair value of the Group's financial assets and financial liabilities measured at fair value on a recurring basis (continued)

Fair value hierarchy as at 31/12/2024

	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets:			
Derivative financial instruments	14,189	–	14,189
Other financial assets at FVTPL	191,373	618,837	810,210
Supply chain assets at FVTOCI	–	4,891,307	4,891,307
Equity instruments at FVTOCI	–	62,711	62,711
	205,562	5,572,855	5,778,417
Financial liabilities:			
Derivative financial instruments	5,529	–	5,529
Other financial liabilities at FVTPL	–	568,801	568,801
	5,529	568,801	574,330

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments (continued)

Fair value of the Group's financial assets and financial liabilities measured at fair value on a recurring basis (continued)

Financial assets/ liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	2025 RMB'000	2024 RMB'000			
Foreign currency forward contracts	Assets – 1,495 Liabilities – 6,098	Assets – 14,189 Liabilities – 5,091	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A
Foreign exchange swap contracts	Assets – 184 Liabilities – –	Assets – – Liabilities – 438	Level 2	Discounted cash flow. Future cash flows are estimated based on spot exchange rates (from observable spot exchange rates at the end of the reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A
Foreign exchange option	Liabilities – 537	Liabilities – –	Level 2	Garman-Kohlhagen Model. Spot exchange rate (from observable exchange rate at the end of the reporting period), risk-free rate (from observable risk-free rates at the end of the reporting period) and exchange rate volatility (from observable implied exchange rate volatility at the end of the reporting period) are the key inputs.	N/A
Other financial assets at FVTPL – wealth management products	Assets – 121,459	Assets – 65,390	Level 2	Based on the net asset values of the assets, determined with reference to observable (quoted) prices of underlying investment portfolio and adjustments of related expenses..	N/A

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments (continued)

Fair value of the Group's financial assets and financial liabilities measured at fair value on a recurring basis (continued)

Financial assets/ liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	2025 RMB'000	2024 RMB'000			
Other financial assets at FVTPL – unlisted investment funds	Assets – – 493,972	Assets – 81,433 355,644	Level 2 Level 3	Recent transaction price Based on net assets values of the funds, determined with reference to fair value of underlying investment	N/A The higher the net assets value, the higher fair value.
Other financial assets at FVTPL – unlisted equity investments	Assets – 137,956 48,420	Assets – 44,550 31,000	Level 2 Level 3	Recent transaction price Discounted cash flow. Discount rate and cash flows are key inputs	N/A The higher cash flows, the higher fair value.
Other financial assets at FVTPL – supply chain assets	Assets – 127,949	Assets – –	Level 3	Discounted cash flow. Risk-adjusted discount rate and cash flows are key inputs	The higher discount rate, the lower fair value. The higher cash flows, the higher fair value.
Other financial assets at FVTPL – equity tranche	Assets – 92,760	Assets – 230,522	Level 3	Discounted cash flow. Risk-adjusted discount rate and cash flows are key inputs	The higher discount rate, the lower fair value. The higher cash flows, the higher fair value.
Other financial assets at FVTPL – trust fund	Assets – 2,809	Assets – 1,671	Level 3	Discounted cash flow. Risk-adjusted discount rate and cash flows are key inputs	The higher discount rate, the lower fair value
Equity instruments at FVTOCI – Listed equity securities	Assets – 70,526	Assets – –	Level 1	Open market transaction price	N/A

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments (continued)

Fair value of the Group's financial assets and financial liabilities measured at fair value on a recurring basis (continued)

Financial assets/ liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	2025 RMB'000	2024 RMB'000			
Equity instruments at FVTOCI – unlisted equity investments	Assets – 14,058	Assets – –	Level 2	Recent transaction price	N/A
	Assets – 400	Assets – 600	Level 3	Net assets value of the underlying investments	The higher the net assets value, the higher fair value.
	Assets – 63,383	Assets – 62,111	Level 3	Market Approach Market Cap/Book value multiple	The higher implied multiple, the higher fair value
Supply chain assets at FVTOCI	Assets – 4,361,416	Assets – 4,891,307	Level 3	Discounted cash flow. Risk-adjusted discount rate and cash flows are key inputs	Discount rate (note)
Other financial liabilities at FVTPL – structured notes	Liabilities – 545,710	Liabilities – 74,116	Level 3	Discounted cash flow. Discount rate and cash flows are key inputs	The higher discount rate, the lower fair value The higher cash flows, the higher fair value.
Other financial liabilities at FVTPL – deferred contingent consideration	Liabilities – 99,663	Liabilities – 494,685	Level 3	Discounted cash flow. Discount rate and cash flows are key inputs	The higher discount rate, the lower fair value The higher cash flows, the higher fair value.

Note: As at 31 December 2025, the discount rate of the supply chain assets range mainly from 5.00% to 16.20% (31 December 2024: 5.00% to 15.50%). A 1% increase/decrease in the discount rate holding all other variables constant would decrease/increase the carrying amount of supply chain assets at FVTOCI by RMB11,116,000/RMB11,278,000 (31 December 2024: RMB11,969,000/RMB11,351,000).

Fair value of financial instruments that are recorded at amortised cost

The fair values of financial assets and financial liabilities of the Group are determined in accordance with generally accepted pricing models based on discounted cash flow analysis. The management consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments (continued)

Reconciliation of Level 3 fair value measurements

	Other financial assets at FVTPL RMB'000	Equity instruments at FVTOCI RMB'000	Supply chain assets at FVTOCI RMB'000	Other financial liabilities at FVTPL RMB'000
At 1 January 2024	289,102	61,398	7,663,344	61,208
Transfer out of level 3	(44,550)	–	–	–
Transfer into level 3	224,290	100	–	–
Purchases/origination	111,170	300	14,478,525	72,429
Settlements	(221,480)	–	(12,868,917)	(63,901)
Acquisition of subsidiaries	106,936	–	119,109	489,796
Disposal of subsidiaries	131,860	–	(2,263,850)	–
Disposal	–	–	(2,226,756)	–
Fair value changes through OCI, net of reclassification adjustment to profit or loss (note)	–	913	(10,148)	–
Fair value changes through profit or loss	21,509	–	–	9,269
At 31 December 2024	618,837	62,711	4,891,307	568,801
Transfer into level 3	81,433	–	–	–
Purchases/origination	6,976,177	–	17,486,603	554,451
Settlements	(251,052)	–	(17,004,384)	(491,225)
Disposal	(6,686,920)	(200)	(1,012,091)	–
Fair value changes through OCI, net of reclassification adjustment to profit or loss (note)	–	1,272	(19)	–
Fair value changes through profit or loss	27,435	–	–	13,346
At 31 December 2025	765,910	63,783	4,361,416	645,373

Note: Details of the amount recognised in OCI to profit and loss in relation to supply chain assets at FVTOCI derecognised during the year are set out in note 12(b).

All gains and losses included in OCI relate to supply chain assets at FVTOCI are reported as changes of FVTOCI reserves.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

40. FINANCIAL INSTRUMENTS (continued)

(d) Transfers of financial assets

The following were the Group's supply chain assets that were transferred to banks, non-bank financial institutions associates and companies by discounting those supply chain assets on a full recourse basis or with repurchase obligation. As the Group has not transferred the substantially all risks and rewards relating to these supply chain assets, it continues to recognise the full carrying amount of the supply chain assets and has recognised the cash received on the transfer as borrowings (note 32) and loans from related parties (note 38(b)).

	Supply chain assets	
	31/12/2025 RMB'000	31/12/2024 RMB'000
Carrying amount of transferred assets	2,879,041	3,067,083
Carrying amount of associated liabilities	2,783,873	3,018,251
Net position	95,168	48,832

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

41. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOW

The table below details changes in the Group's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Borrowings RMB'000	Other financial liabilities at FVTPL RMB'000	Lease liabilities RMB'000	Loans from related parties RMB'000	Dividend payable RMB'000	Total RMB'000
As at 1 January 2024	6,219,986	61,208	19,969	962,953	30,336	7,294,452
Financing cash flows	(1,836,859)	8,528	(11,212)	43,807	(270,883)	(2,066,619)
Disposal of subsidiaries	(3,245,031)	–	(312)	1,081,433	–	(2,163,910)
Dividends declared	–	–	–	–	240,893	240,893
New leases entered/lease modified	–	–	1,379	–	–	1,379
Non-cash transactions (note)	1,571,303	–	–	(27,854)	–	1,543,449
Fair value adjustments	–	4,380	–	–	–	4,380
Exchange adjustments	8,119	–	–	–	–	8,119
Interest	182,002	–	915	176,191	–	359,108
At 31 December 2024	2,899,520	74,116	10,739	2,236,530	346	5,221,251
Financing cash flows	(200,826)	463,226	(11,138)	(822,497)	(954,909)	(1,526,144)
Dividends declared	–	–	–	–	954,909	954,909
New leases entered/lease modified	–	–	14,156	–	–	14,156
Non-cash transactions (note)	784,031	–	–	–	–	784,031
Fair value adjustments	–	8,368	–	–	–	8,368
Exchange adjustments	(4,644)	–	–	–	(9)	(4,653)
Interest	99,905	–	530	147,496	–	247,931
At 31 December 2025	3,577,986	545,710	14,287	1,561,529	337	5,699,849

Note: During the year ended 31 December 2025, the Group recognised borrowings of RMB784,031,000 (2024: RMB1,543,449,000) represent the drawdown of bank borrowings used for direct payments to its customers, as agreed upon between the bank and the Group.

During the year ended 31 December 2024, the Group disposed of WXGJ. As part of the transfer, non-cash adjustments resulting from settlement of loans from related parties amounting to RMB27,854,000 by Wuxi Taihu New City Group were derecognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025



42. ACQUISITION OF SUBSIDIARIES

In July 2024, the Group acquired 100% interest in Great Style which is a holding company with equity interests in 3 subsidiaries (including HJ, an associate of the Group before July 2024) which principally engaged in supply chain financing and investment business, from an independent third party. Great Style was acquired with the objective of expanding the Group's relevant business. The acquisition has been accounted for as acquisition of business using the acquisition method.

Consideration transferred

	RMB'000
Cash	300,000
Contingent consideration arrangement (Note)	489,796
Total	789,796

Note: Based on the relevant agreement, the Group is required to pay a maximum amount of RMB200,000,000 if adjusted net profit of Great Style and its subsidiaries (collectively referred to as the "Great Style Group") in the calendar year 2024 exceeds RMB20,000,000 and pay a maximum amount of RMB300,000,000 if cumulated adjusted net profit of Great Style Group in the calendar years 2024 and 2025 exceeds RMB45,000,000. The fair value of such contingent arrangement amounted to RMB99,663,000 as at the end of the reporting period (31 December 2024: RMB494,685,000) and has been included in other financial liabilities at FVTPL on the consolidated statement of financial position.

Acquisition-related costs have been excluded from the consideration transferred and have been recognised as an expense in the current year, in the consolidated statement of profit or loss.

Assets acquired and liabilities recognised at the date of acquisition are as follows:

	RMB'000
Equipment	40
Intangible assets	198,583
Other financial assets at FVTPL	106,936
Supply chain assets at FVTOCI	119,109
Other receivables, prepayments and others	146
Cash and cash equivalents	18,253
Other payables and accrued charges	(3,442)
Income tax payable	(2,935)
Deferred tax liabilities	(49,617)
	387,073
Goodwill arising on acquisition:	
Consideration transferred	789,796
Fair value of previously equity interest held as interest in HJ	62,242
Less: fair value of net identifiable assets acquired	(387,073)
Goodwill arising on acquisition	464,965

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

42. ACQUISITION OF SUBSIDIARIES (continued)

Consideration transferred (continued)

Goodwill arose on the acquisition of Great Style because the cost of the combination included a control premium. In addition, the goodwill included amounts in relation to further expansion of industry coverage of the Group's supply chain technology platform and strengthens the development of its existing business. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Net cash outflow on acquisition of Great Style:

	RMB'000
Cash consideration paid	300,000
Less: cash and cash equivalents balances acquired	(18,253)
	281,747

Fair value of equity interest previously held in HJ as at acquisition date

The fair value of HJ was estimated by an independent and professionally qualified valuer using present value techniques. The fair value is determined using income approach based on expected cash flows generated by HJ.

As at acquisition date, the fair value of previously equity interest in HJ held as interest in an associate was RMB62,242,000, while the book value of previously equity interest in HJ held as interest in an associate was RMB12,985,000, the difference of RMB49,257,000 had been recognised as a gain on remeasurement of previously held interest in an associate becoming a subsidiary and included in the "other gains and losses" line item in the consolidated statement of profit or loss. The amount of RMB25,000 was previously recognised in OCI and was reclassified to profit or loss.

Impact of acquisition on the results of the Group

Included in the profit for year 2024 is RMB40,804,000 attributable to the additional business generated by Great Style Group. Revenue for year 2024 includes RMB51,243,000 generated from Great Style Group.

Had the acquisition been completed on 1 January 2024, revenue for year 2024 of the Group would have been RMB939,795,000, and profit for year 2024 of the Group would have been RMB354,292,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2024, nor is it intended to be a projection of future results.

In determining the 'pro-forma' revenue and profit of the Group had Great Style Group been acquired at the beginning of year 2024, the directors of the Company calculated depreciation of property, plant and equipment based on the recognised amounts of equipment at the date of the acquisition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025



43. DISPOSAL OF SUBSIDIARIES

(a) Deemed disposal of WXGJ

On 28 February 2024, the Group entered into a collaboration agreement (the “**Agreement**”) with Wuxi Taihu New City which agreed to contribute a total of RMB569,400,000 into WXGJ, an indirectly held subsidiary of the Company. Upon the completion of the transaction on 29 February 2024, the Group’s equity interest in WXGJ diluted from 80% to 49% with a loss of control. On the same day, the Group’s retained interest over WXGJ was remeasured to its fair value, which became the initial carrying amount for the purposes of subsequently accounting for such retained interest as investment in an associate as the Group has retained significant influence over WXGJ.

Based on the assessment of the directors of the Company, in their opinions, the possibility regarding of the occurrence of the specified events as stipulated in the Agreement that would trigger the repurchase of the shares is remote, and the fair value of the put option as at 31 December 2024 is considered as insignificant.

	29/2/2024 RMB'000
Analysis of assets and liabilities over which control was lost:	
Property and equipment	69
Intangible assets	113,000
Deferred tax assets	9,015
Right-of-use assets	229
Supply chain assets at FVTOCI	3,707,278
Other receivables, prepayments and others	8,866
Pledged bank deposits	236,594
Cash and cash equivalents	200,665
Derivative financial instruments	(1,940)
Amount due to CMS-SY ABSs	(376,247)
Other payables and accrued charges	(14,553)
Borrowings	(2,029,575)
Loans from related parties	(752,060)
Loans from CMS-SY ABSs	(586,215)
Lease liabilities	(312)
Net assets disposed of	514,814

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

43. DISPOSAL OF SUBSIDIARIES (continued)

(a) Deemed disposal of WXGJ (continued)

	29/2/2024 RMB'000
Gain on disposal of a subsidiary:	
Fair value of 49% equity interest of WXGJ	734,752
Goodwill	(316,028)
Net assets disposed of	(514,814)
Non-controlling interests	101,191
Reclassification of cumulative FVTOCI reserves upon disposal of WXGJ to profit or loss	(3,966)
Gain on disposal	1,135
Net cash outflow arising on disposal:	
Cash consideration	–
Less: cash and cash equivalents disposed of	200,665
	(200,665)

(b) Deemed disposal of 招商證券－盛業科技第1期資產支持專項計畫,招商證券－盛業科技第2期資產支持專項計畫,招商證券－盛業科技第3期資產支持專項計畫and招商證券－盛業科技第4期資產支持專項計畫(collectively, the “CMS-SY ABSs”)

As being the assets service agency of CMS-SY ABSs and held the equity tranche interests in these structured entities, the Group considers it has control over such structured entities and these structured entities are consolidated by the Group. With the deemed disposal of WXGJ set out in (a), the directors of the company considered the Group has loss the control over CMS-SY ABSs as the Group has loss control over WXGJ, which being the assets service agency of these structured entities. On the same day, the Group's retained equity tranche interests over CMS-SY ABSs was remeasured to its fair value and accounted for as other financial assets at FVTPL.

	29/2/2024 RMB'000
Analysis of assets and liabilities over which control was lost:	
Deferred tax assets	519
Supply chain assets at FVTOCI	374,843
Loans to WXGJ	586,215
Amount due from WXGJ	376,247
Cash and cash equivalents	6,271
Borrowings	(1,215,456)
Net assets disposed of	128,639

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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43. DISPOSAL OF SUBSIDIARIES (continued)

- (b) **Deemed disposal of 招商證券－盛業科技第1期資產支持專項計畫, 招商證券－盛業科技第2期資產支持專項計畫, 招商證券－盛業科技第3期資產支持專項計畫 and 招商證券－盛業科技第4期資產支持專項計畫 (collectively, the “CMS-SY ABSs”) (continued)**

	29/2/2024 RMB'000
Gain on disposal of subsidiaries:	
Fair value of equity tranche of CMS-SY ABSs	131,860
Net assets disposed of	(128,639)
Reclassification of cumulative FVTOCI reserves upon disposal CMS-SY ABSs to profit or loss	821
Gain on disposal	4,042
Net cash outflow arising on disposal:	
Cash consideration	–
Less: cash and cash equivalents disposed of	6,271
	(6,271)

(c) **Deregistration of subsidiaries**

In April 2025, the Group de-registered Alpha-10 SY (2019-01) Limited.

In March and October 2024, the Group de-registered Khorgos Yong Zhuo Factoring Limited, Sheng Ye Yi Lian Technology (Wuxi) Limited and Sheng Ye Zhi Zhu Technology (Wuxi) Limited, subsidiaries of the Company, respectively.

There were no profit or loss and cash flows of the companies recognised on the consolidated financial statements for the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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44. PARTICULARS OF SUBSIDIARIES

General information of subsidiaries

Details of the principal subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below.

Name of subsidiaries	Place and date of incorporation/ establishment/ operations	Particulars of issued/ registered capital	Proportion of ownership interest/voting rights held by the Group as at 31 December		Principal activities
			2025	2024	
<i>Directly owned</i>					
Sheng Ye International Capital Limited (盛業國際資本有限公司)	British Virgin Islands 24 September 2013	US\$100,000,000	100%	100%	Investment holding
<i>Indirectly owned</i>					
Sheng Ye Global Limited (盛業環球有限公司)	Hong Kong 9 October 2013	HK\$1	100%	100%	Investment holding
Sheng Ye Information Technology Service (Shenzhen) Co., Limited* (盛業信息科技服務(深圳)有限公司#)	PRC 11 March 2016	RMB325,000,000	100%	100%	Provision of IT service
Tianjin Sheng Ye (Group) Limited* (天津盛業(集團)有限公司#)	PRC 2 November 2017	RMB2,561,000,000	100%	100%	Provision of management service
SY Factoring Limited* (盛業商業保理有限公司#)	PRC 26 December 2013	RMB1,670,000,000	100%	100%	Provision of supply chain service
Sheng Long Information Technology Service (Ningbo) Co., Limited (盛隆信息科技服務(寧波)有限公司#)	PRC 9 July 2019	RMB175,000,000	100%	100%	Provision of IT service
Sheng Ye Financing Guarantee Limited* (盛業融資擔保有限公司#)	PRC 14 August 2020	RMB300,000,000	100%	100%	Provision of guarantee service
Tianjin Sheng Ye Investment Limited* (天津盛業投資有限公司#)	PRC 18 May 2021	RMB75,000,000	100%	100%	Provision of investment service

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

44. PARTICULARS OF SUBSIDIARIES (continued)

General information of subsidiaries (continued)

Name of subsidiaries	Place and date of incorporation/ establishment/ operations	Particulars of issued/ registered capital	Proportion of ownership interest/voting rights held by the Group as at 31 December		Principal activities
			2025	2024	
Shengzhi Construction & Development Co, Ltd*(盛智建設發展(無錫)有限公司#)	PRC 26 January 2022	RMB300,000,000	100%	100%	Property development
Qingdao SY Sunful Supply Chain Management Limited (青島盛業曉盛供應鏈管理有限公司#)	PRC 14 November 2022	RMB248,000,000	100%	100%	Provision of supply chain service
Tianjin Xiangsheng Supply Chain Management Limited (天津象盛供應鏈管理有限公司#)	PRC 6 December 2022	RMB130,000,000	100%	100%	Provision of supply chain service
Great Style	BVI 24 September 2018	US\$50,000	100%	100%	Investment holding

English translated name is for identification purpose only.

* The entities are wholly foreign owned enterprise established in the PRC.

The above table lists the subsidiaries of the Company, in the opinion of the directors of the Company, which principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the reporting period or at any time during both years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	31/12/2025 RMB'000	31/12/2024 RMB'000
NON-CURRENT ASSETS		
Interests in subsidiaries	929,725	933,314
Amounts due from a subsidiary	592,865	589,651
	1,522,590	1,522,965
CURRENT ASSETS		
Loans to subsidiaries	261,190	256,034
Other receivables, prepayments and others	227	44,874
Amounts due from subsidiaries	1,771,872	1,080,116
Pledged bank deposits	54	577
Cash and cash equivalents	80,389	12,638
	2,113,732	1,394,239
CURRENT LIABILITIES		
Borrowings	110,989	94,518
Trade and other payables	593	634
Amounts due to subsidiaries	1,413,152	885,355
Other financial liabilities at FVTPL	374,895	–
	1,899,629	980,507
NET CURRENT ASSETS	214,103	413,732
NET ASSETS	1,736,693	1,936,697
CAPITAL AND RESERVES		
Share capital	9,251	8,547
Reserves	1,727,442	1,928,150
TOTAL EQUITY	1,736,693	1,936,697

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Movement in reserves

	Treasury stock RMB'000	Share premium RMB'000	Share held for RSU Scheme RMB'000	Share- based payments reserve RMB'000	Retained profits RMB'000	Total RMB'000
At 1 January 2024	(1,009)	2,109,563	(59,444)	24,416	113,614	2,187,140
Loss for the year	–	–	–	–	(17,231)	(17,231)
Purchase of shares under RSU Scheme	–	–	(2,188)	–	–	(2,188)
Repurchase of shares	(6,457)	–	–	–	–	(6,457)
Cancellation of treasury stock	5,315	(5,303)	–	–	–	12
Recognition of equity-settled share-based payments	–	–	–	6,920	–	6,920
Dividends recognised as distribution	–	(239,333)	–	–	–	(239,333)
Exercise of RSU	–	274	2,478	(2,162)	–	590
Lapse of share options	–	–	–	(1,918)	615	(1,303)
At 31 December 2024	(2,151)	1,865,201	(59,154)	27,256	96,998	1,928,150
Profit for the year	–	–	–	–	4,036	4,036
Issue of new shares from placing	–	740,797	–	–	–	740,797
Transaction costs attributable to issue of new shares from placing	–	(6,541)	–	–	–	(6,541)
Recognition of equity-settled share-based payments	–	–	–	2,472	–	2,472
Dividends recognised as distribution	–	(950,581)	–	–	–	(950,581)
Exercise of options/RSU	–	25,361	2,132	(7,685)	–	19,808
Lapse of share options/RSU	–	–	–	(10,699)	–	(10,699)
At 31 December 2025	(2,151)	1,674,237	(57,022)	11,344	101,034	1,727,442

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

46. EVENT AFTER THE REPORTING PERIOD

On 12 January 2026, to support the business development of XMXS which is an affiliated company of the Company and to finance the operation of supply chain finance business engaged by XMXS, the Company, Tianjin Xiangsheng Supply Chain Management Limited (“**TJXS**”) which is an indirect wholly-owned subsidiary of the Company, Xiamen Xiangyu Group Limited (“**XMXYG**”) and Xiamen Xiangyu Jinxiang Holdings Group Limited (“**Xiangyu Jinxiang**”) entered into the amended Financial Assistance Agreement with XMXS. Pursuant to the Previous Financial Assistance Agreement as revised by the amended Financial Assistance Agreement, the parties agreed, among other things, that within three (3) calendar years from the date of the Financial Assistance Agreement, Xiangyu Group will provide guarantees as security for the debt financing of XMXS (“**Controlling Shareholder Guarantees**”) and/or provide shareholder loans to XMXS (“**Controlling Shareholder Loans**”), and the Group will, in proportion to its shareholding interest in XMXS, (i) provide counter guarantees to Xiangyu Group in respect of the Controlling Shareholder Guarantees (the “**Financial Assistance A**”); and/or (ii) provide joint and several guarantees to Xiangyu Group in respect of the Controlling Shareholder Loans (the “**Financial Assistance B**”) (the Financial Assistance A and the Financial Assistance B collectively, the “**Financial Assistance**”). The maturity date of the Financial Assistance is extended for three years from 11 January 2026 to 11 January 2029. The maximum aggregate amount of the Financial Assistance is revised from 4.3 times the net assets of XMXS to 3.44 times the net assets of XMXS. On 12 January 2026, the maximum aggregate amount of the Financial Assistance is approximately RMB1.91 billion. Details are set out in the announcement of the Company dated 12 January 2026.

Except as disclosed above and in note 14 of the consolidated financial statements, the Group had no other significant subsequent event after the reporting period.

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BOARD OF DIRECTORS

Executive Directors

Mr. Tung Chi Fung (Chairman)
Ms. Wang Ying

Non-executive Director

Mr. Lo Wai Hung

Independent Non-executive Directors

Mr. Fong Heng Boo (resigned on 6 September 2025)
Mr. Tang King San Terence
Ms. Chan Yuk Ying Phyllis
Mr. Sun Wei Yung Kevin

AUDIT COMMITTEE

Mr. Tang King San Terence (Chairman)
Mr. Lo Wai Hung (appointed on 29 November 2024)
Mr. Fong Heng Boo (resigned on 6 September 2025)
Ms. Chan Yuk Ying Phyllis (appointed on 6 September 2025)

NOMINATION COMMITTEE

Mr. Tung Chi Fung (Chairman)
Mr. Tang King San Terence
Ms. Chan Yuk Ying Phyllis

REMUNERATION COMMITTEE

Ms. Chan Yuk Ying Phyllis (Chairman)
Mr. Tung Chi Fung
Mr. Sun Wei Yung Kevin

SUSTAINABILITY COMMITTEE

Ms. Wang Ying (Chairman)
Mr. Lo Wai Hung
Mr. Sun Wei Yung Kevin

COMPANY SECRETARY

Mr. Wang Zheng

AUTHORISED REPRESENTATIVES

Mr. Tung Chi Fung
Mr. Wang Zheng

REGISTERED OFFICE

Windward 3, Regatta Office Park, PO Box 1350
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HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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89 Queensway, Admiralty, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park, PO Box 1350
Grand Cayman KY1-1108, Cayman Islands

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

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Suites 3301-04, 33/F, Two Chinachem Exchange Square,
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