Zengame Technology Holding Limited
禪遊科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2660

2025
ANNUAL REPORT

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Ye Sheng (叶升)
(Chairman and Chief Executive Officer)
Mr. Yang Min (楊民)
(Vice Chairman and Chief Technology Officer)
Ms. Xiong Mi (熊密)

Independent Non-executive Directors

Mr. Jin Shuhui (金書匯)
Mr. Mao Zhonghua (毛中華)
Mr. Yang Yi (陽翼)

AUDIT COMMITTEE

Mr. Jin Shuhui (金書匯) *(Chairman)*
Mr. Mao Zhonghua (毛中華)
Mr. Yang Yi (陽翼)

REMUNERATION COMMITTEE

Mr. Yang Yi (陽翼) *(Chairman)*
Mr. Ye Sheng (叶升)
Mr. Mao Zhonghua (毛中華)

NOMINATION COMMITTEE

Mr. Ye Sheng (叶升) *(Chairman)*
Ms. Xiong Mi (熊密)
(appointed on 5 June 2025)
Mr. Mao Zhonghua (毛中華)
Mr. Yang Yi (陽翼)
Mr. Jin Shuhui (金書匯)
(appointed on 5 June 2025)

COMPANY SECRETARY[1]

Ms. Chan Pui Ching (陳佩貞)
(Appointed on 1 December 2025)

AUTHORIZED REPRESENTATIVES[1]

Mr. Yang Min (楊民)
Ms. Chan Pui Ching (陳佩貞)
(Appointed on 1 December 2025)

HONG KONG LEGAL ADVISERS

Morgan, Lewis & Bockius
19th Floor
Edinburgh Tower, The Landmark
15 Queen's Road Central
Hong Kong

AUDITORS

Ernst & Young
(Registered Public Interest Entity Auditor)
27/F, One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

13/F
Changhong Science and Technology Mansion
Keji South 12 Road
Science and Technology Park
Nanshan District, Shenzhen
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Office G, Level 27
Maxgrand Plaza
No. 3 Tai Yau Street
San Po Kong
Kowloon
Hong Kong

1 Ms. Tam Sze Wai Sara (譚思慧) served as the company secretary and one of the authorised representatives of the Company from 21 March 2024 to 21 January 2025. Ms. Chan Ching Nga (陳靜雅) served in the same positions from 21 January 2025 to 1 December 2025. Ms. Chan Pui Ching (陳佩貞) has held the same positions since 1 December 2025.

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 26881
Grand Cayman KY1-1111
Cayman Islands

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKERS

China Merchants Bank Co., Ltd.
Ping An Bank Co., Ltd
China Everbright Bank Co., Ltd.
JPMorgan Chase Bank

COMPANY WEBSITE

www.zen-game.com

STOCK CODE

2660

FINANCIAL HIGHLIGHTS

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2021 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000	**2025 RMB'000**
Revenue	1,473,958	1,767,456	2,059,383	1,657,727	**1,545,598**
Gross profit	905,375	1,137,984	1,231,358	918,629	**785,503**
Profit before tax	598,836	760,629	883,040	612,120	**446,023**
Profit for the year	500,343	680,256	725,919	430,677	**347,787**

CONDENSED CONSOLIDATED BALANCE SHEET

	2021 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000	**2025 RMB'000**
Total assets	1,487,844	2,050,656	2,640,490	2,879,527	**2,840,147**
Total liabilities	262,622	284,896	320,516	316,845	**258,659**
Total equity	1,225,222	1,765,760	2,319,974	2,562,682	**2,581,488**

FINANCIAL HIGHLIGHTS

	For the year ended 31 December		Year-on-Year Change*
	2025 (RMB'000)	2024 (RMB'000)	%
Revenue	**1,545,598**	1,657,727	(6.8)
Gross profit	**785,503**	918,629	(14.5)
Gross profit margin (%)	**50.8**	55.4	
Profit for the year	**347,787**	430,677	(19.2)
Net profit margin (%)	**22.5**	26.0	
Non-HKFRS adjusted net profit**	**387,034**	456,162	(15.2)
Earnings per Share (expressed in RMB per Share)	**0.34**	0.43	(20.9)
Final dividend per Share (expressed in HKD per Share)	**0.20**	0.15	33.3

* Year-on-Year Change % represents a comparison between the current year and the last year.

** Non-HKFRS adjusted net profit was derived from the profit for the year excluding Share-based compensation.

I am pleased to present the audited annual results of the Group for the year ended 31 December 2025 to our Shareholders.

In 2025, supported by favorable policies, an improving ecosystem and ongoing technological innovation, China's gaming industry continued to record steady growth, with premiumization and globalization emerging as the dominant trends. At the same time, despite the overall industry growth, operating challenges for game developers have not eased. The industry continues to face structural issues such as increasing product homogeneity and intensifying competition. Users have become more rational in their spending behavior, and product quality has become a key determinant in content selection.

Against this complex and rapidly evolving market environment, the resilience of the Group's core business became increasingly evident. Benefiting from the solid performance of the Group's flagship products and its refined operational approach, the Group's overall results for the year ended 31 December 2025 recorded only a modest adjustment amid fierce market competition. During the year ended 31 December 2025, the Company remained committed to long-termism, upholding an open and learning-oriented mindset, continuously innovating around user experience optimization, staying closely aligned with users' evolving needs, iterating the Group's products, enhancing organizational efficiency and expanding user value.

The Group continued to strengthen the long-term operational capabilities of its flagship products and safeguarded product vitality through innovative gameplay. During the year ended 31 December 2025, driven by its strategy of "core gameplay innovation", its flagship board game Finger Sichuan Mahjong (指尖四川麻將) continued to demonstrate strong resilience, maintaining a leading position on the China iOS board-game grossing charts. In terms of gameplay innovation, the Group prioritized user experience, closely monitored user feedback, and accurately captured product iteration directions. During the year, the Group launched the new gameplay mode "Journey to the West" (西遊行) and continued to optimize the "Kung Fu Mahjong (Fate Gameplay)" (功夫麻將(機緣玩法)), further leveraging classic Chinese cultural IP. Through adjustments to gameplay mechanisms and upgrades to scoring effects, the Group significantly enhanced the strategic depth and visual appeal of gameplay, increased content richness and replayability, and effectively stimulated player engagement. In addition, the Group launched the "Wulin Championship" esports tournament, adopting a dual-track format to engage both players and streamers. The Group also introduced an innovative guild system, establishing a "player + streamer" team structure that fostered deeper social interactions, increased user participation frequency and strengthened long-term user engagement.

Fishing Master (捕魚神手) maintained a high iteration cadence and continued to contribute steadily to the Group's revenue. While consolidating the Group's leading position in Mahjong, the Company continued to invest in frequent updates and content enhancements for this casual games. During the year ended 31 December 2025, the Group maintained a rapid release pace, continuously optimized gameplay modes, and developed a structured system of short-, medium- and long-term player objectives, laying a solid foundation for long-term product operations. The Group introduced innovations across multiple dimensions, including combat modes, fish mechanics and system gameplay. Significant improvements were made in item, character, equipment and special boss designs, including mechanism design, art presentation and visual effects. As a result, Fishing Master attracted strong user recognition and achieved growth in both user activity and revenue, forming a second growth curve for the Group beyond its core board-game segment.

In addition, the Company continued to advance the integration and application of AI across core functions such as research and development (R&D), operations and game experience enhancement. AI has become a key driver of operational efficiency and user experience optimization. In 2025, the Company established an AI architecture comprising an AI capability foundation, intelligent product layers and business application layers, thereby forming a comprehensive end-to-end AI-empowered game development and operation framework.

The Group's self-developed "Tiangong" intelligent application platform has become a core foundation supporting the intelligent upgrade of all business lines. Through the integration of industry-leading multimodal models spanning text, image and video, the Company has established foundational model service capabilities for content generation, significantly enhancing the efficiency of visual asset production.

In terms of algorithm development, the Company has established a full-process machine-learning optimization mechanism, forming a continuous "sampling–training–updating" closed loop. Through refined tuning of model parameters, both training efficiency and predictive accuracy have steadily improved, ensuring that algorithm performance remains at the forefront of the industry and providing strong support for long-term product operations.

In R&D efficiency, the Company advanced the adoption of AI-assisted code generation and intelligent code review mechanisms. During the year ended 31 December 2025, overall R&D efficiency improved significantly, while code quality and delivery stability were enhanced in tandem, accelerating the transition of the Group's software engineering capabilities toward greater intelligence and high-quality development.

In functional management, the Company successfully deployed AI-driven solutions for administrative and financial processes. Through automated process redesign and intelligent task handling, manual operational costs were substantially reduced, while internal response speed and service experience improved, contributing to comprehensive enhancements in management efficiency and operational quality.

From a regulatory perspective, the Company has consistently complied with applicable industry policies and regulatory requirements and places strong emphasis on compliance management in game operations. Through the continuous enhancement of the Group's internal compliance and risk-control systems and the implementation of various compliance measures, the Group strives to safeguard user rights and strictly mitigate operational risks. The Company has established and rigorously enforced comprehensive management policies and system settings in areas including user real-name authentication, protection of user rights and interests, personal data and privacy protection, protection of minors, anti-addiction measures and consumption limits. The Group remains committed to providing users with a clean, healthy and responsible gaming environment.

Looking ahead to 2026, the Group will continue to adhere to the long-term operational philosophy and user-centric approach, enhancing user experience through steady product iteration and innovative content offerings, thereby driving sustained improvement in operational quality.

With regard to business development, in the domestic market, while consolidating its core board-game business, the Group accelerated the development of a second growth curve in casual categories such as fishing games, advancing the Company's transition toward a coordinated portfolio of high-quality games. As for overseas market, we will continue to explore expansion opportunities. We will focus on gameplay and art optimization, adopt a data-driven approach, and continue to increase investment in pursuit of gradual breakthroughs. With the rapid advancement of AI technology, we will further increase our investment in AI, increasing the integration of AI into business scenarios. By systematically introducing artificial intelligence tools and specialized talent across core functions such as marketing, R&D and operations, we aim to achieve cost reduction and efficiency enhancement as core objectives, gradually building an intelligent, data-driven business platform.

In addition, having taken into account the performance of the Group for the year ended 31 December 2025, the Board has resolved to recommend the payment of a final dividend of HK$0.20 per Share for the year ended 31 December 2025, with a total amount of approximately HK$207.0 million.

Lastly, on behalf of the Board, I would like to express my sincere gratitude to all staff for their active dedication and relentless efforts, and also deeply appreciate the Shareholders and partners for their unwavering trust and support.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In 2025, supported by favorable policies, an improving ecosystem and ongoing technological innovation, China's gaming industry continued to record steady growth, with premiumization and globalization emerging as the dominant trends. At the same time, despite the overall positive industry momentum, operating challenges for game developers have not eased. The industry continues to face structural issues such as increasing product homogeneity and intensifying competition. Users have become more rational in their spending behavior, and product quality has become a key determinant in content selection.

Against this complex and rapidly evolving market environment, the resilience of the Group's core business became increasingly evident. Benefitting from the solid performance of the Group's flagship products and its refined operational approach, the Group's overall results for the year ended 31 December 2025 recorded only a modest adjustment amid fierce market competition. During the year ended 31 December 2025, the Company remained committed to long-termism, upholding an open and learning-oriented mindset, continuously innovating around user experience optimization, staying closely aligned with users' evolving needs, iterating the Group's products, enhancing organizational efficiency and expanding user value.

The Group continued to strengthen the long-term operational capabilities of its flagship products and safeguarded product vitality through innovative gameplay. During the year ended 31 December 2025, driven by its strategy of "core gameplay innovation", its flagship board game Finger Sichuan Mahjong (指尖四川麻將) continued to demonstrate strong resilience, maintaining a leading position on the China iOS board-game grossing charts. In terms of gameplay innovation, the Group prioritized user experience, closely monitored user feedback, and accurately captured product iteration directions. During the year, the Group launched the new gameplay mode "Journey to the West" (西遊行) and continued to optimize the "Kung Fu Mahjong (Fate Gameplay)" (功夫麻將(機緣玩法)), further leveraging classic Chinese cultural IP. Through adjustments to gameplay mechanisms and upgrades to scoring effects, the Group significantly enhanced the strategic depth and visual appeal of gameplay, increased content richness and replayability, and effectively stimulated player engagement. In addition, the Group launched the "Wulin Championship" esports tournament, adopting a dual-track format to engage both players and streamers. The Group also introduced an innovative guild system, establishing a "player + streamer" team structure that fostered deeper social interactions, increased user participation frequency and strengthened long-term user engagement.

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In addition, the Company continued to advance the integration and application of AI across core functions such as research and development (R&D), operations and game experience enhancement. AI has become a key driver of operational efficiency and user experience optimization. In 2025, the Company established an AI architecture comprising an AI capability foundation, intelligent product layers and business application layers, thereby forming a comprehensive end-to-end AI-empowered game development and operation framework.

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In terms of algorithm development, the Company has established a full-process machine-learning optimization mechanism, forming a continuous "sampling–training–updating" closed loop. Through refined tuning of model parameters, both training efficiency and predictive accuracy have steadily improved, ensuring that algorithm performance remains at the forefront of the industry and providing strong support for long-term product operations.

In R&D efficiency, the Company advanced the adoption of AI-assisted code generation and intelligent code review mechanisms. During the year ended 31 December 2025, overall R&D efficiency improved significantly, while code quality and delivery stability were enhanced in tandem, accelerating the transition of the Group's software engineering capabilities toward greater intelligence and high-quality development.

In functional management, the Company successfully deployed AI-driven solutions for administrative and financial processes. Through automated process redesign and intelligent task handling, manual operational costs were substantially reduced, while internal response speed and service experience improved, contributing to comprehensive enhancements in management efficiency and operational quality.

The following table sets forth the key operational highlights of the Group for the years indicated:

	For the year ended 31 December	
	2025	2024
	('000)	('000)
MAU	**19,927**	23,636
DAU	**3,701**	4,316
MPU (Virtual items)	**460**	502
ARPPU of virtual items *(RMB)*	**272**	256

As at 31 December 2025, the Group operated 49 self-developed games and five third-party games, comprising 43 board and card games and 11 casual games. The Group's ARPPU of virtual items increased from approximately RMB256 for the year ended 31 December 2024 to approximately RMB272 for the year ended 31 December 2025.

From a regulatory perspective, the Company has consistently complied with applicable industry policies and regulatory requirements and places strong emphasis on compliance management in game operations. Through the continuous enhancement of the Group's internal content compliance and risk-control systems and the implementation of various compliance measures, the Group strives to safeguard user rights and strictly mitigate operational risks. The Company has established and rigorously enforced comprehensive management policies and system settings in areas including user real-name authentication, protection of user rights and interests, personal data and privacy protection, protection of minors, anti-addiction measures and consumption limits. The Group remains committed to providing users with a clean, healthy and responsible gaming environment.

FUTURE PROSPECTS

In 2026, the Group will mainly focus on the following strategies to expand its business and growth:

1. Commitment to Long-Term Operations and User Experience Optimization

Adhering to the Group's long-term operational philosophy and user-centric approach, the Group continued to enhance user experience through steady product iteration and innovative content offerings, driving sustained improvement in operational quality.

2. Deepening AI Empowerment to Enhance Operational Efficiency

The Group continued to increase investment in AI technologies and expanded their systematic application across the full business chain, including marketing, R&D and operations. By introducing AI tools and professional talent, and focusing on cost reduction and efficiency enhancement, the Group strengthened its intelligent, data-driven business middle-platform capabilities.

3. Deepening the Group's Presence in the Domestic Market and Building a Portfolio of High-Quality Games

While consolidating the Group's core board-game business, the Group accelerated the development of a second growth curve in casual categories such as fishing games, advancing the Company's transition toward a coordinated portfolio of high-quality games.

4. Exploring Overseas Markets for Gradual and Sustainable Breakthroughs

Focusing on gameplay refinement and art optimization, and guided by a data-driven approach, the Group continued to increase the Group's overseas investment, pursuing steady and disciplined expansion into incremental overseas markets.

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2025, the Group operated self-developed games and third-party games. All of the games used a Free-to-Play model and the Group generated revenue through the sales of virtual items and in-game information service.

Sales proceeds of virtual items were initially recorded as contract liabilities on the Group's consolidated statement of financial position and were then recognized as revenue in accordance with the Group's revenue recognition policies. Revenue collected from the paying players of third-party games and the in-game information service are shared between the Group and the third-party game developers and platforms based on a pre-determined rate in accordance with the relevant agreements. The revenue generated from the sale of virtual items from third-party games and the in-game information service are both recognized on a net basis when the relevant services are provided.

The following table sets forth a breakdown of our revenue by business model for the years indicated:

	For the year ended 31 December				Year-on-Year Change
	2025		2024		
	RMB'000	%	RMB'000	%	%
Sales of virtual items	**1,479,183**	**95.7**	1,574,680	95.0	(6.1)
— Self-developed games	**1,474,736**	**95.4**	1,567,952	94.6	(5.9)
— Third-party games	**4,447**	**0.3**	6,728	0.4	(33.9)
In-game information service	**66,415**	**4.3**	83,047	5.0	(20.0)
Total	**1,545,598**	**100.0**	1,657,727	100.0	(6.8)

The following table sets forth a breakdown of the Group's revenue by game category for the years indicated:

	For the years ended 31 December				Year-on-Year Change
	2025		2024		
	RMB'000	%	RMB'000	%	%
Board and card games	**1,304,485**	**84.4**	1,551,874	93.6	(15.9)
Casual games	**241,113**	**15.6**	105,853	6.4	127.8
Total	**1,545,598**	**100.0**	1,657,727	100.0	(6.8)

For the year ended 31 December 2025, the Group's total revenue was approximately RMB1.5 billion, representing a decrease of approximately 6.8% from approximately RMB1.7 billion for the year ended 31 December 2024. This decrease was primarily attributed to the decrease in revenue from the Group's board and card games in the first half of the year. Although revenue improved in the second half of the year, the full-year revenue still recorded a slight decrease.

The Group's revenue derived from the sales of virtue items decreased by 6.1% from approximately RMB1.6 billion for the year ended 31 December 2024 to approximately RMB1.5 billion for the year ended 31 December 2025. On the other hand, the Group's revenue derived from in-game information service amounted to approximately RMB66.4 million for the year ended 31 December 2025, representing a decrease of RMB16.6 million from approximately RMB83.0 million for the year ended 31 December 2024. Revenue from casual games increased primarily due to the growth in revenue from Fishing Master (捕魚神手).

Cost of Sales

The following table sets forth a breakdown of our cost of sales by business model for the years indicated:

	For the year ended 31 December		Year-on-Year Change
	2025	2024	
	RMB'000	RMB'000	%
Channel costs	**353,963**	446,206	(20.7)
Information service costs	**269,429**	121,995	120.9
New media costs	**117,941**	149,424	(21.1)
Others	**18,762**	21,473	(12.6)
Total	**760,095**	739,098	2.8

For the year ended 31 December 2025, the cost of sales was approximately RMB760.1 million, representing an increase of approximately 2.8% from approximately RMB739.1 million for the year ended 31 December 2024. This increase in the cost of sales was mainly attributable to an increase in the information service costs resulting from the Group's operational costs for paid advertising campaigns for its games, partially offset by a decrease in channel and new media costs.

Gross Profit and Gross Profit Margin

Gross profit decreased from approximately RMB918.6 million for the year ended 31 December 2024 to approximately RMB785.5 million for the year ended 31 December 2025. The gross profit margin decreased from 55.4% for the year ended 31 December 2024 to 50.8% for the year ended 31 December 2025.

The following table sets forth our gross profit and gross profit margin by business model for the years indicated:

	For the year ended 31 December			
	2025		2024	
	Gross Profit RMB'000	Gross Profit Margin %	Gross Profit RMB'000	Gross Profit Margin %
Sales of virtual items				
— Self-developed games	**726,560**	**49.3**	834,947	53.3
— Third-party games	**4,447**	**100.0**	6,728	100.0
In-game information service	**54,496**	**82.1**	76,954	92.7
Total	**785,503**	**50.8**	918,629	55.4%

Other Income

Other income decreased by 2.1% from approximately RMB95.7 million for the year ended 31 December 2024 to approximately RMB93.7 million for the year ended 31 December 2025. This decrease was mainly attributable to a decrease in bank interest income and partially offset by an increase in government grants.

Selling and Distribution Expenses

Selling and distribution expenses increased by 14.3% from approximately RMB148.0 million for the year ended 31 December 2024 to approximately RMB169.2 million for the year ended 31 December 2025. This increase was primarily attributable to an increase in advertising and promotional expenses.

Administrative Expenses

Administrative expenses decreased by 3.1% from approximately RMB102.0 million for the year ended 31 December 2024 to approximately RMB98.8 million for the year ended 31 December 2025. This decrease was mainly attributable to a decrease in employee remuneration and office expenses and partially offset by an increase in share-based payments.

Research and Development Expenses

Research and development expenses increased by 5.0% from approximately RMB126.6 million for the year ended 31 December 2024 to approximately RMB132.9 million for the year ended 31 December 2025. This increase was primarily due to an increase in share-based payments.

Other Expenses

Other expenses increased by 2.5% from approximately RMB15.9 million for the year ended 31 December 2024 to approximately RMB16.3 million for the year ended 31 December 2025. This increase was primarily due to an increase in the Group's donation.

Finance Costs

Finance costs increased by 28.1% from approximately RMB0.8 million for the year ended 31 December 2024 to approximately RMB1.0 million for the year ended 31 December 2025. This increase was primarily due to an increase in office lease liabilities.

Income Tax Expense

The income tax expenses decreased from approximately RMB181.4 million for the year ended 31 December 2024 to approximately RMB98.2 million for the year ended 31 December 2025, representing a decrease of RMB83.2 million. This decrease was mainly attributable to a decrease in profit before tax due to the decrease in revenue, as well as the absence of any transfer of retained profits from indirectly wholly-owned subsidiaries to the Group.

Profit for the year ended 31 December 2025

As a result of the above factors, the net profit of the Group was approximately RMB347.8 million for the year ended 31 December 2025, representing a decrease of approximately 19.2% as compared with RMB430.7 million for the year ended 31 December 2024. This decrease was mainly attributable to a decrease in gross profit margin due to reduced revenue.

Non-HKFRS Measures — Adjusted Net Profit

The adjusted net profit for the year ended 31 December 2025, adjusted by excluding the share-based compensation, was approximately RMB387.0 million, decreased by 15.2% as compared to approximately RMB456.2 million for the year ended 31 December 2024.

The following table sets out the adjusted net profit as well as the calculation process based on non-HKFRS for the years ended 31 December 2025 and 2024:

	For the year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Profit for the year	**347,787**	430,677
Add:		
Share-based compensation	**39,247**	25,485
Adjusted net profit	**387,034**	456,162

Liquidity and Capital Resources

The Group's total cash and cash equivalents and time deposits with original maturity of over three months decreased from approximately RMB1.8 billion as at 31 December 2024 to approximately RMB1.5 billion as at 31 December 2025. This decrease during the year ended 31 December 2025 was primarily resulted from the Group reallocating a portion of matured time deposits to purchase low-risk wealth management products with higher yields than those from deposits.

As at 31 December 2025, current assets of the Group amounted to approximately RMB2.48 billion, primarily consisting cash and cash equivalents of approximately RMB618.6 million and time deposits with original maturity of over three months of approximately RMB870.3 million and financial assets at fair value through profit or loss of approximately RMB792.3 million. Current liabilities of the Group amounted to approximately RMB207.9 million, primarily consisting of contract liabilities of approximately RMB82.5 million and other payables and accruals of approximately RMB81.4 million. As at 31 December 2025, the current ratio (the current assets to current liabilities ratio) of the Group was 11.9, as compared with 8.8 as at 31 December 2024.

As at 31 December 2025, the Group had bank borrowings of RMB0.3 million (31 December 2024: nil), which will mature on 28 April 2026.

The gearing ratio is calculated by dividing total debt (being interest-bearing bank borrowings) by total equity. As at 31 December 2025, the gearing ratio was 0.01% (31 December 2024: nil).

Capital Expenditure

For the year ended 31 December 2025, the capital expenditure of the Group amounted to approximately RMB11.4 million, which were primarily used for investments, office renovation and the purchase of fixed assets.

Contingent Liabilities

The Group had no material contingent liabilities as at 31 December 2025.

Pledge of Assets

As at 31 December 2025, the Group did not pledge any assets.

Future Plan for Material Investments and Capital Assets

The Group did not have other plans for material investments and capital assets.

Significant Investments, Acquisitions and Disposals

During the year ended 31 December 2025 and up to the date of this annual report, the Group subscribed and redeemed certain wealth management products, which constituted discloseable transactions under Chapter 14 of the Listing Rules. Further details are set out in the Company's announcements dated 20 May 2025, 16 June 2025, 15 August 2025, 13 October 2025, 10 March 2026 and 16 April 2026.

As at 31 December 2025, the Group held financial assets at fair value through profit or loss amounting to approximately RMB792.3 million. The particulars are set out below:

No.	Financial institutions	Financial assets name	Fair value as at 31 December 2025 (RMB'000)	Realized gains for the year 31 December 2025 (RMB'000)	Unrealized gains for the year ended 31 December 2025 (RMB'000)	% of total assets of the Group as at 31 December 2025
1.	JPMorgan Chase Bank, National Association	Money Market Fund	179,016	–	7,321	6.30%
2.	UBS AG	Money Market Fund	106,017	–	610	3.73%
3.	Tiger Brokers (HK) Global Limited	Money Market Fund	109,786	–	606	3.87%
4.	China Merchants Bank Co., Ltd.	Closed-end Financial Management	101,217	–	217	3.56%
5.	Bank of China Limited	Structured Deposit	100,231	–	231	3.53%
6.	China Everbright Bank Company Limited	Structured Deposit	50,020	–	20	1.76%
		Sunshine Gold RiRi Ying	32,044	–	44	1.13%
		Sunshine Gold Tian Tian Ying C	1,212	–	13	0.04%
7.	China Galaxy Securities Co., Ltd.	Treasury Bond Wealth Management	66,810	–	32	2.35%
8.	Ping An Bank Co., Ltd	Rikai No. 1	20,692	–	236	0.73%
		Fixed income 30-day Wealth Management Product	3,400	–	61	0.12%
		7-Day Hold No. 5D	1,716	–	25	0.06%
		7-Day Growth	161	–	2	0.01%

No.	Financial institutions	Financial assets name	Fair value as at 31 December 2025 (RMB'000)	Realized gains for the year 31 December 2025 (RMB'000)	Unrealized gains for the year ended 31 December 2025 (RMB'000)	% of total assets of the Group as at 31 December 2025
9.	Huatai Securities Co., Ltd	Hui Wealth Management	10,025	–	25	0.35%
		Stock	4,132	–	(253)	0.15%
		Money Market Fund	129	–	2	0.005%
10.	Futu Securities International Hong Kong Limited	Money Market Fund	2,521	–	10	0.09%
		Stock	3,170	–	6	0.11%
Total			**792,298**		**9,208**	

Investment Strategy

The Group's investments in above-mentioned financial assets have been conducted on the premise that such investments would not affect our business operation or capital expenditures so as to generate a relatively higher return from such investments than fixed-term bank deposits. The Group has implemented a set of internal control and risk management measures to manage our risks related to investments in such financial assets, the details of which, please refer to the Company's announcements dated 20 May 2025 and 15 August 2025.

Save as disclosed above, there were no significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures, nor was there any plan authorized by the Board for other material investments or additions of capital assets during the year ended 31 December 2025.

Foreign Exchange Risk Management

The functional currency of the Group is RMB. The majority of the Group's revenue and expenditures are denominated in RMB. The Group also has certain cash and bank balances denominated in United State dollars and Hong Kong dollars, which would expose the Group to foreign exchange risk. The Group currently does not have any foreign currency hedging policies. The management will continue to monitor the Group's foreign exchange risk exposure and consider adopting prudent measures as appropriate.

DIRECTORS' REPORT

The Board is pleased to present its report together with the audited consolidated financial statements of the Group for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company was incorporated in the Cayman Islands on 28 August 2018 as an exempted company with limited liability under the Companies Act. The Group is a leading mobile game developer and operator in the PRC with special focus on card and board and other casual mobile games and establishes a top leisure entertainment platform and community.

Details of the principal activities of the subsidiaries of the Company are set out in note 1 to the financial statements on page 144 of this annual report. An analysis of the Group's revenue and operating profit for the year ended 31 December 2025 is set out in the section headed "Management Discussion and Analysis" in this annual report.

BUSINESS REVIEW

A review of the Group's business during the year, which includes a discussion of the principal challenges and uncertainties faced by the Group, an analysis of the Group's performance using financial key performance indicators, particulars of important events affecting the Group during the year and an indication of likely future developments in the Group's business and a discussion on relationships with its key stakeholders as required under Schedule 5 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong), could be found in the sections headed "Chairman's Statement", "Management Discussion and Analysis", "Corporate Governance Report" and "Environmental, Social and Governance Report" in this annual report. The review and discussion form part of this directors' report.

RESULTS, DIVIDEND AND DIVIDEND POLICY

The consolidated results of the Group for the year ended 31 December 2025 are set out on pages 132 to 145 of this annual report.

The Board has resolved to recommend the payment of a final dividend of HK$0.20 per Share for the year ended 31 December 2025. The total amount is HK$207.0 million.

On 25 March 2026, the Company has approved and adopted an updated dividend policy (the "**Dividend Policy**"), pursuant to which the Company may declare and distribute dividends to the Shareholders to allow Shareholders to share the Company's profits and for the Company to retain adequate reserves for future growth. The declaration, distribution and amount of dividend is subject to the absolute discretion of the Board, after taking into account, inter alia, the Group's operations, business and future development plans, liquidity position, our future operations and earnings, capital requirements and surplus, financial condition, working capital requirements and other factors that the Board consider relevant.

The distribution of final dividend of a financial year will be subject to the approval of the Shareholders, but the amount of dividend shall not exceed the recommendation of the Board.

Subject to the aforesaid factors, the Board plans to maintain distributing not less than 30% of the profit for the year of the relevant financial year of the Group as dividend. Declaration, recommendation or distribution of any dividend is subject to all relevant applicable laws and regulation of Cayman Islands and the Articles of Association. The Board will continually review the Dividend Policy and reserve the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time. 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.

CLOSURE OF THE REGISTER OF MEMBERS

In order to ascertain the Shareholders' entitlements to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 19 May 2026 to Friday, 22 May 2026, both days inclusive, during which period no transfer of Shares will be registered. All Share transfer documents accompanied by the relevant Share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Monday, 18 May 2026.

In order to ascertain the Shareholders' entitlements to the proposed final dividend (subject to approval by the Shareholders at the AGM), the register of members of the Company will be closed from Monday, 1 June 2026 to Wednesday, 3 June 2026, both days inclusive, during which period no transfer of Shares will be registered. All Share transfer documents accompanied by the relevant Share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 29 May 2026.

FINANCIAL SUMMARY

A summary of the Group's operating results, assets and liabilities for the past five financial years is set out on page 4 of this annual report. This summary does not form part of the audited consolidated financial statements.

TAX RELIEF AND EXEMPTION

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

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property and equipment of the Group during the year ended 31 December 2025 are set out in note 13 to the financial statements on pages on 188 and 189 of this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is highly aware of the importance of environmental protection and has not noted any material incompliance with all relevant laws and regulations in relation to its business including health and safety, workplace conditions, employment and the environment. The Group has implemented environmental protection measures and has also encouraged staff to be environmentally friendly at work by consuming the electricity and paper according to actual needs, so as to reduce energy consumption and minimize unnecessary waste.

For further details of the Group's environmental policies and performance, please refer to the Company's Environmental, Social and Governance Report as disclosed in this annual report.

SHARE CAPITAL

Details of the movements in share capital of the Company during the year ended 31 December 2025 are set out in note 30 to the financial statements on page 205 of this annual report.

RESERVES

Details of the movement in the reserves of the Group and of the Company during the year ended 31 December 2025 are set out in the Consolidated Statement of Changes in Equity on page 141 of this annual report and in note 32 to the financial statements on pages 214 to 215 of this annual report respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2025, the Company had distributable reserves amounting to RMB56.7 million.

BORROWINGS

As at 31 December 2025, the Group had 0.3 million bank borrowings (31 December 2024: nil), which will mature on 28 April 2026.

PLEDGE OF ASSETS

As at 31 December 2025, the Group did not pledge any assets.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares (as defined under the Listing Rules), if any) for the year ended 31 December 2025. As at 31 December 2025, the Company did not hold any treasury shares (as defined under the Listing Rules).

PRE-EMPTIVE RIGHTS

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

EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme, the 2021 Share Award Scheme and the 2024 Share Scheme, no equity-linked agreements were entered into by the Group, or existed during the year ended 31 December 2025.

SIGNIFICANT EVENTS AFTER THE YEAR END

Save as disclosed in this annual report, the Group did not have any significant events after 31 December 2025 and up to the date of this annual report.

DIRECTORS

The Directors for the year ended 31 December 2025 and up to the date of this annual report were:

Executive Directors

Mr. Ye Sheng *(Chairman and Chief Executive Officer)*
Mr. Yang Min *(Vice Chairman and Chief Technology Officer)*
Ms. Xiong Mi

Independent Non-executive Directors

Mr. Jin Shuhui
Mr. Mao Zhonghua
Mr. Yang Yi

Biographical details of the Directors and the senior management of the Group are set out on pages 69 to 74 in this annual report.

CHANGE OF INFORMATION OF DIRECTORS

In accordance with Rule 13.51(B)(1) of the Listing Rules, the Company is required to disclose changes in information of Directors subsequent to the date of the 2025 interim report. The change in information of Directors since the date of the 2025 interim report of the Company is set out below:

Name of Directors	Details of Change
Mr. Ye Sheng	• Ceased to be the chairman of Zen-Game Shenzhen with effect from 23 December 2025
	• Ceased to be a supervisor of Hainan Tiantianlaiwan Technology Co., Ltd.* (海南省天天來玩科技有限公司) with effect from 15 December 2025
	• Ceased to be a director of Zen Word Interactive (Singapore) Pte. Ltd, a subsidiary of the Group, which was dissolved on 29 May 2025
Mr. Yang Min	• Ceased to be the vice chairman of Zen-Game Shenzhen with effect from 23 December 2025
	• Ceased to be a director and general manager of Hainan Tiantianlaiwan Technology Co., Ltd.* (海南省天天來玩科技有限公司) with effect from 25 September 2025
	• Ceased to be a director of Zen Word Interactive (Singapore) Pte. Ltd, a subsidiary of the Group, which was dissolved on 29 May 2025

* *For identification only*

DIRECTORS' SERVICE CONTRACTS

Each of Mr. Ye Sheng and Mr. Yang Min, being the executive Directors has entered into a service contract with the Company, pursuant to which they have agreed to act as the executive Directors for an initial fixed term of three years commencing from the Listing Date and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term.

Ms. Xiong Mi, being the executive Director, has entered into a service contract with the Company, pursuant to which she has agreed to act as the executive Directors for an initial fixed term of three years commencing from 27 May 2022, and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other, which notice shall not expire until after the fixed term.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company, pursuant to which they have agreed to act as the independent non-executive Directors for an initial fixed term of one year commencing from the Listing Date and will continue thereafter until terminated by not less than three months' notice in writing by served by the independent non-executive Director to the Company or with immediate effect following the notice in writing served by the Company to the independent non-executive Director.

The appointments of the Directors are subject to the provisions of retirement and rotation of Directors under the Articles of Association.

None of the Directors has entered into any 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.

CONTRACT WITH CONTROLLING SHAREHOLDERS

No contract of significance was entered into between the Company or any of its subsidiaries and the controlling shareholders of the Company or any of its subsidiaries during the year ended 31 December 2025 or subsisted at the end of the year and no contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder of the Company or any of its subsidiaries was entered into during the year ended 31 December 2025 or subsisted at the end of the year.

DIRECTOR'S INTEREST IN TRANSACTIONS, ARRANGEMENT OR CONTRACT OF SIGNIFICANCE

Save as disclosed in this annual report, none of the Directors nor any entity connected with the Directors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party subsisting during the year ended 31 December 2025 or at the end of the year.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The emoluments of the Directors and senior management of the Group are decided by the Board with reference to the recommendation given by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics. Details of the Directors' emoluments and emoluments of the five highest paid individuals in the Group are set out in note 8 and note 9 to the financial statements on pages 180 to 183 of this annual report.

For the year ended 31 December 2025, no emoluments were paid by the Group to any Director or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the Directors has waived any emoluments for the year ended 31 December 2025.

Save as disclosed above, no other payments have been made or are payable, for the year ended 31 December 2025, by the Group to or on behalf of any of the Directors.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2025, none of the Directors or their respective associates (as defined in the Listing Rules) had any interest in a business that competed or was likely to compete, either directly or indirectly, with the business of the Group, other than being a director of the Company and/or its subsidiaries.

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

Save as disclosed in this annual report, the Company does not have any disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

DEED OF NON-COMPETITION

Each of the Controlling Shareholders entered into the deed of non-competition (the "**Deed of Non-competition**") in favor of the Company, pursuant to which the Controlling Shareholders have irrevocably, jointly and severally given certain non-competition undertakings to the Company. Details of the Deed of Non-competition are set out in the section headed "Relationship with Controlling Shareholders — Deed of Non-competition" in the Prospectus.

The Controlling Shareholders confirmed that they have complied with the Non-competition Deed for the year ended 31 December 2025. The independent non-executive Directors have conducted such review for the year ended 31 December 2025 and also reviewed the relevant undertakings and are satisfied that the Deed of Non-competition has been fully complied with.

MANAGEMENT CONTRACTS

Other than the Directors' service contracts and appointment letters, no contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or in existence as at the end of the year or at any time during the year ended 31 December 2025.

MATERIAL LEGAL PROCEEDINGS

The Group was not involved in any material legal proceeding during the year ended 31 December 2025.

LOAN AND GUARANTEE

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

SHARE OPTION SCHEME

The Company adopted the Share Option Scheme conditionally approved by the resolutions of the Shareholders on 28 March 2019. On 31 May 2024, an ordinary resolution of the Shareholders was passed at the Company's annual general meeting to approve the termination of the Share Option Scheme. No further options will be granted under the Share Option Scheme thereafter. However, any options that were granted and remain unexercised immediately before the termination shall continue to be valid and exercisable in accordance with the terms of the grant and the original rules of the Share Option Scheme.

The details of the Share Option Scheme are as follows:

1.	The purpose of the Share Option Scheme	To give the eligible persons an opportunity to have a personal stake in the Company and help motivate them to optimize their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of any executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of the Group, to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.
2.	The participants of the Share Option Scheme	• Director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of the Group and any employee of the Group; • Direct or indirect shareholder of any member of the Group; • Supplier of goods or services to any member of the Group; • Customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group; • Person or entity that provides design, research, development or other support or any advisory, consultancy, professional or other services to any member of the Group; • Associate of any of the persons mentioned above; and • Any person involved in the business affairs of the Company whom the Board determines to be appropriate to participate in the Share Option Scheme. Pursuant to the amendments to Listing Rules with effect from 1 January 2023, the eligible persons under the Share Option Scheme are subject to Rule 17.03A of the Listing Rules.

3.	The total number of shares available for issue under the Share Option Scheme together with the percentage of the issued shares that it represents as at the date of this annual report	The new Shares which may be issued by the Company upon exercise of all share options to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 100,000,000 Shares, representing 10% of the issued Shares as at the Listing Date, and 9.66% of the issued Shares (excluding treasury Shares) as at the date of this annual report. According to the resolution of the Shareholders on 31 May 2024, the Share Option Scheme was terminated and no further options would be granted under the Share Option Scheme thereafter. As at the date of this annual report, an aggregate of 5,372,500 options remain outstanding under the Share Option Scheme and a maximum of 5,372,500 Shares may be issued by the Company upon fully exercised of these options, representing approximately 0.52% of the Company's total issued Shares (excluding treasury shares of the Company, if any).
4.	The maximum entitlement of each participant under the Share Option Scheme	The total number of Shares issued and to be issued upon the exercise of the options granted to or to be granted to each participant under the Share Option Scheme (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the Shares in issue.
5.	The period within which the option may be exercised by the grantee under the Share Option Scheme	An option may be exercised in accordance with the terms of the Share Option Scheme at any time during the period to be determined by the Board at its absolute discretion and notified by the Board to each grantee of the option (the "**Grantee**") as being the period during which an option may be exercised and in any event, such period shall not be longer than 10 years from the date upon which any particular option is granted in accordance with the Share Option Scheme. Options may be vested over such period(s) as determined by the Board in its absolute discretion subject to compliance with the requirements under any applicable laws, regulations or rules.
6.	The vesting period of options granted under the Share Option Scheme	The Board has the full discretion to determine the vesting period subject to the terms and conditions under the Share Option Scheme and the specific vesting period for the options granted were set out below.

7.	The amount, if any, payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be repaid	An offer of the grant of an option shall remain open for acceptance by the eligible Person concerned for a period of 28 days from the offer date provided that no such grant of an option may be accepted after the expiry of the effective period of the Share Option Scheme. An option shall be deemed to have been granted and accepted by the eligible person and to have taken effect when the duplicate offer letter comprising acceptance of the offer of the option duly signed by the Grantee together with a remittance in favor of the Company of HK$1.00 by way of consideration for the grant thereof is received by the Company on or before the date upon which an offer of an option must be accepted by the relevant eligible person, being a date no later than 28 days after the offer date. Such remittance shall in no circumstances be refundable.
8.	The basis of determination of the exercise price of options granted	The subscription price in respect of any particular option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant option (and shall be stated in the letter containing the offer of the grant of the option) but the subscription price shall not be less than, whichever the highest of: (i) the nominal value of a Share; (ii) the closing price of a Shares as stated in the Stock Exchange's daily quotations sheet on the offer date; and (iii) the average closing price of a Share as stated in the Stock Exchange's daily quotations sheets for the five business days (as defined in the Listing Rules) immediately preceding the offer date.
9.	The remaining life of the Share Option Scheme	Nil. On 31 May 2024, an ordinary resolution of the Shareholders was passed at the Company's annual general meeting to approve the termination of the Share Option Scheme.

The table below shows details of particulars of share options under the Share Option Scheme during the year ended 31 December 2025. For further details on the movement of the options during the year ended 31 December 2025, please see note 31 to the consolidated financial information.

					Number of Shares under the Share Option Scheme				
Name of Grantee	Date of Grant	Exercise price per Share	Closing price immediately before the date of grant	Performance Target[4]	Outstanding at 1 January 2025	Granted during the year ended 31 December 2025	Exercised during the year ended 31 December 2025	Expired/ lapsed/ cancelled during the year ended 31 December 2025[2]	Outstanding at 31 December 2025
Directors									
Mr. Ye Sheng	3 June 2021	HK$1.29	HK$1.24	N/A	500,000	–	500,000	–	–
Mr. Yang Min	3 June 2021	HK$1.29	HK$1.24	N/A	500,000	–	500,000	–	–
Mr. Xiong Mi	3 June 2021	HK$1.29	HK$1.24	N/A	200,000	–	–	–	200,000
Employees									
Employees of the Group	3 June 2021	HK$1.29	HK$1.24	N/A	6,876,250	–	1,636,250	43,750	5,196,250
Total[1]					8,076,250	–	2,636,250	43,750	5,396,250

Notes:

1. No grant has been made to (i) any related entity participant or service provider with options and awards granted in excess of 0.1% of the Company's issued shares over the 12-month period, and (ii) any other participant with options and awards granted excess of the 1% individual limit, as such terms are used in the Listing Rules.

2. The weighted average closing price of the Shares immediately before the dates on which the options were exercised was HK$2.45 per Share.

3. During the year ended 31 December 2025, all of the 43,750 options were lapsed.

4. Considering their positions, long period of services with the Group, performance and future long-term contribution to the Group, the Remuneration Committee of the Company believes the grant of options to the Directors without performance targets are align with the purpose of the Share Option Scheme.

For share options granted on 3 June 2021, all of them are with the same exercise period commencing from the relevant vesting date and ending 10 years after the date of grant.

Vesting Date	Percentage of Share Options to Vest
3 June 2022	25% of the total number of share options granted
3 June 2023	25% of the total number of share options granted
3 June 2024	25% of the total number of share options granted
3 June 2025	25% of the total number of share options granted

Save as disclosed above, no share option was granted, exercised, lapsed or cancelled during the year ended 31 December 2025.

2021 SHARE AWARD SCHEME

The Company adopted the share award scheme on 24 June 2021 (the "**2021 Adoption Date**"), which was before the effective date of the new Chapter 17 of the Listing Rules. The Company will comply with the new Chapter 17 in accordance with the transitional arrangements for the existing share scheme.

The details of the 2021 Share Award Scheme are as follows:

1.	The purpose of the 2021 Share Award Scheme	To recognize the contributions by certain selected participants, encourage and retain such individuals to work with the Company, provide additional incentive for them to achieve their performance goals, attract suitable personnel for further development of the Group and motivate them to maximize the value of the Company for the benefit of both the selected participants and the Company.
2.	The participants of the 2021 Share Award Scheme	• Any executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of the Group; • Any proposed employee, any full-time or part-time employee, or a person for the time being seconded to work full-time or part-time for any member of the Group; • Director or proposed director (including an independent non-executive director) of any member of the Group; • Direct or indirect shareholder of any member of the Group; • Supplier of goods or services to any member of the Group; • Customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group; • Person or entity that provides design, research, development or other support or any advisory, consultancy, professional or other services to any member of the Group; • Associate of any of the persons mentioned above; and • Any person involved in the business affairs of the Company whom the Board determines to be appropriate to participate in the 2021 Share Award Scheme.

3.	The total number of Shares available for issue under the 2021 Share Award Scheme together with the percentage of the issued Shares that it represents as at the date of this annual report	The maximum total number of restricted shares which may be granted under the 2021 Share Award Scheme shall not exceed 50,872,200 Shares, representing 5% of the issued share capital of the Company as at the 2021 Adoption Date (the "**Scheme Limit**") and 4.92% of the issued share capital of the Company (excluding treasury shares, if any) as at the date of this annual report. There were 12,679,200 Shares and 12,679,200 shares available for grant under the 2021 Share Award Scheme at the beginning and the end of the year ended 31 December 2025, respectively. To comply with the transitional arrangements for the existing share scheme under the New Chapter 17, any awards granted under the 2021 Share Award Scheme shall be satisfied by existing shares purchased by the 2021 Trustee (as defined below) and not by allotment and issuance of new Shares. Therefore, no Shares are available for issuance under the 2021 Share Award Scheme as at the date of this annual report. The administration committee of the 2021 Share Award Scheme may, from time to time, determine the number of restricted shares to be granted and at its absolute discretion select any participant to be a selected participant under the 2021 Share Award Scheme. The restricted shares shall be either (i) allotted and issued by the Company, by using the general mandate granted to the Board by the shareholders of the Company in the annual general meeting of the Company from time to time, unless separate shareholders' approval is obtained in a general meeting of the Company; or (ii) acquired by The Core Trust Company Limited, as the trustee ("**2021 Trustee**") from the open market by utilising the Company's resources provided to the 2021 Trustee, subject to the absolute discretion of the administration committee or the 2021 Trustee.
4.	The maximum entitlement of each participant under the 2021 Share Award Scheme	The maximum total number granted to an individual selected participant shall not exceed 1%, of the issued share capital of the Company as at the 2021 Adoption Date.

5.	The period within which the restricted shares may be vested by the grantee under the 2021 Share Awarded Scheme	The administration committee shall send to each selected participant a vesting notice of 30 days prior to each Vesting Date (as defined below). Upon receipt of the vesting notice, each selected participant is required to return to the administration committee the reply slip attached to the vesting notice to confirm his/her securities account details for the purposes of effecting the transfer of the vested Shares to such selected participant by the 2021 Trustee. When Shares vest in a selected participant, the administration committee shall issue to the 2021 Trustee a confirmation letter that the vesting conditions have been fulfilled. The administration committee shall also forward to the 2021 Trustee, at the same time when the confirmation letter is sent, a written consolidated security account details of all relevant selected participants to effect the transfer of the relevant vested Shares to the relevant selected participants.
6.	The vesting period of awards granted under the 2021 Share Award Scheme	The administration committee may determine in its absolute discretion the vesting schedule (the "**Vesting Date**").
7.	The amount, if any, payable on application or acceptance of the award and the period within which payments or calls must or may be made or loans for such purposes must be repaid	There is no specific amount on application or acceptance of the award under the 2021 Share Award Scheme. After the administration committee has determined the number of Shares granted and the selected participants, it shall notify the Trustee and the selected participants in writing on the proposed grant date. Upon receipt of the notification of the grant, the selected participants are required to confirm their acceptance of the grant by returning to the administration committee a notice of acceptance duly executed by them within 28 days after the grant date.
8.	The basis of determination of the purchase price of shares awarded	It is intended that the restricted shares under the 2021 Share Award Scheme will be offered to the selected participants for no consideration subject to the compliance with the relevant laws and regulations, and certain conditions to be decided by the administration committee at the time of grant of the restricted shares under the 2021 Share Award Scheme.
9.	The remaining life of the 2021 Share Award Scheme	The 2021 Share Award Scheme remains in force until 23 June 2031.

The table below shows details of the outstanding awards granted to all grantees under the 2021 Share Award Scheme as of 31 December 2025. During the year ended 31 December 2025, no Shares were granted to selected participants under the 2021 Share Award Scheme.

						Number of Shares under the 2021 Share Award Scheme					
Name of Grantee	Date of Grant	Purchase price	Performance target[2]	Closing price of Shares immediately before the date of grant	Fair value of awards on the date of grant[1]	Unvested awards at 1 January 2025	Granted during the year ended 31 December 2025	Vested during the year ended 31 December 2025	Weighted average closing price of Shares immediately before the vesting date	Expired/ lapsed/ cancelled during the year ended 31 December 2025[4]	Unvested at 31 December 2025
Directors											
Mr. Ye Sheng[3]	6 October 2022	–	N/A	HK$1.30	HK$6.0 million	1,125,000	–	1,125,000	HK$2.42	–	–
	4 December 2023	–	N/A	HK$4.01	HK$4.5 million	575,000	–	575,000	HK$2.53	–	–
	23 December 2024	–	N/A	HK$2.74	HK$2.4 million	884,000	–	884,000	HK$2.74	–	–
Mr. Yang Min[3]	6 October 2022	–	N/A	HK$1.30	HK$6.0 million	1,125,000	–	1,125,000	HK$2.42	–	–
	4 December 2023	–	N/A	HK$4.01	HK$4.5 million	575,000	–	575,000	HK$2.53	–	–
	23 December 2024	–	N/A	HK$2.74	HK$2.4 million	884,000	–	884,000	HK$2.74	–	–
Ms. Xiong Mi[3]	6 October 2022	–	N/A	HK$1.30	HK$0.3 million	50,000	–	50,000	HK$2.42	–	–
	4 December 2023	–	N/A	HK$4.01	HK$0.2 million	26,500	–	26,500	HK$2.53	–	–
	23 December 2024	–	N/A	HK$2.74	HK$0.1 million	40,000	–	40,000	HK$2.74	–	–
Three Highest Paid Individuals[3]	6 October 2022	–	N/A	HK$1.30	HK$8.7 million	1,655,000	–	1,655,000	HK$2.42	–	–
	4 December 2023	–	N/A	HK$4.01	HK$7.3 million	940,000	–	940,000	HK$2.53	–	–
	23 December 2024	–	N/A	HK$2.74	HK$4.0 million	1,466,000	–	1,466,000	HK$2.74	–	–
Employees of the Group											
98 Employees of the Group	6 October 2022	–	N/A	HK$1.30	HK$15.5 million	2,325,750	–	2,238,250	HK$2.42	87,500	–
119 Employees of the Group	4 December 2023	–	N/A	HK$4.01	HK$10.9 million	1,279,000	–	1,207,500	HK$2.53	71,500	–
4 Employees of the Group	23 December 2024	–	N/A	HK$2.74	HK$0.9 million	308,000	–	296,000	HK$2.74	12,000	–
Total						13,258,250	–	13,087,250	–	171,000	–

Notes:

1. The fair value of awards is determined by the total Shares awarded and exercised multiplied by the closing price of the Shares on the grant date (being HK$1.32 on 6 October 2022, HK$3.89 on 4 December 2023 and HK$2.74 on 23 December 2024), in accordance with the accounting standards and policies adopted for preparing the Company's financial statements.

2. Considering their positions, long period of services with the Group, performance and future long-term contribution to the Group, the remuneration committee of the Company believes the grant of restricted Shares to the Directors without performance targets are align with the purpose of the 2021 Share Award Scheme.

3. The other two highest paid individuals of the Company during the year ended 31 December 2025 are our Directors, being Mr. Ye Sheng and Mr. Yang Min, whose interests in the underlying Shares in connection with the restricted Shares granted to them are disclosed under the "Director" section of the above table.

4. During the year ended 31 December 2025, all of the 171,000 awards were lapsed.

The restricted Shares granted on 6 October 2022 shall vest in the selected participants in accordance with the schedule below:

Vesting Date	Percentage of Restricted Shares to Vest
8 October 2022	25% of the total number of restricted Shares granted
18 August 2023	25% of the total number of restricted Shares granted
18 August 2024	25% of the total number of restricted Shares granted
18 August 2025	25% of the total number of restricted Shares granted

The restricted Shares granted on 4 December 2023 shall vest in the selected participants in accordance with the schedule below:

Vesting Date	Percentage of Restricted Shares to Vest
30 September 2024	50% of the total number of restricted Shares granted
30 September 2025	50% of the total number of restricted Shares granted

All of the restricted Shares granted on 23 December 2024 shall vest in the selected participants on 23 December 2025. Upon vesting, the Restricted Shares will be transferred to the relevant grantees at their request from the 2021 Trustee.

Save as disclosed above, no restricted Share was granted, exercised, lapsed or cancelled under 2021 Share Award Scheme during the year ended 31 December 2025.

2024 SHARE SCHEME

The Company adopted the share scheme on 31 May 2024 (the "**2024 Adoption Date**"), which shall be in compliance with the New Chapter 17 requirements. The awards under the 2024 Share Scheme (the "**Awards**") may take the form of a share option ("**Share Option(s)**") or a share award ("**Share Award(s)**"), which shall be funded by the Shares. The details of the 2024 Share Scheme are as follows:

1.	The purpose of the 2024 Share Scheme	To provide the Company with a flexible means of, attracting, remunerating, incentivizing, retaining, rewarding, compensating and/or providing benefits to eligible participants through aligning the interests of eligible participants with those of the Company and Shareholders by providing them with an opportunity to acquire proprietary interests in the Company and become Shareholders, and thereby, encouraging eligible participants to contribute to the long-term growth, performance and profits of the Company and to enhance the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole.
2.	The participants of the 2024 Share Scheme	(a) employee participant, being (i) any director (including executive, non-executive and independent non-executive directors) or proposed director; (ii) any employee (whether full time or part time) or any proposed employee (including persons who are granted options or awards under the scheme as an inducement to enter into employment contracts with these companies); or (iii) any manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of the Group. (b) related entity participant, being an employee, director or officer of the following: a "holding company" of the Company (as defined in the SFO); a "subsidiary" of a holding company of the Company (as defined in the SFO) other than the Group; or an "associate" of the Company (as defined in the Listing Rules).

3.	The total number of Shares available for issue under the 2024 Share Scheme together with the percentage of the issued Shares that it represents as at the date of this annual report	The total number of Shares which may be issued pursuant to all awards to be granted under the 2024 Share Scheme and awards to be granted under any other share schemes of the Company that are funded by the issuance of new Shares is (a) initially set at 10% of the Shares in issue (excluding the treasury shares (as defined under the Listing Rules), if any) as at the Adoption Date, being 103,062,743 Shares; and (b) may be subsequently refreshed in accordance with the 2024 Scheme Rules and the Listing Rules, as further approved by Shareholders at general meeting. The total number of shares available for issue under the 2024 Share Scheme as at the date of this annual report was 87,062,743, representing approximately 8.41% of the Company's issued share capital (excluding treasury shares, if any) as at the date of this annual report. The total number of Shares available for future grant to be satisfied by new Shares under the 2024 Share Scheme as at 1 January 2025 and 31 December 2025 were 77,062,743 and 77,062,743 Shares, respectively.
4.	The maximum entitlement of each participant under the 2024 Share Scheme	There is no specific maximum entitlement for each eligible participant under the 2024 Share Scheme. Grants to individuals that exceed the thresholds set out in the New Chapter 17 will be subject to additional approval requirements as required under the New Chapter 17.
5.	The period within which the Awards may be exercised by the grantee under the 2024 Share Scheme	The Board may determine in its absolute discretion the exercise period for any award of Share Options and/or Share Awards and such period shall be set out in the award letter. However, the exercise period for any award of Share Options shall not be longer than 10 years from the date of grant.
6.	The vesting period of Awards granted under the 2024 Share Scheme	The Board may determine the vesting period and specify such period in the award letter. The vesting period for all eligible participants (including the employee participants and the related party participants) must not be for a period less than 12 months from the date of grant.

7.	The amount, if any, payable on application or acceptance of the Awards and the period within which payments or calls must or may be made or loans for such purposes must be repaid	The Board may determine in its absolute discretion the amount (if any) payable on application or acceptance of an Award and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the award letter. Unless otherwise specified in the award letter, the grantee shall have 28 days from the date of grant to accept the Award, following which, the portion not accepted by the grantee shall automatically lapse.
8.	The basis of determination of the issue price and exercise price of the Awards	The Board may determine in its absolute discretion the issue price for the exercise of Share Awards and/or the exercise price for Share Options for Awards in the form of Share Awards and/or Share Options (as the case may be) and such prices shall be set out in the award letter. (a) the exercise price for Share Options shall be no less than the higher of: (i) the closing price of the Shares on the date of grant; and (ii) the average closing price of the Shares for the five business days immediately preceding the date of grant. (b) the issue price shall be determined on an individual basis for each of the grantee by the Board, taking into account the purpose of the 2024 Share Scheme, the interests of the Company and the individual circumstances of each grantee.
9.	The remaining life of the 2024 Share Scheme	The 2024 Share Scheme remains in force until 30 May 2034 unless terminated earlier.

The table below shows details of particulars and movements of Awards under the 2024 Share Scheme during the year ended 31 December 2025. For further details on the movement of the awards during the year ended 31 December 2025, please see note 31 to the financial statements of this annual report.

						Number of Shares under the 2024 Share Scheme					
Name of Grantee	Date of Grant	Purchase price	Performance target[2]	Closing price of Shares immediately before the date of grant	Fair value of awards on the date of grant[1]	Unvested awards at 1 January 2025	Granted during the year ended 31 December 2025	Vested during the year ended 31 December 2025	Weighted average closing price of Shares immediately before the vesting date	Expired/ lapsed/ cancelled during the year ended 31 December 2025[3]	Unvested at 31 December 2025
Directors											
Mr. Ye Sheng	23 December 2024	–	N/A	HK$2.74	HK$8.9 million	3,266,000	–	–	–	–	3,266,000
Mr. Yang Min	23 December 2024	–	N/A	HK$2.74	HK$8.9 million	3,266,000	–	–	–	–	3,266,000
Ms. Xiong Mi	23 December 2024	–	N/A	HK$2.74	HK$0.4 million	147,000	–	–	–	–	147,000
Three Highest Paid Individuals[4]	23 December 2024	–	N/A	HK$2.74	HK$14.8 million	5,416,000	–	–	–	–	5,416,000
Employees of the Group											
119 Employees of the Group	23 December 2024	–	N/A	HK$2.74	HK$25.2 million	9,046,000	–	1,865,000	HK$2.74	601,750	6,579,250
Total						21,141,000	–	1,865,000	–	601,750	18,674,250

Notes:

1. The fair value of Awards is determined by the total shares awarded and exercised multiplied by the closing price of the shares on this grant date (being HK$2.74 on 23 December 2024), in accordance with the accounting standards and policies adopted for preparing the Company's financial statements.

2. Considering their positions, long period of services with the Group, performance and future long-term contribution to the Group, the remuneration committee of the Company believes the grant of restricted Shares to the Directors without performance targets are align with the purpose of the 2024 Share Scheme.

3. During the year ended 31 December 2025, all of the 601,750 awards were lapsed.

4. The other two highest paid individuals of the Company during the Reporting Period are our Directors, being Mr. Ye Sheng and Mr. Yang Min, whose interests in the underlying Shares in connection with the awarded Shares granted to them are disclosed under the "Director" section of the above table.

The Shares granted on 23 December 2024 shall vest in three executive Directors, being Mr. Ye Sheng, Mr. Yang Min and Ms. Xiong Mi, and seven Employees of the Group in accordance with the schedule below:

Vesting Date	Percentage of Awarded Shares to Vest
23 December 2026	36% of the total number of awarded Shares granted
23 December 2027	32% of the total number of awarded Shares granted
23 December 2028	32% of the total number of awarded Shares granted

The Shares granted on 23 December 2024 shall vest in 115 employees of the Group in accordance with the schedule below:

Vesting Date	Percentage of Awarded Shares to Vest
23 December 2025	25% of the total number of awarded Shares granted
23 December 2026	25% of the total number of awarded Shares granted
23 December 2027	25% of the total number of awarded Shares granted
23 December 2028	25% of the total number of awarded Shares granted

Save as disclosed above, during the year ended 31 December 2025, no Share awards or Share options were granted, vested or exercised, cancelled or lapsed under the 2024 Share Scheme.

The number of Shares that may be issued in respect of options and awards granted under the Share Option Scheme and the 2024 Share Scheme during the year ended 31 December 2025 divided by the weighted average number of Shares for such period is 9.11%.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

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

(i) Long position in the Company

Name	Capacity/Nature of interest	Number of Shares	Approximate percentage of shareholding in the Company[6]
Mr. Ye Sheng	Interest of corporation controlling by you[1]	231,712,000	22.39%
	Beneficial owner[2]	11,800,000	1.14%
Mr. Yang Min	Interest of corporation controlling by you[3]	197,604,100	19.09%
	Beneficial owner[4]	11,800,000	1.14%
Ms. Xiong Mi	Beneficial owner[5]	3,341,021	0.32%

Notes:

(1) Sky-zen Capital Limited is ultimately wholly owned by Mr. Ye Sheng. Accordingly, Mr. Ye Sheng is deemed to be interested in all the Shares held by Sky-zen Capital Limited.

(2) On 3 June 2021, 2,000,000 share options were granted to Mr. Ye Sheng under the Share Option Scheme. Upon full exercise of such options, Mr. Ye Sheng will be beneficially interested in 2,000,000 Shares.

On 6 October 2022, 4,500,000 Shares were granted to Mr. Ye Sheng under the 2021 Share Award Scheme. Upon full exercise of such Shares granted, Mr. Ye Sheng will be beneficially interested in 4,500,000 Shares.

On 4 December 2023, 1,150,000 Shares were granted to Mr. Ye Sheng under the 2021 Share Award Scheme. Upon full exercise of such Shares granted, Mr. Ye Sheng will be beneficially interested in 1,150,000 Shares.

On 23 December 2024, 884,000 Shares were granted to Mr. Ye Sheng under the 2021 Share Award Scheme. Upon full exercise of such Shares granted, Mr. Ye Sheng will be beneficially interested in 884,000 Shares.

On 23 December 2024, 3,266,000 Shares were granted to Mr. Ye Sheng under the 2024 Share Scheme. Upon full exercise of such Shares granted, Mr. Ye Sheng will be beneficially interested in 3,266,000 Shares.

(3) J&L Y Limited is ultimately wholly owned by Mr. Yang Min. Accordingly, Mr. Yang Min is deemed to be interested in all the Shares held by J&L Y Limited.

(4) On 3 June 2021, 2,000,000 share options were granted to Mr. Yang Min under the Share Option Scheme. Upon full exercise of such options, Mr. Yang Min will be beneficially interested in 2,000,000 Shares.

On 6 October 2022, 4,500,000 Shares were granted to Mr. Yang Min under the 2021 Share Award Scheme. Upon full exercise of such Shares granted, Mr. Yang Min will be beneficially interested in 4,500,000 Shares.

On 4 December 2023, 1,150,000 Shares were granted to Mr. Yang Min under the 2021 Share Award Scheme. Upon full exercise of such Shares granted, Mr. Yang Min will be beneficially interested in 1,150,000 Shares.

On 23 December 2024, 884,000 Shares were granted to Mr. Yang Min under the 2021 Share Award Scheme. Upon full exercise of such Shares granted, Mr. Yang Min will be beneficially interested in 884,000 Shares.

On 23 December 2024, 3,266,000 Shares were granted to Mr. Yang Min under the 2024 Share Scheme. Upon full exercise of such Shares granted, Mr. Yang Min will be beneficially interested in 3,266,000 Shares.

(5) On 9 October 2018, 3,037,021 RSUs were granted to Ms. Xiong Mi under the RSU Scheme. Ms. Xiong Mi has fully exercised such RSUs and is beneficially interested in 3,037,021 Shares.

On 3 June 2021, 200,000 options were granted to Ms. Xiong Mi under the Share Option Scheme. Upon full exercise of such options, Ms. Xiong Mi will be beneficially interested in 200,000 Shares.

On 6 October 2022, 200,000 Shares were granted to Ms. Xiong Mi under the 2021 Share Award Scheme. Upon full exercise of such Shares granted, Ms. Xiong Mi will be beneficially interested in 200,000 Shares.

On 4 December 2023, 53,000 Shares were granted to Ms. Xiong Mi under the 2021 Share Award Scheme. Upon full exercise of such Shares granted, Ms. Xiong Mi will be beneficially interested in 53,000 Shares.

On 23 December 2024, 40,000 Shares were granted to Ms. Xiong Mi under the 2021 Share Award Scheme. Upon full exercise of such Shares granted, Ms. Xiong Mi will be beneficially interested in 40,000 Shares.

On 23 December 2024, 147,000 Shares were granted to Ms. Xiong Mi under the 2024 Share Scheme. Upon full exercise of such Shares granted, Ms. Xiong Mi will be beneficially interested in 147,000 Shares.

(6) The percentage is calculated based on the total number of 1,034,975,187 Shares in issue as at 31 December 2025.

(ii) Long position in associated corporation

Zen-Game Shenzhen

Name	Capacity/Nature of interest	Number of Shares	Approximate percentage of shareholding in the Group
Mr. Ye Sheng	Interest in a controlled corporation[1]	13,326,923	24.68%
Mr. Yang Min	Interest in a controlled corporation[2]	11,695,054	21.65%

Notes:

(1) Mr. Ye Sheng holds 51% equity interest of Tianchan and Mr. Ye Sheng is thus deemed to be interested in the shares directly held by Tianchan in Zen-Game Shenzhen.

(2) Mr. Yang Min holds 51% equity interest of Dingyi and Mr. Yang Min is thus deemed to be interested in the shares directly held by Dingyi in Zen-Game Shenzhen.

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

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

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

Long position in the Company

Name	Capacity/Nature of interest	Number of Shares	Approximate percentage of shareholding in the Company[8]
Sky-zen Capital Limited[1]	Beneficial owner	231,712,000	22.39%
Ms. Xie Yingying[2]	Interest of spouse	243,512,000	23.53%
J&L Y Limited[3]	Beneficial owner	197,604,100	19.09%
Ms. Jiang Qian[4]	Interest of spouse	209,404,100	20.23%
D Fun Limited[5]	Beneficial owner	160,143,300	15.47%
Ms. Zhang Wei[5]	Founder of a discretionary trust	160,143,300	15.47%
Mr. Zeng Liqing[6]	Interest of spouse	160,143,300	15.47%
Bonaza Limited[5]	Nominee for another person (other than a bare trustee)	160,143,300	15.47%
TMF TRUSTEES SINGAPORE LIMITED	Trustee[5]	160,143,300	15.47%
Playa Technology Limited[7]	Beneficial owner	90,860,920	8.78%
Mr. Bao Zhoujia[7]	Founder of a discretionary trust	90,860,920	8.78%
BAO TRUST[7]	Nominee for another person (other than a bare trustee)	90,860,920	8.78%

Notes:

(1) Sky-zen Capital Limited is ultimately wholly owned by Mr. Ye Sheng. Accordingly, Mr. Ye Sheng is deemed to be interested in all the Shares held by Sky-zen Capital Limited.

(2) Ms. Xie Yingying is the spouse of Mr. Ye Sheng and she is thus deemed to be interested in all the Shares held by Mr. Ye Sheng, comprising (i) interest in 231,712,000 Shares in the capacity of the interest of corporation controlled by Mr. Ye Sheng; and (ii) interest in 11,800,000 Shares in the capacity of the beneficial owner, under the SFO.

(3) J&L Y Limited is ultimately wholly owned by Mr. Yang Min. Accordingly, Mr. Yang Min is deemed to be interested in all the Shares held by J&L Y Limited.

(4) Ms. Jiang Qian is the spouse of Mr. Yang Min and she is thus deemed to be interested in all the Shares held by Mr. Yang Min, comprising (i) interest in 197,604,100 Shares in the capacity of the interest of corporation controlled by Mr. Yang Min; and (ii) interest in 11,800,000 Shares in the capacity of the beneficial owner, under the SFO.

(5) D Fun Limited is owned as to (i) 80% by Bonaza Limited, a company wholly owned by TMF TRUSTEES SINGAPORE LIMITED, the trustee of a discretionary trust established by Ms. Zhang Wei as the settlor and Mr. Zeng Liqing as the beneficiary; and (ii) 20% by D Zen Limited, a company wholly owned by Mr. Zeng Liqing. Accordingly, each of Bonaza Limited and Ms. Zhang Wei is deemed to be interested in all the Shares held by D Fun Limited.

(6) Mr. Zeng Liqing is the spouse of Ms. Zhang Wei and he is thus deemed to be interested in all the Shares held by Ms. Zhang Wei under the SFO.

(7) Playa Technology Limited is owned as to (i) 80% by BAO TRUST, a trust established by Mr. Bao Zhoujia as the settlor and trustee; and (ii) 20% by Mr. Bao Zhoujia. Accordingly, each of BAO TRUST and Mr. Bao Zhoujia is deemed to be interested in all the Shares held by Playa Technology Limited.

(8) The percentage is calculated based on the total number of 1,034,975,187 Shares in issue as at 31 December 2025.

Save as disclosed above, as at 31 December 2025, the Directors were not aware of any person (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in the sections headed "Share Option Scheme", "2021 Share Award Scheme", and "2024 Share Scheme", at no time during the year ended 31 December 2025 was the Company, its holding company, or any of its subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of Shares in, or debt securities including debentures of, the Company or any other body corporate.

MAJOR SUPPLIERS AND CUSTOMERS

During the year ended 31 December 2025, the percentages of purchases from the Group's largest supplier and five largest suppliers were 53.7% and 72.8%, respectively. The percentages of sales attributable to the Group's largest customer and the five largest customers were 2.74% and 3.46%, respectively.

As far as the Directors are aware, none of the Directors, their close associates (as defined under the Listing Rules) nor any substantial shareholders has any beneficial interest in the five largest suppliers or customers of the Group.

EMPLOYEE REMUNERATION AND RELATIONS AND EMOLUMENT POLICY

As at 31 December 2025, the Group had 454 employees (494 as at 31 December 2024). As required by the PRC laws and regulations, the Group participates in various employee social security plans for our employees that are administered by local governments, including housing, pension, medical insurance, maternity insurance and unemployment insurance. Remuneration of the Group's employees includes basic salaries, allowances, bonus, share options and other employee benefits, and is determined with reference to their experience, qualifications and general market conditions.

The emolument policy for the employees of the Group is set up by the Board on the basis of their merit, qualification and competence. The emoluments of the Directors are decided by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

The Group believes that it maintains a good working relationship with its employees, and the Group has not experienced any material labor disputes during the year ended 31 December 2025.

RETIREMENT BENEFITS SCHEME

All of the Group's employees are in PRC and they are members of the state-managed retirement benefits scheme operated by the PRC government. The Group's employees are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to this retirement benefits scheme is to make the required contributions under the scheme.

Details of the pension obligations of the Company are set out in note 6, note 8 and note 9 to the consolidated financial statements in this annual report.

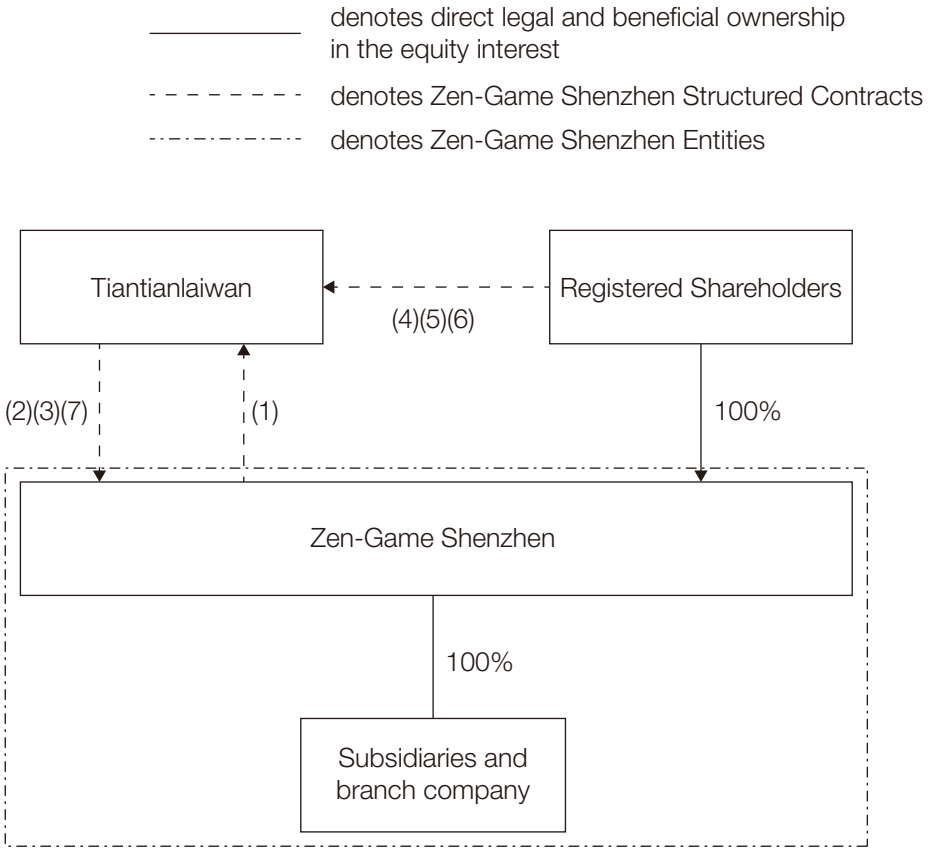
CONNECTED TRANSACTIONS

Save as the transactions contemplated under the Zen-Game Shenzhen Structured Contracts and Fingertip Interactive Structured Contracts as set out below, during the year ended 31 December 2025, the Group had not entered into any connected transaction or continuing connected transaction that are not exempt from annual reporting requirement in Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements set out in Chapter 14A of the Listing Rules.

Zen-Game Shenzhen Structured Contracts

A series of Zen-Game Shenzhen Structured Contracts was entered into between Tiantianlaiwan and Zen-game Shenzhen, pursuant to which the Company would gain effective control over, and receive all the economic benefits generated by, the businesses operated by the Zen-Game Shenzhen Entities. Accordingly, through the Zen-Game Shenzhen Structured Contracts, the results of operations and assets and liabilities of Zen-game Shenzhen and its subsidiaries are consolidated into our results of operations and assets and liabilities under HKFRS as if they were subsidiaries of the Group. The total revenue of the Zen-Game Shenzhen Entities during the year ended 31 December 2025 was approximately RMB0.5 billion, and the total assets was approximately RMB0.8 billion.

The following simplified diagram illustrates the flow of economic benefits from the Zen-Game Shenzhen Entities to the Group as stipulated under the Zen-Game Shenzhen Structured Contracts:



Notes:

1. Payment of service fees. Please refer to the paragraph headed "Summary of the Zen-Game Shenzhen Structured Contracts — (1) Zen-Game Shenzhen Exclusive Consultancy and Technical Service Agreement" below.

2. Provision of exclusive consultancy and technical services. Please refer to the paragraph headed "Summary of the Zen-Game Shenzhen Structured Contracts — (1) Zen-Game Shenzhen Exclusive Consultancy and Technical Service Agreement" below.

3. License of intellectual property rights. Please refer to the paragraph headed "Summary of the Zen-Game Shenzhen Structured Contracts — (2) Zen-Game Shenzhen IP License Agreement" below.

4. Grant of exclusive call option to acquire all or some of the shares of Zen-Game Shenzhen and all or part of its assets. Please refer to the paragraph headed "Summary of the Zen-Game Shenzhen Structured Contracts — (3) Zen-Game Shenzhen Exclusive Call Option Agreement" below.

5. Entrustment of Shareholders' right including Shareholders' power of attorney. Please refer to the paragraph headed "Summary of the Zen-Game Shenzhen Structured Contracts — (4) Zen-Game Shenzhen Shareholders' Rights Entrustment Agreement" and "Summary of the Zen-Game Shenzhen Structured Contracts — (5) Zen-Game Shenzhen Shareholders' Powers of Attorney" below.

6. Share pledge by Zen-Game Shenzhen the Registered Shareholders of their shares of Zen-Game Shenzhen. Please refer to the paragraph headed "Summary of the Zen-Game Shenzhen Structured Contracts — (7) Zen-Game Shenzhen Share Pledge Agreement" below.

7. Provision of loans by Tiantianlaiwan to Shenzhen Zen-Game which will be directly settled by Tiantianlaiwan as capital contribution of the Zen-Game Shenzhen Entities on behalf of Shenzhen Zen-Game. Please refer to the paragraph headed "Summary of the Zen-Game Shenzhen Structured Contracts — (8) Zen-Game Shenzhen Loan Agreement" below.

As of the date of this annual report, the Group has not encountered any interference or encumbrance from any governing bodies in the Group's plan to adopt the Zen-Game Shenzhen Structured Contracts and the consolidated financial results of the Zen-Game Shenzhen Entities are consolidated to those of the Group.

Summary of the Zen-Game Shenzhen Structured Contracts

A description of each of the specific agreements that comprise the Zen-Game Shenzhen Structured Contracts is set out below:

(1) Zen-Game Shenzhen Exclusive Consultancy and Technical Service Agreement

Pursuant to the Zen-Game Shenzhen Exclusive Consultancy and Technical Service Agreement, Tiantianlaiwan agreed to provide exclusive consultancy and technical services to Zen-Game Shenzhen, including but not limited to, (a) development, update, upgrade and maintenance of software for computer and mobile devices; (b) technical consultation and purchase of hardware, daily management, maintenance and update of database; (c) computer graphic design, website design and other related technical consulting services; (d) marketing on branding, product promotion placing, customer and public relations and management consulting services; (e) provision of technical training to staff; (f) engaging technical staff to provide on-site technical support; and (g) providing other technical services reasonably requested by Zen-Game Shenzhen.

In consideration of the consultancy and technical services provided by Tiantianlaiwan, Zen-Game Shenzhen agreed to pay Tiantianlaiwan by each quarter a service fee equal to income from operations from the preceding quarter. Tiantianlaiwan has the right (but not the obligation) to adjust the amount of such service fee by reference to the actual services provided and the actual business operations and needs of Zen-Game Shenzhen.

Pursuant to the Zen-Game Shenzhen Exclusive Consultancy and Technical Service Agreement, any intellectual property developed or created, including any other rights derived thereunder, in the course of performance of obligations under the Zen-Game Shenzhen Exclusive Consultancy and Technical Service Agreement shall be vested with Tiantianlaiwan.

(2) Zen-Game Shenzhen IP License Agreement

Pursuant to the Zen-Game Shenzhen IP License Agreement, Tiantianlaiwan granted Zen-Game Shenzhen a non-exclusive and non-transferable intellectual property license to use the intellectual property rights relating to games development, operation and services that are legally owned by Tiantianlaiwan from time to time for the sole purpose of games development, operation and services of Zen-Game Shenzhen. In consideration of the foregoing, Zen-Game Shenzhen shall pay Tiantianlaiwan by each quarter a license fee, which is included in the service fees under the Zen-Game Shenzhen Exclusive Consultancy and Technical Service Agreement.

Term of the Zen-Game Shenzhen IP license Agreement commence from 27 October 2018 and continue to be effective until Zen-Game Shenzhen ceases its business operation, subject to relevant laws and regulations in PRC. The Zen-Game Shenzhen IP license Agreement will be automatically terminated on the condition: (1) Tiantianlaiwan exercises its call option under the exclusive Call Option Agreement in full and all the shares of Zen-Game Shenzhen are transferred to Tiantianlaiwan; and (2) Tiantianlaiwan gives a 30 days prior written notice of termination.

The Zen-Game Shenzhen Registered Shareholders undertake to procure that all rights and obligations under the Zen-Game Shenzhen IP License Agreement will apply to any new holders of their shares in Zen-Games Shenzhen if any of the Zen-Game Shenzhen Registered Shareholders transfer, sell or dispose of their shares in Zen-Games Shenzhen leading to a change of their shareholding in Zen-Games Shenzhen.

Without the prior written consent of Tiantianlaiwan, the Zen-Game Shenzhen IP License Agreement takes priority over any other legal documentation that may be entered into by the Zen-Game Shenzhen Registered Shareholders and Zen-Games Shenzhen following the date of the Zen-Game Shenzhen IP License Agreement.

(3) Zen-Game Shenzhen Exclusive Call Option Agreement

Under the Zen-Game Shenzhen Exclusive Call Option Agreement, the Zen-Game Shenzhen Registered Shareholders have irrevocably granted Tiantianlaiwan or its designated purchaser the right to purchase all or some of (i) the shares in Zen-Game Shenzhen; and (ii) all or any part of the assets of Zen-Game Shenzhen ("**Equity Call Option**"). The purchase price payable by Tiantianlaiwan in respect of the transfer of such shares and assets upon exercise of the Equity Call Option shall be zero or the lowest price permitted under the PRC laws and regulations. Tiantianlaiwan or its designated purchaser shall have the right to purchase such proportion of the shares and assets in Zen-Game Shenzhen as it decides at any time.

In the event that PRC laws and regulations allow Tiantianlaiwan or us to directly hold all or part of the shares in Zen-Game Shenzhen and all or any part of its assets, and operate our mobile game operation business in the PRC, Tiantianlaiwan shall issue the notice of exercise of the Equity Call Option as soon as practicable, and the percentage of shares and assets purchased upon exercise of the Equity Call Option shall not be lower than the maximum percentage then allowed to be held by Tiantianlaiwan or us under PRC laws and regulations. The Zen-Game Shenzhen Registered Shareholders have further undertaken to Tiantianlaiwan that, among others, it:

(a) shall not sell, assign, transfer or otherwise dispose of or create encumbrance over the shares of Zen-Game Shenzhen without the prior written consent of Tiantianlaiwan or as otherwise pledged under the Zen-Game Shenzhen Share Pledge Agreement;

(b) shall not increase or reduce or agree to the increase or reduction of capital investment in Zen-Game Shenzhen without the prior consent of Tiantianlaiwan;

(c) shall not dispose of or procure the management of Zen-Game Shenzhen to dispose of any of the assets of Zen-Game Shenzhen without the prior consent of Tiantianlaiwan, except in the ordinary course of business and provided that the value of such assets so disposed shall not exceed RMB2,000,000;

(d) shall not terminate or procure the management of Zen-Game Shenzhen to terminate any material contract or enter into any other contracts which may contradict such material contracts (which includes any agreement under which the amount involved exceeds RMB2,000,000, the Zen-Game Shenzhen Structured Contracts and any agreement of similar nature or content to the Zen-Game Shenzhen Structured Contracts) without the prior consent of Tiantianlaiwan;

(e) shall not procure Zen-Game Shenzhen to enter into any transactions which may have an actual impact on the assets, liabilities, operations, equity structures or other legal rights of Zen-Game Shenzhen without the prior consent of Tiantianlaiwan, save for transactions which are in the ordinary course of business of Zen-Game Shenzhen, or transactions which have been disclosed to Tiantianlaiwan and approved by Tiantianlaiwan;

(f) shall not agree to or procure Zen-Game Shenzhen to declare or in substance distribute any distributable dividends or agree to such distribution without the prior consent of Tiantianlaiwan;

(g) shall not agree to or procure Zen-Game Shenzhen to amend its articles of association without the prior consent of Tiantianlaiwan;

(h) shall ensure that Zen-Game Shenzhen does not provide or obtain loans or provide any guarantees or otherwise undertake any other action to guarantee, or undertake any material obligations (including obligations under which the amount payable by Zen-Game Shenzhen exceeds RMB2,000,000, obligations which restrict or hinder the due performance of obligations under the Zen-Game Shenzhen Structured Contracts by Zen-Game Shenzhen, obligations which restrict or prohibit the financial or business operations of Zen-Game Shenzhen, or any obligations which may result in change of the structure of the shares of Zen-Game Shenzhen) outside its ordinary course of business without the prior consent of Tiantianlaiwan;

(i) shall use their best endeavors to develop the business of Zen-Game Shenzhen and ensure compliance with laws and regulations by Zen-Game Shenzhen, and shall not take or fail to take any action which may prejudice the assets, goodwill or the effectiveness of operational licenses of Zen-Game Shenzhen;

(j) shall, prior to the transfer of the shareholders' interest to Tiantianlaiwan or its designated purchaser and without prejudice to our Zen-Game Shenzhen Shareholders' Rights Entrustment Agreement, execute all documents necessary for holding and maintaining the ownership of its shares of Zen-Game Shenzhen;

(k) shall, in its capacity as shareholders of Zen-Game Shenzhen and without prejudice to the Zen-Game Shenzhen Structured Contracts, procure directors nominated by them to exercise all rights to enable Zen-Game Shenzhen to perform its rights and obligations under the Zen-Game Shenzhen Exclusive Call Option Agreement, and shall replace any director or council member who fails to do so; and

(l) in the event that the consideration paid by Tiantianlaiwan or its designated purchaser for the transfer of all or some of the shares in Zen-Game Shenzhen exceeds RMB0, shall pay such excess amount to Tiantianlaiwan or its designated entity.

In addition, the Zen-Game Shenzhen Registered Shareholders undertake to Tiantianlaiwan that, in the event of a merger and subdivision of the Zen-Game Shenzhen Registered Shareholders, presentation by the Zen-Game Shenzhen Registered Shareholders or the Zen-Game Shenzhen Registered Shareholders being presented any application for winding up, liquidation, winding up restructuring or reconciliation, dissolution and liquidation of the Zen-Game Shenzhen Registered Shareholders pursuant to an order, application for involuntary dissolution of the Zen-Game Shenzhen Registered Shareholders or other reasons, or other circumstances which may affect the Zen-Game Shenzhen Registered Shareholders in exercising its direct or indirect interest in Zen-Game Shenzhen, they shall have made all necessary arrangement and sign all necessary documents such that the successor, administrator, liquidation committee and any other person which may as a result of the above events obtain the direct or indirect interest or relevant rights in Zen-Game Shenzhen shall not prejudice or hinder the enforcement of the Zen-Game Shenzhen Structured Contracts.

(4) Zen-Game Shenzhen Shareholders' Rights Entrustment Agreement

Pursuant to the Zen-Game Shenzhen Shareholders' Rights Entrustment Agreement and the Supplemental Agreement to the Zen-Game Shenzhen Shareholders' Rights Entrustment Agreement, each of the Zen-Game Shenzhen Registered Shareholders has irrevocably authorized and entrusted Tiantianlaiwan and its designated persons (including but not limited to any liquidator in replacement of Tiantianlaiwan's director), but excluding any person who is not independent from Zen-Game Shenzhen or may give rise to any conflict of interest, to exercise all of its respective rights as shareholders of Zen-Game Shenzhen to the extent permitted by the PRC laws. These rights include, but are not limited to: (a) the right to convene and attend shareholders' meetings of Zen-Game Shenzhen in accordance with the articles of association of Zen-Game Shenzhen and the right to sign all shareholders' resolutions and other legal documents; (b) the right to exercise all other rights and voting rights of shareholders as prescribed under the articles of association of Zen-Game Shenzhen; (c) the right to exercise voting rights in respect of all matters discussed and resolved at the shareholders' meeting of Zen-Game Shenzhen (including but not limited to nominate and appoint the legal representatives, chairman, directors, supervisors, senior management members); (d) the right to handle the legal procedures of registration, approval and licensing of Zen-Game Shenzhen at the relevant government regulatory departments; (e) the right to supervise the operation and financial performance of Zen-Game Shenzhen, to declare dividends and to inspect the financial information of Zen-Game Shenzhen; (f) to institute legal proceedings

against any director or management if such director or management conducted any act that harms the interest of Zen-Game Shenzhen or its shareholders; (g) to approve the amendments to the articles of association of Zen-Game Shenzhen; and (h) other shareholders' rights pursuant to applicable PRC laws and regulations and the articles of association of Zen-Game Shenzhen as amended from time to time.

In addition, each of the Zen-Game Shenzhen Registered Shareholders has irrevocably agreed that any person as successor of civil rights of Tiantianlaiwan or liquidator by reason of subdivision, merger, liquidation of Tiantianlaiwan or other circumstances shall have authority to replace Tiantianlaiwan to exercise all rights under the Zen-Game Shenzhen Shareholders' Rights Entrustment Agreement.

(5) Zen-Game Shenzhen Shareholders' Powers of Attorney

Pursuant to the Zen-Game Shenzhen Shareholders' Powers of Attorney executed by each of the Zen-Game Shenzhen Registered Shareholders in favor of Tiantianlaiwan, and its designated persons (including but not limited to any liquidator in replacement of Tiantianlaiwan's director), but excluding any person who is not independent from Zen-Game Shenzhen or may give rise to any conflict of interest, each of the Zen-Game Shenzhen Registered Shareholders authorized and appointed Tiantianlaiwan, as its agent to act on its behalf to exercise or delegate the exercise of all its rights as shareholders of the Zen-Game Shenzhen. For details of the rights granted, please refer to the section headed "Structured Contracts — Operation of the Structured Contracts — Summary of the Material Terms of the Structured Contracts — (4) Shareholders' Rights Entrustment Agreement" in the Prospectus.

The Zen-Game Shenzhen Shareholders' Power of Attorney shall constitute a part and incorporate terms of the Zen-Game Shenzhen Shareholders' Rights Entrustment Agreement and the supplemental agreement to the Zen-Game Shenzhen Shareholders' Rights Entrustment Agreement.

(6) Zen-Game Shenzhen Spouse Undertakings

Each of the spouses of Mr. Ye Sheng and Mr. Yang Min, being our Controlling Shareholders, signed the Zen-Game Shenzhen Spouse Undertakings on 27 October 2018 (collectively, the "**Existing Spouse Undertakings**"). Pursuant to the Existing Spouse Undertakings, each of Mr. Ye Sheng's and Mr. Yang Min's spouse has irrevocably undertaken that:

(a) the spouse has full knowledge of and has consented to the entering into of the Zen-Game Shenzhen Structured Contracts by each of Mr. Ye Sheng and Mr. Yang Min, and in particular, the arrangement as set out in the Zen-Game Shenzhen Structured Contracts in relation to the restrictions imposed on the direct or indirect interest in shares of Zen-Game Shenzhen, pledge or transfer the direct or indirect interest in shares of Zen-Game Shenzhen, or the disposal of the direct or indirect interest in shares of Zen-Game Shenzhen in any other forms;

(b) all the shares held by each of Mr. Ye Sheng and Mr. Yang Min in Zen-Game Shenzhen are assets solely owned by Mr. Ye Sheng or Mr. Yang Min (as the case may be) and she will not claim any shares of Zen-Game Shenzhen;

(c) no claims or actions against the Zen-Game Shenzhen Structured Contracts will be taken by the spouse and she will take all necessary actions to ensure the proper performance of the Zen-Game Shenzhen Structured Contracts;

(d) the spouse has not participated, is not participating and shall not in the future participate in the operation, management, liquidation, dissolution and other matters in relation to the Zen-Game Shenzhen Entities;

(e) the spouse who holds indirect interest in Zen-Game Shenzhen, will be subject to and abide by the terms of the Zen-Game Shenzhen Structured Contracts as if she was a signing party to such Zen-Game Shenzhen Structured Contracts, and she will sign any documents in the form and substance consistent with the Zen-Game Shenzhen Structured Contracts;

(f) she will not (whether directly or indirectly, actively or passively) act, or omit to act, against the purpose or intention of the Zen-Game Shenzhen Structure Contracts;

(g) the spouse authorizes Mr. Ye Sheng or Mr. Yang Min (as the case may be) or his authorized person to execute all necessary documents and perform all necessary procedures from time to time for and on behalf of the spouse in relation to the spouse's shares of Zen-Game Shenzhen (direct or indirect) in order to safeguard the interest of Tiantianlaiwan under the Zen-Game Shenzhen Structured Contracts and give effect to the fundamental purposes thereunder, and confirms and agrees to all such documents and procedures;

(h) any undertaking, confirmation, consent and authorization under the Zen-Game Shenzhen Spouse Undertakings shall not be revoked, prejudiced, invalidated or otherwise adversely affected by any increase, decrease, consolidation or other similar events relating to the direct or indirect interest in shares of Zen-Game Shenzhen of Mr. Ye Sheng or Mr. Yang Min;

(i) any undertaking, confirmation, consent and authorization under the Zen-Game Shenzhen Spouse Undertakings shall not be invalid, prejudiced or otherwise adversely affected by reason of her loss of or restriction on capacity, death, divorce or other similar events; and

(j) all undertakings, confirmations, consents and authorizations under the Zen-Game Shenzhen Spouse Undertakings shall continue to be valid and binding until otherwise terminated by both Tiantianlaiwan and the spouses of Mr. Ye Sheng and Mr. Yang Min in writing.

In addition, each of the spouses of Ms. Zhang Wei, Ms. Li Wen, Mr. Zhang Dexiang, Ms. Xie Biyu, Mr. Kang Yonghong, Mr. Zhu Weijie, Mr. Huang Yucong and Mr. Yu Xi, being the ultimate shareholders of Shenzhen Dechangqing Technology Co., Ltd.* (深圳市德常青科技有限公司), Shenzhen Dewenshiji Technology Co., Ltd.* (深圳市德文世紀科技有限公司) and Hezhongshiji, also signed their respective Zen-Game Shenzhen Spouse Undertakings on 3 January 2019, 14 February 2019 and 15 February 2019, in substantially the same terms. The ultimate shareholders who currently do not have a spouse, namely, Mr. Bao Zhoujia, Mr. Cheng Long and Mr. Lin Cong also signed their respective undertakings on 6 January 2019 and 7 January 2019, irrevocably undertake and ensure to procure their future spouses to sign the same Zen-Game Shenzhen Spouse Undertaking. The Zen-Game Shenzhen Spouse Undertakings had therefore been signed by the spouses of all the ultimate shareholders of the Zen-Game Shenzhen Registered Shareholders (where applicable and other than Wu Hu Shunrong 37 Interactive Entertainment Network Technology Co., Ltd.* (蕪湖順榮三七互娛網絡科技股份有限公司) which is a listed company) and the Directors believe are sufficient to protect the Company's interest in the event of death or divorce of the Zen-Game Shenzhen Registered Shareholders.

In September 2020, there were some equity transfers in Tianchan, Dingyi and Hezhongshiji, all are the Zen-Game Shenzhen Registered Shareholders. In particular, Mr. Ye Sheng transferred (i) 98% equity interest in Tianchan and 60.51% equity interest in Hezhongshiji to his spouse, Ms. Xie Yingying; and (ii) 1% equity interest in Tianchan to his mother. Mr. Yang Min transferred 90% equity interest in Dingyi to his spouse, Ms. Jiang Qian, and Ms. Jiang Qian transferred her 1% equity interest in Dingyi to her mother. Upon completion of the aforesaid equity transfers, (i) Tianchan became owned as to 99% by Ms. Xie Yingying and 1% by Mr. Ye Shang's mother; (ii) Hezhongshiji became directly owned as to 60.51% by Ms. Xie Yingying and Mr. Ye Sheng is no longer a shareholder of Tianchan and Hezhongshiji; and (iii) Dingyi became owned as to 99% by Ms. Jiang Qian and 1% by Ms. Jiang Qian's mother and Mr. Yang Min is no longer a shareholder of Dingyi.

In October 2022, there were some equity transfers in Tianchan and Dingyi, both of which are the Zen-Game Shenzhen Registered Shareholders. In particular, (i) Ms. Xie Yingying (spouse of Mr. Ye Sheng) transferred 51% equity interest in Tianchan to Mr. Ye Sheng; and (ii) Ms. Jiang Qian (spouse of Mr. Yang Min) transferred all her equity interest in Dingyi to Mr. Yang Min as to 51% and Ms. Jiang Qian's mother as to 48%. Upon completion of the said transfers, (i) Tianchan became owned as to 51% by Mr. Ye Sheng, 48% by Ms. Xie Yingying and 1% by Mr. Ye Sheng's mother; and (ii) Dingyi became owned as to 51% by Mr. Yang Min and 49% by Ms. Jiang Qian's mother and Ms. Jiang Qian is no longer a shareholder of Dingyi. In May 2023, Ms. Xie Yingying (spouse of Mr. Ye Sheng) transferred 48% equity interest in Tianchan to Mr. Ye Sheng's mother. Upon completion of the said transfer, Tianchan became owned as to 51% by Mr. Ye Sheng and 49% by Mr. Ye Sheng's mother.

In light of the aforesaid equity transfers and in order to ensure that the Company's interest is sufficiently protected, the Existing Spouse Undertakings were terminated and on 27 September 2020, Mr. Ye Sheng, Mr. Ye Sheng's father, Mr. Yang Min and Ms. Jiang Qian's father entered into new spouse undertakings, which became effective immediately upon completion of the aforesaid equity transfers. The principal terms of such new spouse undertakings are substantially the same as those of the Existing Spouse Undertakings. In addition, each of Mr. Ye Sheng, Ms. Xie Yingying, Mr. Ye Sheng's mother, Mr. Yang Min, Ms. Jiang Qian and Ms. Jiang Qian's mother also confirmed that, during the period when the Zen-Game Shenzhen Structured Contracts remain valid, they will execute any documents and take all necessary actions as required by Tiantianlaiwan in respect of his or her indirect shareholding in Zen-Game Shenzhen, and will not make any request in respect of his or her present or past indirect shareholding in Zen-Game Shenzhen that will conflict with, or take any actions that will be inconsistent with, the terms of the Zen-Game Shenzhen Structured Contracts.

(7) Zen-Game Shenzhen Share Pledge Agreement

Pursuant to the Zen-Game Shenzhen Share Pledge Agreement, each of the Zen-Game Shenzhen Registered Shareholders irrevocably pledged and granted first priority security interests over all of its shares of Zen-Game Shenzhen together with all related rights thereto to Tiantianlaiwan as security for performance of the Zen-Game Shenzhen Structured Contracts and all direct, indirect or consequential damages and foreseeable loss of interest incurred by Tiantianlaiwan as a result of any event of default on the part of the Zen-Game Shenzhen Registered Shareholders and/or Zen-Game Shenzhen and all expenses incurred by Tiantianlaiwan as a result of enforcement of the obligations of the Zen-Game Shenzhen Registered Shareholders and/or Zen-Game Shenzhen under the Zen-Game Shenzhen Structured Contracts (the "**Secured Indebtedness**").

Pursuant to the Zen-Game Shenzhen Share Pledge Agreement, without the prior written consent of Tiantianlaiwan, the Zen-Game Shenzhen Registered Shareholders shall not transfer the shares or create further pledge or encumbrance over the pledged equity interest. Any unauthorized transfer shall be invalid, and the proceeds of any transfer of the shares shall be first used in the payment of the Secured Indebtedness or deposited to such third party as agreed to by Tiantianlaiwan. The Zen-Game Shenzhen Registered Shareholders also waived any pre-emptive rights upon enforcement and agreed to any transfer of the pledged equity pursuant to the Zen-Game Shenzhen Share Pledge Agreement.

Upon the occurrence of an event of default, Tiantianlaiwan shall have the right to enforce the Zen-Game Shenzhen Share Pledge Agreement by written notice to the Zen-Game Shenzhen Registered Shareholders in one or more of the following ways:

(a) to the extent permitted under PRC laws and regulations, Tiantianlaiwan may request the Zen-Game Shenzhen Registered Shareholders to transfer all or some of its shares of the Zen-Game Shenzhen Entities to any entity or individual designated by Tiantianlaiwan at the lowest consideration permissible under the PRC laws and regulations;

(b) sell the pledged shares by way of auction or at a discount and have priority in the entitlement to the sales proceeds; and/or

(c) dispose of the pledged shares in other manner subject to applicable laws and regulations.

The Market Supervision and Management Bureau of Shenzhen approved the registration of the Zen-Game Shenzhen Share Pledge Agreement and published relevant information of the pledge on its official website on 17 December 2018.

(8) Zen-Game Shenzhen Loan Agreement

Pursuant to the Zen-Game Shenzhen Loan Agreement, Tiantianlaiwan agreed to provide loans to, among others, Zen-Game Shenzhen from time to time in accordance with the PRC laws and regulations and Zen-Game Shenzhen agreed to utilize the proceeds of such loans as necessary for the operations and development of the Zen-Game Shenzhen Entities.

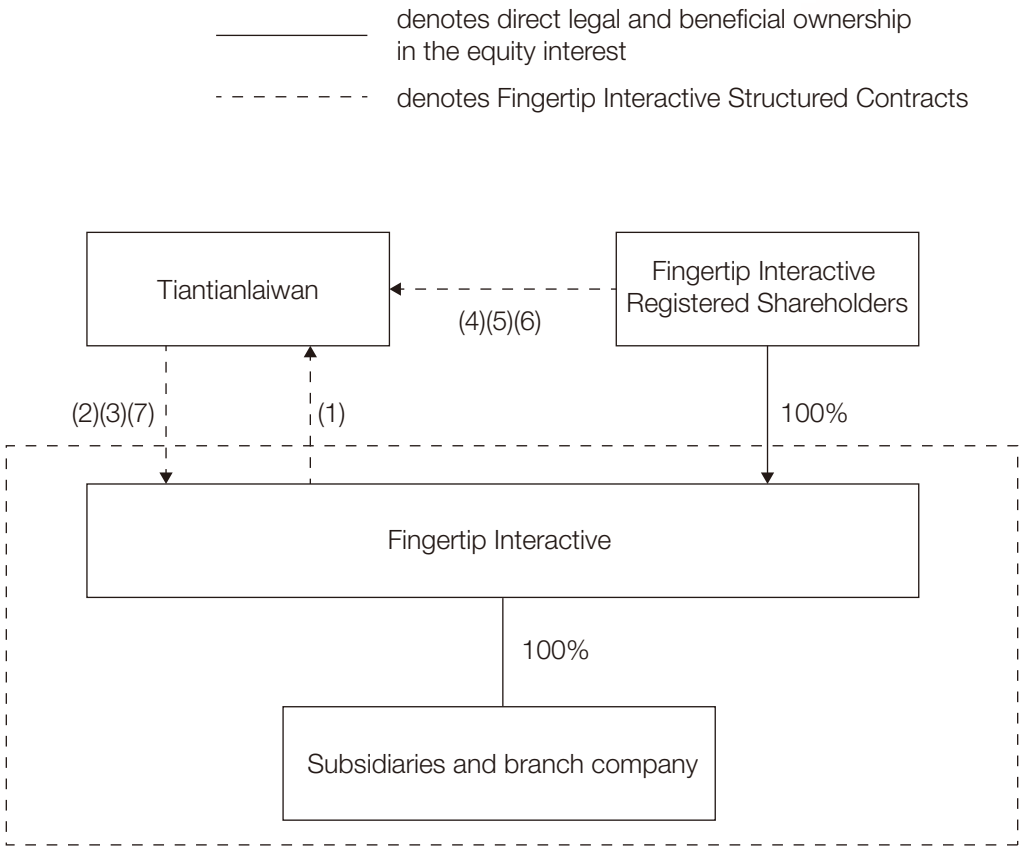
Reasons for adopting the Zen-Game Shenzhen Structured Contracts

We conduct our business of developing and operating mobile games through our subsidiaries in the PRC and are thus considered to be engaged in the provision of value-added telecommunications services and Internet cultural business. PRC laws and regulations currently restrict the operation of value-added telecommunications services (except for e-commerce), in addition to imposing qualification requirements on the foreign owners and prohibit the operation of Internet culture services (except for music) business to foreign investors. To comply with relevant PRC laws and regulations, our mobile game operation business is directly conducted by the Zen-Game Shenzhen Entities and we do not hold any equity interest in the Zen-Game Shenzhen Entities. For further details of the foreign investment restrictions relating to the Zen-Game Shenzhen Structured Contracts, please refer to the sections headed "Structured Contracts — PRC laws and regulations relating to foreign ownership in the mobile game industry" and "Structured Contracts — Development in the PRC Legislation on Foreign Investment" on pages 152 to 155 and pages 169 to 174 of the Prospectus.

Fingertip Interactive Structured Contracts

On 27 September 2020, the Group entered into the Fingertip Interactive Structured Contracts with Fingertip Interactive and the Fingertip Interactive Registered Shareholders as a result of an internal restructuring, pursuant to which the financials and results of operations of Fingertip Interactive will continue to be consolidated and accounted for as a subsidiary. The Fingertip Interactive Structured Contracts were reproduced from the Zen-Game Shenzhen Structured Contracts. The total revenue of Fingertip Interactive during the year ended 31 December 2025 was approximately RMB79.3 million, and the total assets was approximately RMB39.5 million.

The following simplified diagram illustrates the flow of economic benefits from Fingertip Interactive to the Group as stipulated under the Fingertip Interactive Structured Contracts:



Notes:

1. Payment of service fee.
2. Provision of exclusive consultancy and technical service.
3. License of intellectual property rights.
4. Grant of exclusive call option to acquire all or some of the equity interest of Fingertip Interactive and all or part of its assets.
5. Entrustment of Shareholders' right including Shareholders' power of attorney.
6. Equity pledge by the Fingertip Interactive Registered Shareholders of their equity interest of Fingertip Interactive.
7. Provision of loans by Tiantianlaiwan to Fingertip Interactive from time to time.

As at the date of this annual report, we have not encountered any interference or encumbrance from any governing bodies in the Group's plan to adopt the Fingertip Interactive Structured Contracts and the consolidated financial results of Fingertip Interactive are consolidated to those of the Group.

Summary of the Fingertip Interactive Structured Contracts

A description of each of the specific agreements that comprise the Fingertip Interactive Structured Contracts is set out below:

(1) Fingertip Interactive Exclusive Consultancy and Technical Service Agreement

Pursuant to the Fingertip Interactive Exclusive Consultancy and Technical Service Agreement, Tiantianlaiwan agreed to provide exclusive consultancy and technical services to Fingertip Interactive, including but not limited to, (a) development, update, upgrade and maintenance of software for computer and mobile devices; (b) technical consultation and purchase of hardware, daily management, maintenance and update of database; (c) computer graphic design, website design and other related technical consulting services; (d) marketing on branding, product promotion placing, customer and public relations; (e) provision of technical training to staff and management consulting services; (f) engaging technical staff to provide on-site technical support; and (g) providing other technical services reasonably requested by Fingertip Interactive.

In consideration of the consultancy and technical services provided by Tiantianlaiwan, Fingertip Interactive agreed to pay Tiantianlaiwan by each quarter a service fee equal to income from operations from the preceding quarter. Tiantianlaiwan has the right (but not the obligation) to adjust the amount of such service fee by reference to the actual services provided and the actual business operations and needs of Fingertip Interactive.

Pursuant to the Fingertip Interactive Exclusive Consultancy and Technical Service Agreement, any intellectual property developed or created, including any other rights derived thereunder, in the course of performance of obligations under the Fingertip Interactive Exclusive Consultancy and Technical Service Agreement shall be vested with Tiantianlaiwan.

(2) Fingertip Interactive IP License Agreement

Pursuant to the Fingertip Interactive IP License Agreement, Tiantianlaiwan granted Fingertip Interactive a non-exclusive and non-transferable intellectual property license to use the intellectual property rights relating to games development, operation and services that are legally owned by Tiantianlaiwan from time to time for the sole purpose of games development, operation and services of Fingertip Interactive. In consideration of the foregoing, Fingertip Interactive shall pay Tiantianlaiwan by each quarter a license fee, which is included in the service fees under the Fingertip Interactive Exclusive Consultancy and Technical Service Agreement.

Term of the Fingertip Interactive IP License Agreement commence from 27 September 2020 and continue to be effective until Fingertip Interactive ceases its business operation, subject to relevant laws and regulations in PRC. The Fingertip Interactive IP License Agreement will be automatically terminated on the condition: (1) Tiantianlaiwan exercises its call option under the Fingertip Interactive Exclusive Call Option Agreement in full and all the equity interest of Fingertip Interactive are transferred to Tiantianlaiwan; (2) Tiantianlaiwan gives a one-month prior written notice of termination.

(3) Fingertip Interactive Exclusive Call Option Agreement

Under the Fingertip Interactive Exclusive Call Option Agreement, the Fingertip Interactive Registered Shareholders have irrevocably granted Tiantianlaiwan or its designated purchaser the right to purchase all or some of (i) the equity interest in Fingertip Interactive; and (ii) all or any part of the assets of Fingertip Interactive ("**Fingertip Interactive Equity Call Option**"). The purchase price payable by Tiantianlaiwan in respect of the transfer of such equity interest and assets upon exercise of the Fingertip Interactive Equity Call Option shall be zero or the lowest price permitted under the PRC laws and regulations. Tiantianlaiwan or its designated purchaser shall have the right to purchase such proportion of the equity interest and assets in Fingertip Interactive as it decides at any time.

In the event that PRC laws and regulations allow Tiantianlaiwan or us to directly hold all or part of the equity interest in Fingertip Interactive and all or any part of its assets, and operate our mobile game operation business in the PRC, Tiantianlaiwan shall issue the notice of exercise of the Fingertip Interactive Equity Call Option as soon as practicable, and the percentage of equity and assets purchased upon exercise of the Fingertip Interactive Equity Call Option shall not be lower than the maximum percentage then allowed to be held by Tiantianlaiwan or us under PRC laws and regulations.

The Fingertip Interactive Registered Shareholders have further undertaken to Tiantianlaiwan that, among others, they:

(a) shall not sell, assign, transfer or otherwise dispose of or create encumbrance over the equity interest of Fingertip Interactive without the prior written consent of Tiantianlaiwan or as otherwise pledged under the Fingertip Interactive Equity Pledge Agreement;

(b) shall not increase or reduce or agree to the increase or reduction of capital investment in Fingertip Interactive without the prior consent of Tiantianlaiwan;

(c) shall not dispose of or procure the management of Fingertip Interactive to dispose of any of the assets of Fingertip Interactive without the prior consent of Tiantianlaiwan, except in the ordinary course of business and provided that the value of such assets so disposed shall not exceed RMB2,000,000;

(d) shall not terminate or procure the management of Fingertip Interactive to terminate any material contract or enter into any other contracts which may contradict such material contracts (which includes any agreement under which the amount involved exceeds RMB2,000,000, the Fingertip Interactive Structured Contracts and any agreement of similar nature or content to the Fingertip Interactive Structured Contracts) without the prior consent of Tiantianlaiwan;

(e) shall not procure Fingertip Interactive to enter into any transactions which may have an actual impact on the assets, liabilities, operations, equity structures or other legal rights of Fingertip Interactive without the prior consent of Tiantianlaiwan, save for transactions which are in the ordinary course of business of Fingertip Interactive, or transactions which have been disclosed to Tiantianlaiwan and approved by Tiantianlaiwan;

(f) shall not agree to or procure Fingertip Interactive to declare or in substance distribute any distributable dividends or agree to such distribution without the prior consent of Tiantianlaiwan;

(g) shall not agree to or procure Fingertip Interactive to amend its articles of association without the prior consent of Tiantianlaiwan;

(h) shall ensure that Fingertip Interactive does not provide or obtain loans or provide any guarantees or otherwise undertake any other action to guarantee, or undertake any material obligations (including obligations under which the amount payable by Fingertip Interactive exceeds RMB2,000,000, obligations which restrict or hinder the due performance of obligations under the Fingertip Interactive Structured Contracts by Fingertip Interactive, obligations which restrict or prohibit the financial or business operations of Fingertip Interactive, or any obligations which may result in change of the structure of the equity interest of Fingertip Interactive) outside its ordinary course of business without the prior consent of Tiantianlaiwan;

(i) shall use their best endeavors to develop the business of Fingertip Interactive and ensure compliance with laws and regulations by Fingertip Interactive, and shall not take or fail to take any action which may prejudice the assets, goodwill or the effectiveness of the operational licenses of Fingertip Interactive;

(j) shall, prior to the transfer of the shareholders' interest to Tiantianlaiwan or its designated purchaser and without prejudice to the Fingertip Interactive Shareholders' Rights Entrustment, execute all documents necessary for holding and maintaining the ownership of its equity interest of Fingertip Interactive;

(k) shall, in its capacity as shareholders of Fingertip Interactive and without prejudice to the Fingertip Interactive Structured Contracts, procure directors nominated by them to exercise all rights to enable Fingertip Interactive to perform its rights and obligations under the Fingertip Interactive Exclusive Call Option Agreement, and shall replace any director or council member who fails to do so; and

(l) in the event that the consideration paid by Tiantianlaiwan or its designated purchaser for the transfer of all or some of the equity interest in Fingertip Interactive exceeds RMB0, shall pay such excess amount to Tiantianlaiwan or its designated entity.

In addition, the Fingertip Interactive Registered Shareholders undertake to Tiantianlaiwan that, in the event of a merger and subdivision of the Fingertip Interactive Registered Shareholders, presentation by the Fingertip Interactive Registered Shareholders or the Fingertip Interactive Registered Shareholders being presented any application for winding up, liquidation, winding up restructuring or reconciliation, dissolution and liquidation of the Fingertip Interactive Registered Shareholders pursuant to an order, application for involuntary dissolution of the Fingertip Interactive Registered Shareholders or other reasons, or other circumstances which may affect the Fingertip Interactive Registered Shareholders in exercising their direct or indirect interest in Fingertip Interactive, they shall have made all necessary arrangement and sign all necessary documents such that the successor, administrator, liquidation committee and any other person which may as a result of the above events obtain the direct or indirect interest or relevant rights in Fingertip Interactive shall not prejudice or hinder the enforcement of the Fingertip Interactive Structured Contracts.

(4) Fingertip Interactive Shareholders' Rights Entrustment Agreement

Pursuant to the Fingertip Interactive Shareholders' Rights Entrustment Agreement, each of the Fingertip Interactive Registered Shareholders has irrevocably authorized and entrusted Tiantianlaiwan and its designated persons (including but not limited to any liquidator in replacement of Tiantianlaiwan's director), but excluding any person who is not independent from Fingertip Interactive or may give rise to any conflict of interest, to exercise all of its respective rights as shareholders of Fingertip Interactive to the extent permitted by the PRC laws. These rights include, but are not limited to: (a) the right to convene and attend shareholders' meetings of Fingertip Interactive in accordance with the articles of association of Fingertip Interactive and the right to sign all shareholders' resolutions and other legal documents; (b) the right to exercise all other rights and voting rights of shareholders as prescribed under the articles of association of Fingertip Interactive; (c) the right to exercise voting rights in respect of all matters discussed and resolved at the shareholders' meeting of Fingertip Interactive (including but not limited to nominate and appoint the legal representatives, chairman, directors, supervisors, senior management members); (d) the right to handle the legal procedures of registration, approval and licensing of Fingertip Interactive at the relevant government regulatory departments; (e) the right to supervise the operation and financial performance of Fingertip Interactive, to declare dividends and to inspect the financial information of Fingertip Interactive; (f) to institute legal proceedings against any director or management if such director or management conducted any act that harms the interest of Fingertip Interactive or its shareholders; (g) to approve the amendments to the articles of association of Fingertip Interactive; and (h) other shareholders' rights pursuant to applicable PRC laws and regulations and the articles of association of Fingertip Interactive as amended from time to time.

In addition, each of the Fingertip Interactive Registered Shareholders has irrevocably agreed that any person as successor of civil rights of Tiantianlaiwan or liquidator by reason of subdivision, merger, liquidation of Tiantianlaiwan or other circumstances shall have authority to replace Tiantianlaiwan to exercise all rights under the Fingertip Interactive Shareholders' Rights Entrustment Agreement.

(5) Fingertip Interactive Shareholders' Powers of Attorney

Pursuant to the Fingertip Interactive Shareholders' Powers of Attorney executed by each of the Fingertip Interactive Registered Shareholders in favour of Tiantianlaiwan, and its designated persons (including but not limited to any liquidator in replacement of Tiantianlaiwan's director), but excluding any person who is not independent from Fingertip Interactive or may give rise to any conflict of interest, each of the Fingertip Interactive Registered Shareholders authorized and appointed Tiantianlaiwan, as its agent to act on its behalf to exercise or delegate the exercise of all its rights as shareholders of the Fingertip Interactive.

The Shareholders' Power of Attorney shall constitute a part and incorporate terms of the Fingertip Interactive Shareholders' Rights Entrustment Agreement.

(6) Fingertip Interactive Spouse Undertakings

The spouse of each of the Fingertip Interactive Registered Shareholders, signed the Fingertip Interactive Spouse Undertakings and which the Directors believe are sufficient to protect the Company's interest in the event of death, bankruptcy or divorce of the Fingertip Interactive Registered Shareholders. Pursuant to the Fingertip Interactive Spouse Undertakings, the spouse of each of the Fingertip Interactive Registered Shareholders has irrevocably undertaken that:

(a) she has full knowledge of and has consented to the entering into of the Fingertip Interactive Structured Contracts by her spouse, and in particular, the arrangement as set out in the Fingertip Interactive Structured Contracts in relation to the restrictions imposed on the direct or indirect equity interest of Fingertip Interactive, pledge or transfer the direct or indirect equity interest of Fingertip Interactive, or the disposal of the direct or indirect equity interest of Fingertip Interactive in any other forms;

(b) all the equity interest held by each of the Fingertip Interactive Registered Shareholders in Fingertip Interactive are assets solely owned by the Fingertip Interactive Registered Shareholders and she will not claim any equity interest of Fingertip Interactive;

(c) no claims or actions against the Fingertip Interactive Structured Contracts will be taken by the spouse and she will take all necessary actions to ensure the proper performance of the Fingertip Interactive Structured Contracts;

(d) the spouse has not participated, is not participating and shall not in the future participate in the operation, management, liquidation, dissolution and other matters in relation to Fingertip Interactive;

(e) the spouse who holds indirect interest in Fingertip Interactive, will be subject to and abide by the terms of the Fingertip Interactive Structured Contracts as if she was a signing party to such Structured Contracts, and she will sign any documents in the form and substance consistent with the Fingertip Interactive Structured Contracts;

(f) she will not (whether directly or indirectly, actively or passively) act, or omit to act, against the purpose or intention of the Fingertip Interactive Structured Contracts;

(g) she authorises her spouse or her spouse's authorized person to execute all necessary documents and perform all necessary procedures from time to time for and on her behalf in relation to her spouse's equity interest of Fingertip Interactive (direct or indirect) in order to safeguard the interest of Tiantianlaiwan under the Fingertip Interactive Structured Contracts and give effect to the fundamental purposes thereunder, and confirms and agrees to all such documents and procedures;

(h) any undertaking, confirmation, consent and authorization under the Fingertip Interactive Spouse Undertakings shall not be revoked, prejudiced, invalidated or otherwise adversely affected by any increase, decrease, consolidation or other similar events relating to the direct or indirect equity interest of Fingertip Interactive of the Fingertip Interactive Registered Shareholders;

(i) any undertaking, confirmation, consent and authorization under the Fingertip Interactive Spouse Undertakings shall not be invalid, prejudiced or otherwise adversely affected by reason of her loss of or restriction on capacity, death, divorce or other similar events; and

(j) all undertakings, confirmations, consents and authorizations under the Fingertip Interactive Spouse Undertakings shall continue to be valid and binding until otherwise terminated by both Tiantianlaiwan and the spouses of the Fingertip Interactive Registered Shareholders in writing.

(7) Fingertip Interactive Equity Pledge Agreement

Pursuant to the Fingertip Interactive Equity Pledge Agreement, each of the Fingertip Interactive Registered Shareholders irrevocably pledged and granted first priority security interests over all of its equity interest of Fingertip Interactive together with all related rights thereto to Tiantianlaiwan as security for performance of the Fingertip Interactive Structured Contracts and all direct, indirect or consequential damages and foreseeable loss of interest incurred by Tiantianlaiwan as a result of any event of default on the part of the Fingertip Interactive Registered Shareholders and/or Fingertip Interactive and all expenses incurred by Tiantianlaiwan as a result of enforcement of the obligations of the Fingertip Interactive Registered Shareholders and/or Fingertip Interactive under the Fingertip Interactive Structured Contracts (the "**Fingertip Interactive Secured Indebtedness**").

Pursuant to the Fingertip Interactive Equity Pledge Agreement, without the prior written consent of Tiantianlaiwan, the Fingertip Interactive Registered Shareholders shall not transfer the equity interest or create further pledge or encumbrance over the pledged equity interest. Any unauthorized transfer shall be invalid, and the proceeds of any transfer of the equity interest shall be first used in the payment of the Fingertip Interactive Secured Indebtedness or deposited to such third party as agreed to by Tiantianlaiwan. The Fingertip Interactive Registered Shareholders also waived any pre-emptive rights upon enforcement and agreed to any transfer of the pledged equity pursuant to the Fingertip Interactive Equity Pledge Agreement.

Upon the occurrence of an event of default, Tiantianlaiwan shall have the right to enforce the Fingertip Interactive Equity Pledge Agreement by written notice to the Fingertip Interactive Registered Shareholders in one or more of the following ways:

(a) to the extent permitted under PRC laws and regulations, Tiantianlaiwan may request the Fingertip Interactive Registered Shareholders to transfer all or some of its equity interest of Fingertip Interactive to any entity or individual designated by Tiantianlaiwan at the lowest consideration permissible under the PRC laws and regulations;

(b) sell the pledged equity interest by way of auction or at a discount and have priority in the entitlement to the sales proceeds; and/or

(c) dispose of the pledged equity interest in other manner subject to applicable laws and regulations.

The Market Supervision and Management Bureau of Shenzhen approved the registration of the Fingertip Interactive Equity Pledge Agreement on 27 September 2020.

(8) Fingertip Interactive Loan Agreement

Pursuant to the Fingertip Interactive Loan Agreement, Tiantianlaiwan agreed to provide loans to, among others, Fingertip Interactive from time to time in accordance with the PRC laws and regulations and Fingertip Interactive agreed to utilize the proceeds of such loans as necessary for the operations and development of Fingertip Interactive.

Reasons for adopting the Fingertip Interactive Structured Contracts

The Group focuses its business on the development and operation of mobile games and with the continuous growth of its business, the establishment of Fingertip Interactive will allow the Group to have an entity separately dedicated to focus on future cooperation with other third-party distribution platforms in providing mobile game services to players of our games and promote our new game products. As advised by the PRC legal advisers, pursuant to the Special Administrative Measures for Access of Foreign Investment (Negative List) (2020 Edition) (外商投資准入特別管理措施)(負面清單)(2020年版), foreign investment in Internet culture businesses (except for music), which is the business that Fingertip Interactive intends to carry out, is prohibited. Similar to the arrangement with the Zen-Game Shenzhen Entities, the Company could gain effective control over, and receive all the economic benefits generated by the business to be operated by Fingertip Interactive through a series of contracts between Tiantianlaiwan, an indirect wholly-owned subsidiary of the Company on the one hand, and Zen-Game Shenzhen and the Fingertip Interactive Registered Shareholders on the other hand.

Risks relating to the Zen-Game Shenzhen Structured Contracts and the Fingertip interactive Structured Contracts

There are certain risks that are associated with the Zen-Game Shenzhen Structured Contracts, including:

- If the PRC government finds that the agreements that establish the structure for operating our businesses in China do not comply with applicable PRC laws and regulations, or if these regulations or their interpretations change in the future, we could be subject to severe consequences, including the nullification of the Zen-Game Shenzhen Structured Contracts and the relinquishment of our interest in the Zen-Game Shenzhen Entities.

- The Zen-Game Shenzhen Structured Contracts may not be as effective in providing operational control as direct ownership. Zen-Game Shenzhen may fail to perform its obligations under the Zen-Game Shenzhen Structured Contracts.

- We may lose the ability to use and enjoy assets and licenses held by Zen-Game Shenzhen and its subsidiaries and branch company that are material to our business operations if Zen-Game Shenzhen or any of its subsidiaries declare bankruptcy or become subject to a dissolution or liquidation proceeding.

- The ultimate shareholders of the Zen-Game Shenzhen Entities may have conflicts of interest with us, which may materially and adversely affect our business and financial condition.

- Substantial uncertainties exist with respect to the interpretation and implementation of the Foreign Investment Law and how it may impact the viability of our current corporate structure, corporate governance and business operations.

- Our exercise of the option to acquire the shares in Zen-Game Shenzhen may be subject to certain limitations and we may incur substantial costs and expend significant resources to enforce the option under the Zen-Game Shenzhen Structured Contracts.

- Our Zen-Game Shenzhen Structured Contracts may be subject to scrutiny by the PRC tax authorities, and a finding that we owe additional taxes could substantially reduce our combined net income and the value of your investment.

For further details of these risks, please refer to the section headed "Risk Factors — Risks Related to Our Structured Contracts" on pages 75 to 81 of the Prospectus.

There are also certain risks that are associated with the Fingertip Interactive Structured Contracts, including:

- The Company's business, financial condition and results of operations would be adversely affected if Fingertip Interactive suffers losses given that Fingertip Interactive's financial condition and results of operations are consolidated into the Group's financial condition and results of operations under the applicable accounting principles.

- The Group may incur substantial cost to exercise the option to acquire the equity interest in Fingertip Interactive.

- If the PRC government finds that the Fingertip Interactive Structured Contracts do not comply with its restrictions on foreign investment in businesses, or if the PRC government otherwise finds that Fingertip Interactive is in violation of PRC laws or regulations or lack the necessary permits or licenses to operate its business, the Group may face severe consequences including, but not limited to, the Group's business and operating licenses being evoked, the Group's operations being discontinued or restricted.

- The Fingertip Interactive Structured Contracts may not be as effective in providing control over Fingertip Interactive as direct ownership. Fingertip Interactive may fail to perform its obligations under the Fingertip Interactive Structured Contracts and the Company may incur substantial costs and expend substantial resources to enforce the rights of the Group.

- The Fingertip Interactive Registered Shareholders may potentially have conflicts of interest with the Group or breach their contracts or undertakings with the Group if it would further their own interest or if they otherwise act in bad faith.

- The Group could face material and adverse tax consequences if the PRC tax authorities determine that the Fingertip Interactive Exclusive Consultancy and Technical Service Agreement does not represent an arms-length price and adjust Fingertip Interactive's income in the form of a transfer pricing adjustment. A transfer pricing adjustment could increase the Group's tax liabilities.

For further details of these risks, please refer to the paragraph headed "Risks and Limitations relating to the New Structured Contracts" in the Announcement.

The Group has adopted the following measures to ensure the effective operation of the Group with the implementation of and the compliance with the Zen-Game Shenzhen Structured Contracts and the Fingertip Interactive Structured Contracts:

(a) major issues arising from the implementation and compliance with the Zen-Game Shenzhen Structured Contracts and the Fingertip Interactive Structured Contracts or any regulatory enquiries from government authorities will be submitted to the Board, if necessary, for review and discussion on an occurrence basis;

(b) the Board will review the overall performance of and compliance with the Zen-Game Shenzhen Structured Contracts and the Fingertip Interactive Structured Contracts at least once a year;

(c) the Company will disclose the overall performance and compliance with the Zen-Game Shenzhen Structured Contracts and the Fingertip Interactive Structured Contracts in its annual reports and interim reports to update the Shareholders and potential investors;

(d) the Company and the Directors undertake to provide periodic updates in our annual and interim reports regarding the Qualification Requirement and our status of compliance with the Foreign Investment Law and its accompanying explanatory notes as stipulated under the section headed "Structured Contracts — Background of the Structured Contracts" and the latest development of the Foreign Investment Law and its accompanying explanatory notes as disclosed under the section headed "Structured Contracts — Development in the PRC Legislation on Foreign Investment", including the latest relevant regulatory development as well as our plan and progress in acquiring the relevant experience to meet the Qualification Requirement; and

(e) the Company will engage external legal advisors or other professional advisors, if necessary, to assist the Board to review the implementation of the Zen-Game Shenzhen Structured Contracts and the Fingertip Interactive Structured Contracts, review the legal compliance of Tiantianlaiwan and Zen-Game Shenzhen and/or Fingertip Interactive to deal with specific issues or matters arising from the Zen-Game Shenzhen Structured Contracts and the Fingertip Interactive Structured Contracts, respectively.

In addition, we believe that the Directors are able to perform their roles in the Group independently and the Group is capable of managing its business independently after the Listing under the following measures:

(a) the decision-making mechanism of the Board as set out in the Articles of Association includes provisions to avoid conflict of interest by providing, amongst other things, that in the event of conflict of interest in such contract or arrangement which is material, a Director shall declare the nature of his or her interest at the earliest meeting of the Board at which it is practicable for him or her to do so, and if he or she is to be regarded as having material interest in any contracts or arrangements, such Director shall abstain from voting and not be counted in the quorum;

(b) each of the Directors is aware of his/her fiduciary duties as a Director which requires, amongst other things, that he/she acts for the benefits and in the best interests of the Group;

(c) we have appointed three independent non-executive Directors, comprising over one-third of the Board, to provide a balance of the number of interested and independent Directors with a view to promoting the interests of the Company and our Shareholders as a whole; and

(d) we will disclose in our announcements, circulars, annual and interim reports in accordance with the requirements under the Listing Rules regarding decisions on matters reviewed by the Board (including independent non-executive Directors) relating to any business or interest of each Director and his/her associates that competes or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

Listing Rules Implications and Waivers from the Stock Exchange

The transactions contemplated under the Zen-Game Shenzhen Structured Contracts constitute continuing connected transactions for the Company pursuant to Chapter 14A of the Listing Rules. As such, the Group has applied to the Stock Exchange, and the Stock Exchange has granted, a waiver from strict compliance with (i) the announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the transactions contemplated under the Zen-Game Shenzhen Structured Contracts pursuant to Rule 14A.105 of the Listing Rules; (ii) the requirement of setting an annual cap for the transactions under the Zen-Game Shenzhen Structured Contracts under Rule 14A.53 of the Listing Rules; and (iii) the requirement of limiting the term of the Zen-Game Shenzhen Structured Contracts to three years or less under Rule 14A.52 of the Listing Rules, for so long as the Group's Shares are listed on the Stock Exchange subject however to the following conditions:

(a) no change to the Zen-Game Shenzhen Structured Contracts will be made without the approval of the independent non-executive Directors;

(b) no change to the agreements governing the Zen-Game Shenzhen Structured Contracts will be made without the approval of our independent Shareholders;

(c) the Zen-Game Shenzhen Structured Contracts shall continue to enable the Group to receive the economic benefits derived by the Zen-Game Shenzhen Entities through (i) the Group's option, to the extent permitted under PRC laws and regulations, to acquire all or part of the shares of Zen-Game Shenzhen held by the Zen-Game Shenzhen Registered Shareholders at the lowest possible amount permissible under the applicable PRC laws and regulations; (ii) the business structure under which the net profit generated by the Zen-Game Shenzhen Entities is substantially retained by the Group, such that no annual cap shall be set on the amount of service fees payable to Tiantianlaiwan by Zen-Game Shenzhen under the Zen-Game Shenzhen Exclusive Consultancy and Technical Service Agreement; and (iii) the Group's right to control the management and operation of, as well as, in substance, all of the voting rights of Zen-Game Shenzhen as appointed by the Zen-Game Shenzhen Registered Shareholders;

(d) on the basis that the Zen-Game Shenzhen Structured Contracts provide an acceptable framework for the relationship between the Company and its subsidiaries (including branch company) in which the Company has direct shareholding, on one hand, and the Zen-Game Shenzhen Entities, on the other hand, that framework may be renewed and/or reproduced, upon the expiry of the existing arrangements, or, in relation to any existing or new wholly foreign owned enterprise or operating company engaging in the same business as that of the Group which the Group might wish to establish when justified by business expediency, without obtaining the approval of the Shareholders, on substantially the same terms and conditions as the Zen-Game Shenzhen Structured Contracts; and

(e) the Group will disclose details relating to the Structured Contracts on an ongoing basis.

Unwinding of the Structured Contracts

As of the date of this annual report, there has not been any unwinding of any Structured Contracts, nor has there been any failure to unwind any Structured Contracts when the restrictions that led to the adoption of the Structured Contracts are removed. For more details, please refer to the section headed "Structured Contracts — Termination of the Structured Contracts" of the Prospectus.

Annual Review by the Independent Non-Executive Directors and Auditor

The independent non-executive Directors have reviewed the Structured Contracts and confirmed that:

(a) the transactions carried out during the year ended 31 December 2025 had been entered into in accordance with the relevant provisions of the Structured Contracts;

(b) no dividends or other distributions had been made by the PRC Operating Entities to the holders of its equity interests which are not otherwise subsequently assigned or transferred to the Group;

(c) other than the Structured Contracts, no new contracts had been entered into, renewed and/or reproduced between the Group and the PRC Operating Entities during the year ended 31 December 2025; and

(d) the Structured Contracts had been entered into in the ordinary and usual course of business of the Group, are on normal commercial terms and are fair and reasonable so far as the Group is concerned, and in the interest of the Company and its Shareholders as a whole.

The Group's auditor has confirmed in a letter to the Board that the transactions under the Zen-Game Shenzhen Structured Contracts and/or the Fingertip Interactive Structured Contracts have been approved by the Board, the transactions carried out during the year ended 31 December 2025 had been entered into in accordance with the relevant provisions of the Zen-Game Shenzhen Structured Contracts and/or the Fingertip Interactive Structured Contracts, and that no dividends or other distributions had been made by the PRC Operating Entities to the holders of its equity interests which are not otherwise subsequently assigned or transferred to the Group.

RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group for the year ended 31 December 2025 are set out in note 35 to the consolidated financial statements contained herein.

None of the related party transactions constituted a connected transaction or continuing connected transaction subject to independent Shareholders' approval, annual review and all disclosure requirements in Chapter 14A of the Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Board, as at the date of this annual report, the Company has maintained at least 25% of the Company's total issued share capital held by the public as required under the Listing Rules.

INDEMNITY OF DIRECTORS

The Articles of Association provide that the Directors are entitled to be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain in or about the execution of their duty in their respective offices, provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to such Director. The Company has purchased and maintained Directors' liability insurance during the year under review, which provides appropriate coverage for the Directors.

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 December 2025 and up to the date of this annual report, the Group has complied with the relevant laws and regulations that have a significant impact on the Company in material respects.

CORPORATE GOVERNANCE CODE

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the Shareholders. The Company has adopted the code provisions as set out in the Corporate Governance Code as contained in Appendix C1 to the Listing Rules on the Stock Exchange as its own code of corporate governance practices.

In the opinion of the Directors, the Company has complied with the relevant code provisions contained in the Corporate Governance Code during the year ended 31 December 2025, save for deviation from code provision C.2.1 of the Corporate Governance Code. The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

Mr. Ye Sheng is both the chairman of the Board and the chief executive officer of the Group. The Board believes that vesting the roles of both chairman of the Board and chief executive officer in the same person has the benefit of ensuring consistent leadership and efficient discharge of executive functions within the Group. The Group considers that the balance of power and authority of the present arrangement will not be impaired as the Board comprises five other experienced and high-calibre individuals including another two executive Directors and three independent non-executive Directors who would be able to offer advice from various perspectives. In addition, for major decisions of the Group, the Board will make consultations with appropriate Board committees and senior management. Therefore, the Directors consider that the present arrangement is beneficial to and in the interest of the Company and the Shareholders as a whole and the deviation from code provision C.2.1 of the Corporate Governance Code is appropriate in such circumstance.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has also adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors.

Having made specific enquiry with all Directors of the Company, all Directors confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2025.

AUDITOR

There has been no change in auditors since the Listing Date. The consolidated financial statements for the year ended 31 December 2025 have been audited by Ernst & Young, Certified Public Accountants, who are proposed for reappointment at the forthcoming AGM.

On behalf of the Board

Ye Sheng
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 25 March 2026

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

Below are the brief profiles of the current Directors and senior management of the Group.

DIRECTORS

The Board currently comprises six Directors, of which three are executive Directors and three are independent non-executive Directors. The following table sets forth information regarding the Directors.

Name	Age	Position	Date of Appointment as Director
Executive Directors			
Mr. Ye Sheng	47	Chairman of the Board, chief executive officer and executive Director	28 August 2018
Mr. Yang Min	49	Vice chairman of the Board, chief technology officer and executive Director	28 August 2018
Ms. Xiong Mi	46	Director of personnel administration and executive Director	27 May 2022
Independent non-executive Directors			
Mr. Jin Shuhui	49	Independent non-executive Director	28 March 2019
Mr. Mao Zhonghua	47	Independent non-executive Director	28 March 2019
Mr. Yang Yi	47	Independent non-executive Director	28 March 2019

EXECUTIVE DIRECTORS

Mr. Ye Sheng (叶升), aged 47, is an executive Director, the chairman of the Board and the chief executive officer, responsible for overall management, strategic planning and business development of the Group.

He is also a director of International Mobile Entertainment Co., Limited, Zen Interactive Limited, Zengame Interactive Limited, Zen World Interactive Limited, Starluck Interactive Limited and Zengame Interactive (Singapore) Pte. Ltd..

Mr. Ye has more than 19 years of experience in the technology industry. Prior to joining the Group, he was the product director of the QQ Game Products Division in Tencent Technology (Shenzhen) Company Limited, an operating company which is controlled by Tencent Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 700), from September 2004 to September 2010, primarily responsible for the overall strategic planning and product planning.

Mr. Ye Sheng was previously a director of Zhuhai Zhangyou at the time of its dissolution. Zhuhai Zhangyou was established in the PRC and principally engaged in the development of science and technology. It was deregistered on 5 May 2022 due to cessation of business. Mr. Ye Sheng confirmed that (i) to the best of his knowledge, information and belief after making reasonable enquiries, Zhuhai Zhangyou was solvent immediately prior to its dissolution; (ii) there is no wrongful act on his part leading to the dissolutions of Zhuhai Zhangyou; (iii) he is not aware of any actual or potential claim that has been or will be made against him as a result of the dissolutions of Zhuhai Zhangyou; and (iv) no misconduct or misfeasance had been involved on his part in the dissolution of Zhuhai Zhangyou.

Mr. Ye obtained a bachelor's degree in science (theoretical and applied mechanics) from Sun Yat-sen University (中山大學), the PRC in June 2001.

Mr. Yang Min (楊民), aged 49, is an executive Director, the vice chairman of the Board and the chief technology officer, responsible for overall management, strategic planning, research and development of core technology of the Group.

He is also a director of Zen-Game HK, Zen Interactive Limited, Zengame Interactive Limited, Zen World Interactive Limited, Starluck Interactive Limited, and Zengame Interactive (Singapore) Pte. Ltd. Mr. Yang has more than 25 years of experience in the technology field. Prior to joining the Group, Mr. Yang worked as a product development supervisor in Zhongwang Commercial Mechanics Company Limited* (中望商業機器有限公司), which is engaged in the provision of consultancy and technical services of computer software and hardware, from July 1998 to April 2003, primarily responsible for research and management related matters. From May 2003 to August 2005, he worked as a staff engineer in UTStarcom (China) Co., Ltd Shenzhen branch. From August 2005 to August 2010, Mr. Yang was the R&D director of the QQ Game Products Division in Tencent Technology (Shenzhen) Company Limited, an operating company which is controlled by Tencent Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 700), primarily responsible for the research and development management of the QQ Game Products Division.

Mr. Yang Min was previously a supervisor of Zhuhai Zhangyou at the time of its dissolution. Zhuhai Zhangyou was established in the PRC and principally engaged in the development of science and technology. It was deregistered on 5 May 2022 due to cessation of business. Mr. Yang Min confirmed that (i) to the best of his knowledge, information and belief after making reasonable enquiries, Zhuhai Zhangyou was solvent immediately prior to its dissolution; (ii) there is no wrongful act on his part leading to the dissolutions of Zhuhai Zhangyou; (iii) he is not aware of any actual or potential claim that has been or will be made against him as a result of the dissolutions of Zhuhai Zhangyou; and (iv) no misconduct or misfeasance had been involved on his part in the dissolution of Zhuhai Zhangyou.

Mr. Yang obtained a bachelor's degree in automation from Southwest Jiaotong University (西南交通大學), the PRC in July 1998.

Ms. Xiong Mi (熊密), aged 46, is the director of personnel administration and is responsible for the personnel administration of the Group. She is also an executive director and the general manager of Leqi Technology.

Before joining the Group, from November 2004 to January 2011, Ms. Xiong worked as a HR specialist in Source Optoelectronics (Shenzhen) Co., Ltd. (involved in the wholesale, import and export of optical fiber communication products and other communication equipment parts), mainly assisting the HR director in managing various human resources work.

Ms. Xiong obtained a bachelor's degree in law from Xiangtan University, the PRC in June 2002.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Jin Shuhui (金書匯), aged 49, is an independent non-executive Director. He is the chairman of the Audit Committee. He is primarily responsible for providing independent opinion and judgment to the Board.

Mr. Jin has over 19 years of experience in accounting, taxation, auditing and corporate finance. From December 2004 to June 2009, Mr. Jin worked in Deloitte Touche Tohmatsu with his last position as a senior auditor. From June 2009 to December 2010, he worked as a senior auditor in Shanghai Fengtou Investment Consultancy Company Limited (上海風投投資諮詢有限公司). From February 2011 to February 2013, Mr. Jin worked in Eunacon Perfect Alliance CPA Partnership ("**Eunacon**") with his last position as a tax senior manager. From January 2013 to October 2017, he was the financial controller of Jiangsu Lianhai Biological Science Limited* (江蘇聯海生物科技有限公司). Since October 2017, he re-joined Eunacon as a tax senior manager, primarily responsible for audit and tax matters. Since July 2020, he was the financial controller of Shanghai Tongan Investment Company Limited (上海彤安投資有限公司). Since September 2022 and June 2023, he served as a financial controller of Shanghai Kangda Colorful Medical Technology Co. Ltd. (上海康達卡勒幅醫療科技有限公司) ("**Kangda Colorful**") and Colorful Intelligence (Shanghai) Technology Co., Ltd. (卡勒幅智能(上海)科技有限公司), a wholly-owned subsidiary of Kangda Colorful, respectively.

Mr. Jin completed a course in management engineering (industrial accounting) in Anshan Iron and Steel College (鞍山鋼鐵學院) (which is now known as University of Science and Technology Liaoning (遼寧科技大學)), the PRC in July 1998. He was qualified as a certified public accountant and a certified tax agent in July 2000 and June 2001, respectively.

Mr. Mao Zhonghua (毛中華), aged 47, is an independent non-executive Director. He is primarily responsible for providing independent opinion and judgment to the Board.

From March 2001 to June 2004, Mr. Mao worked as the operation manager and factory manager in Huafu Top Dyed Melange Yarn Co., Ltd. (formerly known as Shenzhen Huafu Textile Holdings Co. Ltd.), which is engaged in the production and sale of dyeing yarn, primarily responsible for production planning and operational management. From December 2005 to March 2012, he was the chief consultant of Shenzhen Shengpu Enterprise Management Consultancy Company Limited (深圳市聖普企業管理諮詢有限公司), primarily responsible for providing consultancy services and training. Mr. Mao founded Shenzhen Shamei Textile Co., Ltd. (深圳市莎美特紡織品有限公司) in March 2012 and has been its general manager since then, primarily responsible for the daily operation and management. Mr. Mao served as an independent non-executive director of Zen-Game Shenzhen from 12 September 2017 to 18 September 2018. On 4 July 2019, Mr. Mao was appointed as an executive director and the general manager of Shenzhen Yingkai Capital Company Limited (深圳英凱資本有限公司). From 29 April 2020 to October 2023, Mr. Mao served as the director of Huizhi International Capital Holdings Company Limited. From 20 November 2020 to October 2023, Mr. Mao served as the director of Huizhi Group Holdings Company Limited. From 27 November 2020 to October 2023, Mr. Mao served as the director of Funland Management Limited. On 6 June 2022, Mr. Mao was appointed as a director of Hangzhou Yingkai Digital Intelligence Technology Company Limited (杭州英凱數智技術有限公司).

Mr. Mao obtained a master's degree of Business Administration from Shanghai University of Finance and Economics (上海財經大學), the PRC in October 2011.

Mr. Yang Yi (陽翼), aged 47, is an independent non-executive Director. He is primarily responsible for providing independent opinion and judgment to the Board.

Since July 2006, Mr. Yang Yi has been working as a professor of the school of journalism and communication of Jinan University, the PRC. Mr. Yang Yi served as an independent non-executive director of Zen-Game Shenzhen from 12 September 2017 to 18 September 2018.

Mr. Yang Yi obtained a bachelor's degree of international enterprise management from Guangdong University of Foreign Studies (廣東外語外貿大學) in June 2001 and a doctoral degree of management from Sun Yat-sen University (中山大學), the PRC in June 2006.

SENIOR MANAGEMENT

Ms. Chen Yan (陳豔), aged 48, is the general manager of the commerce department of the Group. She joined the Group in November 2013 as a business director and was promoted to the current position in August 2021, primarily responsible for marketing and development of our payment channels and distribution channels.

Ms. Chen has over 24 years of experience in the technology industry. Prior to joining the Group, she worked in Runxun Communication Group Co., Ltd.* (潤迅通信集團有限公司) as a project manager for SMS chat product planning and value-added business from August 2000 to November 2003. She also worked in A8 New Media Group Ltd., a company listed on the Main Board of the Stock Exchange (stock code: 800), from January 2004 to May 2011 with her last position as a senior manager of mobile backend business unit. From June 2011 to March 2013, Ms. Chen was employed as a business director of the business development department by Shenzhen Lemon Network Technology Co., Ltd., a company listed on the NEEQ (stock code: 835924), primarily responsible for marketing and business cooperation matters. From March 2013 to September 2013, she worked in Shenzhen 7th Road Technology Co., Ltd. (深圳第七大道科技有限公司), a subsidiary of 7Road Holdings Limited which is a company listed on the Main Board of the Stock Exchange (stock code: 797) as a senior business manager, responsible for the business cooperation of two mobile games.

Ms. Chen obtained a bachelor's degree in e-government from Beijing Jiaotong University (北京交通大學), the PRC in June 2011.

Ms. Chen resigned as the general manager of the commerce department of the Group with effect from January 2026 due to her personal reasons. Ms. Chen confirmed that she has no disagreement with the Board and there is no matter relating to her resignation that needs to be brought to the attention of the Stock Exchange and/or the shareholders of the Company.

Mr. Zhu Weijie (朱偉傑), aged 43, is the general manager of the operation department of the Group. He joined the Group in May 2011 as a game producer. He was promoted to the director of the operation department in July 2013 and was promoted to the current position in August 2021, primarily responsible for overseeing the product operations and promotion.

Mr. Zhu has over 18 years of experience in the gaming industry. Prior to joining the Group, he worked in Tencent Technology (Shenzhen) Company Limited, an operating company which is controlled by Tencent Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 700), from July 2006 to May 2011, and was a programmer responsible for testing and development as well as backend development of games.

Mr. Zhu obtained a bachelor's degree in software engineering from Dalian Jiaotong University (大連交通大學) (formerly known as Dalian Railway Institute (大連鐵道學院), the PRC in July 2003 and a master's degree in computer software and theory from Nanjing University (南京大學), the PRC in June 2006.

Mr. Li Chengwei (李成偉), aged 33, the R&D president of self-developed systems of the Group. In July 2013, Mr. Li Chengwei joined the Group as a software engineer and was promoted to the team leader in May 2015, the producer in February 2016 and the executive producer in January 2019 of card and board game products department of the Group. In May 2024, Mr. Li became the general manager of Tiantianlaiwan and was appointed as a director on November 28, 2024. In November 2024, he was promoted to his current position in the Group, where he oversees R&D for the self-developed systems, comprehensive management of the Group's chess and card games product department, and business planning.

Mr. Li Chengwei received a bachelor's degree of software engineering from Sichuan University of Science & Engineering (四川輕化工大學) (formerly known as Sichuan University of Science & Engineering (四川理工學院)) in June 2013.

The Board of Directors is pleased to report to the Shareholders on the corporate governance of the Company for the period from 1 January 2025 to 31 December 2025 (the "**Reporting Period**").

The Company is committed to ensuring that its affairs are conducted in accordance with high ethical standards. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. By so acting, the Company believes that Shareholder wealth will be maximised in the long term and that its employees, those with whom it does business and the communities in which it operates will all benefit.

Corporate governance is the process by which the Board instructs management of the Group to conduct its affairs with a view to ensuring that its objectives are met. The Board is committed to maintaining and developing robust corporate governance practices that are intended to ensure:

— satisfactory and sustainable returns to Shareholders;

— that the interests of those who deal with the Company are safeguarded; and

— that high standards of ethics are maintained.

CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining high corporate governance standards.

The Board believes that high 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.

The Company has adopted the principles and code provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules as the basis of the Company's corporate governance practices during the Reporting Period.

The Board is of the view that throughout the Reporting Period, the Company has complied with the code provisions as set out in the Corporate Governance Code, save for deviation from the code provision C.2.1 as disclosed in this Corporate Governance Report regarding the segregation of the roles of the chairman of the Board and chief executive officer of the Group. The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the Reporting Period.

The Company has also established written guidelines (the "**Employees Written Guidelines**") no less exacting than the Model Code for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

BOARD OF DIRECTORS

The Company is headed by an effective Board which assumes responsibility for its leadership and control and be collectively responsibility for promoting the Company's success by directing and supervising the Company's affairs. Directors take decisions objectively in the best interests of the Company.

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business and regularly reviews the contribution required from a Director to perform his/her responsibilities to the Company and whether the Director is spending sufficient time performing them that are commensurate with their role and the Board responsibilities. The Board includes a balanced composition of executive Directors and independent non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

Board Composition

The Board currently comprises six Directors, consisting of three executive Directors, and three independent non-executive Directors. The composition of the Board is as follows:

Executive Directors

Mr. Ye Sheng *(Chairman and Chief Executive Officer)*
Mr. Yang Min *(Vice Chairman and Chief Technology Officer)*
Ms. Xiong Mi

Independent Non-executive Directors

Mr. Jin Shuhui
Mr. Mao Zhonghua
Mr. Yang Yi

The biographical information of the Directors are set out in the section headed "Profiles of Directors and Senior Management" on pages 67 to 72 of this annual report for the year ended 31 December 2025.

Board Meetings and Directors' Attendance Records

Regular Board meetings should be held at least four times a year involving active participation, either in person or through electronic means of communication, of a majority of Directors. Ten Board meetings were held in the Reporting Period.

Apart from regular Board meetings, the Chairman also held meeting with independent non-executive Directors only without the presence of other Directors during the Reporting Period.

All Directors have access to the company secretary of the Company who is responsible for ensuring that the Board procedures are complied and all applicable rules and regulations are followed.

A summary of the attendance records of the Directors at the Board meetings and the general meeting of the Company held during the Reporting Period is set out below:

Name of Directors[Note]	Attendance/ Number of Board Meetings	Annual General Meeting
Mr. Ye Sheng *(Chairman and Chief Executive Officer)*	9/10	1/1
Mr. Yang Min *(Vice Chairman and Chief Technology Officer)*	10/10	1/1
Ms. Xiong Mi	10/10	1/1
Mr. Jin Shuhui	10/10	1/1
Mr. Mao Zhonghua	10/10	1/1
Mr. Yang Yi	9/10	1/1

Note:

(1) Mr. Jin Shuhui, Mr.Mao Zhonghua and Mr. Yang Yi attended the annual general meeting held on 5 June 2025 by way of teleconference.

The Board ensures that its members are supplied, in a timely manner, with all necessary information in a form and of a quality appropriate to enable the Board to discharge its duties.

The minutes of Board meetings recorded all the details of the matters considered by the Board and the decisions reached, including any concerns raised by Directors or dissenting views expressed. Minutes of Board meetings are kept by Company Secretary and are available for inspection by any Director.

Chairman and Chief Executive Officer

Mr. Ye Sheng is both the chairman of the Board and the chief executive officer of the Group. The Board believes that vesting the roles of both chief executive officer and chairman of the Board in the same person has the benefit of ensuring consistent leadership and efficient discharge of executive functions within the Group. The Group considers that the balance of power and authority of the present arrangement will not be impaired as the Board comprises five other experienced and high-calibre individuals including two executive Directors and three independent non-executive Directors who would be able to offer advice from various perspectives. In addition, for major decisions of the Group, the Board will make consultations with appropriate Board committees and senior management. Therefore, the Directors consider that the present arrangement is beneficial to and in the interest of the Company and the Shareholders as a whole and the deviation from Code C.2.1 of the Corporate Governance Code is appropriate in such circumstance.

Independent Non-executive Directors

During the Reporting Period, the Board at all times met the relevant requirements of Rules 3.10A, 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing more than one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

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

Board Independence Evaluation

The Company has established a board independence evaluation mechanism during the Reporting Period which sets out the processes and procedures to ensure a strong independent element on the Board, which allows the Board effectively exercises independent judgment to better safeguard Shareholders' interests.

The objectives of the evaluation are to improve Board effectiveness, maximise strengths, and identify the areas that need improvement or further development. The evaluation process also clarifies what actions of the Company need to be taken to maintain and improve the Board performance, for instance, addressing individual training and development needs of each Director.

Pursuant to the board independence evaluation mechanism, the Board will conduct annual review on its independence. During the Reporting Period, the Board has reviewed the implementation and effectiveness of the board independence evaluation mechanism and the results were satisfactory.

Appointment and Re-election of Directors

The independent non-executive Directors of the Company are appointed for a specific term of one year, subject to renewal after the expiry of the then current term.

All the Directors of the Company are subject to retirement by rotation and re-election at the annual general meetings. Under the Articles of Association, at each annual general meeting, one-third of the Directors for the time being, or if their number is not three of a multiple of three, the number nearest to but not less than one-third shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. The Articles of Association also provides that all Directors appointed to fill a casual vacancy shall be subject to election by Shareholders at the first general meeting after appointment. The retiring Directors shall be eligible for re-election.

Pursuant to the Articles and Association, Mr. Mao Zhonghua and Mr. Yang Yi will be subject to re-election at the forthcoming AGM.

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board should assume responsibility for leadership and control of the Company and is collectively responsible for directing and supervising the Company's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

The Company has arranged appropriate insurance coverage on Directors' and officers' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities. The insurance coverage would be reviewed on an annual basis.

Continuous Professional Development of Directors

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

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

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills.

The Directors are committed to complying with the Corporate Governance Code. All Directors have participated in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant for the year ended 31 December 2025. The Company will arrange internally facilitated briefings for Directors and reading materials on relevant topics will be issued to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses.

During the year ended 31 December 2025, the Company has provided reading materials on corporate governance and ESG matters and update on the Listing Rules and Hong Kong law compliance to all Directors for their reference and studying. Besides, all the Directors has also read online training/ briefing on regulatory development, directors' duties, risk management and internal controls, industry and business updates or other relevant topics. Record of training of each Director for the year ended 31 December 2025 were kept by the Company.

The training records of the Directors for the year ended 31 December 2025 are summarized as follows:

Directors	Attended Internally-facilitated Briefings or Training, Seminars, Reading Materials
Executive Directors	
Mr. Ye Sheng *(Chairman)*	✓
Mr. Yang Min	✓
Ms. Xiong Mi	✓
Independent Non-Executive Directors	
Mr. Jin Shuhui	✓
Mr. Mao Zhonghua	✓
Mr. Yang Yi	✓

BOARD COMMITTEES

The Board has established three committees, namely, the Audit Committee, Remuneration Committee and Nomination Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal clearly with their authority and duties. The terms of reference of the Audit Committee, Remuneration Committee and Nomination Committee are posted on the Company's website and the Stock Exchange's website and are available to Shareholders upon request.

The Company's remuneration policy is to ensure that the remuneration offered to employees, including Directors and senior management, is based on skill, knowledge, responsibilities and involvement in the Company's affairs.

The emolument of the Directors is recommended by the Remuneration Committee, having regard to the Company's operating results, individual performance, experience, responsibility, workload and time devoted to the Company and comparable market statistics. The executive Directors are not entitled to any fixed emolument while each of the independent non-executive Directors is entitled to a basic salary of RMB150,000 per annum, which are all subject to revision in future by the decision of the Board based on the recommendation of the Remuneration Committee.

In addition, each of the executive Directors and independent non-executive Directors may receive a discretionary bonus as the Board may recommend. Such amount has to be approved by the Remuneration Committee. The remuneration package further includes other allowances, benefits in kind and defined contributions.

The list of the chairman and members of each Board committee is set out under "Corporate Information" on pages 2 and 3 of this annual report.

Audit Committee

The Audit Committee consists of three independent non-executive Directors, namely Mr. Jin Shuhui, Mr. Mao Zhonghua and Mr. Yang Yi. Mr. Jin Shuhui is the chairman of the Audit Committee.

The terms of reference of the Audit Committee are of no less exacting terms than those set out in the Corporate Governance Code. The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, risk management and internal control systems, effectiveness of the internal audit function, scope of audit and appointment of external auditors, and arrangements to enable employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

During the Reporting Period, the Audit Committee held three meetings to review the 2024 annual financial statements and 2025 interim financial statements and arrangements for employees to raise concerns about possible improprieties.

The Audit Committee also met the external auditors twice without the presence of the executive Directors.

The attendance records of the members of the Audit Committee are as follows:

Name of Members of the Audit Committee	Attendance
Mr. Jin Shuhui *(Chairman)*	3/3
Mr. Mao Zhonghua	3/3
Mr. Yang Yi	3/3

Remuneration Committee

The Remuneration Committee consists of three members, namely Mr. Yang Yi, Mr. Ye Sheng and Mr. Mao Zhonghua. Mr. Yang Yi is the chairman of the Remuneration Committee.

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the Corporate Governance Code. The primary functions of the Remuneration Committee include determining, with delegated responsibility, or making recommendations to the Board on the remuneration packages of individual executive Directors, the remuneration policy and structure for all Directors and senior management; reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules; and establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration.

The Remuneration Committee held one meeting during the Reporting Period to review and make recommendation to the Board on the remuneration packages of the Directors and senior management, including terms of service contract of the new executive Director appointed (if any) and the grant of the restricted and awarded Shares during the Reporting Period.

The attendance records of the members of the Remuneration Committee are as follows:

Name of Members of the Remuneration Committee	Attendance
Mr. Yang Yi *(Chairman)*	1/1
Mr. Ye Sheng	1/1
Mr. Mao Zhonghua	1/1

The remuneration of the Directors and the senior management by band for the year ended 31 December 2025 is set out below:

Annual Income	Number of Persons
Below RMB1 million	4
RMB1 million to RMB2 million	—
Over RMB2 million	5

Nomination Committee

The Nomination Committee consists of five members, namely Mr. Ye Sheng, Ms. Xiong Mi, Mr. Mao Zhonghua, Mr. Yang Yi and Mr. Jin Shuhui. Mr. Ye Sheng is the chairman of the Nomination Committee.

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the Corporate Governance Code.

The principal duties of the Nomination Committee include reviewing the Board composition, making recommendations to the Board on the appointment and succession planning of Directors, assessing the independence of independent non-executive Directors, reviewing the Board Diversity Policy, supporting the Company's regular evaluation of the Board's performance and annually assessing and disclose its assessment of each director's time commitment and contribution to the Board.

In assessing the Board composition, the Nomination Committee would take into account, including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider candidates on merit and against the objective criteria, with due regard for the benefits diversity on the Board.

The Nomination Committee held two meetings during the Reporting Period to review the structure, size and composition of the Board and the independence of the independent non-executive Directors, and to consider the qualifications of the retiring Directors standing for re-election at the AGM.

The attendance records of the members of the Nomination Committee are as follows:

Name of Members of the Nomination Committee	Attendance
Mr. Ye Sheng *(Chairman)*	2/2
Mr. Mao Zhonghua	2/2
Mr. Yang Yi	2/2
Ms. Xiong Mi *(Note)*	N/A
Mr. Jin Shuhui *(Note)*	N/A

Note: Ms. Xiong Mi and Mr. Jin Shuhui have been appointed as members of the Nomination Committee with effect from 5 June 2025.

Board Diversity Policy

The Company has adopted a Board diversity policy which sets out the approach to achieve diversity of the Board and is available on the website of the Company. The Company recognizes the importance of diversity of the Board as it promotes board effectiveness and enable better decisions to be made due to the lessened risk of group thinking.

Pursuant to the Board diversity policy, the Nomination Committee has primary responsibility for identifying suitably qualified candidates to become members of the Board and shall give adequate consideration to the board diversity policy in selection of Board candidates. Board nomination and appointments will continue to be made on merit basis based on its business needs from time to time while taking into account diversity.

The Company aims to maintain an appropriate balance of skills, experience and diversity of perspectives necessary to enhance the effectiveness of the Board to maintain high standards of corporate governance.

Measurable Objectives

At present, the Nomination Committee considered that the Board is sufficiently diverse and selection of Board candidates shall be based on a range of diversity perspectives with reference to the Company's business model and specific needs, including but not limited to gender, race, language, cultural background, educational background, industry experience and professional experience.

Monitoring and Reporting

The Nomination Committee and the Board are of the view that the current composition of the Board has achieved the objectives set in the Board Diversity Policy.

The Nomination Committee has reviewed the implementation and effectiveness of the board diversity policy and considered it to be effective during the year.

Workforce Diversity

The Company values gender diversity across all levels of the Group. As at 31 December 2025, the full time employees of the Group (including senior management) comprise about 63.7% male and 36.3% female.

The Board had targeted to achieve and had achieved at least 35% of female employees of the Group and considers that the above current gender diversity is satisfactory.

Director Nomination Policy

The Board has delegated its responsibilities and authority for selection and appointment of Directors to the Nomination Committee of the Company.

The Company has adopted a Director nomination policy which sets out the selection criteria and nomination process and the Board succession planning considerations in relation to nomination and appointment of Directors and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The Director nomination policy sets out the factors for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following:

- Character and integrity;
- Qualifications including professional qualifications, skills, knowledge and experience;
- Diversity in all aspects as set out in the Board Diversity Policy;
- Requirements of independent non-executive Directors on the Board and independence of the proposed independent non-executive Directors in accordance with the Listing Rules; and

- Commitment in respect of available time and relevant interest to discharge duties as a member of the Board and/or Board committee(s) of the Company.

The director nomination policy also sets out the procedures for the selection and appointment of new Directors and re-election of Directors at general meetings.

The nomination process set out in the director nomination policy is as follows:

1. to assess such candidate's qualifications, skills, knowledge, ability and experience and also potential time commitment and attention to perform Director's duties;

2. to assess such candidate's personal ethics, integrity and reputation (including without limitation to conduct appropriate background checks and other verification processes against such candidate);

3. with reference to the Company's Board diversity policy (as adopted and amended by the Board from time to time), to take into account the then current structure, size and composition of the Board and the Company's corporate strategy, with due regard for the benefits of the appropriate diversity of the Board and also such candidate's potential contributions thereto;

4. in case of a candidate for an independent non-executive Director, to assess: (i) the independence of such candidate with reference to, among other things, the independence criteria as set out in Rule 3.13 of the Listing Rules; and (ii) the guidance and requirements relating to independent non-executive Directors set out in Corporate Governance Code and Corporate Governance Guide for the Board and Directors; and

5. to consider any other factors and matters as the Nomination Committee may consider appropriate.

The Nomination Committee will review the director nomination policy, as appropriate, to ensure its effectiveness.

Corporate Governance Functions

The Board is responsible for performing the functions set out in the Corporate Governance Code, such as the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and Employees Written Guidelines, and the Company's compliance with the Corporate Governance Code and disclosure in this Corporate Governance Report.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems.

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems.

The Company has developed and adopted various risk management procedures and guidelines with defined authority for implementation by key business processes and office functions, including research and development management, sales and collection, financial reporting, human resources and information system management.

Under the Company's risk management and internal control systems, all business departments of the Company are responsible to collect information, analyze the corresponding risks and formulate the corresponding internal control system according to the risks. The internal audit department of the Group (the "**Internal Audit Department**") and the Audit Committee are responsible for evaluating the effect of risk management.

All divisions/departments conducted internal control assessment regularly to identify risks that potentially impact the business of the Group and various aspects including key operational and financial processes, regulatory compliance and information security. Self-evaluation has been conducted annually to confirm that control policies are properly complied with by each division/department.

The management, in coordination with division/department heads, assessed the likelihood of risk occurrence, provide treatment plans, and monitor the risk management progress, and reported to the Audit Committee and the Board on all findings and the effectiveness of the systems.

The management has confirmed to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems for the Reporting Period.

The Internal Audit Department is responsible for performing independent review of the adequacy and effectiveness of the risk management and internal control systems. The Internal Audit Department examined key issues in relation to the fraud risk and provided its findings to the Audit Committee.

The Board, as supported by the management report and the internal audit findings, reviewed the risk management and internal control systems, including the financial, operational and compliance controls, for the Reporting Period, and considered that such systems are effective and adequate. The annual review also covered the financial reporting and staff qualifications, experiences and relevant resources.

Whistleblowing procedures are in place to facilitate employees of the Company to raise, in confidence, concerns such as bribery, financial impropriety or other matters of the Company.

The Company has also in place the Anti-Corruption Policy to safeguard against corruption and bribery within the Company. The Company has an internal reporting channel that is open and available for employees of the Company to report any suspected corruption and bribery. Employees can also make reports to the internal anti-corruption department/internal audit function, which is responsible for investigating the reported incidents and taking appropriate measures. The Company continues to carry out anti-corruption and anti-bribery activities to cultivate a culture of integrity and ensure the effectiveness of anti-corruption and anti-bribery.

The Company has developed its disclosure policy which provides a general guide to the Company's Directors, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorized access and use of inside information are strictly prohibited.

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the Reporting Period.

The Directors have prepared the financial statements in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. Appropriate accounting policies have also been used and applied consistently except the adoption of revised standards, amendments to standards and interpretation.

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

The statement of the independent auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditors' Report on pages 130 to 231 of this annual report.

AUDITORS' REMUNERATION

A breakdown of the remuneration payable to the external auditors of the Company, Ernst & Young, in respect of audit services for the year ended 31 December 2025 is set out below:

Service Category	Fees Paid/Payable RMB'000
Audit Services	2,000
Non-audit Services	129
— Tax service	
Total	2,129

COMPANY SECRETARY

Ms. Tam Sze Wai was the Company Secretary of the Company from 21 March 2024 to 21 January 2025.

On 21 January 2025, Ms. Tam Sze Wai Sara resigned as the company secretary of the Company and Ms. Chan Ching Nga of Tricor Services Limited be appointed as the company secretary of the Company with effect from 21 January 2025.

On 1 December 2025, Ms. Chan Ching Nga resigned as the company secretary of the Company and Ms. Chan Pui Ching be appointed as the company secretary of the Company with effect 1 December 2025. Ms. Chan Pui Ching, a senior manager of the corporate secretarial services division at Tricor Services Limited (a member of Vistra Group), responsible for providing professional corporate services to companies listed on the Stock Exchange.

All Directors have access to the advice and services of the company secretary on corporate governance and board practices and matters. Ms. Luo Manqing, manager of Securities Affairs Service of the Company, has been designated as the primary contact person at the Company who would work and communicate with the external parties on the Company's corporate governance and secretarial and administrative matters.

During the Reporting Period, Ms. Chan Pui Ching has undertaken not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

SHAREHOLDERS' RIGHTS

The Company engages with Shareholders through various communication channels.

To safeguard Shareholder interests and rights, separate resolution should be proposed for each substantially separate issue at general meetings, including the election of individual Director. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

Convening an Extraordinary General Meeting

Pursuant to Articles 58 of the Articles of Association, any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (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.

Shareholders should follow the requirements and procedures as set out in the Articles of Association, for convening a general meeting.

Putting Forward Proposals at General Meetings

There is no provision allowing Shareholders to move new resolutions at general meetings under the Cayman Islands Companies Law or the Articles of Association. Members who wish to move a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph.

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Tricor Investor Services Limited, at 17/F, Far East Financial Centre, 16 Harcourt Road, Hong Kong (For the attention of the Company Secretary)
Email: ir@zen-game.com

For the avoidance of doubt, Shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address, and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. At the annual general meeting, Directors (or their delegates as appropriate) are available to meet Shareholders and answer their enquiries.

During the year ended 31 December 2025, there was no change in the memorandum and articles of association of the Company.

The updated version of the Articles of Association of the Company is available on the websites of the Company and Stock Exchange.

Policies relating to Shareholders

The Company has in place a Shareholders' communication policy to ensure that Shareholders' views and concerns are appropriately addressed. The Board has reviewed the Shareholders' communication policy and considered that the policy was effectively implemented with the measures as disclosed under the paragraph headed "Communication with Shareholders and Investors/Investor Relations".

(a) Corporate Communication

"Corporate Communication" as defined under the Listing Rules will be provided to Shareholders and non-registered holders of the Company's securities in both English and Chinese versions. Shareholders and non-registered holders of the Company's securities shall have the right to choose the language (either English or Chinese) or means of receipt of the Corporate Communication (in printed form or through electronic means).

(b) Enquiries about Shareholdings

Shareholders should direct their enquiries about their shareholdings to the Company's share registrar, Tricor Investor Services Limited.

(c) Corporate Website

Any information or documents of the Company posted on the Stock Exchange's website will also be published on the Company's website (www.zen-game.com). Company shall update information on the Company's website from time to time.

(d) Shareholders' Meetings

Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at the meetings for and on their behalf if they are unable to attend the meetings. Where appropriate or required, the Chairman of the Board and other Board members, the chairmen of board committees or their delegates, and the external auditors should attend general meetings of the Company to answer Shareholders' questions (if any).

(e) Other Investor Relations Communication Platforms

Investor/analysts briefings, roadshows (both domestic and international), media interviews, marketing activities for investors and specialist industry forums etc. will be launched on a required basis.

The Company has adopted a dividend policy on payment of dividends. The Company does not have any pre-determined dividend payout ratio. Depending on the financial conditions, operational needs, capital requirements and factors of the Company and the Group as set out in the dividend policy, dividends may be proposed and/or declared by the Board during a financial year.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE REPORT

Introduction

Zengame Technology Holding Limited, together with its subsidiaries (the "**Group**" or "**we**", "**us**", "**our**") will prepare and release its Environmental, Social, and Governance Report (the "**ESG Report**") on a regular basis as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") to demonstrate our Environmental, Social, and Governance ("**ESG**") performance in an open and transparent manner.

This is the seventh ESG Report (the "**Report**") released by us, and will be used to address the ESG concerns of the main stakeholders of the Group, as well as showcase our ESG performance in 2025. The Report will focus on disclosures regarding environmental and social management and performance. For our corporate governance performance, please refer to the "Corporate Governance Report" as contained in our 2025 annual report.

Scope

Unless otherwise specified, the Report will cover all business activities and operational entities of the Group. This Report covers the period from 1 January 2025 to 31 December 2025 (the "**Reporting Period**") as indicated in our 2025 annual report.

Basis of Preparation

The Report has been reported according to Appendix C2: Environmental, Social and Governance Reporting Code of the Listing Rules (the "**ESG Code**") issued by the Stock Exchange, based on the ESG Code's requirements regarding "Materiality", "Quantitative", "Balance" and "Consistency Principles" during the preparation process. All "Comply or Explain" provisions outlined in the ESG Code have been complied with.

Statement

Our board of directors (the "**Board**") has reviewed and approved the disclosure of the Report, and is responsible for the reliability and truthfulness of the information contained herein. Through the Report, we hope to strengthen communications with our stakeholders and demonstrate our transparency for the purpose of sustainable environmental, social and economic development.

Description

The Report is published in both traditional Chinese and English. For discrepancy, the traditional Chinese version prevails. The electronic version report is available for viewing and download on our official website and the official website of the Stock Exchange.

Contact Us

Your opinions and suggestions will be highly appreciated. If you have any queries or opinions regarding the contents of the Report, feel free to contact us through the following channels:

Tel: 0755–33207601
E-mail: ir@zen-game.com
Address: 13/F, Changhong Science and Technology Mansion, Science and Technology Park, Nanshan District, Shenzhen

COMPANY PROFILE

The Group is a leading mobile game developer and operator. The Group has a special focus on the development and operation of card games, board games, and other casual mobile games, and has been guided by the principles of "integrity, open, cooperation, concentration and innovation" since its inception. During the Reporting Period, we have won rave reviews from our users for our well-developed classic card and board games and other casual games. While focusing on business operations and the improvement of its commercial competitiveness, the Group has been actively shouldering its social responsibilities by creating a healthy and harmonious online game environment. Administrative measures have been further formulated in light of our impact on the environment and society, allowing us to advance our sustainable development.

Mission: Focus on players' needs; constantly create excitement and surprise

Values: Market-oriented, user-oriented, and result-oriented

Integrity	Maintaining our integrity as individuals, as a company, and in all our business operations
Open	Creating a more effective and opened organization and adopt the best from different aspects in order to keep abreast of current trends
Cooperation	Placing trust in our stakeholders, cooperating with them enthusiastically, building our values, and supporting mutual understanding and appreciation
Concentration	Focusing on achieving breakthroughs to further improve our core competitiveness
Innovation	Creating unique product experiences for the players through aggressive, positive innovation

SUSTAINABLE DEVELOPMENT STRATEGY

We believe that the ability to actively focus on and enhance the management of environmental and social benefits is critical to our sustainable development. We have integrated ESG factors into our day-to-day operation and management procedures to achieve harmonious development of economic, social and environmental benefits.

In order to better implement the sustainability strategy, we have established an ESG governance structure led by the Board of Directors with the participation of the management, the ESG working group and various executive departments, which integrates ESG governance efforts at every level and helps the Group to fulfill its corporate responsibility for sustainable development. The ESG management structure of the Group is as follows:

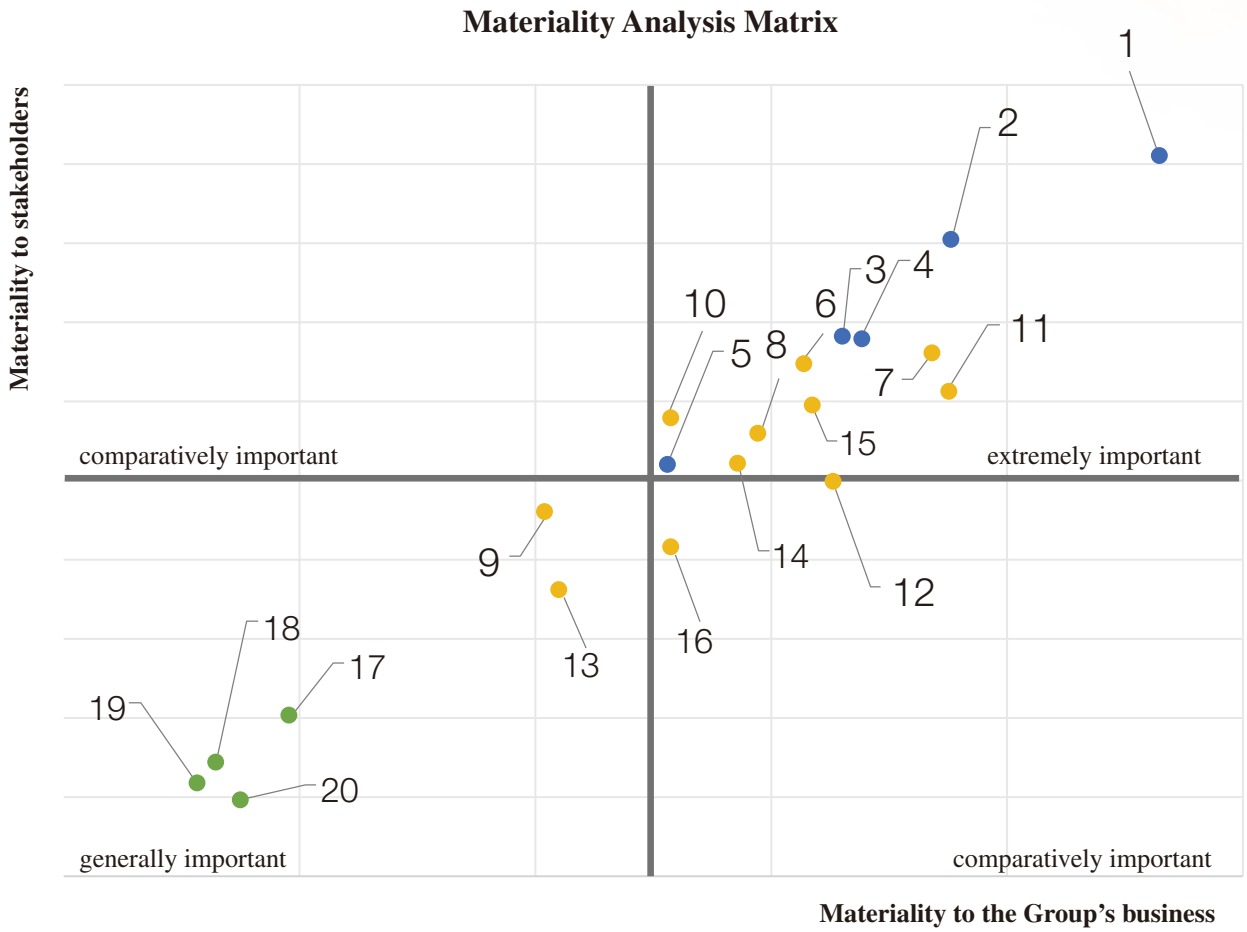
Organization or Department	Specific Responsibilities
The Board	1. The Board is the highest decision maker on ESG governance of the Group; 2. Review ESG objectives, plans and strategies; 3. Evaluate ESG work progress; 4. Review the ESG Report and assess the overall ESG working mechanism.
The ESG Committee: comprised of senior management	1. The ESG Committee is the governing body for ESG matters; 2. Develop the ESG objectives, plan, strategies and framework of the Group; 3. Guide the ESG work and audit the achievement of ESG objectives; 4. Report ESG work progress to the Board on a regular basis.
The ESG Working Group: comprised of representatives from various departments and subsidiaries	Responsible for promoting ESG work, launching ESG materiality assessment and risk assessment, collecting and organizing relevant ESG data, and reporting to the ESG Committee on a regular basis.

STAKEHOLDERS INVOLVEMENT

During the Reporting Period, we have proactively communicated with our stakeholders, including our users, regulators, partners, shareholders, members of the Board, employees and the community, and listened carefully to their opinions and suggestions through various means. In order to collect our stakeholders' opinions and expectations on the ESG Report specifically and to reflect their concerns, we have also conducted an ESG factor materiality survey during the Reporting Period.

Stakeholder Survey Process

Step 1: Selection of Significant Stakeholders	The ESG working group selected the Group's most significant stakeholders as interviewees for this survey, with reference to the Company's impact on such stakeholders as well as their impact on the Company. Members of the Board, shareholders, management members, employees, users, and partners of the Group were selected as participants for this survey.
Step 2: Material Issue Screening	Based on the fundamental principle of relevancy, the ESG working group updated the list of issues of previous year based on the contents of ESG Code, key industry topics and company characteristics, and selected the important issues for the survey.
Step 3: Stakeholder Survey	A stakeholder questionnaire invitation was prepared based on the material issues selected, and sent to target stakeholders via the online platform.
Step 4: Survey Result Analysis and Application	After performing an analysis on the 6,014 valid questionnaires collected, a materiality matrix was prepared, revealing the most significant ESG issues for us. The survey results indicated that the top twelve significant issues were compliance operation, intellectual property rights protection, anti-fraud, corporate governance, proactive communication with shareholders, information security and privacy protection, employee health and safety, employee diversity and inclusion, employment management, talent attraction, development and retention, product optimization and innovation, and product quality and user feedback.
Step 5: Board Review	The results of the stakeholder survey and the prioritization of material issues were submitted to the Board for review to confirm the impact of the identified issues on the Company's business and stakeholders.



Social Issues

6.	Information Security and Privacy Protection	12.	Labour Standards
7.	Employee Health and Safety	13.	Contribution to the Society
8.	Employee Diversity and Inclusion	14.	Product Quality and User Feedback
9.	Supply Chain Management	15.	Product Optimization and Innovation
10.	Employment Management	16.	Protection of Minors
11.	Talent Attraction, Development and Retention		

Governance Issues

1.	Compliance Operation	4.	Corporate Governance
2.	Intellectual Property Rights Protection	5.	Proactive Communication with Shareholders
3.	Anti-fraud		

Environmental Issues

17.	Climate Change and Greenhouse Gas Emission	19.	Water Resources Management
18.	Waste Management	20.	Energy Management

COMPLIANCE OPERATION

Product Responsibility

Creating brilliant game products and establishing favourable online gaming environment is a critical cornerstone for the Group's development. As a responsible game developer and operator, we are committed to the improvement of our users' gaming experience, striving to provide them with the highest-quality game content. We take the initiative to listen to our users, attach great importance to the protection of minors, user privacy and information security, and promote the green development of the game industry. We have also made greater efforts to strengthen intellectual property rights management in order to ensure that the Company's legal rights and interests are protected accordingly. We stay in contact with partners and promote co-development of the supply chain.

Product Optimization and Innovation

We have strengthened the quality assurance of our products and services by implementing multiple quality inspection procedures and real-time monitoring after product launch, aiming to bring players a quality product experience. Our testing procedures before product launch include internal testing by our research and development team, internal experience at the Company level and external gray scale testing before the launch. We have addressed all the issues identified in the testing before presenting the product to all players. After product launch, we have conducted real-time monitoring of game operation through third party tools, collected product abnormalities, and arranged experts to handle such abnormalities in a timely manner.

The Company attaches importance to the continuous optimization and innovation of game product content. We have kept in lockstep with market trends and remained user-cantered. Through attracting talent and strengthening external cooperation, we have actively incorporated new concepts into our game development and upgrading processes, endeavoring to bring players better experience through innovation. Meanwhile, we have focused on every detail of our games by implementing high-speed iteration procedures and agile development. We have performed training to enhance our employees' professional competency and business proficiency, and encouraged internal innovation during game development and maintenance.

Construction of a Green and Healthy Network Environment

The Company is committed to protecting the healthy growth of minors. By connecting game products to a real-name authentication system, optimizing anti-addiction mechanisms, implementing payment monitoring and restrictions, and conducting content reviews, we continuously strengthen the construction of the minor protection system and create a green, healthy, clean and civilized network environment for minors.

- Anti-addiction: To safeguard the physical and mental health of online game users and teenagers, we have established an anti-addiction system for minor users in accordance with the requirements and specifications stipulated in the Law of the People's Republic of China on the Protection of Minors, the Regulations on the Network Protection of Minors and other laws and regulations, and applied such system to our games. All online games in operation have been fully connected to the "Online Game Anti-addiction Real-Name Authentication System" of the National Press and Publication Administration. All users must register and log in to their game accounts with authentic and valid identity information, and no game services shall be provided to users who fail to complete real-name registration and login in any form. Meanwhile, the Company has introduced facial recognition to conduct identity verification on accounts with abnormal in-game behaviors or suspected to be used by minors, so as to better protect the healthy growth of minors;

- Time Limit: We strictly control the online game time periods and duration for minor users. Under the system settings, online game services are only provided to minors for 1 hour per day from 20:00 to 21:00 on Fridays, Saturdays, Sundays and legal holidays, and no online game services are provided to minors at any other time in any form; and

- Consumption Limit: We regulate the recharge and consumption behaviors of minor users. It is strictly prohibited for minors to participate in in-game payment activities. In addition, the Group also sets reasonable requirements on the consumption limit for adult users.

During the Reporting Period, our minor anti-addiction mechanism operated well, and we did not violate the Law of the People's Republic of China on the Protection of Minors, the Regulations on the Network Protection of Minors and other relevant laws and regulations.

Information Security and Privacy Protection

We have always regarded the protection of users' information and privacy security as the top priority of the Group's work. We consolidate the foundation of data security from multiple dimensions such as the construction of information security systems, risk management, and work processes, comprehensively improve data security management capabilities, and fully respect and protect users' privacy and data security.

In accordance with the guidelines on healthy and safe network environments as set forth in the Data Security Law, the Personal Information Protection Law, the Cybersecurity Law, the Information Security Technology — Personal Information Security Specification, and other laws and regulations, we have prepared internal management regulations to reduce network-related risks, including the Personal Information Protection System of Shenzhen Zen-Game Technology Co. Ltd. (深圳市禪遊科技股份有限公司個人資訊保護制度) and the Prevention and Disposal System for Illegal and Harmful Information on the Internet of Shenzhen Zen-Game Technology Co. Ltd. (深圳市禪遊科技股份有限公司互聯網違法有害資訊的防範與處置制度).

According to the above regulations, the Group has taken the following actions to implement preventive measures to maintain network safety:

- Established the computer network safety steering group for regulating network safety and appointed safety specialists to monitor network information and perform safety checks on a regular basis;

- Required network administrators to promptly report any external malicious attacks and other criminal offenses to the information centre and take proper measures to protect the system; and

- Established a virus detection and network security loophole detection system and designated the information centre to conduct regular checks on software and hardware equipment to detect and resolve problems in a timely manner.

In addition, in light of the personal information protection regulations provided in the Cybersecurity Law, the Guidelines for Internet Personal Information Security Protection, and other laws and regulations, we have further drawn up internal policies including the Personal Information Protection System of Shenzhen Zen-Game Technology Co. Ltd. (深圳市禪遊科技股份有限公司個人資訊保護制度) in order to standardize personal information leakage risk prevention and control measures:

- Established a network and information security department to manage network information-related responsibilities, including but not limited to publicizing computer network security related laws and regulations, formulating network security management policies, and conducting information security reviews, education, and training;

- Appointed computer security officers to formulate computer information network security management regulations, tested the safe operation of computer information systems, and conducted audit inspections on information released by corporate networks and websites; and

- Standardized personal information protection behaviours based on the principles of legality and compliance by using stringent regulations regarding information collection, storage, usage, sharing, transfer, deletion, and disclosure.

Our business model allows us to collect and process a large amount of user data. We have issued the User Service Agreement and the Privacy Protection Policy on the Company's website and in specific game products, which explains the collection, use, sharing, storage and protection of user data, and provides users with corresponding communication channels. We have protected users privacy in strict accordance with the requirements as stipulated in relevant laws and regulations.

In case of network and information security emergencies, we have prepared emergency measures for natural disasters, physical security incidents, information security incidents, illegal and harmful information transmission incidents, and other incidents that may exert a significant impact on the Group and its operations. These are formulated in accordance with the principles and procedures provided in the Network and Information Security Emergency Plan of Shenzhen Zen-Game Technology Co. Ltd. (深圳市禪遊科技股份有限公司網絡與資訊安全應急處置預案). Post-incident responses, investigations, evaluations, supervision, and management are conducted per the subsequent procedures set forth in the Emergency Plan.

During the Reporting Period, we strictly abode by the Cybersecurity Law and other laws and regulations related to the prevention of network risks and enhanced information protection, and had no network security or personal information leakage incidents related to the operated games.

Conducting Advertising Activities in Compliance

The Company has always conducted advertising and marketing promotions in a compliant and responsible manner. When developing advertising materials for our games or undertaking external advertisements, the Group focuses on two key factors: first, advertising materials must comply with the Advertising Law of the People's Republic of China and other laws and regulations related to product promotion; second, the content of advertising materials must meet the promotion requirements set by various platform suppliers and shall not infringe upon the legitimate rights and interests of third parties. During the internal review process, if any non-compliance is identified, we will promptly require rectification until all content of the advertising materials fully meets the above requirements.

During the Reporting Period, all advertising and promotion activities of the Group complied with the Advertising Law of the People's Republic of China and other relevant laws and regulations, and no illegal incidents related to advertising and promotion occurred.

Intellectual Property Protection

The Company attaches great importance to the protection of its own intellectual property rights and strictly prevents the occurrence of intellectual property infringement.

SOUND MANAGEMENT SYSTEM

To protect the Company's intellectual property rights and encourage innovation, the Group has formulated and strictly implemented the Intellectual Property Right Management System (知識產權管理制度), through which we have standardized the intellectual property right management procedures and the responsibilities of each department. We continue to standardize the management of intellectual property rights and implement measures to protect intellectual property rights in all business divisions.

PROTECTING PROPRIETARY INTELLECTUAL PROPERTY

The Company has attached great importance to the application and protection of software copyrights, copyrighted games, trademarks and patents corresponding to the Company's products. For the products at different stages, the Company has adopted different management measures in the management of intellectual property rights:

- For newly developed games, the corresponding departments of the Company confirms that whether the tentative game name has been previously used, copyrighted, and registered with a trademark at the early stage of development, and initiates software copyright, publication numbers and trademark applications in a timely manner;

- For copyrighted games, we carry out regular check on the corresponding publication numbers and trademarks, and immediately initiate trademark application procedures for those with publication numbers but without trademarks to prevent trademark squatting; and

- For newly launched game effects, we will submit registration in a timely manner to protect the copyright.

Meanwhile, the Company also pays attention to the protection of acquired intellectual property rights. The Company also closely follows whether there are any games developed by other entities which are highly similar to our games or are using our trademarks on the promotion platforms, and in such cases we immediately file complaints with the relevant authorities to protect our own intellectual property rights.

User Feedback Management

The Group is committed to building a professional customer service team and establishing smooth communication channels with users, actively listening to users and providing timely responses.

In addition, to further allow users to provide timely feedback to us, we have established channels for online feedback and external feedback channels, and have announced the above channels on our website or in the game. We have classified feedback from users into two categories, being payment-related complaints and game complaints, and provided a VIP fast feedback channel to deal with users' complaints directly through manual to further enhance handling efficiency:

User Feedback Handling Procedure and Efficiency

Identifying the Type of User Feedback	Upon receipt of the user feedback, the first step is to identify the type of user feedback. Subsequent handling procedures for payment-related complaints and game complaints are then adopted accordingly.

Handling Payment-related Complaints	Handling procedure: Payment-related problems are classified into top-up problem and refund problem, we carefully verify top-up and user data against our records and handle the issue accordingly after corresponding communication with the user according to the feedback. In cases of misoperations performed by underage users or refund applications performed after a user's first top-up, we handle each case on its own merits after performing thorough verification procedures, and disable the top-up features of corresponding accounts as needed after performing communications with clients. Time required for processing: For top-up problems, we will handle within 1 working day. For problems related to underage user registration, we will handle within 24 hours.
Handling Game Complaints	Handling procedure: Game complaints are classified into BUG complaints, functional queries, experiential suggestions, game cheating complaints, and game account complaints, and each is handled according to its category. When handling complaints, we provide replies as quickly as possible. Time required for processing: For general BUG complaints and feedbacks, we will reply to user queries on a close-loop basis within 3 working days. In case of emergencies involving account security or seriously affecting the fairness of the game, we will handle within 24 hours.

SUPPLY CHAIN MANAGEMENT

Establishing mutually beneficial, clean and transparent partnerships with suppliers is also a significant factor in the success of our business, and we are committed to making progress and growing together with our supplier partners. Before ensuring cooperation with suppliers, we conduct due diligence checks on the suppliers by various means (including checking business registration information, operational qualification registration and industry reputation) in order to investigate the legality of supplier entities, review whether their business involves legal disputes or safety hazards, whether their employees engage in corruption or bribery, product or services quality, and what impact they exert on society, etc.

The Group's major suppliers are platform suppliers and equipment suppliers. For platform suppliers[1], we will examine privacy policies and systems for the protection of user information. For suppliers of office supplies and office equipment, we examine their environmental protection and energy-saving certifications and give preference to products that are more environmentally friendly and energy-saving. The management of the Company conducts a final review based on the information obtained.

[1] Platform suppliers are our main cooperative suppliers.

After establishing cooperation with suppliers, we have commenced supplier management primarily through the following approaches:

- We have designated personnel to compare the backend data of different platforms with that of our OSS[2], and to investigate and verify any differences;
- We have conducted occasional market price comparisons to verify the transaction procedures and avoid corrupt practices;
- We have carried out regular on-site visits to communicate with suppliers to understand the latest situation and maintain a smooth communication channel; and
- We have designated personnel to check whether any products on the platforms plagiarize our products so as to protect the intellectual property rights of the Company.

During the Reporting Period, the Group had a total of 180 suppliers, including 132 suppliers in China and 48 overseas suppliers.

ANTI-FRAUD

While paying attention to the compliance of game operation, we also emphasize the management of internal corruption and other irregularities. According to the provisions regarding corruption, bribery, extortion, fraud, and money laundering set forth in the Criminal Law of the People's Republic of China, the Anti-unfair Competition Law of the People's Republic of China, the Supervision Law of the People's Republic of China, and other national laws, we have formulated an Anti-fraud and Whistleblowing System, aiming to establish an effective mechanism to prevent and investigate fraud, strengthen corporate governance and internal control, reduce risks, regulate business practices, safeguard the legitimate rights and interests of the Group, so as to ensure the sustainable, stable and healthy development of the Group. We also regulated the code of conduct for our employees in our Employee Handbook and arranged for our employees to sign the "Anti-Commercial Bribery Pledge Letter".

We designated the internal audit department as the standing anti-fraud organ and announced whistleblowing hotlines, e-mail addresses, and other whistleblowing channels. Whistleblowing complaints will be investigated by an investigation team composed of the members of the audit department and management personnel of relevant departments. Under special circumstances, external experts may be hired to join the investigation. After the investigation is complete, the standing anti-fraud organ will feed the results back to the whistleblower, and file a report specifying the result of the whistleblowing complaint and investigation.

[2] Refers to Operation Support System (OSS).

In addition, cases of fraud and non-compliance are delivered to our directors for their study in order to raise their awareness of anti-fraud. We included the Business Ethics Responsibility or similar clauses in important contracts with our partners, expecting both parties to jointly resist commercial bribery or other improper transactions. We promoted anti-fraud to employees and strengthened employees' awareness of anti-fraud by sending cases, induction training for new employees, and distributing the Anti-fraud and Whistleblowing System. We require employees at sensitive positions to sign the Employee Anti-Commercial Bribery Pledge to explain the definition of corrupt practices and how to deal with non-compliance with details, in order to further reduce the risk of corruption.

During the Reporting Period, the Group and its employees strictly abode by the Criminal Law of the People's Republic of China and other relevant laws and regulations, and no lawsuits or violations related to corruption, bribery, extortion, fraud, and money laundering were committed.

EMPLOYEE CARE

We deeply recognize that employees are the core driving force for the sustainable development of the enterprise. The Group has always attached importance to employees' rights and interests, and strived to create a diverse, equal, healthy, safe, harmonious and friendly workplace environment. We have continuously improved the salary and welfare system to fully protect employees' various rights and interests, provide diversified learning and development opportunities for employees, and focus on enhancing employees' sense of happiness and belonging.

STANDARDIZED EMPLOYMENT MANAGEMENT

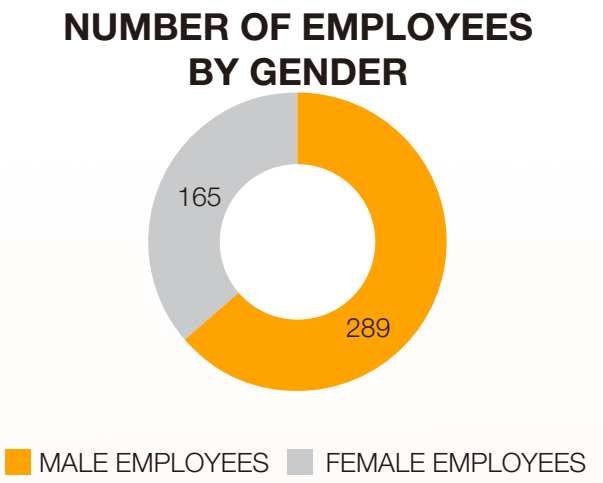
We have observed the employee right protection provisions set forth in the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China and other relevant laws, and have further formulated and implemented a series of employee management policies based on industry and business needs, to further standardize our employee management practices, striving to provide our employees with a standardized, orderly, fair and comfortable working environment.

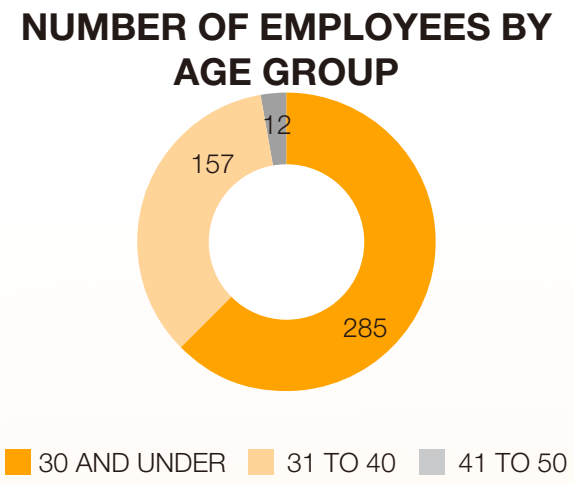
We have formulated and further upgraded the Recruitment Management System (招聘管理制度) to standardize the recruitment practices of the Group. In the recruitment process, we have based our major recruitment criteria on the principles of "Appointment by Merit" and "Selection by Virtue", and have placed equal emphasis on the twin tenets of virtue and talent. In addition, we have also clarified the basic principles of "legality" and "equality", regulating that the recruitment processes of the Company must comply with the provisions of relevant laws and regulations in the PRC. Child labour, forced labour and other illegal labor are banned, and no discriminatory selection in recruitment shall be performed on the basis of gender, race, skin colour, age, religion, nationality, or other factors.

The Group's recruitment consists of the six steps as follows: first a recruitment application is submitted by the employing department, such application is reviewed by the management, then recruitment information is released, interviews are arranged, secondary interviews are conducted, and a final evaluation is performed. We conduct background checks on the identity and educational backgrounds of the applicants during the recruitment process in order to prevent the employment of child labourers and other illegal workers. During the Reporting Period, we have complied with the Labour Law of the People's Republic of China, and other recruitment-based laws and regulations, with no violations being created in respect of recruitment management, forced labour, or child labour.

To standardize the Group's employment management practices and provide a basis for the protection of employees' rights and interests, we have formulated the Employee Handbook, the Attendance Management Procedure, the Remuneration and Benefit Management System, the Performance Management System, the Separation Management System, the Job Adjustment Management System (員工手冊、考勤管理規程、薪酬福利管理制度、績效管理制度、離職管理制度、崗位調整管理制度) and other management regulations. Guided by these standards, we have specified our requirements for elements of employment management including remuneration, benefits, working hours, holidays, dismissals and promotion.

As of the end of the Reporting Period, the Group employed 454 persons, all of whom were full-time employees, located in Mainland China, Singapore and Hong Kong. The distribution of employees by gender and age group is set out below:





During the Reporting Period, we lost a total of 181 employees, generating an employee turnover rate of 29%. The turnover rate of employees by gender, age group and household registration is shown below:

EMPLOYEE TURNOVER AND TURNOVER RATE BY GENDER	NO. OF OUTGOING EMPLOYEES	TURNOVER RATE (%)
MALE EMPLOYEES	107	27%
FEMALE EMPLOYEES	74	31%

EMPLOYEE TURNOVER AND TURNOVER RATE BY AGE GROUP	NO. OF OUTGOING EMPLOYEES	TURNOVER RATE (%)
30 AND UNDER	148	32%
31 TO 40	33	21%
41 TO 50	0	0

EMPLOYEE TURNOVER AND TURNOVER RATE BY HOUSEHOLD REGISTRATION	NO. OF OUTGOING EMPLOYEES	TURNOVER RATE (%)
GUANGDONG PROVINCE	81	27%
OUTSIDE GUANGDONG PROVINCE	100	29%

Remuneration

We have established a remuneration management system based on the principles of motivation and equality, scientifically setting remuneration levels by comprehensively considering employees' job grades, professional skills and performance, with reference to market standards. Meanwhile, we have provided employees with appropriate short-term, medium-term, and long-term incentives, including but not limited to performance bonuses, year-end bonuses, share awards, etc. Remuneration is adjusted on an annual basis by the Company according to work performance of employees, performance assessment, dynamic changes in market remuneration, business operations of the Company and other factors to ensure that we can provide employees with market-competitive remuneration and fully recognize their efforts and contributions.

Benefits

In terms of statutory benefits, the Group pays five social insurance schemes and the housing provident fund for employees on time and in full, and implements arrangements such as statutory annual leave and parental leave. In addition, we have further provided employees with a variety of supplementary benefits, such as supplemental commercial insurance, annual physical examinations and annual vacation trips. We have also provided eligible employees with interest-free housing loans to enable employees to enjoy better life and work. The Group has also provided major holiday benefits and birthday benefits for employees, and established a team building fund to provide financial support for team building activities in departments. In addition, the Group will also organize anniversary celebration activities to express encouragement and gratitude to the outstanding employees and those who have accompanied Zengame Technology through the 5th and 10th anniversaries, and encourage all Zengame employees to create a better future together.

Programmer's Day Anniversary

2025 Anniversary Celebration Activities

Traditional Chinese Medicine Massage and Pulse Diagnosis

Working Hours

The Group has adopted an 8-hours-per-day, 5-days-per-week working system.

Holidays

We deeply care about our employees' physical and mental health. In addition to statutory holidays, we have also provided employees with paid leaves such as annual vacation days, seniority leave, sick leave, marital leave, maternity leave, paternity leave, pregnancy check-up leave, miscarriage leave, breastfeeding leave, work-related injury leave, bereavement leave, etc. To promote work-life balance, we have encouraged to employees to make appropriate vacation arrangements.

Dismissals

In the event that employees are not qualified for a given job after being provided with training or position transfers, or receive a performance assessment result of C and no improvement has been made even after an improvement plan has been put in place, or are unable to perform their labour contract due to objective factors, or in case of other circumstances provided by law, we will dismiss these employees according to the relevant regulations. In case of violations of rules by employees, we will classify such violations into different levels according to the degree of impact or damage, and give written warnings, notice of criticism, demerits or even dismissal, etc. In case of violations of laws or regulations by employees, we will dismiss the employees involved and hand them over to the relevant judiciary authorities.

Promotion

Promoting employees and selecting game talent to higher positions is a vital incentive measure of the Company. The Company offers all employees a promotion path with priority over external personnel. When there is a job vacancy within the Company, we will give priority to internal staff to provide them with promotion opportunities. We have established an adequate performance assessment index system, and evaluate our employees on a regular basis. When promoting employees, we take into account their previous performance assessment results to ensure the fairness and reasonableness of the promotion.

During the Reporting Period, the Group's employee management system has conformed with the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China and other laws, and has not violated any employee management laws or regulations.

PROVIDING SAFETY AND HEALTH SUPPORT

We are committed to providing a safe, healthy and comfortable working environment for all employees. The Group has formulated occupational health and safety management policies in accordance with the relevant requirements of the Law on the Prevention and Control of Occupational Diseases of the People's Republic of China, the Work Safety Law of the People's Republic of China and other relevant laws and regulations, and has actively taken various measures to protect the physical and mental health of employees in the workplace, and advocated that employees raise the level of their awareness of occupational health.

In daily operations, we constantly pay attention to electricity use, water use and fire safety in the workplace to reduce operational safety hazards. We have equipped the office premises with corresponding fire-fighting facilities and regularly disinfected and cleaned the office premises to ensure a safe office environment; the Company has been equipped with AED (Automated External Defibrillator), medical first-aid kits and common first-aid medicines. We provide free breakfast and dinner with balanced nutrition and afternoon tea with fruits to ensure that employees get enough nutrition. The Company promotes staff to organize swimming, badminton, soccer, basketball and other staff club activities and provides corresponding funds, so as to cultivate staff's awareness of sports and help them to strengthen their physical fitness. We also organize all employees to participate in a comprehensive physical examinations annually, and invite experts to provide employees with health consultation services on-site, so as to help them better understand their own physical conditions.

During the Reporting Period, to enhance employees' emergency rescue capabilities, the Company carried out cardiopulmonary resuscitation (CPR) emergency rescue training. Professional instructors carefully taught participants the correct way to use AED equipment and key first-aid skills through theoretical explanations, practical demonstrations and other methods. This training has effectively improved employees' emergency response capabilities and laid a solid foundation for building a safe and harmonious working environment.

Cardiopulmonary Resuscitation (CPR) Emergency Rescue Training

Meanwhile, the Group emphasizes on opening up communication channels with employees and actively listens to their opinions and suggestions. During the Reporting Period, through the "Zengame Stories" face-to-face communication activities, we held special exchange sessions between campus recruits, interns and the management. The President of R&D and the General Manager of the Operations Department had in-depth conversations with the new recruits on topics such as the Company's development, personal growth and workplace mindset, understood the new recruits' ideas and needs, and answered the questions and confusion encountered by the new recruits in their work.

"Zengame Stories": Special Exchange Sessions between Campus Recruits, Interns and the Management

During the Reporting Period, we have provided a healthy and safe working environment for our employees and have abided by the requirements of the Law on the Prevention and Control of Occupational Diseases of the People's Republic of China, the Work Safety Law of the People's Republic of China and other relevant laws and regulations. There have been no work-related injuries to employees, and there have been no work-related deaths in the past three years.

SUPPORTING SPECIALIZED EMPLOYEE DEVELOPMENT

The talent of employees is a valuable asset of the Company. The growth of employees can promote the development of the Company. The Group attaches great importance to talent development and employee growth. We have established an online learning platform for our employees, Zengame E Academy, which provides a series of courses on research and development, marketing, sales, human resources, leadership, and financial management for our employees to learn anytime and anywhere. We have also established the Training Management System (培訓管理制度), which clearly defines departmental responsibilities, training types, training plans, training implementation and effect evaluation, in order to standardize training procedures, develop human resources, improve employee quality, thereby achieve sustainable development of employees and the Company. Our training methods are divided into internal training and external training. Internal training means inviting internal senior personnel or external lecturers to provide training for employees within the Company, while external training means employees go out for training. We encourage internal talents to become internal instructors and offer corresponding teaching incentives. We actively search for suitable external training and encourage employees to participate in, and provide financial support for external training.

In addition, the Group focuses on providing diversified training modes for employees of different ranks, and has developed multi-level training for different types of employees such as senior managers, grassroots managers, ordinary employees and new employees. For new employees, we provide induction training, which mainly covers corporate documents, company systems and general skills courses to help new employees get familiar with the working environment quickly. During the Reporting Period, we launched the Elite Talent Program for new campus recruits and provided a 2.5-day induction training. The training covered the Company's development history, corporate culture, rules and regulations, business layout and other aspects, helping new employees to quickly get familiar with the Company and integrate into Zengame's corporate culture. For grassroots managers, we carried out the Voyage Plan and organized training courses including Coaching and Mentoring and Project Management to enhance employees' cognitive level and practical methods in team management and high-performance delivery. In addition, the Company launched an AI sharing training program with a total of 15 sharing sessions, which mainly focused on the tools and methods for different departments to use AI to improve quality and efficiency, aiming to enhance employees' understanding and application capabilities of AI technologies.

We attach importance to the statistical analysis of training effectiveness. After each training, the Human Resources and Administration Department collects feedback on training effectiveness through assessments, defense sessions, interviews, questionnaires and other forms in accordance with the evaluation requirements set out in the training plan, and conducts overall evaluation and summary of the training programs based on the assessment results, so as to update and iterate the subsequent training content and ensure training effectiveness.

New Employee Training

Grassroots Management Training

The Group's employee training data during the Reporting Period is shown in the table below:

Proportion of Trainees by Gender and Average Training Hours	Proportion of Trainees (%)	Average Training Hours (hour)
Male employees	64%	6.39
Female employees	59%	6.49

Proportion of Trainees by Employee Category and Average Training Hours	Proportion of Trainees (%)	Average Training Hours (hour)
Senior management	63%	3.75
Middle management	100%	4.94
Grassroots employees	99%	6.50

ENVIRONMENTAL PROTECTION

The Group, a technology company specializing in game software development and operation, adheres to the concept of sustainable development, actively promotes energy conservation and carbon reduction in office spaces, and optimizes daily energy use through systematic management measures, so as to fully implement green office practices. The Group strictly abides by the Environmental Protection Law of the People's Republic of China, the Air Pollution Prevention and Control Law of the People's Republic of China and the Energy Conservation Law of the People's Republic of China, and continuously improves its environmental management system in light of the characteristics of the gaming industry, constantly enhancing the efficiency of energy and resource use and strictly controlling greenhouse gas emissions. Meanwhile, the Group actively responds to the national strategic goal of "carbon peaking and carbon neutrality", integrates environmental management responsibility into the core of its daily operations, and formulates and implements corresponding administrative management policies, striving to minimize the adverse environmental impact of business operations.

The resources consumed in the Group's daily operations mainly include electricity, domestic water and office supplies, and are accompanied by a small amount of air pollutant emissions and solid waste generation. Apart from the above, the Group's business operations do not involve any other significant environmental impacts. The Group fully recognizes the potential risks that climate change may pose to the stable operation of its business, and is particularly concerned about the impact of extreme weather events on employee safety and daily operations. To effectively address the aforementioned climate risks, our administrative department has developed comprehensive emergency response arrangements for extreme weather in accordance with relevant government guidelines, including flexible work-from-home and delayed start-of-work mechanisms, to ensure employee safety and maintain business continuity. Looking ahead, the Group will continue to advance the integration and implementation of environmental protection and energy conservation concepts in all operational aspects, and promote business management towards a higher level of "greening".

During the Reporting Period, the Group strictly complied with environmental protection laws and regulations, including the Environmental Protection Law of the People's Republic of China and the Water Law of the People's Republic of China, and did not incur any administrative penalties for violating environmental protection regulations.

Exhaust Emissions

As a digital entertainment platform deeply rooted in the gaming industry, the Group has always adhered to the concept of green, clean and low-carbon office practices and actively fulfilled our environmental protection responsibilities. The Group's air pollutant emissions mainly come from fuel consumption of official vehicles. To reduce exhaust emissions, the Group encourages employees to turn off engines when not in use to improve air quality and reduce unnecessary use and waste.

During the Reporting Period, the Group's air pollutant emissions from its official vehicles were as follows:

Indicators	Unit	2024	2025
Air pollutants[3]			
Nitrogen oxides	Kg	3.16	3.08
Sulfur oxides	Kg	0.30	0.27
Carbon monoxide	Kg	85.60	83.31
PM10 (including PM2.5)	Kg	0.60	0.54

Greenhouse Gas Emissions

The Group's greenhouse gas emissions mainly come from two sources: fuel consumption of official vehicles (Scope I) and consumption of purchased electricity (Scope II). During the Reporting Period, the Group further improved its greenhouse gas accounting boundaries by including emissions from waste paper disposal in Scope III statistics to more comprehensively reflect the impact of the Group's operations on the climate. As the data from Scope III was included for the first time in the Reporting Period, the greenhouse gas emission density in 2025 increased compared to 2024. However, due to the expansion of the accounting scope, the data from the two years are not directly comparable.

[3] Air pollutants mainly come from the use of official vehicles, and their emissions are calculated based on the emission factors in the Technical Guidelines for Compiling Emission Inventories of Air Pollutants from Road Motor Vehicles (Trial) issued by the Ministry of Ecology and Environment of the People's Republic of China.

During the Reporting Period, the Group's greenhouse gas emissions were as follows:

Indicators	Unit	2024	2025
Greenhouse gas emissions[4]			
Direct emissions[5] (Scope I) — Gasoline	Tons of carbon dioxide equivalent	45.68	41.26
Indirect emissions[6] (Scope II) — Purchased electricity	Tons of carbon dioxide equivalent	244.55	233.87
Other indirect greenhouse gas emissions[7] (Scope III) — Discarded waste paper	Tons of carbon dioxide equivalent	—	3.08
Total greenhouse gas emissions	Tons of carbon dioxide equivalent	290.23	278.21
Greenhouse gas emission density[8]	Tons of carbon dioxide equivalent per m^2	0.04	0.05

4 Greenhouse gas emissions data is presented in carbon dioxide equivalents.

5 The calculation method for 2024 has referenced (but is not limited to) the Guidelines for Accounting and Reporting of Greenhouse Gas Emissions by Public Building Operators (Trial) issued by the National Development and Reform Commission of the People's Republic of China and the global warming potential value in the Fifth Assessment Report issued by the Intergovernmental Panel on Climate Change. The calculation method for 2025 has referenced (but is not limited to) the Guidelines for Greenhouse Gas Emission Accounting and Reporting by Land Transportation Enterprises (Trial) issued by the National Development and Reform Commission of the People's Republic of China and the global warming potential value in the Sixth Assessment Report issued by the Intergovernmental Panel on Climate Change.

6 Electricity emissions in China are calculated using the emission factors from the Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors issued by the Ministry of Ecology and Environment and the National Bureau of Statistics.

7 Since 2025, the Group has included "operational waste" in Scope III greenhouse gas emissions and has used the emission factors in Appendix 2: Reporting Guidance on Environmental KPIs published by the Hong Kong Stock Exchange for calculation.

8 The Group's emission density is calculated based on the office space of all of the Group's operating entities; the office space was 7,615 m^2 in 2024 and 5,824 m^2 in 2025. This data will also be used to calculate other density data.

Waste Management

We strictly adhere to the principles of waste reduction and harmless disposal, and integrate the concept of environmental protection and energy conservation into our daily operations to ensure that our business operations are "green". The Group's waste mainly consists of harmless solid waste such as paper. The administration department coordinates with various departments to collect and dispose of waste according to its characteristics. Office and domestic waste are placed in designated locations and handled by the building's property management personnel. As the property management company does not maintain quantity statistics when carrying out recycling, the Group is currently unable to provide data on harmless waste other than paper. In the future, we will actively improve the relevant data collection mechanism.

In terms of reducing waste at the source, the Group actively carried out a number of conservation measures. Regarding paper usage, the Group encourages employees to use double-sided printing and continues to strengthen the construction of the OA system and promote the circulation of electronic documents in order to reduce reliance on paper materials and gradually achieve paperless office. In terms of equipment procurement, the Group prioritizes the use of energy-saving and environmentally friendly office equipment to reduce resource consumption from the source of procurement and comprehensively promote the green development of office operations.

Indicators	Unit	2024	2025
Non-hazardous waste			
— Waste paper	Kg	625.00	641.00
Density	Kg/m^2	0.08	0.11

We continuously focus on the rational use of energy and resources, and are committed to minimizing the environmental impact of waste. The Group's hazardous waste mainly includes office ink cartridges and obsolete electronic equipment. Before electronic devices are scrapped, the IT department will prioritize reassembling and reusing them. Only after confirming that they cannot be repaired will they be scrapped according to regulations and handed over to a qualified third-party organization for recycling and disposal. Ink cartridges, toner cartridges and other electronic waste are also handed over to qualified suppliers for unified recycling to ensure that hazardous waste is properly disposed of and to maximize the utilization of resources.

Indicators	Unit	2024	2025
Hazardous waste			
— Ink cartridges	PCE	13	24
— Toner cartridges	PCE	9	4
— Electronic products	PCE	110	63

Energy Management

Since the Company's main business is game development and operation, our daily office work mainly involves power equipment such as servers, computers and air conditioners, and electricity is the main energy source for our operations. Therefore, our energy management focuses on reducing power consumption. We promote energy conservation through a combination of advocacy and policy implementation. This includes posting energy-saving reminders in office areas, encouraging employees to turn off lights, air conditioners and other equipment when leaving work and suggesting that air conditioners be set to a temperature no lower than 26 degrees Celsius to reduce unnecessary energy consumption.

In terms of specific measures, the Company continues to use LED lighting to reduce lighting energy consumption and prioritizes the purchase of equipment with energy-saving certifications to continuously improve equipment utilization efficiency and management level. Meanwhile, we require the reasonable use of electrical equipment such as computers and printers, and the turning off of the power when leaving work to avoid long-term standby power consumption; and we have upgraded the circuits in the newly renovated office area to add one-button master control and timer control functions (such as setting a timer to turn off the air conditioner at 8 pm) to strengthen power management and energy-saving effectiveness. The Group will continue to closely monitor energy usage and further optimize various energy-saving measures.

Indicators	**Unit**	**2024**	**2025**
Energy consumption			
— Gasoline	KWH	192,131.17	173,349.32
— Purchased electricity	KWH	463,946.00	578,603.70
Total energy consumption	KWH	656,077.17	751,953.02
Density	KWH/m^2	86.16	129.12

Water Usage

The Company's water usage mainly comes from daily office operations, and the resulting domestic sewage is discharged into the municipal sewage network and treated by relevant facilities. This year, we continued to advance water conservation management, posting water-saving reminders in restrooms to remind employees to turn off the taps after use, in order to raise awareness of water conservation. Meanwhile, we regularly inspected the water supply pipes, and if any leaks were found, we promptly notified the property management company to arrange for repairs and inspections. The Group's office water supply includes domestic water supplied by the municipal water network and drinking water purchased from suppliers. The water supply has been generally stable and no major difficulties have been encountered.

Indicators	Unit	2024	2025
Municipal water usage	Tons	926.67	924.91
Bottled drinking water usage	Tons	98.57	98.40
Total water consumption	Tons	1,025.24	1,023.31
Density	Ton/m^2	0.13	0.18

Addressing Climate Change

In the global trend toward a low-carbon economy, the Group is keenly aware of the profound impact of climate change on the social and business environment. We regard addressing climate change as an important strategy for corporate sustainable development and proactively integrate green and low-carbon concepts into our daily operations and business layout. Referring to the Hong Kong Stock Exchange's ESG Code and the Task Force on Climate-related Financial Disclosures (TCFD) framework, the Group has comprehensively built a climate response system based on four disclosure pillars: governance, strategy, risk management and indicators and objectives. The Group is committed to enhancing its climate resilience and steadily promoting green transformation.

GOVERNANCE

The Group has established a sound ESG governance framework and management system to comprehensively coordinate the identification, assessment and response to climate change issues. The Board bears ultimate responsibility for climate-related risks and opportunities, and is responsible for continuously reviewing core ESG issues such as climate change, and overseeing the progress of achieving goals such as resource conservation and energy saving and emission reduction. To ensure the quality of decision-making, the Board is committed to ensuring that its members have the professional capabilities needed to address climate challenges and to continuously improving climate governance through regular training or, as needed, by bringing in external professional advisors.

At the management and execution level, the Board has established the ESG Committee, which is responsible for developing ESG work plans, implementation schemes and climate transition strategies. The committee meets regularly to review climate risk reports, policy updates, and progress toward targets submitted by the senior management. The specific implementation work is coordinated and carried out by an ESG working group composed of the heads of each business department. Such group is responsible for directly integrating climate-related management measures into the Company's risk management system and annual operating plan to ensure that daily operations meet sustainability requirements.

Furthermore, the Group has deeply integrated climate factors into its overall business development strategy. When evaluating major capital expenditures, investment decisions or business plans, the management will comprehensively weigh climate impacts against financial returns to ensure that while pursuing business growth, it effectively mitigates the potential risks posed by climate change, forming a top-down, comprehensive climate governance system.

STRATEGY

The Group considers climate change to be a key factor affecting long-term business development and financial performance. We systematically identify and assess transformation risks, physical risks and climate opportunities, and conduct in-depth analysis of their potential impact on the Company's revenue structure, operating costs and capital expenditures. The Group currently divides the assessment timeframe for climate risks into three timeframes: short-term (1–5 years), medium-term (6–10 years) and long-term (10 years and above).

RISK MANAGEMENT

To better address climate change, the Group, with reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the guidance of the Stock Exchange, has identified and assessed climate risks and their financial impacts related to the Group's business and developed corresponding strategies to provide strategic guidance for sustainable development.

The Group has established a routine climate risk monitoring mechanism, conducting periodic assessments annually to systematically identify emerging risks. Based on the assessment results, we promptly adjust our response strategies and regularly review the effectiveness of risk management at the board level to ensure that risk management is sufficiently forward-looking. Specific risks and opportunities are assessed as follows:

Risk type	Risk description	Timeframe	Financial impact	Risk response
Physical risks				
Acute risks	Climate change-induced extreme weather events (such as torrential rains, floods, blizzards, typhoons, and extreme heat) may disrupt workplaces or critical supplies, posing challenges to employee safety and health; they may also affect the stability of data centers and cloud services	Short-to medium-term	Operational disruptions may occur (office closures, power/network outages, staff shortages); leading to asset impairment, increased maintenance costs and additional capital expenditures (such as data center repairs)	• Develop and regularly conduct drills for extreme weather contingency plans and business continuity arrangements; optimize data center architecture and disaster recovery capabilities, and continuously assess the climate disaster risks of data center site selection
Chronic risks	Long-term climate trends (such as rising temperatures, increased heat waves and water resource stress) may lead to increased demand for office and data center cooling, driving up energy consumption; water scarcity may also affect data center cooling or water costs in the supply chain	Medium-to long-term	Rising operating costs (electricity and cooling expenses); increased water costs from suppliers pushing up procurement costs; and limited cooling capacity potentially straining service levels	• Improve office and data center operations management to maintain operational efficiency under extreme weather conditions; assess cooling and water supply risks, improve supplier management and alternative solutions, and enhance operational resilience

Risk type	Risk description	Timeframe	Financial impact	Risk response
Transformation risks				
Policy risks	Stricter carbon market and energy policies (such as internalizing carbon costs and increasing energy consumption requirements for data centers) may drive up electricity and compliance costs; increasingly stringent climate disclosure requirements could lead to compliance risks if responses are inadequate	Short term	Potentially facing fines, administrative penalties, or increased compliance costs; insufficient disclosure may weaken investor confidence, increase financing costs, or affect capital market valuations	• Closely monitor policy and regulatory developments and deploy compliance and disclosure enhancement plans early; gradually improve the quality of climate information disclosure and internal data governance
Technological risks	The iteration of low-carbon cloud computing and energy-saving technologies (such as chip optimization, liquid cooling and edge computing) is accelerating, and failure to adopt them in a timely manner may result in a loss of cost advantage; the introduction of new technologies may also lead to capital expenditures and impairment of existing assets	Medium term	Increased capital expenditures for R&D, equipment replacement and engineering implementation; inappropriate technology selection may lead to asset impairment and increased operation and maintenance costs	• Establish a technology assessment and investment decision-making mechanism to introduce low-carbon technologies in stages; improve computing efficiency and reduce unit energy consumption and costs through architecture and program optimization
Market risks	The market and customers' increasing demands for low-carbon operations may require adjustments to operating methods, equipment upgrades or the procurement of higher-standard services	Short-to medium-term	This may increase renovation costs and impact short-term efficiency; failure to meet the partner's requirements may also affect business expansion and contract renewal	• Continuously monitor market trends and customer requirements, and adjust the operational management and procurement strategies accordingly to maintain business flexibility
Reputational risks	Stakeholder expectations for climate action and transparency are rising; insufficient disclosure or management could negatively impact brand image and investor trust	Short-to medium-term	Reputational incidents can affect market evaluation and investor sentiment, further impacting valuations, financing costs, and capital liquidity	• Enhance transparency in climate management and disclosure, strengthen communication with investors and stakeholders, and clearly present strategies and progress

Risk type	Risk description	Timeframe	Financial impact	Risk response
Opportunities				
Market	The increasing emphasis on sustainable development in society is conducive to promoting responsible business practices and creating new market opportunities for companies with strong low-carbon operation capabilities	Medium-to long-term	Enhancing customer loyalty and deepening cooperation leads to more stable revenue and long-term economic benefits	• Enhance resilience based on efficient operations and achieve cost reduction and efficiency improvement by reducing carbon emissions and resource consumption through technological innovation and operational optimization
Resource efficiency	By improving computing efficiency, optimizing system architecture and programs, it is possible to reduce cloud computing energy consumption and operating costs, while simultaneously reducing related emissions	Short-to medium-term	Energy conservation and emission reduction can bring direct cost savings, improve unit energy consumption and emissions performance, and enhance competitiveness	• Continue to promote energy conservation, consumption reduction, and resource efficiency improvement measures, and evaluate the adoption of lower-carbon computing and cooling solutions
Resilience and reputation	Investors and clients are placing greater emphasis on a company's emissions reduction performance; excellent ESG performance helps enhance trust, attract capital, and strengthen long-term resilience	Long-term	Boost market confidence, support financing capabilities and brand value, and create win-win opportunities	• Continuously improve the disclosure level and management effectiveness of carbon emissions and climate response efforts to enhance stakeholder confidence

Metrics and Targets

To further implement climate action, the Group has included new emissions from waste paper disposal in Scope III of the statistics during the Reporting Period to more comprehensively reflect the climate impact of its operations. Meanwhile, we have set short-term environmental targets for 2030, clearly defining the 2025 baseline as a benchmark to continuously reduce various environmental impacts and steadily promote green transformation.

Type	Goal in 2030 (adopting 2025 as the base year)
Greenhouse gases	Reduce greenhouse gas emission density by 5% by 2030 or earlier
Non-hazardous waste	Reduce waste generation density by 5% by 2030 or earlier
Energy	Reduce energy consumption density by 5% by 2030 or earlier
Water Usage	Reduce water consumption density by 5% by 2030 or earlier

The Group will continue to monitor the progress of various indicators, review the implementation thereof regularly, and assess and formulate more ambitious carbon reduction and resource management targets based on business development and technological maturity in order to achieve its sustainable development vision.

GIVING BACK TO SOCIETY

While committed to business operations and development, the Group also remembers to fulfill its social responsibilities. Through public welfare projects such as supporting education in rural areas and donating to disaster relief, we actively give back to society and contribute to sustainable social development through concrete actions.

Supporting Rural Education

We are concerned about rural children's education and are committed to contributing to promoting urban-rural integration and educational equity. In June 2025, we donated RMB10,000 to support schools in remote areas in purchasing science and technology equipment and conducting science and technology courses through our participation in the "Give Children a Science and Technology Lesson" project launched by the WeCare Charity Program of WeChat Mini Games.

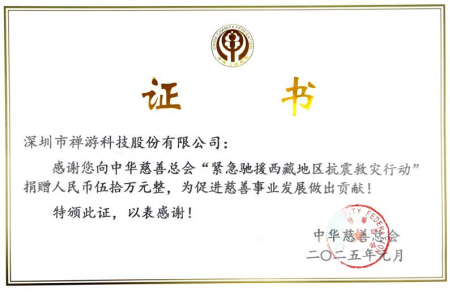
WeChat Mini Games WeCare Charity Project Donation Certificate

Donations for Disaster Relief

We pay close attention to the difficulties in the disaster areas by providing timely assistance and donating funds through public channels to support the procurement of emergency relief supplies and post-disaster reconstruction efforts, thus contributing to the disaster relief work.

In January 2025, following the earthquake in Xigaze, Tibet, the Group, together with the China Charity Federation, donated RMB500,000 for disaster relief, resettlement and reconstruction in the affected areas;

In November 2025, following the fire in Tai Po District, Hong Kong, the Group immediately donated HK$500,000 to support rescue and resettlement efforts, demonstrating our corporate social responsibility through concrete actions.



证　书

深圳市禅游科技股份有限公司：

感谢您向中华慈善总会“紧急驰援西藏地区抗震救灾行动”捐赠人民币伍拾万元整，为促进慈善事业发展做出贡献！

特颁此证，以表感谢！

中华慈善总会

二〇二五年[illegible]月

Certificate of donation for aid to Tibet

APPENDIX: ESG REPORTING CODE INDEX OF THE STOCK EXCHANGE

Part B: Mandatory Disclosure Requirements	
Governance Structure	
A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Sustainable Development Strategy
Reporting Principles	
A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report (materiality, quantitative and consistency).	About The Report — Basis of Preparation
Reporting Boundary	
A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About The Report

Part C: "Comply or explain" Provisions **A. Environmental** **Aspect A1: Emissions**		**Disclosure Section or Explanation**
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. *Note:* Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Hazardous wastes are those defined by national regulations.	"Environmental Protection"
KPI A1.1	The types of emissions and respective emissions data.	"Environmental Protection"
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	"Environmental Protection"
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	"Environmental Protection"
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	"Environmental Protection"
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	"Environmental Protection"

Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. *Note:* Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	"Environmental Protection"
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	"Environmental Protection"
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	"Environmental Protection"
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	"Environmental Protection"
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	"Environmental Protection"
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to the industry to which the Group belongs
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	The Group does not cause material impacts on the environment and natural resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Group does not cause material impacts on the environment and natural resources

B. Social **Employment and Labour Practices** **Aspect B1: Employment**		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	"Employee Care"
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	"Standardized Employment Management"
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	"Standardized Employment Management"
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	"Providing Safety and Health Support"
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	"Providing Safety and Health Support"
KPI B2.2	Lost days due to work injury.	"Providing Safety and Health Support"
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	"Providing Safety and Health Support"

Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. *Note:* Training refers to vocational training. It may include internal and external courses paid by the employer.	"Supporting Specialized Employee Development"
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	"Supporting Specialized Employee Development"
KPI B3.2	The average training hours completed per employee by gender and employee category.	"Supporting Specialized Employee Development"
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	"Standardized Employment Management"
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	"Standardized Employment Management"
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	The Group has eliminated the possibility of child labor and forced labor during the recruitment process, so there are no violations in this regard.

Operating Practices **Aspect B5: Supply Chain Management**		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	"Supply Chain Management"
KPI B5.1	Number of suppliers by geographical region.	"Supply Chain Management"
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	"Supply Chain Management"
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	"Supply Chain Management"
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	"Supply Chain Management"
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	"Product Optimization and Innovation" "Construction of a Green and Healthy Network Environment" "Information Security and Privacy Protection" "Conducting Advertising Activities in Compliance"
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The Group's business does not involve recall of products.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	"User Feedback Management"
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	"Intellectual Property Protection"
KPI B6.4	Description of quality assurance process and recall procedures.	"Product Optimization and Innovation" The Group's games do not involve recall processes.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	"Information Security and Privacy Protection"

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

Part D: Climate-related Disclosures			
(I) Governance	(a) the governance body(s) responsible for oversight of climate-related risks and opportunities; and (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.		"Environmental Protection" — "Governance"
(II) Strategy	Climate-related risks and opportunities	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	"Environmental Protection" — "Strategy" and "Risk Management"
		(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	
		(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons — short, medium or long term — the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	
		(d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
	Business model and value chain	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	
		(b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	

Part D: Climate-related Disclosures			
	Strategy and decision-making	(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation; and	
		(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	
	Financial position, financial performance and cash flows		
	Current financial effect	(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	"Environmental Protection" — "Strategy" and "Risk Management"
		(b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
	Anticipated financial effect	(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration of the following; and	
		(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	
	Climate resilience	(a) the issuer's assessment of its climate resilience as at the reporting date; and	In future reports, we will conduct climate-related scenario analysis and disclose the relevant content.
		(b) how and when the climate-related scenario analysis was carried out.	

Part D: Climate-related Disclosures		
(III) Risk Management	(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks; and	"Environmental Protection" — "Risk Management"
	(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	
	(c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	
(IV) Metrics and Targets	Greenhouse gas emissions	"Environmental Protection"
	Climate-related transition risks	"Environmental Protection" — "Risk Management"
	Climate-related physical risks	
	Climate-related opportunities	
	Capital deployment	
	Internal carbon prices	We currently have not yet incorporated internal carbon pricing into our decision-making process. We will explore the use of internal carbon pricing in the future.
	Remuneration	We will explore the feasibility of incorporating climate-related indicators into senior management compensation considerations.
	Industry-based metrics	We will review internal data and disclose this KPI at an appropriate time to ensure transparency and compliance.
	Climate-related targets	"Environmental Protection" -"Metrics and Targets"
	Applicability of cross-industry metrics and industry-based metrics	N/A

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Zengame Technology Holding Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Zengame Technology Holding Limited (the "**Company**") and its subsidiaries (the "**Group**") set out on pages 137 to 232, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy 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 Hong Kong Financial Reporting Standards ("**HKFRSs**") 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**") 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**"), and we have 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 judgement, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter

Revenue recognition of self-developed games

During the year ended 31 December 2025, the Group's revenue from self-developed games amounted to RMB1,474,736,000, representing 95.4% of the Group's total revenue (31 December 2024: 94.6%). It was mainly derived from the sale of in-game virtual items.

Players purchased the Group's in-game virtual items (the "**Paying Players**") through various distribution platforms and payment vendors.

Revenue was recognised (as a release from contract liabilities) rateably over the average playing period of the Paying Players (the "**Player Relationship Period**"), and significant management judgements were involved in the estimation of the Player Relationship Period. The determination of the Player Relationship Period in each game was made based on the Group's best estimate taking into account all known and relevant information at the time of assessment.

For the relevant disclosures are made in note 2.4 "Material accounting policies", note 3 "Significant accounting judgements and estimates" and note 5 "Revenue, other income and gains" to the financial statements.

Our audit procedures mainly included the following:

- We obtained an understanding of and evaluated the key internal controls in relation to the assessment of the Player Relationship Period;
- With the involvement of our IT specialist, we assessed the reasonableness of the expected Player Relationship Period adopted by management by testing the reliability of the data generated from the information systems regarding the historical users' consumption patterns on a sample basis;
- We performed analytical review procedures for the ratio of contract liabilities to revenue to assess the appropriateness of management's estimation; and
- We recalculated the revenue released from contract liabilities, based on the respective Player Relationship Period of each game on a sample basis.

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS 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 HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors 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.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities 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. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Man Lok Chau (practising certificate number: P05662).

Certified Public Accountants
Hong Kong
25 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE	5	**1,545,598**	1,657,727
Cost of sales		**(760,095)**	(739,098)
Gross profit		**785,503**	918,629
Other income and gains	5	**93,714**	95,747
Selling and distribution expenses		**(169,153)**	(147,985)
Administrative expenses		**(98,788)**	(101,981)
Research and development costs		**(132,929)**	(126,576)
Impairment losses on financial and contract assets		**(9,418)**	(1,980)
Other expenses		**(16,322)**	(15,927)
Finance costs	7	**(1,008)**	(787)
Share of profits and losses of:			
Joint ventures		**(199)**	(288)
Associates		**(5,377)**	(6,732)
PROFIT BEFORE TAX	6	**446,023**	612,120
Income tax expense	10	**(98,236)**	(181,443)
PROFIT FOR THE YEAR		**347,787**	430,677
Attributable to:			
Owners of the parent		**347,787**	430,677
		347,787	430,677
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic	12	**RMB34.28 cents**	RMB42.69 cents
Diluted	12	**RMB33.60 cents**	RMB41.82 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	Note	2025 RMB'000	2024 RMB'000
PROFIT FOR THE YEAR		**347,787**	430,677
OTHER COMPREHENSIVE INCOME			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		**(30,585)**	24,317
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods		**(30,585)**	24,317
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Equity investments designated at fair value through other comprehensive income:			
Changes in fair value, net of tax	18	**1,089**	(12,907)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**(29,496)**	11,410
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**318,291**	442,087
Attributable to:			
Owners of the parent		**318,291**	442,087

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000
		31 December 2025	
NON-CURRENT ASSETS			
Property and equipment	13	**28,507**	18,693
Investments in associates	14	**27,417**	35,645
Investments in joint ventures	15	**2,437**	2,636
Intangible assets	16	**581**	1,132
Right-of-use assets	17	**17,237**	23,451
Equity investments designated at fair value through other comprehensive income	18	**18,901**	17,334
Long-term prepayments, deposits and other receivables	22	**7,026**	20,259
Deferred tax assets	28	**5,575**	77
Time deposits	23	**249,850**	399,960
Total non-current assets		**357,531**	519,187
CURRENT ASSETS			
Trade receivables	19	**129,464**	101,817
Contract costs	20	**23,105**	22,114
Financial assets at fair value through profit or loss	21	**792,298**	404,575
Prepayments, deposits and other receivables	22	**48,845**	42,797
Time deposits with original maturity of over three months	23	**870,258**	957,481
Cash and cash equivalents	23	**618,646**	831,556
Total current assets		**2,482,616**	2,360,340
CURRENT LIABILITIES			
Trade payables	24	**16,212**	12,823
Contract liabilities	25	**82,474**	69,341
Other payables and accruals	27	**81,438**	90,293
Lease liabilities	17	**5,786**	6,262
Interest-bearing bank borrowings	26	**300**	—
Tax payable		**21,678**	88,560
Total current liabilities		**207,888**	267,279
NET CURRENT ASSETS		**2,274,728**	2,093,061
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,632,259**	2,612,248

31 December 2025

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000
NON-CURRENT LIABILITIES			
Lease liabilities	17	**12,732**	18,226
Deferred tax liabilities	28	**29,171**	22,284
Deferred income	29	**8,868**	9,056
Total non-current liabilities		**50,771**	49,566
Net assets		**2,581,488**	2,562,682
EQUITY			
Equity attributable to owners of the parent			
Share capital	30	**9,111**	9,087
Treasury shares	30	**(20,054)**	(26,584)
Reserves	32	**2,592,431**	2,580,179
		2,581,488	2,562,682
Total equity		**2,581,488**	2,562,682

Ye Sheng
Director

Yang Min
Director

Year ended 31 December 2025

	Notes	Share capital RMB'000	Treasury shares RMB'000	Capital reserve RMB'000	Statutory surplus reserve RMB'000	Share-based payment reserve RMB'000	Fair value reserve of financial assets at FVOCI RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Total equity RMB'000
At 1 January 2024		9,070	(18,817)	56,963	48,296	14,747	(11,645)	(2,789)	2,224,149	2,319,974
Profit for the year		–	–	–	–	–	–	–	430,677	430,677
Other comprehensive income for the year:										
Change in fair value of equity investments designated at fair value through other comprehensive income (FVOCI), net of tax		–	–	–	–	–	(12,907)	–	–	(12,907)
Exchange differences on translation of foreign operations		–	–	–	–	–	–	24,317	–	24,317
Total comprehensive income for the year		–	–	–	–	–	(12,907)	24,317	430,677	442,087
Equity-settled share-based payment	31	–	–	–	–	25,485	–	–	–	25,485
Awarded shares vested to employees	31	–	6,997	14,448	–	(21,445)	–	–	–	–
Shares issued upon exercise of share options	30	17	–	2,821	–	(802)	–	–	–	2,036
Transfer to statutory surplus reserve		–	–	–	84	–	–	–	(84)	–
Shares repurchased		–	(14,764)	–	–	–	–	–	–	(14,764)
Dividends paid	11	–	–	–	–	–	–	–	(212,136)	(212,136)
At 31 December 2024		9,087	(26,584)	74,232*	48,380*	17,985*	(24,552)*	21,528*	2,442,606*	2,562,682

Year ended 31 December 2025

	Notes	Share capital RMB'000	Treasury shares RMB'000	Capital reserve RMB'000	Statutory surplus reserve RMB'000	Share-based payment reserve RMB'000	Fair value reserve of financial assets at FVOCI RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Total equity RMB'000
At 1 January 2025		9,087	(26,584)	74,232	48,380	17,985	(24,552)	21,528	2,442,606	2,562,682
Profit for the year		–	–	–	–	–	–	–	347,787	347,787
Other comprehensive income for the year:										
Change in fair value of equity investments designated at fair value through other comprehensive income (FVOCI), net of tax		–	–	–	–	–	1,089	–	–	1,089
Exchange differences on translation of foreign operations		–	–	–	–	–	–	(30,585)	–	(30,585)
Total comprehensive income for the year		–	–	–	–	–	1,089	(30,585)	347,787	318,291
Equity-settled share-based payment	31	–	–	–	–	39,247	–	–	–	39,247
Awarded shares vested to employees	31	–	24,937	13,495	–	(38,432)	–	–	–	–
Shares issued upon exercise of share options	30	24	–	4,213	–	(1,145)	–	–	–	3,092
Shares repurchased		–	(18,407)	–	–	–	–	–	–	(18,407)
Dividends paid	11	–	–	–	–	–	–	–	(323,417)	(323,417)
At 31 December 2025		9,111	(20,054)	91,940*	48,380*	17,655*	(23,463)*	(9,057)*	2,466,976*	2,581,488

* These reserve accounts comprise the consolidated reserves of RMB2,592,431,000 (2024: RMB2,580,179,000) in the consolidated statement of financial position.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Year ended 31 December 2025 2025 RMB'000	 2024 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax:		446,023	612,120
Adjustments for:			
Finance costs	7	1,008	787
Share of losses of joint ventures and associates		5,576	7,020
Impairment of investments in associates and joint ventures	6	4,850	7,584
Interest income	5	(63,386)	(80,487)
Gains on financial assets at FVPL	5	(23,979)	(12,970)
(Gain)/loss on disposal of items of property and equipment	6	(35)	3
Gain on early termination of a lease		(23)	—
Depreciation of property and equipment	6	5,870	4,004
Depreciation of right-of-use assets	6	6,256	8,022
Amortisation of intangible assets	6	551	1,061
(Reversal of impairment)/impairment of trade receivables	6	(239)	1,980
Impairment of financial assets included in prepayments, other receivables and other assets	6	9,500	—
Equity-settled share-based payment expenses	6	39,247	25,485
		431,219	574,609
(Increase)/decrease in trade receivables		(27,408)	64,893
(Increase)/decrease in contract costs		(991)	16,604
(Increase)/decrease in prepayments, deposits and other receivables		(16,929)	17,549
Decrease in long-term prepayments, deposits and other receivables		13,236	13,877
Increase/(decrease) in trade payables		3,389	(4,351)
Increase/(decrease) in contract liability		13,133	(43,128)
Decrease in other payables and accruals		(8,855)	(39,956)
Decrease in deferred income		(188)	(188)
Cash generated from operations		406,606	599,909
Income tax paid		(164,206)	(109,880)
Net cash flows from operating activities		242,400	490,029
Net cash flows from operating activities		242,400	490,029

Year ended 31 December 2025

	Notes	2025 RMB'000	2024 RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		**63,386**	80,487
Purchases of items of property and equipment	13	**(15,892)**	(15,020)
Proceeds from disposal of property, plant, and equipment		**243**	(24)
Purchases of intangible assets	16	**—**	(1,653)
Placement of time deposits		**(4,413,563)**	(4,072,244)
Maturity of time deposits		**4,638,220**	3,626,020
Purchases of equity investment designated at fair value through other comprehensive income		**—**	(3,000)
Purchases of financial assets at FVPL		**(1,696,895)**	(1,104,042)
Purchases of investments in associates		**(2,000)**	(20,278)
Proceeds from maturity of financial assets at FVPL		**1,326,089**	727,958
Net cash flows used in investing activities		**(100,412)**	(781,796)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		**3,092**	2,036
Principal portion of lease payments		**(5,989)**	(6,995)
Dividends paid		**(323,417)**	(212,136)
Interest paid		**(1,007)**	(787)
New bank loan		**300**	—
Shares repurchased		**(18,407)**	(14,764)
Net cash flows used in financing activities		**(345,428)**	(232,646)

Year ended 31 December 2025

	2025 RMB'000	2024 RMB'000
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(203,440)**	(524,413)
Cash and cash equivalents at beginning of year	**831,556**	1,331,652
Effect of foreign exchange rate changes, net	**(9,470)**	24,317
CASH AND CASH EQUIVALENTS AT END OF YEAR	**618,646**	831,556
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Unrestricted bank balances and cash	**618,646**	831,556
CASH AND CASH EQUIVALENTS AS STATED IN THE STATEMENT OF CASH FLOWS	**618,646**	831,556

Year ended 31 December 2025

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated in the Cayman Islands on 28 August 2018 as an exempted company with limited liability under the Companies Act of the Cayman Islands. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The principal activity of the Company is investment holding. The Company and its subsidiaries are principally engaged in developing and operating mobile games and investment business in the People's Republic of China (hereafter, the "**PRC**"). There has been no significant change in the Group's principal activities during the year ended 31 December 2025.

In the opinion of the directors, the Company is ultimately controlled by Ye Sheng and Yang Min.

Information about subsidiaries:

Particulars of the Company's principal subsidiaries as of 31 December 2025 are as follows:

Name	Place of incorporation/ registration and place of operations	Issued ordinary share/ registered capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Zen Interactive Limited	British Virgin Islands	USD50,000	100	–	Investment holding
Zengame Interactive Limited	Hong Kong	HK$10	100	–	Investment holding
Shenzhen Tiantianlaiwan Technology Co., Ltd. (深圳市天天來玩科技有限公司) (hereafter, "**Tiantianlaiwan**")	Chinese Mainland	RMB17,355,600	100	–	Provision of technical services
Shenzhen Zen Game Technology Company Limited (深圳市禪遊科技股份有限公司) (hereafter, "**Zen-Game Shenzhen**")	Chinese Mainland	RMB54,000,000	–	100	Development and operation of mobile games
Shenzhen Laiwan Technology Company Limited (深圳市來玩科技有限公司) (hereafter, "**Shenzhen Laiwan**")	Chinese Mainland	RMB10,000,000	–	100	Operation of mobile games
Shenzhen Leduo Interactive Technology Company Limited (深圳市樂多互動科技有限公司) (hereafter, "**Shenzhen Leduo**")	Chinese Mainland	RMB5,000,000	–	100	Operation of mobile games
Shenzhen Zhijian Interactive Entertainment Co., Ltd. (深圳市指尖互動娛樂有限公司) (hereafter, "**Fingertip Interactive**")	Chinese Mainland	RMB5,000,000	–	100	Operation of mobile games
HAINAN TIAN TIAN LAI WAN TECHNOLOGY CO., LTD. (海南省天天來玩科技有限公司) (hereafter, "**Hainan Tiantianlaiwan**")	Chinese Mainland	RMB5,000,000	100	–	Operation of mobile games
Shenzhen Metaverse Technology Co., Ltd. (深圳市元宇宙科技有限公司) (hereafter, "**Metaverse**")	Chinese Mainland	RMB3,000,000	100	–	Development and operation of mobile games

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Year ended 31 December 2025

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for wealth management products and equity investments which have been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the structured contracts with the other vote holders of the investee;

(b) rights arising from other structured contracts; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

Year ended 31 December 2025

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 Lack of Exchangeability for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the consolidated financial information.

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	*Presentation and Disclosure in Financial Statements*[2]
HKFRS 19 and its amendments	*Subsidiaries without Public Accountability: Disclosures*[2]
Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*[1]
Amendments to HKFRS 10 and HKAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to HKAS 21	*Translation to a Hyperinflationary Presentation Currency*[2]
Annual Improvements to HKFRS Accounting Standards — Volume 11	*Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7*[1]

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual/reporting periods beginning on or after 1 January 2027
3 No mandatory effective date yet determined but available for adoption

Year ended 31 December 2025

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS (continued)

Further information about those HKFRS Accounting Standards that are expected to be applicable to the Group is described below.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

HKFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other HKFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in HKFRS 10 Consolidated Financial Statements, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with HKFRS Accounting Standards or IFRS Accounting Standards. HKFRS 19 was amended in April 2025 to include IFRS Accounting Standards in the eligibility criteria for applying the standard. The standard was further amended in October 2025 to (i) remove disclosure objectives from HKFRS 19; (ii) reduce the disclosure requirements relating to supplier finance arrangements and a specific class of financial liabilities; and (iii) replace disclosure requirements relating to management-defined performance measures with a cross-reference to HKFRS 18 for entities that use these measures. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply HKFRS 19 and its amendments. Some of the Company's subsidiaries are considering the application of HKFRS 19 and its amendments in their specified financial statements.

Year ended 31 December 2025

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS (continued)

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 9 and HKFRS 7 Contracts Referencing Nature-dependent Electricity clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. The amendments relating to the own-use exception shall be applied retrospectively. Prior periods are not required to be restated and can only be restated without the use of hindsight. The amendments relating to the hedge accounting shall be applied prospectively to new hedging relationships designated on or after the date of the initial application. Earlier application is permitted. The amendments to HKFRS 9 and HKFRS 7 shall be applied at the same time. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 10 and HKAS 28 address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 was removed by the HKICPA. However, the amendments are available for adoption now.

Year ended 31 December 2025

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS (continued)

Amendments to HKAS 21 Translation to a Hyperinflationary Presentation Currency require the translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. The amendments also require an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy to restate the comparative amounts of a foreign operation whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of HKAS 29 Financial Reporting in Hyperinflationary Economies. The amendments introduce certain additional disclosures. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Annual Improvements to HKFRS Accounting Standards — Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9, HKFRS 10 and HKAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 7 Financial Instruments: Disclosures: The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the Guidance on implementing HKFRS 7 for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the Guidance on implementing HKFRS 7 does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKFRS 9 Financial Instruments: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. However, the amendments do not address how a lessee distinguishes between a lease modification as defined in HKFRS 16 and an extinguishment of a lease liability in accordance with HKFRS 9. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKFRS 10 Consolidated Financial Statements: The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKAS 7 Statement of Cash Flows: The amendments replace the term "cost method" with "at cost" in paragraph 37 of HKAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES

Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it 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.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of the associates and joint ventures is included in the consolidated statement of profit or loss and consolidated statement of other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associates or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates and the joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates and joint ventures is included as part of the Group's investments in associates and joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other case, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Fair value measurement

The Group measures financial instruments such as equity investments designated at FVOCI and financial assets at FVPL at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each of the reporting periods.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for a non-financial asset is required (other than deferred tax assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each of the reporting periods as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personal services to the Group or to the parent of the Group.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Property and equipment and depreciation

Property and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Motor vehicles	25%
Electronic devices	20% to 33%
Leasehold improvements	Shorter of estimated useful lives and remaining lease terms
Buildings	5%

Where parts of an item of property and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sale proceeds and the carrying amount of the relevant asset.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

Patents and licenses

Purchased software licence are stated at cost less any impairment losses and amortised on the straight-line basis over their estimated useful lives of 10 to 15 years.

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the Group's ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Office buildings	1 to 5 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Initial recognition and measurement (continued)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("**SPPI**") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Subsequent measurement (continued)

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or

- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("**ECLs**") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

General approach (continued)

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, 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 and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 720 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and interest-bearing bank borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables, and borrowing)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the reporting periods, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each of the reporting periods between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting periods and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting periods and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge.

Revenue recognition

Revenue from contracts with customers

Revenue is recognised when the Group has fulfilled the obligations stated in the contracts, and when the Group has transferred control over the relevant goods or services to the customer, on the following bases.

(a) Revenue generated from the sale of in-game virtual items

All of the Group's mobile games are operated using a Free-to-Play model. Players are able to download mobile games and are free from charge on its third-party distribution platforms. Players may choose to enhance their game experience by purchasing game beans and other virtual items.

Players purchase the Group's game beans and other virtual items (the "**Paying Players**") through various distribution platforms and payment vendors. The distribution platforms collect the payment from the Paying Players and remit the cash to the Company net of commission charges which are pre-determined according to the relevant terms of the agreements entered into between the Group and distribution platforms or third-party payment vendors. The Group may also collect the payment directly from third party payment vendors who will deduct their handling fees and the Group will in turn remit the commission charges to the distribution platforms.

As the Group takes the primary responsibilities of game development and game distribution, including selecting distribution platforms and payment vendors, providing customer services, hosting game servers, and controlling game and service specifications and pricing, it considers itself as a principal in such arrangement. Accordingly, revenue is recognised on a gross basis, which is the amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring promised services to a customer. The relevant service fees charged by the third-party payment vendors and the distribution platforms are recorded in cost of sales.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

(a) Revenue generated from the sale of in-game virtual items (continued)

Upon the sales of game beans and other virtual items, the Group typically has an implied obligation to provide the service which enables the virtual items to be consumed and displayed in the respective games. As a result, the payments received from the sales of game beans and other virtual items are initially included in contract liabilities in the consolidated statement of financial position and are then recognised as revenue subsequently only when the services have been rendered. For the purposes of determining when services have been rendered to the respective Paying Players, the Group has determined the following:

- Consumable virtual items represent items that are extinguished after consumption in the form of charges levied on each round of games played. The Paying Players will not continue to benefit from the virtual items thereafter. Revenue is recognised (as a release from contract liabilities) when the items are consumed and the related services are rendered. If the Group is unable to track the consumption information of consumable virtual items, the related service period is estimated to be the average playing period of the Paying Players (the "**Player Relationship Period**").

- Durable virtual items represent items that are accessible and beneficial to the Paying Players over an extended period of time. Revenue is recognised rateably over the average life of durable virtual items for the applicable game, which the Group makes best estimates and determines to be the Player Relationship Period.

During the reporting period, the related service period of almost all the virtual items is estimated to be Player Relationship Period.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Revenue from contracts with customers (continued)

(b) Revenue from in-game information service

The Group provides in-game information service to several advertisement platforms. Advertisements generally take the form of video, pop-up ads and banners. Advertisers are normally charged on per click basis or per action basis, etc. Advertisement platforms are responsible for entering into contracts with advertisers and negotiating the advertising forms and price of the advertisements with the advertisers, while the Group's responsibility is limited to providing the mobile games as the platforms for the advertisement platforms to display the advertisement. Accordingly, the Group considers that the advertisement platforms take the primary responsibilities of the advertising arrangement and considered the advertisement platforms to be its customers.

Proceeds earned from advertisers for displaying their advertisements in the Group's mobile games are shared between the Group and the advertisement platforms based on a predetermined rate according to the relevant terms of the agreements entered into between the Group and the advertisement platforms. In-game information service revenues are recognised when the relevant services are provided.

(c) Revenue from third-party games

The Group also provides mobile game publishing service to third-party game development and operation companies. Revenue collected from the paying players of third-party games is shared between the Group and the third-party game developers based on a pre-determined rate in accordance with the relevant agreements. As the third-party game development and operation companies take the primary responsibilities of game development and game distribution, the company considers itself as an agent in such arrangement. The revenue is recognised on a net basis when the publishing service is rendered.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Contract cost

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

(a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;

(b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and

(c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the statement of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

Share-based payments

The Company operates share award scheme and share option scheme. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments ("**equity-settled transactions**")

The cost of equity-settled transactions with employees for grants is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binominal model, further details are given in note 30 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each of the reporting periods until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity investments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Other employee benefits

Pension schemes

The Group contributes on a monthly basis to various defined contribution plans organised by the relevant governmental authorities in the Chinese mainland. The Group's liability in respect of these plans is limited to the contributions payable at the end of each period. Contributions to these plans are expensed as incurred.

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "**MPF Scheme**") under the Mandatory Provident Fund Schemes Ordinance for employees of the Group's subsidiaries which operates in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in the Chinese mainland are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries operating in the Chinese mainland are required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Housing fund — Chinese Mainland

The Group contributes on a monthly basis to a defined contribution housing fund plan operated by the local municipal government. Contributions to this plan by the Group are expensed as incurred.

Treasury shares

Own equity instruments which are reacquired and held by the Group (treasury shares) are recognised directly in equity at cost. No gain or loss is recognised in the statement of profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdraft which are repayable on demand, and form an integral part of the Group's cash management.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Borrowing costs

All the borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign currencies

These financial statements are presented in Chinese Yuan ("**RMB**"), which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each of the reporting periods. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in the statement of profit or loss.

Year ended 31 December 2025

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into RMB at the weighted average chance rates for the year.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements. Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Structured contracts

Zen-Game Shenzhen and Fingertip Interactive (collectively referred to as the "**PRC Operating Entities**") are mainly engaged in the provision of mobile game published in the PRC, which falls in the scope of "Catalogue of Restricted Foreign Investment Industries" that foreign investors are prohibited to invest.

As disclosed in note 2.1 to the financial statements, the Group exercises control over the PRC Operating Entities and enjoys all economic benefits of the PRC Operating Entities through the structured contracts.

The Group considers that it controls the PRC Operating Entities, notwithstanding the fact that it does not hold direct equity interest in the PRC Operating Entities, as it has power over the financial and operating policies of the PRC Operating Entities and receives substantially all of the economic benefits from the business activities of the PRC Operating Entities through the structured contracts. Accordingly, the PRC Operating Entities have been accounted for as subsidiaries during the reporting period.

Year ended 31 December 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Judgements (continued)

Withholding tax arising from the distribution of dividends

The Group's determination, as to whether to accrue deferred tax liabilities in respect of withholding tax arising from the distribution of dividends by certain subsidiaries according to the relevant tax rules enacted in the jurisdictions, is subject to judgement on the plan of the distribution of dividends.

Principal versus agent considerations

The Group recognises revenue of self-developed games on a gross basis.

The Group evaluates agreements with distribution channels and payment vendors in order to determine whether the Group acts as the principal in the arrangement with each party respectively, and considers if relevant revenue should be reported gross or net of the predetermined amount of the proceeds shared with them.

The determination of whether to record the revenue gross or net is based on an assessment of various factors, including but not limited to whether the Group (i) is the primary obligor in the arrangement; (ii) has general inventory risk; (iii) changes the product or performs part of the services; (iv) has latitude in establishing the selling price; and (v) has involvement in the determination of product and service specifications. The assessment is performed for all of the Group's mobile games.

Principal vs agent

During the reporting period, the Group took primary responsibilities for game operation, providing customer services, hosting game servers, if needed, and controlling games and services. Accordingly, the Group recorded the revenue from self-developed games received through these third parties on a gross basis. Commissions paid to distribution channels and payment vendors are recorded as cost of sales.

Year ended 31 December 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

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

Provision for expected credit losses on trade and other receivables

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade and other receivables is disclosed in note 19 and note 22 to the financial statements, respectively.

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("**IBR**") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Year ended 31 December 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Fair value of equity-settled share-based payments

The equity-settled share-based payments were estimated as at the date of grant using discounted cash flow model and binominal tree model. This requires the Group to make estimates about the expected dividend yield, forfeiture rate, weighted average cost of capital, volatility, and hence they are subject to uncertainty. Further details are included in note 30 to the financial statements.

Fair value of unlisted equity investments

Fair value of unlisted equity investments, in the absence of an active market, is estimated by using appropriate valuation techniques including the market approach. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as Price/Earnings ratios ("**P/E**"), Entity Value/Revenue ratios and discount for lack of marketability. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. Further details are included in note 18.

Estimates of Player Relationship Period

The Group recognises the revenues rateably over the estimated average Player Relationship Period for durable virtual items and the consumable virtual items whose consumption information is unable to be tracked. The determination of the Player Relationship Period in each game is made based on the Group's best estimate that takes into account all known and relevant information at the time of assessment. Such estimates are subject to re-evaluation on a quarterly basis. Future paying player usage patterns and behaviours may differ from the historical usage patterns and therefore the estimated average Player Relationship Period may change in the future. The Group will continue to monitor the estimated average Player Relationship Period, which may differ from the historical period, and any change in the estimate may result in the revenue being recognised on a different basis to that in prior periods. Any adjustments arising from changes in the Player Relationship Period as a result of new information will be accounted for as a change in an accounting estimate.

4. OPERATING SEGMENT INFORMATION

The Group is principally engaged in developing and operating mobile games.

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

Year ended 31 December 2025

4. OPERATING SEGMENT INFORMATION (continued)

Geographical information

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

Information about major customers

There is no individual customer with revenue individually account for 10% or more of the Group's revenue for the year ended 31 December 2025 (No for 31 December 2024).

5. REVENUE, OTHER INCOME AND GAINS

Revenue from contracts with customers

(a) Disaggregated revenue information

	2025 RMB'000	2024 RMB'000
Revenue:		
Types of goods or services		
Self-developed games	**1,474,736**	1,567,952
Third-party games	**4,447**	6,728
In-game information service	**66,415**	83,047
Total	**1,545,598**	1,657,727
Timing of revenue recognition		
Services transferred at a point in time	**70,862**	89,775
Services transferred over time	**1,474,736**	1,567,952
Total	**1,545,598**	1,657,727

Year ended 31 December 2025

5. REVENUE, OTHER INCOME AND GAINS (continued)

Revenue from contracts with customers (continued)

(a) Disaggregated revenue information (continued)

The following table shows the amount of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2025 RMB'000	2024 RMB'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Self-developed games	**69,341**	112,468

(b) Performance obligations

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

Virtual items in self-developed games

The performance obligation of the operation of self-developed games is satisfied over the estimated Player Relation Period as the customer simultaneously receives and consumes in-game virtual items provided by the entity's performance as the entity performs.

The distribution platforms collect the payment from the Paying Players and remit the cash to the Group net of commission charges which are pre-determined according to the relevant terms of the agreements entered into between the Group and distribution platforms or third-party payment vendors. The payment is generally due within 30 to 90 days from the date of collecting the payment from the Paying Players.

Publishing service for third party games

The performance obligation is recognised at a point in time when the third-party game's developer receives publishing services provided by the entity. The payment is generally due within 30 to 90 days from the date of billing.

Year ended 31 December 2025

5. REVENUE, OTHER INCOME AND GAINS (continued)

Revenue from contracts with customers (continued)

(b) Performance obligations (continued)

In-game information service

The performance obligation is recognised at a point in time when the advertisements placed by third-party platforms are displayed in the game interface. The payment is generally due within 30 to 90 days from the date of billing.

	2025 RMB'000	2024 RMB'000
Other income and gains		
Bank interest income	**63,386**	80,487
Gains on financial assets at fair value through profit or loss	**23,979**	12,970
Government grants*	**6,100**	1,103
Others	**249**	1,187
	93,714	95,747

* Various government grants have been received from local government authorities in the PRC. There are no unfulfilled conditions and other contingencies relating to these grants.

Year ended 31 December 2025

6. PROFIT BEFORE TAX

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

	Notes	2025 RMB'000	2024 RMB'000
Services fee charged by distribution platforms and payment vendors		**353,963**	446,206
Information service costs		**269,429**	121,996
New media costs		**117,941**	149,424
Promotion expenses		**130,900**	105,465
Depreciation of property and equipment	13	**5,870**	4,004
Depreciation of right-of-use assets	17	**6,256**	8,022
Amortisation of intangible assets	16	**551**	1,061
Research and development costs		**4,537**	3,425
Employee benefit expense (excluding directors' and chief executive's remuneration (note 8):			
Wages and salaries		**158,844**	158,668
Equity-settled share-based payment expenses		**27,839**	17,526
Pension scheme contributions (defined contribution scheme)		**6,500**	5,953
Subtotal		**193,183**	182,147
Foreign exchange differences, net*		**8,450**	8,159
Impairment losses on financial and contract assets			
(Reversal)/impairment of trade receivables	19	**(82)**	1,980
Impairment of financial assets included in prepayments, other receivables and other assets		**9,500**	—
Subtotal		**9,418**	1,980
Impairment of investments in associates and joint ventures*		**4,850**	7,584
(Gain)/loss on disposal of items of property, plant and equipment		**(35)**	3
Gain on termination of a lease		**(23)**	—
Lease payments not included in the measurement of lease liabilities		**1,121**	1,412
Auditors' remuneration		**2,000**	2,100

* Foreign exchange differences and impairment of investments in an associate and joint ventures are included in "other expenses" in the consolidated statement of profit or loss.

Year ended 31 December 2025

7. FINANCE COSTS

	2025 RMB'000	2024 RMB'000
Interest on bank overdraft	1	—
Interest on lease liabilities	1,007	787
	1,008	787

8. DIRECTORS' REMUNERATION

Directors' and chief executives' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	2025 RMB'000	2024 RMB'000
Fees	450	450
Other emoluments:		
Salaries, allowances, and benefits in kind	29,214	35,053
Equity-settled share-based payment expense	11,408	7,959
Pension scheme contributions	154	146
Subtotal	40,776	43,158
Total	41,226	43,608

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

	2025 RMB'000	2024 RMB'000
Mr. Jin Shuhui (金書匯)	150	150
Mr. Mao Zhonghua (毛中華)	150	150
Mr. Yang Yi (陽翼)	150	150
	450	450

Year ended 31 December 2025

8. DIRECTORS' REMUNERATION (continued)

(b) Executive directors

	Salaries, allowances and benefits in kind RMB'000	Equity-settled share option expense RMB'000	Pension Scheme contributions RMB'000	Total remuneration RMB'000
2025				
Executive directors:				
Mr. Ye Sheng (叶升)	14,328	5,578	66	19,972
Mr. Yang Min (楊民)	14,329	5,578	66	19,973
Ms. Xiong Mi (熊密)	557	252	22	831
	29,214	11,408	154	40,776

	Salaries, allowances and benefits in kind RMB'000	Equity-settled share option expense RMB'000	Pension Scheme contributions RMB'000	Total remuneration RMB'000
2024				
Executive directors:				
Mr. Ye Sheng (叶升)	17,188	3,889	63	21,140
Mr. Yang Min (楊民)	17,188	3,889	63	21,140
Ms. Xiong Mi (熊密)	677	181	20	878
	35,053	7,959	146	43,158

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

Year ended 31 December 2025

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included two directors (2024: two directors), details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining three (2024: three) highest paid employees who are neither the director nor chief executive of the Group are as follows:

	2025 RMB'000	2024 RMB'000
Salaries, allowances and benefits in kind	**14,887**	18,808
Equity-settled share-based payment expenses	**9,175**	6,147
Pension scheme contributions	**171**	123
	24,233	25,078

The numbers of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands are as follows:

	2025	2024
HK$4,000,001 to HK$6,000,000	**1**	1
HK$6,000,001 to HK$9,000,000	**1**	1
HK$9,000,001 to HK$12,000,000	**—**	—
HK$12,000,001 to HK$15,000,000	**1**	1
	3	3

10. INCOME TAX

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

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

Year ended 31 December 2025

10. INCOME TAX (continued)

The Group's subsidiary Shenzhen Zen Game Technology Company Limited (hereafter, "**Zen-Game Shenzhen**") was registered in the Shenzhen-Hong Kong modern service industry cooperation zone in Qianhai, Shenzhen. According to the applicable regulations promulgated by the State Council and relevant authorities, the applicable tax rate for Zen-Game Shenzhen was 15% for the year ended 31 December 2025.

The Group's subsidiary Shenzhen Tiantianlaiwan Technology Co., Ltd. (hereafter, "**Tiantianlaiwan**") was qualified as "High and New Technology Enterprises" under the Chinese mainland Corporate Income Tax ("**CIT**") Law since year 2022. This qualification is subject to review by the Industry and Information Technology Bureau of Shenzhen every three years. The Company's applicable tax rate was 15% for the year ended 31 December 2025.

The Group's subsidiary Hainan Tiantianlaiwan Technology Co., Ltd. (hereafter, "**Hainan Tiantianlaiwan**") was established in the Hainan Free Trade Port. According to the applicable regulations promulgated by the State Council and relevant authorities, the applicable tax rate for Hainan Tiantianlaiwan was 15% for the year ended 31 December 2025.

The Group's subsidiary Shenzhen Metaverse Technology Co., Ltd. (hereafter, "**Metaverse**") was qualified as a "software enterprise" in 2021 under the relevant Chinese mainland laws and regulations with a preferential tax treatment (i.e., 2-year exemption and 3-year half payment) from its first profitable year. Therefore, Metaverse was exempted from income tax for its first two profitable years (i.e., 2021 and 2022) and was entitled to a preferential income tax rate of 12.5% from 2023 to 2025.

Pursuant to the CIT Law and the respective regulations, the other Chinese mainland subsidiaries are subject to income tax at a statutory rate of 25% for the reporting periods.

Hong Kong profits tax has been provided at the rate of 16.5% on the Group's assembled profits derived from Hong Kong. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

The major components of the income tax expense for the years are as follows:

	2025 RMB'000	2024 RMB'000
Current		
Charge for the year	97,325	171,669
Deferred tax (note 28)	911	9,774
	98,236	181,443

Year ended 31 December 2025

10. INCOME TAX (continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory rate of the Chinese mainland (i.e., 25%) where the main operating entity is domiciled to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rate) to the effective tax rate are as follows:

	2025		2024	
	RMB'000	%	RMB'000	%
Profit before tax	446,023		612,120	
Tax at the statutory tax rate	111,506	25.00	153,030	25.00
Effect of different applicable tax rates for specific jurisdictions or enacted by local authority	(44,690)	(10.00)	(61,678)	(10.08)
Effect of withholding tax at 5% on the distributable profits of the Group's PRC subsidiaries	41,500	9.30	31,500	5.15
Effect on opening deferred tax of increase in rates	—	—	269	0.04
Adjustments in respect of current tax of previous periods	1,832	0.40	1,640	0.27
Profits and losses attributable to joint ventures and associates	1,116	0.30	889	0.15
Additional deduction for research and development expenses (a)	(13,916)	(3.10)	(15,365)	(2.51)
Expenses not deductible for tax	2,198	0.50	70,489	11.52
Income not subject to tax	(5,862)	(1.30)	—	—
Tax losses utilised from previous periods	(237)	(0.10)	(265)	(0.04)
Tax losses not recognised	4,789	1.10	934	(0.15)
Tax charge at the Group's effective rate	98,236	22.00	181,443	29.64

Pursuant to the CIT Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the Chinese mainland. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the Chinese mainland and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in the Chinese mainland in respect of earnings generated from 1 January 2008.

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10. INCOME TAX (continued)

The total amount of temporary difference associated with undistributed profits subject to withholding tax in the subsidiaries in the Chinese mainland for which deferred tax liabilities have not been recognised was approximately RMB571,593,000 as at 31 December 2025 (2024: RMB1,053,174,265).

(a) According to relevant laws and regulations promulgated by the State Tax Bureau of the PRC, enterprises engaging in research and development activities were entitled to claim a super deduction of 200% for the research and development expenses.

As at 31 December 2025 and 31 December 2024, the Group had tax losses of RMB49,526,000 and RMB39,168,000, respectively, which will expire in one to ten years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these tax losses as they have arisen in a subsidiary that has been loss-making for some time and it is not considered probable that future taxable profits will be available against which the tax losses can be utilised.

11. DIVIDENDS

	2025 HK$'000	2024 HK$'000
Proposed interim — HK$0.20 (2024: HK$nil) per ordinary share	206,767	—
Proposed final — HK$0.20 (2024: HK$0.15) per ordinary share	206,995	154,851
	413,762	154,851

The proposed final dividend for the year ended 31 December 2025 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

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12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares in issue during the year ended 31 December 2025.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2025 RMB'000	2024 RMB'000
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculations	**347,787**	430,677

	Number of shares	
	2025	2024
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculations	**1,014,516,552**	1,008,853,495
Effect of dilution — weighted average number of ordinary shares:		
Share options	**2,959,409**	4,861,541
Restricted shares	**17,499,627**	16,137,019
Weighted average number of ordinary shares used in diluted earnings per share calculations	**1,034,975,588**	1,029,852,055

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13. PROPERTY AND EQUIPMENT

	Electronic devices RMB'000	Motor vehicles RMB'000	Buildings RMB'000	Leasehold improvements RMB'000	Total RMB'000
31 December 2025					
At 1 January 2025					
Cost	9,370	15,405	9,043	5,027	38,845
Accumulated depreciation	(7,908)	(9,869)	(286)	(2,089)	(20,152)
Net carrying amount	1,462	5,536	8,757	2,938	18,693
At 1 January 2025, net of accumulated depreciation	1,462	5,536	8,757	2,938	18,693
Additions	897	1,353	8,946	4,696	15,892
Disposal	(4)	–	–	–	(4)
Depreciation provided during the year (note 6)	(979)	(1,834)	(596)	(2,461)	(5,870)
Exchange realignment	1	11	(216)	–	(204)
At 2025, net of accumulated depreciation	1,377	5,066	16,891	5,173	28,507
At 31 December 2025:					
Cost	10,036	16,584	17,766	7,634	52,020
Accumulated depreciation	(8,659)	(11,518)	(875)	(2,461)	(23,513)
Net carrying amount	1,377	5,066	16,891	5,173	28,507

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13. PROPERTY AND EQUIPMENT (continued)

	Electronic devices RMB'000	Motor vehicles RMB'000	Buildings RMB'000	Leasehold improvements RMB'000	Total RMB'000
31 December 2024					
At 1 January 2024					
Cost	8,915	13,424	–	1,822	24,161
Accumulated depreciation	(6,496)	(8,286)	–	(1,726)	(16,508)
Net carrying amount	2,419	5,138	–	96	7,653
At 1 January 2024, net of accumulated depreciation	2,419	5,138	–	96	7,653
Additions	846	1,925	9,043	3,206	15,020
Disposal	(24)	–	–	–	(24)
Depreciation provided during the year (note 6)	(1,780)	(1,574)	(286)	(364)	(4,004)
Exchange realignment	1	47	–	–	48
At 2024, net of accumulated depreciation	1,462	5,536	8,757	2,938	18,693
At 31 December 2024:					
Cost	9,370	15,405	9,043	5,027	38,845
Accumulated depreciation	(7,908)	(9,869)	(286)	(2,089)	(20,152)
Net carrying amount	1,462	5,536	8,757	2,938	18,693

14. INVESTMENTS IN ASSOCIATES

	2025 RMB'000	2024 RMB'000
Share of net assets	2,204	3,659
Goodwill on acquisition	37,999	39,922
Provision for impairment	(12,786)	(7,936)
	27,417	35,645

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14. INVESTMENTS IN ASSOCIATES (continued)

Particulars of the Group's associates are as follows:

Name	Particulars of issued shares held/ registered capital	Place of registration and business	Percentage of ownership interest attributable to the Group	Principal activities
Uniques Digital Company Limited*	HK$2,000,000	Hong Kong	35%	Mobile game development
Shenzhen Yanque Technology Company Limited***	RMB1,250,000	PRC/Chinese Mainland	20%	Mobile game development
Mengqu Education Technology (Shenzhen) Co., Ltd.**	RMB1,000,000	PRC/Chinese Mainland	30%	Education App development
Changsha Huiwan Interactive Entertainment Technology Co., Ltd.*****	RMB1,000,000	PRC/Chinese Mainland	30%	Multi-Channel network
Chengdu Zhaoyou Technology Co., Ltd.	RMB1,000,000	PRC/Chinese Mainland	26.87%	Mobile game development
Beijing Lefei Interactive Entertainment Technology Co., Ltd.	RMB1,000,000	PRC/Chinese Mainland	25%	Mobile game development
Lexi Entertainment (Beijing) Technology Co., Ltd.******	RMB1,000,000	PRC/Chinese Mainland	30%	Mobile game development
PT CHINNO INTERNET TECHNOLOGY.****	USD75,000	Indonesia	40%	Multi-Channel Network
Guangzhou Yinshan Soul Technology Co., Ltd.	RMB2,600,000	PRC/Chinese Mainland	25%	Promotion of short video production
Shenzhen Xingyin Culture Technology Co., Ltd.	RMB3,000,000	PRC/Chinese Mainland	25%	We media operation

Year ended 31 December 2025

14. INVESTMENTS IN ASSOCIATES (continued)

* The Group recognised a full impairment charge of RMB338,000 during the year ended 31 December 2017.

** The Group recognised an impairment charge of RMB1,226,000 during the year ended 31 December 2022 and an impairment charge of RMB566,000 for 2024.

*** The Group recognised a full impairment charge of RMB2,811,000 during the year ended 31 December 2024.

**** The Group recognised a full impairment charge of RMB281,000 during the year ended 31 December 2024.

***** The Group recognised an impairment charge of RMB2,714,000 during the year ended 31 December 2024.

****** The Group recognised a full impairment charge of RMB4,851,000 during the year ended 31 December 2025.

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

	2025 RMB'000	2024 RMB'000
Share of the associates' loss for the year	**(5,377)**	(6,732)
Share of the associates' total comprehensive income	**(5,377)**	(6,732)
Aggregate carrying amount of the Group's investments in the associates	**27,417**	35,645

Year ended 31 December 2025

15. INVESTMENTS IN JOINT VENTURES

	2025 RMB'000	2024 RMB'000
Share of net assets	187	499
Goodwill on acquisition	5,911	7,010
Provision for impairment	(3,661)	(4,873)
	2,437	2,636

Particulars of the Group's joint ventures are as follows:

Name	Particulars of issued shares held/ registered capital	Place of registration and business	Percentage of ownership interest attributable to the Group	Principal activities
Guangzhou Guaidian Internet Technology Company Limited*	RMB1,428,571	PRC/Chinese Mainland	30%	Game promotion service
Wuhan Ruiyou Technology Company Limited	RMB1,000,000	PRC/Chinese Mainland	25%	Mobile game development
Shenzhen Ruisibai Culture Media Co., Ltd.**	RMB4,000,000	PRC/Chinese Mainland	35%	Film and television industries

* The Group recognised a full impairment charge of RMB892,000 during the year ended 31 December 2022.

** The Group recognised a full impairment charge of RMB2,769,000 during the year ended 31 December 2022.

The following table illustrates the aggregate financial information of the Group's joint ventures that are not individually material:

	2025 RMB'000	2024 RMB'000
Share of the joint ventures' losses for the year	(199)	(288)
Share of the joint ventures' total comprehensive losses	(199)	(288)
Aggregate carrying amount of the Group's investments in the joint ventures	2,437	2,636

Year ended 31 December 2025

16. INTANGIBLE ASSETS

	Licence RMB'000	Total RMB'000
31 December 2025		
Cost at 1 January 2025, net of accumulated amortisation	1,132	1,132
Amortisation provided during the year (note 6)	(551)	(551)
Impairment during the year	—	—
At 31 December 2025	581	581
At 31 December 2025:		
Cost	4,835	4,835
Accumulated amortisation	(4,254)	(4,254)
Net carrying amount	581	581
31 December 2024		
Cost at 1 January 2024, net of accumulated amortisation	541	541
Additions	1,653	1,653
Amortisation provided during the year (note 6)	(1,062)	(1,062)
Impairment during the year	—	—
At 31 December 2024	1,132	1,132
At 31 December 2024:		
Cost	4,835	4,835
Accumulated amortisation	(3,703)	(3,703)
Net carrying amount	1,132	1,132

Year ended 31 December 2025

17. LEASES

The Group as a lessee

The Group has lease contracts for office buildings used for its operations. They generally have lease terms between 1 and 5 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	2025 RMB'000	2024 RMB'000
At the beginning of the year	**23,451**	5,086
Additions	**770**	26,387
Depreciation charge (note 6)	**(6,256)**	(8,022)
Early termination of a lease	**(728)**	—
At the end of the year	**17,237**	23,451

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	2025 RMB'000	2024 RMB'000
Carrying amount at 1 January	**24,488**	5,097
New leases	**770**	26,387
Accretion of interest recognised during the year (note 7)	**1,007**	787
Payments	**(6,996)**	(7,783)
Early termination of a lease	**(751)**	—
Carrying amount at 31 December	**18,518**	24,488
Analysed into:		
Current portion	**5,786**	6,262
Non-current portion	**12,732**	18,226

The maturity analysis of lease liabilities is disclosed in note 37 to the financial statements.

Year ended 31 December 2025

17. LEASES (continued)

The Group as a lessee (continued)

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	2025 RMB'000	2024 RMB'000
Interest on lease liabilities	1,007	787
Depreciation charge of right-of-use assets	6,256	8,022
Gain on termination of a lease	(23)	—
Expense relating to short-term leases (included in administrative expenses)	1,121	1,412
Total amount recognised in profit or loss	8,361	10,221

(d) The total cash outflow for leases is disclosed in note 33 to the financial statements.

18. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	2025 RMB'000	2024 RMB'000
Non-listed equity investments	18,901	17,334

In the years ended 31 December 2025 and 2024, the changes in the fair value and income tax effect in respect of the Group's equity investments designated at FVOCI recognised in other comprehensive income are as follows:

	2025 RMB'000	2024 RMB'000
The gross fair value change in respect of the Group's equity investments designated at FVOCI recognised in other comprehensive income	1,567	(15,439)
Income tax effect	(478)	2,532
Changes in fair value on equity investments designated at FVOCI	1,089	(12,907)

Equity investments designated at FVOCI include investments in equity shares of non-listed companies. These investments were irrevocably designated at FVOCI as the Group considers these investments to be strategic in nature.

Year ended 31 December 2025

19. TRADE RECEIVABLES

	2025 RMB'000	2024 RMB'000
Trade receivables	**133,901**	106,493
Provision for expected credit losses	**(4,437)**	(4,676)
	129,464	101,817

The Group's trade receivables primarily consist of those due from third-party distribution platforms and payment vendors who collect payment from the Paying Players on behalf of the Group. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing and are generally on terms within 90 days.

An ageing analysis of the trade receivables at the end of each of the years, based on the recognition date of gross trade receivables and net of provision, is as follows:

	2025 RMB'000	2024 RMB'000
Within 90 days	**128,858**	101,072
91 to 180 days	**180**	380
181 to 1 year	**184**	101
1 to 2 years	**242**	264
	129,464	101,817

The amounts due from the joint ventures are unsecured, non-interest-bearing and have no fixed terms of repayment.

Year ended 31 December 2025

19. TRADE RECEIVABLES (continued)

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. The Group overall considers the credit risk and ageing of the trade receivables to measure the expected credit losses. During the year, the expected losses rates are determined as follows:

31 December 2025	Amount RMB'000	Expected credit loss rate	Impairment RMB'000
Trade receivables aged:			
Within 1 year	129,235	0.01%	13
1 to 2 years	838	71.12%	596
Over 2 years	3,828	100.00%	3,828
	133,901		4,437

31 December 2024	Amount RMB'000	Expected credit loss rate	Impairment RMB'000
Trade receivables aged:			
Within 1 year	102,191	0.62%	638
1 to 2 years	1,859	85.80%	1,595
Over 2 years	2,443	100.00%	2,443
	106,493		4,676

The movements in the allowance for expected credit losses of trade receivables are as follows:

	2025 RMB'000	2024 RMB'000
At beginning of year	4,676	2,696
(Reversal)/provision of expected credit losses	(82)	1,980
Amount written off as uncollectible	(157)	—
At end of year	4,437	4,676

Year ended 31 December 2025

20. CONTRACT COSTS

Contract costs are mainly related to contract acquisition costs. Management expects that incremental relevant distribution service fees paid as a result of obtaining customer contracts are recoverable, which meet the contract acquisition cost criteria when the Group considers the Paying Player as its customers. The Group has therefore capitalised them as contract costs in the amounts of RMB23,105,000 as at 31 December 2025 (2024: RMB22,114,000).

Capitalised relevant service fees are charged to profit or loss when the related revenue is recognised, which is consistent with the pattern of recognition of the associated revenue. The total amounts charged to profit or loss were RMB353,963,000 for the year ended 31 December 2025 (2024: RMB446,206,000), and there was no impairment loss in relation to the costs capitalised.

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RMB'000	2024 RMB'000
Wealth management products issued by licensed banks, at fair value	**784,865**	393,250
Listed equity investments, at fair value	**7,433**	11,325
	792,298	404,575

Wealth management products issued by several licensed banks were denominated in RMB, with expected rates of return ranging from 1.00% to 4.00% per annum for the year ended 31 December 2025 (2024: 1.00% to 5.00%). The return on all these wealth management products is not guaranteed, and their contractual cash flows do not qualify for solely payments of principal and interest. Therefore, they are measured at fair value through profit or loss.

Year ended 31 December 2025

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 RMB'000	2024 RMB'000
Non-current portion		
Prepayments for properties	—	9,056
Deposits and other receivables	4,585	7,703
Loans to directors	—	—
Loans to employees	2,440	3,500
	7,025	20,259
Current portion		
Prepayments	21,951	17,417
Deposits and other receivables	24,915	23,131
Loans to directors	—	120
Loans to employees	1,979	2,129
	48,845	42,797

The amounts due from non-trade debtors were unsecured and interest-free.

The credit exposures of the above balances have not had significantly increased in credit risk since initial recognition, the Group is required to provide for 12-month expected credit losses. In calculating the expected credit loss rate, the Group considers the historical loss rate and adjusts for forward-looking macroeconomic data. During the year, the Group estimated that the expected loss rate for the above receivables was insignificant.

Year ended 31 December 2025

23. CASH AND CASH EQUIVALENTS AND TIME DEPOSITS

	2025 RMB'000	2024 RMB'000
Cash and bank balances	**60,035**	425,665
Time deposits	**1,678,719**	1,763,332
Less:		
Current:		
Time deposits with original maturity of over three months	**870,258**	957,481
Non-current:		
Time deposits	**249,850**	399,960
Cash and cash equivalents	**618,646**	831,556
Cash and bank balances denominated in:		
RMB	**45,772**	175,859
HK$	**7,913**	4,416
US$	**5,772**	245,362
SG$	**578**	28

The cash and bank balances of the Group denominated in RMB amounted to RMB45,772,000 (2024: RMB175,859,000) at the end of the reporting period. The RMB is not freely convertible into other currencies, however, under the PRC Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorized to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between one day and three years depending on the immediate cash requirements of the Group, and earn interest at the respective time deposit rates. Time deposits of over three months amounting to RMB870,258,000 (2024: RMB957,481,000) were not included in cash and cash equivalents. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

Year ended 31 December 2025

24. TRADE PAYABLES

An ageing analysis of the trade payables at the end of each of the year, based on the transaction date, is as follows:

	2025 RMB'000	2024 RMB'000
Within 3 months	16,072	11,271
3 to 6 months	5	1,193
6 months to 1 year	—	214
Over 1 years	135	145
	16,212	12,823

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

The balance due to associates included in the above is as follows:

	2025 RMB'000	2024 RMB'000
Associates	66	38

The amounts due to associates are unsecured, non-interest-bearing.

25. CONTRACT LIABILITIES

	2025 RMB'000	2024 RMB'000
Self-developed games	82,474	69,341

Deferred mobile game revenue primarily consists of the unamortised revenue from the sale of game beans and other virtual items for mobile games, where there is still an implied obligation to be provided by the Group.

Year ended 31 December 2025

26. INTEREST-BEARING BANK BORROWINGS

	2025			2024		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Current						
Bank loan – unsecured	IBOR-0.7	2026	300	–	–	–

The Group's bank facilities amounting to RMB50,000,000 (2024: Nil), of which RMB300,000 (2024: Nil) had been utilised as at the end of the reporting period, are unsecured.

27. OTHER PAYABLES AND ACCRUALS

	2025 RMB'000	2024 RMB'000
Analysed into:		
Salary and welfare payables	62,615	73,211
Other tax payables	16,759	14,965
Other payables	2,064	2,117
	81,438	90,293

Other payables are non-interest-bearing.

28. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

	2025 RMB'000	2024 RMB'000
Deferred tax assets and liabilities:		
At 1 January	(22,207)	(14,965)
Deferred tax credited to profit or loss during the year (note 10)	(911)	(9,774)
Deferred tax charged to other comprehensive income (note 18)	(478)	2,532
At 31 December	(23,596)	(22,207)

Year ended 31 December 2025

28. DEFERRED TAX (continued)

	2025 RMB'000	2024 RMB'000
Deferred tax assets		
Fair value adjustments arising from equity investments designated at FVOCI	461	938
Provision for trade receivable and other receivable	2,095	706
Provision for joint ventures and associates	1,735	1,759
Lease liabilities	2,800	3,766
Tax loss carryforwards	166	—
Donation	77	—
Deferred income	1,330	1,358
	8,664	8,527

	2025 RMB'000	2024 RMB'000
Deferred tax liabilities		
Fair value adjustments arising from wealth management products	(96)	(237)
Temporary differences arising from interest receivable	(2,131)	(5,962)
Effect of withholding tax at 5% on the distributable profits of the Group's PRC subsidiaries	(27,000)	(20,500)
Unrealised loss arising from intra group shareholding transactions	(423)	(423)
Right-of-use assets	(2,610)	(3,612)
	(32,260)	(30,734)

Year ended 31 December 2025

28. DEFERRED TAX (continued)

For presentation purposes, certain deferred tax assets and liabilities have been offset in financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

	2025 RMB'000	2024 RMB'000
Net deferred tax assets recognised in the consolidated statement of financial position	5,575	77
Net deferred tax liabilities recognised in the consolidated statement of financial position	(29,171)	(22,284)
	(23,596)	(22,207)

29. DEFERRED INCOME

	2025 RMB'000	2024 RMB'000
Asset related government grant	8,868	9,056

Year ended 31 December 2025

30. SHARE CAPITAL

Shares

	2025 RMB'000	2024 RMB'000
Authorised:		
50,000,000,000 ordinary shares of HK$0.01 each as at 31 December 2025 and 2024	**440,000**	440,000
Issued and fully paid:		
1,034,975,187 ordinary shares as at 31 December 2025 (2024: 1,032,338,937 ordinary shares)	**9,111**	9,087

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Share capital RMB'000
At 1 January 2024	1,030,604,937	9,070
Share options exercised	1,734,000	17
At 31 December 2024 and 1 January 2025	1,032,338,937	9,087
Share options exercised (Note (a))	2,636,250	24
At 31 December 2025	1,034,975,187	9,111

(a) The subscription rights attaching to 2,636,250 share options were exercised at the subscription price of HK$1.29 per share, resulting in the issue of 2,636,250 shares for a total cash consideration, before expenses, of HK$3,400,763 (equivalent to RMB3,091,852). An amount of HK$1,257,225 (equivalent to RMB1,145,000) was transferred from the share option reserve to share capital upon the exercise of the share options.

Year ended 31 December 2025

31. SHARE-BASED PAYMENTS

Share Award Scheme (the "2024 Scheme" and "2021 Supplementary scheme")

According to the resolution of the board of directors of Zengame Technology on December 23, 2024, rewards were granted in accordance with the 2024 Share Award Scheme. A total of 21,290,000 restricted shares were approved to be granted to 125 directors, certain management and employees of the Company and its subsidiaries. 11,290,000 of the total 21,290,000 restricted shares have been or will be purchased from the market by the trust company, and will issue 10,000,000 new shares.

For the three executive directors, the restricted shares will vest in the second, third and fourth years from the grant date at the proportions of 36%, 32% and 32% respectively, with the waiting periods being 24 months, 36 months and 48 months respectively. For the other 122 employees, the restricted shares will be evenly divided into four parts, which will vest in the first, second, third and fourth years from the grant date respectively.

In addition, according to the 2021 Supplementary Share Award Scheme, it was resolved to additionally grant a total of 3,582,000 restricted shares to 10 grantees. All 3,582,000 restricted shares will be repurchased from the open market by the trust company. All the restricted shares will vest on 23 December 2025, with a waiting period of 12 months.

For 2024 Scheme, the Restricted Shares granted shall vest in the Selected Participants in accordance with the schedule below:

For Directors

Vesting Date	Percentage of Restricted Shares to vest
23 December 2026	36% of the total number of Restricted Shares granted
23 December 2027	32% of the total number of Restricted Shares granted
23 December 2028	32% of the total number of Restricted Shares granted

For Other Key Employees

Vesting Date	Percentage of Restricted Shares to vest
23 December 2025	25% of the total number of Restricted Shares granted
23 December 2026	25% of the total number of Restricted Shares granted
23 December 2027	25% of the total number of Restricted Shares granted
23 December 2028	25% of the total number of Restricted Shares granted

Year ended 31 December 2025

31. SHARE-BASED PAYMENTS (continued)

Share Award Scheme (the "2024 Scheme" and "2021 Supplementary scheme") (continued)

The fair value of the Restricted Shares granted under 2024 Scheme was estimated as at the date of grant based on market price, taking into account the terms and conditions upon which the Restricted Shares were granted. The fair value of the restricted shares granted for the two schemes amounted to RMB62,059,000 among which the restricted shares expense recognised by the Company in 2025 amounted to RMB32,764,000 (2024:RMB823,000) based on the best estimate of the expected number of exercisable restricted shares at the end of each vesting period.

Movements in the number of shares held for the share award scheme and awarded shares for the years ended 31 December 2025 is as follows:

	Number of shares held for the Share award scheme			
	2024 Scheme	2021 Supplementary Scheme	Number of awarded shares	Total
Granted	21,141,000	3,582,000	—	24,723,000
Vested	(1,865,000)	(3,570,000)	5,435,000	—
Forfeited	(601,750)	(12,000)	—	(613,750)
At 31 December 2025	18,674,250	—	5,435,000	24,109,250

* Due to the staff dismission after the announcement date.

Share Award Scheme (the "2023 Scheme")

A share award scheme was approved and adopted by the Company on 24 June 2021 for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Company's operations. Pursuant to the Share Award Scheme, the Company proposed to grant 7,050,000 restricted shares to the scheme participants on 4 December 2023 at nil consideration. Participants of the Share Award Scheme were the directors and senior management of the Company and key staff of the Company who have a direct impact or outstanding contributions to the Company's business results and ongoing development as a whole.

The 7,050,000 restricted shares granted to the selected participants represent approximately 0.68% of the issued share capital of the Company as at the date of report. The Company appointed The Core Trust Company Limited as the trustee (the "**Trustee**") to assist with the administration and vesting of the restricted shares granted pursuant to the Share Award Scheme. All of the 7,050,000 restricted shares had been acquired from the market by the Trustee in accordance with the terms of the Share Award Scheme.

Year ended 31 December 2025

31. SHARE-BASED PAYMENTS (continued)

Share Award Scheme (the "2023 Scheme") (continued)

The Restricted Shares granted shall vest in the Selected Participants in accordance with the schedule below:

Vesting Date	Percentage of Restricted Shares to vest
30 September 2024	50% of the total number of Restricted Shares granted
30 September 2025	50% of the total number of Restricted Shares granted

The fair value of the Restricted Shares granted during the year was estimated as at the date of grant based on market price, taking into account the terms and conditions upon which the Restricted Shares were granted. The fair value of the restricted shares granted amounted to RMB24,924,000 among which the restricted shares expense recognised by the Company in 2025 amounted to RMB4,613,000 (2024:RMB18,158,000) based on the best estimate of the expected number of exercisable restricted shares at the end of each vesting period.

Movements in the number of shares held for the share award scheme and awarded shares for the years ended 31 December 2025 is as follows:

	Number of shares held for the share award scheme	Number of awarded shares	Total
At 31 December 2024	3,395,500	3,387,500	6,783,000
Vested	(3,324,000)	3,324,000	—
Forfeited	(71,500)	—	(71,500)
At 31 December 2025	—	6,711,500	6,711,500

Year ended 31 December 2025

31. SHARE-BASED PAYMENTS (continued)

Share Award Scheme (the "2022 Scheme")

A share award scheme was approved and adopted by the Company on 24 June 2021 for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Company's operations. Pursuant to the Share Award Scheme, the Company proposed to grant 27,561,000 restricted shares to the scheme participants on 6 October 2022 at nil consideration. Participants of the Share Award Scheme were the directors and senior management of the Company and key staff of the Company who have a direct impact or outstanding contributions to the Company's business results and ongoing development as a whole.

The 27,561,000 restricted shares granted to the selected participants represent approximately 2.66% of the issued share capital of the Company as at the date of report. The Company appointed The Core Trust Company Limited as the trustee (the "**Trustee**") to assist with the administration and vesting of the restricted shares granted pursuant to the Share Award Scheme. 17,561,000 of the 27,561,000 restricted shares had been acquired from the market by the Trustee, and the Board further resolved to satisfy the grant of the remaining 10,000,000 restricted shares by the allotment and issued 10,000,000 new shares to ZEBL, an indirect wholly-owned subsidiary of the Trustee, under the General Mandate to hold on trust for the selected participants in accordance with the terms of the Share Award Scheme.

The Restricted Shares granted shall vest in the Selected Participants in accordance with the schedule below:

Vesting Date	Percentage of Restricted Shares to vest
8 October 2022	25% of the total number of Restricted Shares granted
18 August 2023	25% of the total number of Restricted Shares granted
18 August 2024	25% of the total number of Restricted Shares granted
18 August 2025	25% of the total number of Restricted Shares granted

The fair value of the Restricted Shares granted during the year was estimated at the date of grant based on market prices, taking into account the terms and conditions upon which the Restricted Shares were granted. The fair value of the restricted shares granted amounted to RMB32,976,000 among which the restricted shares expense recognised by the Company in 2025 amounted to RMB1,691,000 (2024:RMB5,768,000) based on the best estimates of the expected number of exercisable restricted shares at the end of each vesting period.

Year ended 31 December 2025

31. SHARE-BASED PAYMENTS (continued)

Share Award Scheme (the "2022 Scheme") (continued)

Movements in the number of shares held for the share award scheme and awarded shares for the years ended 31 December 2025 is as follows:

	Number of shares held for the share award scheme	Number of awarded shares	Total
At 31 December 2024	6,280,750	20,250,000	26,530,750
Vested	(6,193,250)	6,193,250	—
Forfeited	(87,500)	—	(87,500)
At 31 December 2025	—	26,443,250	26,443,250

Share Option Scheme (the "2021 Scheme")

A share option scheme was approved and adopted by the Company on 28 March 2019 for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Company's operations. Pursuant to the Share Option Scheme, the Company proposed to grant 16,000,000 share options to the scheme participants on 3 June 2021 representing approximately 1.55% of the issued share capital of the Company as at the date of report. Participants of the 2021 Scheme were the directors and senior management of the Company and key staff of the Company who have a direct impact or outstanding contributions to the Company's business results and ongoing development as a whole.

Each share option shall entitle the holder of the share option to subscribe for one share upon exercise of such share option at an exercise price of HK$1.29 per share, which represents the highest of (1) the nominal value of a share; (2) the closing price of HK$1.24 per share as stated in the daily quotation sheets issued by the Stock Exchange on the date of grant; and (3) the average closing price of HK$1.29 per share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant.

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31. SHARE-BASED PAYMENTS (continued)

Share Option Scheme (the "2021 Scheme") (continued)

The share options granted shall vest in the proposed grantees in accordance with the timetable below, each with an exercise period commencing from the relevant Vesting Date and ending 10 years after the date of grant:

Vesting Date	Percentage of Share Options to vest
3 June 2022	25% of the total number of Share Options granted
3 June 2023	25% of the total number of Share Options granted
3 June 2024	25% of the total number of Share Options granted
3 June 2025	25% of the total number of Share Options granted

The following share options were outstanding under the Scheme during the year:

	2025		2024	
	Weighted average exercise price HK$ per share	Number of options '000	Weighted average exercise price HK$ per share	Number of options '000
At 1 January	1.29	8,076	1.29	10,191
Forfeited during the year	1.29	(44)	1.29	(381)
Exercised during the year	1.29	(2,636)	1.29	(1,734)
At 31 December	1.29	5,396	1.29	8,076

The weighted average share price at the date of exercise for share options exercised during the year was HK$2.25 per share.

Year ended 31 December 2025

31. SHARE-BASED PAYMENTS (continued)

Share Option Scheme (the "2021 Scheme") (continued)

The exercise prices and exercise periods of the share options outstanding at the end of the reporting period are as follows:

2025 Number of options '000	**Exercise price HK$ per share**	**Exercise period**
2,544	1.29	From 3 June 2022 to 2 June 2031
632	1.29	From 3 June 2023 to 2 June 2031
1,774	1.29	From 3 June 2024 to 2 June 2031
446	1.29	From 3 June 2025 to 2 June 2031
5,396		

2024 Number of options '000	Exercise price HK$ per share	Exercise period
2,543	1.29	From 3 June 2022 to 2 June 2031
632	1.29	From 3 June 2023 to 2 June 2031
1,774	1.29	From 3 June 2024 to 2 June 2031
3,127	1.29	From 3 June 2025 to 2 June 2031
8,076		

The fair value of the share options granted amounted to RMB6,513,000 among which the share option expense recognised by the Company in 2025 amounted to RMB179,000(2024:RMB736,000) based on the best estimates of the expected number of exercisable options at the end of each vesting period.

Year ended 31 December 2025

31. SHARE-BASED PAYMENTS (continued)

Share Option Scheme (the "2021 Scheme") (continued)

The directors of the Company appointed an independent valuer, Avista Group, to estimate the fair values of the above share options as at the respective grant dates. The fair value of the equity-settled share options granted on the date of grant is estimated using the binomial tree model with the terms and conditions for the share options taken into account. The input variables under the applied model are as follows:

Date of grant	**3 June 2021**
Risk-free interest rate (%)	1.54%
Volatility (%)	57.79%
Proposed dividend rate (%)	4.00%
Model used	binomial tree model

Volatility is an assumption based on the trend reflected by historical volatility, and hence may not be the actual result. In respect of the fair value, other features of the granted share options were not considered.

The 2,636,250 share options exercised during the year resulted in the issue of 2,636,250 (ordinary shares of the Company and new share capital of HK$26,363 (equivalent to RMB24,013), as further detailed in note 30 to the financial statements.

At the end of the reporting period, the Company had 5,396,250 share options outstanding under the 2021 Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 53,963 additional ordinary shares of the Company and additional share capital of HK$69,596 (before issue expenses).

At the date of approval of these financial statements, the Company had 5,372,500 share options outstanding under the 2021 Scheme, which represented approximately 0.52% of the Company's shares in issue as at that date.

Year ended 31 December 2025

31. SHARE-BASED PAYMENTS (continued)

Share Option Scheme (the "2021 Scheme") (continued)

The total expenses recognised for employee services received during the year is shown in the following table:

	2025 RMB'000	2024 RMB'000
Share Option Scheme	**179**	736
Share Award Schemes	**39,068**	24,749
	39,247	25,485

32. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 141 of the annual report.

(a) Capital reserve

The capital reserve of the Group represents the capital contribution from its then shareholders of Zen-Game Shenzhen and the difference between the par value of the shares issued and the proceeds received.

(b) Statutory surplus reserve

In accordance with the Company Law of the PRC and the respective articles of association of the group companies, each of the companies that is domiciled in the PRC is required to allocate 10% of its profit after tax, as determined in accordance with PRC GAAP, to the statutory surplus reserve until the reserve reaches 50% of the registered capital. The transfer to this reserve must be made before the distribution of a dividend to shareholders.

The statutory surplus reserve is non-distributable except in the event of liquidation and, subject to certain restrictions set out in the relevant PRC regulations, can be used to offset accumulated losses or be capitalised as paid-up capital.

(c) Fair value reserve of financial assets at FVOCI

The fair value reserve of financial assets at FVOCI comprises all revaluation changes arising from the equity investments designated at FVOCI.

Year ended 31 December 2025

32. RESERVES (continued)

(d) Share-based payment reserve

The share-based payment reserve comprises the fair value of the restricted shares and share option granted and exercised, as further explained in note 31 to the financial statements.

(e) Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of companies not using RMB as the functional currency. The reserve is dealt with in accordance with the accounting policy set out in note 2.4 to the financial statements.

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year ended 31 December 2025, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB770,000 and RMB770,000, respectively, in respect of lease arrangements for properties (2024: RMB26,387,000 and RMB26,387,000).

(b) Changes in liabilities arising from financing activities:

	Bank loan RMB'000	Lease liabilities RMB'000
At 1 January 2025	—	24,488
Changes from financing cash flows	300	(5,989)
New leases	—	770
Interest expense	—	1,007
Interest paid	—	(1,007)
Early termination of a lease	—	(751)
At 31 December 2025	300	18,818

Year ended 31 December 2025

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(continued)

(b) Changes in liabilities arising from financing activities: (continued)

	Bank loan RMB'000	Lease liabilities RMB'000
At 1 January 2024	—	5,097
Changes from financing cash flows	—	(6,996)
New leases	—	26,387
Interest expense	—	787
Interest paid	—	(787)
At 31 December 2024	—	24,488

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	2025 RMB'000	2024 RMB'000
Within operating activities	**1,121**	1,412
Within financing activities	**6,996**	7,783
	8,117	9,195

34. COMMITMENTS

The Group did not have any significant commitments as at 31 December 2025.

Year ended 31 December 2025

35. RELATED PARTY TRANSACTIONS

Name of related party	Relationship with the Group
Lexi Yuyou (Beijing) Technology Co Ltd ("**Lexi**")	Associate

In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following material related party transactions during the year:

i. Transactions with related parties

		2025 RMB'000	2024 RMB'000
Associates:			
Content Provider revenue sharing	(a)	**94**	220

(a) The Content Provider revenue sharing with Lexi was for the third-party game "Richman Fishing" (大富豪捕魚).

ii. Outstanding balances with related parties

Details of the Group's balances of receivables and payables which are not trade in nature with its joint ventures and associates as at the end of the reporting period are disclosed in notes 24 to the consolidated financial statements.

Compensation of key management personnel of the Group:

	2025 RMB'000	2024 RMB'000
Salaries, allowances and benefits in kind	**44,101**	53,184
Equity-settled share-based payment expense	**20,583**	13,925
Pension scheme contributions	**324**	250
Total compensation paid to key management personnel	**65,008**	67,359

Year ended 31 December 2025

36. LOANS TO DIRECTORS

Loans to directors, disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

Name	At 31 December 2025 RMB'000	Maximum amount outstanding during the year RMB'000	At 31 December 2024 RMB'000	Maximum amount outstanding during the prior year RMB'000	At 1 January 2024 RMB'000
Ms. Xiong Mi (熊密)	–	120	120	600	600
Total	–		120		600

The loan granted to the director bears interest at Loan Prime Rate announced by People's Bank of China on the date of each repayment in RMB. The loan is annually repayable.

Year ended 31 December 2025

37. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments of the Group as at the end of each of the years are as follows:

31 December 2025

Financial assets	Financial assets at amortised cost RMB'000	Financial assets at FVPL (mandatorily designated) RMB'000	Financial assets at FVOCI RMB'000	Total RMB'000
Equity investments at fair value through other comprehensive income	–	–	18,901	18,901
Trade receivables	129,464	–	–	129,464
Financial assets included in prepayments, deposits and other receivables	26,663	–	–	26,663
Financial assets at fair value through profit or loss	–	792,298	–	792,298
Time deposits with original maturity of over three months	870,258	–	–	870,258
Time deposits	249,850	–	–	249,850
Cash and cash equivalents	618,646	–	–	618,646
	1,894,881	792,298	18,901	2,706,080

Financial liabilities	Financial liabilities at amortised cost RMB'000
Trade payables	16,212
Financial liabilities included in other payables	2,064
Lease liabilities	18,518
Bank loan — unsecured	300
	37,094

Year ended 31 December 2025

37. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

31 December 2024

Financial assets	Financial assets at amortised cost RMB'000	Financial assets at FVPL (mandatorily designated) RMB'000	Financial assets at FVOCI RMB'000	Total RMB'000
Equity investments at fair value through other comprehensive income	–	–	17,334	17,334
Trade receivables	101,817	–	–	101,817
Financial assets included in prepayments, deposits and other receivables	27,487	–	–	27,487
Financial assets at fair value through profit or loss	–	404,575	–	404,575
Time deposits with original maturity of over three months	957,481	–	–	957,481
Time deposits	399,960	–	–	399,960
Cash and cash equivalents	831,556	–	–	831,556
	2,318,301	404,575	17,334	2,740,210

Financial liabilities	Financial liabilities at amortised cost RMB'000
Trade payables	12,823
Financial liabilities included in other payables	2,117
Lease liabilities	24,488
	39,428

Year ended 31 December 2025

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

As at 31 December 2025, the fair values of the Group's financial assets or liabilities approximated to their respective carrying amounts.

Management has assessed that the carrying amounts of cash and cash equivalents, time deposits, trade receivables, financial assets included in prepayments, deposits and other receivables, trade payables, financial liabilities included in other payables and accruals and interest-bearing bank borrowings reasonably approximate to their fair values because these financial instruments are mostly short term in nature.

The Group's finance department headed by the finance director is responsible for determining the policies and procedures for the fair value measurement of financial instruments. On each reporting day, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments periodically for annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(a) Financial instruments in Level 1

The fair value of the listed securities is determined based on the closing prices quoted in active markets. They are accounted for using their fair values based on the quoted market prices (Level 1: quoted price (unadjusted) in active markets) without deduction for transaction costs.

(b) Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value of an instrument are observable, the instrument is included in Level 2.

The fair values of wealth management products have been estimated using a discounted cash flow valuation model based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to make estimates about the expected future cash flows including the expected future interest return on maturity of the wealth management products. The directors believe that the estimated fair values resulting from the valuation techniques, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in the consolidated statement of profit or loss, are reasonable, and that they were the most appropriate values at the end of each of the years.

Year ended 31 December 2025

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

(c) Financial instruments in Level 3

Level 3 instruments of the Group's assets are equity investments in unlisted companies.

The fair values of the equity investments in unlisted companies have been estimated using the market approach. Major assumptions used in the valuation include discounts of lack of marketability, P/E ratio, etc.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Equity investments designated at FVOCI:				
Non-listed equity investments	–	–	18,901	18,901
Financial assets at fair value through profit or loss	7,433	784,865	–	792,298
	7,433	784,865	18,901	811,199

Year ended 31 December 2025

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

As at 31 December 2024

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable inputs (Level 2) RMB'000	Significant unobservable inputs (Level 3) RMB'000	Total RMB'000
Equity investments designated at FVOCI:				
Non-listed equity investments	—	—	17,334	17,334
Financial assets at fair value through profit or loss	11,325	393,250	—	404,575
	11,325	393,250	17,334	421,909

During the year, there were no transfers of fair value measurements between Level 1 and Level 2. The movements in fair value measurements within Level 3 during the year are as follows:

	2025 RMB'000	2024 RMB'000
Equity investments designated at FVOCI:		
At 1 January	**17,334**	29,772
Total gains recognised in other comprehensive income	**1,567**	(15,439)
Purchases	**—**	3,000
At 31 December	**18,901**	17,334

Year ended 31 December 2025

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2025:

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Equity investments designated at FVOCI:		Average P/S multiple of peers	1.4 to 20.3	10% increase/decrease in multiple would result in increase/decrease in fair value by RMB269,975
Non-listed equity investments	Market approach	Average P/E multiple of peers	4.9 to 3.4	10% increase/decrease in multiple would result in increase/decrease in fair value by RMB418,229
		Market cap movement	1.5 to 6.4	10% increase/decrease in multiple would result in increase/decrease in fair value by RMB304,727
		Discount for lack of marketability	30%	10% increase/ decrease in multiple would result in decrease/increase in fair value by RMB667,782

Year ended 31 December 2025

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2024:

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
Equity investments designated at FVOCI:		Average EV/Sales multiple of peers	7.7 to 13.4	10% increase/decrease in multiple would result in increase/decrease in fair value by RMB81,830
Non-listed equity investments	Market approach	Average P/S multiple of peers	1.3 to 5.0	10% increase/decrease in multiple would result in increase/decrease in fair value by RMB1,271,260
		Discount for lack of marketability	30%	10% increase/ decrease in multiple would result in decrease/increase in fair value by RMB1,605,209

Year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise bank overdraft, equity investments designated at FVOCI and cash and cash equivalents. The Group has various other financial assets and liabilities such as trade receivables, other receivables, trade payables and other payables and accruals, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Group's transactions are mainly denominated in RMB. Certain of the Group's cash and bank deposits are denominated in HK$ and US$. Any significant exchange rate fluctuations of HK$ or US$ against RMB may have financial impact on the Group.

The Group did not experience any material impact or difficulties in liquidity on its operations resulting from the fluctuation in exchange rate, and no hedging transaction or forward contract arrangement was made by the Group during the reporting period. Nevertheless, the Group will from time to time review and adjust the Group's hedging and financing strategies based on the RMB and HK$ exchange rate movement.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the HK$ and US$ exchange rates, with all other variables held constant, of the Group's profit before tax (arising from HK$ and US$ denominated financial instruments).

	Increase/(decrease) in exchange rate	**Increase/(decrease) in profit before tax**
	%	RMB'000
2025		
If RMB weakens against HK$	**5.00**	**358**
If RMB strengthens against HK$	**(5.00)**	**(358)**
If RMB weakens against US$	**5.00**	**82,362**
If RMB strengthens against US$	**(5.00)**	**(82,362)**
2024		
If RMB weakens against HK$	5.00	249
If RMB strengthens against HK$	(5.00)	(249)
If RMB weakens against US$	5.00	51,728
If RMB strengthens against US$	(5.00)	(51,728)

Year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, time deposits, trade receivables, and deposits and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2025.

The amounts presented are gross carrying amounts for financial assets and the exposure to credit risk for the financial guarantee contracts.

As at 31 December 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Simplified approach RMB'000	Total RMB'000
Trade receivables*	–	–	–	133,901	133,901
Financial assets included in prepayments, deposits and other receivables	26,663	–	19,531	–	46,194
Cash and cash equivalents	618,646	–	–	–	618,646
Time deposits	1,120,108	–	–	–	1,120,108
Total	1,765,417	–	19,531	133,901	1,918,849

Year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

As at 31 December 2024

	12-month ECLs	Lifetime ECLs			
	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Simplified approach RMB'000	Total RMB'000
Trade receivables*	–	–	–	106,493	106,493
Financial assets included in prepayments, deposits and other receivables	27,487	–	10,031	–	37,518
Cash and cash equivalents	831,556	–	–	–	831,556
Time deposits	1,357,441	–	–	–	1,357,441
Total	2,216,484	–	10,031	106,493	2,333,008

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 19 to the financial statements.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 19 to the financial statements.

Since the Group trades mainly with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty.

The following table demonstrates the concentrations of credit risk of the total trade receivables which were due from the Group's five largest distribution platforms or payment vendors.

	As at 31 December	
	2025 %	2024 %
Percentage of total trade receivables due from:		
The Group's five largest trade receivables	80	77

Year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

The Group has applied the simplified approach to provide for impairment for ECLs prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for impairment of all trade receivables and contract assets. To measure the ECLs, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The ECLs also incorporate forward-looking information. Management estimated that the expected credit loss rates for the Group's trade receivables were 3.3% and 4.4% as at 31 December 2025 and 2024, respectively.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of internally generated cash flows from operation and bank borrowings. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

The maturity profile of the Group's financial liabilities at the end of each of the years, based on the contractual undiscounted payments, was as follows:

Group	As at 31 December 2025			
	Less than 3 months RMB'000	3 to less than 12 months RMB'000	1 to 2 years RMB'000	Total RMB'000
Lease liabilities	1,660	4,886	13,485	20,031
Financial liabilities included in other payables	2,064	–	–	2,064
Trade payables	16,212	–	–	16,212
Interest-bearing bank borrowings	–	300	–	300
	19,936	5,186	13,485	38,607

Group	As at 31 December 2024			
	Less than 3 months RMB'000	3 to less than 12 months RMB'000	1 to 2 years RMB'000	Total RMB'000
Lease liabilities	2,117	5,165	19,693	26,975
Financial liabilities included in other payables	2,117			2,117
Trade payables	12,823	–	–	12,823
	17,057	5,165	19,693	41,915

Year ended 31 December 2025

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The Group's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business.

The directors of the Company review the asset-liability ratio, which is total liabilities divided by total assets, on a continuous basis taking into account the cost of capital and the risks associated with each class of capital. The Group balances its overall capital structure through the raising of new debts as well as the redemption of the existing debts, and manages the asset-liability ratios. The Group's overall strategy remained unchanged during the year.

The asset-liability ratios at the end of each of the years are as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Total assets	**2,840,147**	2,879,527
Total liabilities	**258,659**	316,845
Asset-liability ratio	**9%**	11%

Year ended 31 December 2025

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the year is as follows:

	2025 RMB'000	2024 RMB'000
CURRENT ASSETS		
Due from subsidiaries	**52,471**	54,343
Cash and cash equivalents	**6,798**	3,782
Total current assets	**59,269**	58,125
CURRENT LIABILITIES		
Due to subsidiaries	**4,758**	4,323
Other payables and accruals	**8,732**	8,909
Total current liabilities	**13,490**	13,232
NET CURRENT LIABILITIES	**45,779**	44,893
TOTAL ASSETS LESS CURRENT LIABILITIES	**45,779**	44,893
Net assets	**45,779**	44,893
EQUITY		
Issued capital	**9,111**	9,087
Treasury shares	**(20,054)**	(26,584)
Reserves (note 31)	**56,722**	62,388
Total equity	**45,779**	44,893

Year ended 31 December 2025

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

	Capital reserve RMB'000	Share-based payment reserve RMB'000	Exchange fluctuation reserve RMB'000	Accumulated profits RMB'000	Total RMB'000
Balance at 1 January 2024	13,345	14,747	4,345	25,921	58,358
Profit for the year	—	—	—	194,524	194,524
Exchange differences on translation of foreign operations	—	—	1,135	—	1,135
Total comprehensive income for the year	—	—	1,135	194,524	195,659
Equity-settled share-based payment	—	25,485	—	—	25,485
Awarded shares vested to employees	14,448	(21,445)	—	—	(6,997)
Shares issued upon exercise of share options	2,821	(802)	—	—	2,019
Dividends paid	—	—	—	(212,136)	(212,136)
At 31 December 2024 and 1 January 2025	30,614	17,985	5,480	8,309	62,388
Profit for the year	—	—	—	302,019	302,019
Exchange differences on translation of foreign operations	—	—	(1,645)	—	(1,645)
Total comprehensive income for the year	—	—	(1,645)	302,019	300,374
Equity-settled share-based payment	—	39,247	—	—	39,247
Awarded shares vested to employees	13,495	(38,433)	—	—	(24,938)
Shares issued upon exercise of share options	4,213	(1,145)	—	—	3,068
Dividends paid	—	—	—	(323,417)	(323,417)
At 31 December 2025	48,322	17,654	3,835	(13,089)	56,722

41. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved and authorised for issue by the board of directors on 25 March 2026.

"2021 Share Award Scheme"	the 2021 Share Award Scheme adopted by the Company on 24 June 2021, the principal terms of which are summarized in the announcement made by the Company dated 24 June 2021
"2024 Share Scheme"	the 2024 Share Scheme adopted by the Company on 31 May 2024, the principal terms of which are summarized in Appendix III to the circular made by the Company dated 29 April 2024
"AGM"	the annual general meeting of the Company proposed to be held on Friday, 22 May 2026
"Announcement"	the announcement of the Company in relation to the Fingertip Interactive Structured Contracts dated 28 September 2020
"ARPPU"	monthly average revenue per paying user, which represents the revenue for the period divided by the number of paying players in such period, and then divided by the number of months in such period
"Articles of Association"	the articles of association of the Company adopted (as amended and restated from time to time)
"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the board of Directors of the Company
"China" or "PRC"	the People's Republic of China excluding for the purpose of this annual report, Hong Kong, Macau and Taiwan
"Company"	Zengame Technology Holding Limited (禪遊科技控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 28 August 2018
"Companies Act"	the Companies Act, Cap 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules and unless the context requires otherwise, refers to the controlling shareholders of the Company, namely, Sky-zen Capital Limited, J&L Y Limited, Mr. Ye Sheng and Mr. Yang Min

"Corporate Governance Code"	the code provisions set out in the Corporate Governance Code and Corporate Governance Report as set out in Appendix C1 to the Listing Rules
"DAU"	daily active users
"Dingyi"	Shenzhen Dingyi Technology Co., Ltd.* (深圳市鼎翌科技有限公司), a limited liability company established under the laws of the PRC on 29 May 2012 and a direct shareholder of Zen-Game Shenzhen
"Director(s)"	the director(s) of the Company
"Fingertip Interactive"	Shenzhen Zhijian Interactive Entertainment Co., Ltd.* (深圳市指尖互動娛樂有限公司), one of the PRC Operating Entities established under the laws of the PRC on 15 September 2020
"Fingertip Interactive Equity Pledge Agreement"	the equity pledge agreement entered into by and among the Fingertip Interactive Registered Shareholders and Tiantianlaiwan dated 27 September 2020
"Fingertip Interactive Exclusive Call Option Agreement"	the exclusive call option agreement entered into by and among Tiantianlaiwan and the Fingertip Interactive Registered Shareholders dated 27 September 2020
"Fingertip Interactive Exclusive Consultancy and Technical Service Agreement"	the exclusive consultancy and technical service agreement entered into by and among Tiantianlaiwan and the Fingertip Interactive Registered Shareholders dated 27 September 2020
"Fingertip Interactive IP License Agreement"	the intellectual property license agreement entered into by and among the Fingertip Interactive Registered Shareholders and Tiantianlaiwan dated 27 September 2020
"Fingertip Interactive Loan Agreement"	a financial assistance framework agreement entered into by and among Tiantianlaiwan and the Fingertip Interactive Registered Shareholders dated 27 September 2020
"Fingertip Interactive Registered Shareholders"	direct shareholders of Fingertip Interactive, being Mr. Zhu Weijie (朱偉傑) and Mr. Kang Yonghong (康永宏), who are employees of the Group and one of the shareholders of Hezhongshiji
"Fingertip Interactive Shareholders' Powers of Attorney"	the shareholders' powers of attorney entered into by the Fingertip Interactive Registered Shareholders in favour of Tiantianlaiwan dated 27 September 2020

"Fingertip Interactive Shareholders' Rights Entrustment Agreement"	the shareholders' rights entrustment agreement entered into by and among the Fingertip Interactive Registered Shareholders, and Tiantianlaiwan dated 27 September 2020
"Fingertip Interactive Spouse Undertakings"	collectively, the spouse undertakings executed by Ms. Jiang Siyang (蔣斯楊) (the spouse of Mr. Zhu Weijie (朱偉傑)) and Ms. Sun Xiaohui (孫小慧) (the spouse of Mr. Kang Yonghong (康永宏)) dated 27 September 2020
"Fingertip Interactive Structured Contracts"	collectively, the Fingertip Interactive Exclusive Consultancy and Technical Service Agreement, the Fingertip Interactive IP License Agreement, the Fingertip Interactive Exclusive Call Option Agreement, the Fingertip Interactive Equity Pledge Agreement, the Fingertip Interactive Shareholders' Rights Entrustment Agreement, the Fingertip Interactive Shareholders' Powers of Attorney, the Fingertip Interactive Spouse Undertakings and the Fingertip Interactive Loan Agreement, details of which are set out in the section headed "New Structured Contracts" in the Announcement
"Foreign Investment Law"	the Foreign Investment Law of the PRC (中華人民共和國外商投資法) which has become effective on 1 January 2020
"Free-to-Play"	a business model which players can play games for free, but may need to pay for virtual items sold in games to enhance their game experience
"Group"	collectively, the Company and its subsidiaries
"Hezhongshiji"	Shenzhen Hezhongshiji Technology Co., Ltd.* (深圳市和眾世紀科技有限公司), a limited liability company established under the laws of the PRC on 29 May 2012 and a direct shareholder of Zen-Game Shenzhen
"HK$", "HKD" and "cents"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"HKFRS"	Hong Kong Financial Reporting Standards
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC

"Hudongyule"	Shenzhen Zen-Game Hudongyule Co., Ltd.* (深圳市禪遊互動娛樂有限公司), one of the PRC Operating Entities established under the laws of the PRC on 30 November 2011 and wholly owned by Fingertip Interactive
"Leduohudong"	Shenzhen Leduohudong Technology Co., Ltd.* (深圳市樂多互動科技有限公司), one of the PRC Operating Entities established under the laws of the PRC on 4 June 2015 and wholly owned by Zen-Game Shenzhen
"Leqi Technology"	Shenzhen Leqi Technology Co., Ltd.* (深圳市樂其科技有限公司), one of the PRC Operating Entities established under the laws of the PRC on 29 June 2015 and wholly owned by Zen-Game Shenzhen
"Listing"	the listing of the Company's Shares on the Main Board of the Stock Exchange
"Listing Date"	16 April 2019, the date on which the Shares were listed on the Stock Exchange
"Listing Rules"	The Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
"MAU"	monthly active users
"MIIT"	Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部)
"Model Code"	the model code for securities transactions by directors of listed issuers as set out in Appendix C3 to the Listing Rules
"MOFCOM"	Ministry of Commerce of the PRC (中華人民共和國商務部)
"MPU"	monthly playing users
"New Chapter 17"	the amended Chapter 17 of the Listing Rules which came into effect on 1 January 2023
"Nomination Committee"	the nomination committee of the Board

"PRC Operating Entities"	the entities we control through the Zen-Game Shenzhen Structured Contracts and the Fingertip Interactive Structured Contracts, being Collectively Zen-Game Shenzhen Entities and Fingertip Interactive, the financial accounts of which have been consolidated and accounted for as if they were subsidiaries of the Company by virtue of the Zen-Game Shenzhen Structured Contracts and the Fingertip Interactive Structured Contracts
"Prospectus"	the prospectus issued by the Company dated 3 April 2019
"Remuneration Committee"	the remuneration committee of the Board
"RMB"	Renminbi, the lawful currency of the PRC
"RSU(s)"	the restricted share unit(s) to be granted under the RSU Scheme
"RSU Scheme"	the restricted share unit scheme approved and adopted by a resolution of the Board dated 9 October 2018, the principal terms of which are summarized under the section headed "Statutory and General Information — F. RSU Scheme and Share Option Scheme — 1. RSU Scheme" in Appendix IV to the Prospectus. On 19 April 2024, the Board has resolved to terminate the RSU Scheme, as all RSUs have been granted and vested to eligible participants by 31 December 2021, and no new Shares under the RSU Scheme were available to issue
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Share Option Scheme"	the share option scheme conditionally adopted by the Company on 28 March 2019, the principal terms of which are summarized under the section headed "Statutory and General Information — F. RSU Scheme and Share Option Scheme — 2. Share Option Scheme" in Appendix IV to the Prospectus. On 31 May 2024, an ordinary resolution of the Shareholders was passed at the Company's annual general meeting to approve the termination of the Share Option Scheme. No further options will be granted under the Share Option Scheme thereafter. However, any options that were granted and remain unexercised immediately before the termination shall continue to be valid and exercisable in accordance with the terms of the grant and the original rules of the Share Option Scheme

"Shareholder(s)"	the shareholder(s) of the Company
"Shenzhen Laiwan"	Shenzhen Laiwan Technology Co., Ltd.* (深圳市來玩科技有限公司), one of the PRC Operating Entities established under the laws of the PRC on 15 September 2014 and wholly owned by Zen-Game Shenzhen
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"substantial Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Tianchan"	Shenzhen Tianchan Technology Co., Ltd.* (深圳市天禪科技有限公司), a limited liability company established under the laws of the PRC on 25 May 2012 and a direct shareholder of Zen-Game Shenzhen
"Tiantianlaiwan"	Shenzhen Tiantianlaiwan Technology Co., Ltd.* (深圳市天天來玩科技有限公司), a limited liability company established under the laws of PRC on 29 September 2018 and a direct wholly-owned subsidiary of the Company
"Zen-game HK"	ZEN-GAME (HONGKONG) LIMITED (禪遊(香港)有限公司), a limited liability company incorporated in Hong Kong on 21 May 2015 and an indirect wholly-owned subsidiary of the Company
"Zen-game Shanghai"	Shanghai Zen-Game Technology Co., Ltd.* (上海禪遊科技有限公司), one of the PRC Operating Entities established under the laws of the PRC on 9 August 2016 and wholly owned by Zen-Game Shenzhen
"Zen-Game Shenzhen"	Shenzhen Zen-Game Technology Co. Ltd.* (深圳市禪遊科技股份有限公司), an indirect wholly-owned subsidiary of the Company
"Zen-Game Shenzhen Entities"	Collectively, Zen-Game Shenzhen, Shenzhen Laiwan, Leduohudong, Leqi Technology and Zen-Game Shanghai
"Zen-Game Shenzhen Exclusive Call Option Agreement"	the exclusive call option agreement entered into by and among Tiantianlaiwan, Zen-Game Shenzhen and the Zen-Game Shenzhen Registered Shareholders dated 27 October 2018

"Zen-Game Shenzhen Exclusive Consultancy and Technical Service Agreement"	the exclusive consultancy and technical service agreement entered into by and among Tiantianlaiwan, Zen-Game Shenzhen and the Zen-Game Shenzhen Registered Shareholders dated 27 October 2018
"Zen-Game Shenzhen IP License Agreement"	the intellectual property license agreement entered into by and among Tiantianlaiwan, Zen-Game Shenzhen and the Zen-Game Shenzhen Registered Shareholders dated 27 October 2018
"Zen-Game Shenzhen Registered Shareholders"	direct shareholders of Zen-Game Shenzhen, being Tianchan, Dingyi, Shenzhen Dechangqing Technology Co., Ltd.* (深圳市德常青科技有限公司), Hezhongshiji, Shenzhen Palaya Technology Co., Ltd.* (深圳市帕拉亞科技有限公司), Shenzhen Befortune Investment Co., Ltd.* (深圳市伯符投資有限公司), Xizang Taifu Wenhua Chuanmei Co., Ltd.* (西藏泰富文化傳媒有限公司) and Shenzhen Dewenshiji Technology Co., Ltd.* (深圳市德文世紀科技有限公司)
"Zen-Game Shenzhen Share Pledge Agreement"	the share pledge agreement entered into by and among the Zen-Game Shenzhen Registered Shareholders, Zen-Game Shenzhen and Tiantianlaiwan dated 27 October 2018
"Zen-Game Shenzhen Shareholders' Rights Entrustment Agreement"	the shareholders' rights entrustment agreement entered into by and among the Zen-Game Shenzhen Registered Shareholders, and Tiantianlaiwan dated 27 October 2018, and as amended and supplemented by a supplemental agreement dated 8 January 2019
"Zen-Game Shenzhen Spouse Undertakings"	collectively, the spouse undertakings executed by Ms. Xie Yingying (the spouse of Mr. Ye Sheng) and Ms. Jiang Qian (the spouse of Mr. Yang Min) dated 27 October 2018, and the spouse undertakings executed by Mr. Zeng Liqing (the spouse of Ms. Zhang Wei), Mr. Wang Haiyang (the spouse of Ms. Li Wen) and Ms. Liu Ying (the spouse of Mr. Zhang Dexiang) dated 3 January 2019, and the spouse undertakings executed by Ms. Jiang Siyang (the spouse of Mr. Zhu Weijie), Ms. Chen Jie (the spouse of Mr. Huang Yucong) dated 14 February 2019, and the spouse undertakings executed by Ms. Huang Ping (the spouse of Mr. Yu Xi), Ms. Sun Xiaohui (the spouse of Mr. Kang Yonghong) and Mr. Chen Jialei (the spouse of Ms. Xie Biyu) dated 15 February 2019 and the spouse undertakings executed by Mr. Ye Sheng, Mr. Ye Sheng's father, Mr. Yang Min and Ms. Jiang Qian's father dated 27 September 2020

"Zen-Game Shenzhen Structured Contracts"	collectively, the Zen-Game Shenzhen Exclusive Consultancy and Technical Service Agreement, the Zen-Game Shenzhen IP License Agreement, the Zen-Game Shenzhen Exclusive Call Option Agreement, the Zen-Game Shenzhen Share Pledge Agreement, the Zen-Game Shenzhen Shareholders' Rights Entrustment Agreement, the Zen-Game Shenzhen Shareholders' Powers of Attorney, the Zen-Game Shenzhen Spouse Undertakings and the Zen-Game Shenzhen Loan Agreement, details of which are set out in the section headed "Structured Contracts" in the Prospectus
"Zhuhai Zhangyou"	Zhuhai Zhangyou Technology Co., Ltd.* (珠海市掌遊科技有限公司), a limited liability company established under the laws of PRC on 11 March 2019 and ceased to be an indirect wholly-owned subsidiary of the Company upon its deregistration on 5 May 2022
"%"	per cent

* *If there is any inconsistency between the Chinese names of companies established in the PRC and their English translations, the Chinese names shall prevail. The English translation of company marked with "*" is for identification purpose only.*