



百融云创

Bairong Inc.

(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立以不同投票權控制的有限責任公司)

Stock Code 股份代號 : 6608

2025

Annual Report 年度報告



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Company Information



Executive Directors

Mr. Zhang Shaofeng (*Chairperson and CEO*)
Ms. Wang Qing
(appointed with effect from June 26, 2025)
Mr. Chan Chun Kit
(appointed with effect from January 27, 2026)
Mr. Zheng Wei
(resigned with effect from June 26, 2025)
Ms. Han Kui Fang
(resigned with effect from June 26, 2025)
Ms. Qin Xuan
(appointed with effect from June 26, 2025 and resigned with effect from January 27, 2026)

Non-executive Directors

Mr. Bai Linsen
(resigned with effect from June 26, 2025)
Professor Liao Jianwen

Independent non-executive Directors

Professor Chen Zhiwu
Mr. Zhou Hao
Dr. Li Yao

Audit committee

Mr. Zhou Hao (*Chairperson*)
Mr. Bai Linsen
(resigned with effect from June 26, 2025)
Professor Chen Zhiwu
Dr. Li Yao
(appointed with effect from June 26, 2025)

Remuneration committee

Professor Chen Zhiwu (*Chairperson*)
Mr. Zhou Hao
Mr. Bai Linsen
(resigned with effect from June 26, 2025)
Professor Liao Jianwen
(appointed with effect from June 26, 2025)

Nomination committee

Dr. Li Yao (*Chairperson*)
(appointed with effect from June 26, 2025)
Mr. Zhang Shaofeng
Ms. Wang Qing
(appointed with effect from January 27, 2026)
Ms. Qin Xuan
(appointed with effect from June 26, 2025 and resigned with effect from January 27, 2026)
Professor Chen Zhiwu
(appointed with effect from June 26, 2025)
Mr. Zhou Hao
(re-designated as a member with effect from June 26, 2025)

Corporate governance committee

Professor Chen Zhiwu (*Chairperson*)
Mr. Zhou Hao
Dr. Li Yao

Joint company secretaries

Mr. Chen Chunyang
Ms. Leung Shui Bing



Company Information (Continued)

Authorised representatives

Mr. Zhang Shaofeng
Ms. Leung Shui Bing

Headquarters

1-3/F, Tower A, No.10 Furong Street
Chaoyang District, Beijing, China

Principal place of business in Hong Kong

31/F, Tower Two, Times Square
1 Matheson Street, Causeway Bay, Hong Kong

Registered office

PO Box 309, Uglund House
Grand Cayman KY1-1104, Cayman Islands

Auditor

KPMG

Certified Public Accountants
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building, 10 Chater Road
Central, Hong Kong

Legal advisers

As to Hong Kong and U.S. laws

Han Kun Law Offices LLP
Rooms 4301-10
43/F, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong

As to Cayman Islands law

Maples and Calder (Hong Kong) LLP
26th Floor, Central Plaza, 18 Harbour Road
Wanchai, Hong Kong

Compliance adviser

Guotai Junan Capital Limited
27/F, Low Block, Grand Millennium Plaza
181 Queen's Road Central, Hong Kong

Hong Kong Share Registrar

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

Principal share registrar and transfer office

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall, Cricket Square
Grand Cayman KY1-1102, Cayman Islands

Principal bank

China Merchants Bank
(Beijing Yuquan Road sub-branch)

Stock code

6608

Company website

www.brgroup.com

Highlights



Year ended December 31,

	2025	2024	Change
	(RMB in thousands, except percentages)		
Revenue	2,920,215	2,929,267	(0.31%)
Model as a service (“ MaaS ”)	1,019,061	932,473	9%
Business as a service (“ BaaS ”)	1,901,154	1,996,794	(5%)
BaaS – Financial Scenario	1,370,756	1,410,695	(3%)
BaaS – Insurance Scenario	530,398	586,099	(10%)
Gross profit	2,101,862	2,141,712	(2%)
Gross profit margin	72%	73%	(1pct)
Operating profit	60,383	285,234	(79%)
Operating profit margin	2%	10%	(8pct)
Profit for the year	73,873	266,029	(72%)
Net profit margin	3%	9%	(6pct)
<i>Non-IFRS measures</i> ^(Note)			
Non-IFRS profit for the year	178,625	376,051	(52%)
Non-IFRS profit margin	6%	13%	(7pct)
Non-IFRS EBITDA	244,448	486,176	(50%)
Non-IFRS EBITDA margin	8%	17%	(9pct)

Note: See the section headed “Non-IFRS Measures” for more information about the non-IFRS measures.



Operation Review

We are a leading pioneer in enterprise AI agent solutions. Guided by our mission of “Empowering Every Industry and Home with AI”, we deliver services through a Result as a Service (RaaS) model, providing institutional clients with tailored AI agent capabilities. Leveraging our proprietary BR-LLM large model and “Bairong CybotStar 百融百工”, our enterprise AI agent operating system, we empower clients to build and deploy their own custom AI agents. We also deliver end-to-end outsourced business outcomes through business processes and role-based services. We have served more than 8,000 institutional clients while maintaining a core client retention rate of 98% in certain business lines. Our clients span a range of industries, including internet, retail, telecommunications, education, and healthcare, with services applied across diverse scenarios such as marketing, operations, intelligent customer service and outbound client outreach, contract/invoice and policy interpretation, credit granting and anti-fraud screening, claims settlement and records management, and recruitment and training. We have cumulatively obtained 573 patents and software copyrights. As a representative enterprise in the application of new quality productive forces, we were recognized as one of the “Top 60 AI Companies in China” in Morgan Stanley’s in-depth industry report, and received an A rating from Wind ESG Rating.

In 2025, the Company officially established its strategy of “becoming a leading enterprise-grade AI agent partner” and extended our deployment of AI agents into a broader range of industries and scenarios. We have moved beyond the traditional software model of selling tools and the conventional approach to marketing, and pioneered a new RaaS (Result as a Service) paradigm. Under this model, AI is delivered through AI agents that can take direct responsibility for business outcomes. Pricing is based on verifiable business results, and we align our interests closely with those of our clients, enabling truly end-to-end outsourcing. At the core of this strategy is our flagship architecture, Results Cloud, which enables enterprises to deploy, manage, and measure teams of AI agents. These AI agents are no longer merely supportive tools, but digital colleagues capable of taking on roles and responsibilities and delivering results. Working alongside carbon-based employees under a silicon-carbon co-governance model, they are able to complete end-to-end high-frequency, repetitive, knowledge-intensive, and cross-system tasks. Under the overall strategic direction of RaaS, our revenue model mainly includes: (1) Business Outsourcing (AI BPO): This is the principal cooperation model adopted for our Business as a Service (BaaS) business. Fees are based on the business results achieved or the scale delivered, with no charges before assisting institutional clients in generating revenue. (2) Role-based Outsourcing (AI Staffing): This is the principal cooperation model adopted for our Model as a Service (MaaS) business. Fees are assessed on the role, with charges determined by referencing the market salary levels of comparable carbon-based employees, taking into account the tasks and workload of the deployed AI agents.

Under the direction of our silicon-carbon co-governance and silicon-silicon collaboration, we deliver enterprise-grade AI agents that are capable of generating results for clients, primarily in the following two categories:

Business Review (Continued)



- (1) CX (Customer Experience-oriented AI agents that enhance external customer experience): such as marketing AI agents and customer service AI agents.
- (2) EX (Employee Experience-oriented AI agents that enhance internal employee experience): such as risk control AI agents, credit review AI agents, recruitment AI agents, and finance, tax and legal AI agents.

We are at the start of the Agentic AI era, which presents unprecedented market opportunities. According to a report by EO Intelligence, the AI Agent market is expected to grow from RMB57.4 billion in 2023 to RMB3,300.9 billion in 2028. At the same time, continued policy support is driving the AI market from optional investment to mission-critical deployment. In 2025, the State Council promulgated the Opinions on Further Implementing the “Artificial Intelligence Plus” Action 《關於深入實施「人工智能+」行動的意見》 (Guo Fa [2025] No. 11), which for the first time established an AI development roadmap in the form of top-level policy design and set quantified targets: penetration rates of over 70% for intelligent terminals and intelligent agents by 2027 and over 90% by 2030. In 2025, we made early-stage strategic progress. AgentOS, an enterprise-grade intelligent agent platform, completed algorithm filing, and our self-developed BR-LLM large language model completed large model filing. This not only enabled us to meet increasingly stringent regulatory requirements, but also helped create industry barriers to entry and laid the foundation for our differentiated competitive strengths. Driven by both the national strategy and favorable macro trends, the industry in which we operate has entered a golden window of opportunity.

Research and Development Progress

In 2025, we onboarded a substantial number of top-tier AI talents, increased investment in data and algorithms, and strengthened infrastructure deployment, achieving substantive breakthroughs in technological accumulation and the development of differentiated advantages.

- **At the application technology level**, we leapt from foundational capabilities to industry-leading performance. **In the field of speech models**, our proprietary Automatic Speech Recognition (ASR) and Text-to-Speech (TTS) models were upgraded from a three-stage architecture to an end-to-end large model solution. These models now support 52 voice types as well as multiple dialects and languages such as Cantonese and Japanese, while reducing inference latency from hours to seconds. Our current speech interaction technology has achieved accuracy rates of over 99% in semantic understanding, over 95% in emotion recognition, and 100% in interruption recognition, with response speeds at the 40-millisecond level. **In the field of intelligent agent operations**, we have also established support for an enterprise-grade AgentDevOps framework and developed an innovative Free-Training solution, enabling automatic monitoring and optimization at the agent operations level and supporting the continuous enhancement of performance after the deployment of a large number of agents. **In the field of AI agent applications**, our lifecycle management of AI agents has become increasingly mature. The development cycle has been shortened from two months to two weeks. The AI agents we deliver not only conduct self-evaluation before taking up their roles, but are also capable of continuous self-iteration after deployment through feedback collection, identification of areas for improvement and self-optimization.



- **At the large model level**, we successfully upgraded our technical architecture to a Mixture of Experts (MoE) framework and introduced Direct Preference Optimization (DPO) post-training technology. Following four to six rounds of iteration, multiple **industry-specific large models** have been applied in business scenarios such as telecom package recommendation and renewal, cosmetics customer service and product recommendation, maternal and infant product recommendation, wealth product marketing, and credit card installment services and recruitment screening. Our **end-to-end speech large model** has achieved a recognition accuracy rate of over 90% and has already been deployed into production. In addition, **in the field of visual models**, we started from scratch and progressed rapidly, making breakthroughs in tasks such as financial and medical document classification and complex structure and content extraction, laying a path for the subsequent commercialization of such models.
- **At the engineering infrastructure level**, we completed the build-out of the three-layer architecture for Results Cloud and a major version upgrade of our proprietary training and inference platform. This three-layer architecture is composed of “AI Infra – AgentOS – Agent Store”: i) AI Infra, as the technical foundation, has established a large model production system for multiple scenarios; ii) AgentOS, as an industrialized production platform for intelligent agents, integrates three core modules, namely LLM Ops, Agent Builder and Agent Runtime, and supports low-code visual orchestration, enterprise knowledge base access and extension through the Model Context Protocol (MCP) communication protocol; and iii) Agent Store, as an AI agent store, provides enterprises with out-of-the-box scenario-based solutions, enabling them to deploy, manage and measure teams of AI agents. In addition, in response to the industry reality that “cost determines the ceiling” for model applications, we restructured the previous generation of our training and inference platform, driving latency one-third lower, resource consumption one-half lower, and throughput on mainstream graphics cards 1.5 times higher. At the same time, our major models have also completed adaptation to domestic graphics cards.
- **In terms of cost control**, our industry-specific large models, which represent a key focus area for us, are able to flexibly adapt computing power and costs according to different model sizes, replicate and share knowledge across different scenarios, and achieve stable multi-location operation and optimal total-cost deployment through a hybrid elastic architecture. Leveraging the BR Vortex inference engine, which integrates computing, intelligent scheduling and multi-level cache, we have achieved efficient model inference capabilities, increasing computing utilization by 30% and improving hybrid scheduling throughput by three times.



Product Progress

In 2025, we formally established a flagship AI agent product matrix covering both the Customer Experience (CX) and Employee Experience (EX). Flagship products sold to external parties include:

- **BaiYing, our marketing and customer service AI agent (CX):** Through the integrated support of AI agent operations for business processing and analytical dashboards, marketing AI agents for solutions explanation and product recommendations, and customer service AI agents for remote troubleshooting and issue resolution, BaiYing helps B-end institutional clients achieve a closed-loop marketing and customer service model under a unified brain and dashboard. BaiYing has been widely applied in more than 1,000 operational scenarios across wealth management, telecommunications operators, retail and other industries, and supports interactive functions such as emotion recognition as well as language dialects and an English-language version.
- **BaiZhi, our analyst AI agent (CX):** Through a MasterAgent architecture enabling collaboration among multiple agents, together with integrated deployment across recording card, PC and app terminals, BaiZhi addresses pain points such as information overload, fragmented information and the high cost of manual collection, helping professionals quickly achieve a full closed loop of “listen-record-note-write”.
- **BaiJian, our legal, commercial, finance and tax AI agent (EX):** Through legal, commercial, finance and tax AI agents doing standardized work such as information collection, case retrieval, text drafting and process management, and carbon-based experts focusing on rule-setting, value judgment, final review and professional endorsement, BaiJian has established a collaborative model where AI agents undertake 90% of the workload while carbon-based experts undertake the remaining 10%.
- **BaiCai, our recruitment AI agent (EX):** Through the dual-engine model of AI interviewers and intelligent screening, BaiCai addresses key recruitment pain points such as slow hiring, inaccurate candidate assessment and difficulty in diagnosing recruitment issues, serving as a digital recruiter for enterprise talent acquisition.
- **AI agent Home:** In addition to externally delivered products such as BaiYing, BaiZhi, BaiJian and BaiCai, we have internally built the “AI agent Home” based on the AgentOS platform. It manages approximately 200 types of internal AI agents in total, with each position corresponding to the workload of multiple carbon-based employees and capable of being frequently invoked by multiple users. These positions comprehensively cover functions such as finance, legal, human resources and operations, and extend across the whole process of LTC (lead to cash), customer service, testing and quality inspection.



Customer Progress

In 2025, with AI agents at the core, we achieved scaled commercial breakthroughs across a broad range of industries. Our benchmark projects covered diversified scenarios including securities, banking, trust services, healthcare and maternal and infant services. We successfully onboarded benchmark clients such as leading securities firms, the three major telecommunications operators and new energy vehicle manufacturers. Across various use cases,

- **Deep penetration into the broader financial sector, establishing benchmark AI applications:** **In the securities sector**, the Company successfully won the bid for and signed the “Wealth AI Agent” project of a leading securities firm, and implemented the “BaiLv AI Multi-agent Full-process Quality Inspection Service” project for a medium-sized securities firm, marking the deep application of AI agents in the securities wealth management sector. **In the banking sector**, the Company won the bid for the “Retail Modelling and Precision Marketing” project of an urban commercial bank and signed the “Deposit Marketing AI Agent” project of a private bank, both of which carry benchmark significance and demonstration effects for the industry. **In the investment banking and trust services sector**, the Company was awarded the “Customer Service AI agent” project by a trust company, securing the first paid order for an AI customer service inbound-call scenario. The Company also implemented the “WeCom Conversation Management AI Agent” project of an international investment bank, creating the first paid order for a AI agent in the WeCom conversation management scenario.
- **Cross-industry expansion, unlocking blue-ocean opportunities for AI applications:** **In the healthcare sector**, we completed the “Mental Health Consultation Intelligent Agent” project from a well-known medical university, marking the successful penetration of AI intelligent agent technology into the vertical scenario of mental health services. At the same time, we implemented the “Chronic Disease Management Genetic Testing Report” project from a medical technology company, under which intelligent agents automatically generate diabetes health management reports, achieving an intelligent upgrade of precision health management services in the broader healthcare sector. **In the lifestyle services sector**, BaiCai Recruitment successively served several leading lifestyle service platforms, using recruitment AI agents to reconstruct blue-collar human resources service workflows and validating our ability to replicate AI technology at scale in labour-intensive service industries. **In the telecommunications sector**, Bairong participated deeply in the digital and intelligent transformation of the telecoms industry, achieving systematic validation and scaled implementation in core provincial markets for telecoms operators, such as Guangdong, Shanghai and Sichuan. Through the “AI agents + embodied intelligence” product form, we supported telecoms operators in moving from a “labour-intensive service operating model” to an “intelligent agent-enabled refined operating model”.



- **Innovative scenarios in emerging industries, achieving strategic breakthroughs:** **In the new energy vehicle sector**, we entered into cooperation with a leading vehicle startup and used AI capabilities to build an AI agent for sales lead collection, helping them to intelligently upgrade their sales process and marking the successful penetration of AI agent technology into high-end manufacturing and new retail scenarios. **In the maternal and infant services sector**, we signed the “Marketing AI agent Project” from a high-end postpartum care center, representing the first AI contract in the maternal and infant industry and achieving a commercial breakthrough for AI technology in the high-end lifestyle services sector. **In the environmental policy sector**, we signed with a provincial environmental policy research institute to deploy AI agents to assist with intelligent reviews of documents uploaded by energy enterprises with carbon emissions, supporting the implementation of the national “dual carbon” strategy and demonstrating the social value we contribute in the fields of government affairs and environmental protection. These benchmark projects fully validate the competitiveness of our AI agent product matrix. Customer willingness to pay increased significantly, which further demonstrates the commercial value of our technology.

MaaS (Model as a Service)

Our MaaS (Model as a Service) business empowers institutional clients with AI-driven intelligent decision-making through AI agents across various roles. The core advantage of our MaaS business lies in more than 10 years of accumulated user profile assets and a strong competitive moat, built by serving more than 8,000 clients. Leveraging Discriminative AI technology, we deploy different AI agents across various business scenarios, such as risk control, credit review and finance, tax, and legal. These AI agents can be flexibly deployed through cloud-based or on-premises models according to customer needs. In addition, our proprietary MaaS cloud platform is secure and reliable, serving over 300 million daily queries with a system reliability rate of up to 99.999%.

For the twelve months ended December 31, 2025, our MaaS business reported revenue of RMB1,019.06 million, representing an increase of 9% year-over-year. During the Reporting Period, the number of Key Clients reached 223, while average revenue per Key Client was RMB3.59 million. Our Key Client retention rate was 98%.



Key metrics of MaaS

	Year ended December 31,		
	2025	2024	Change (%)
	(RMB in thousands, except percentages)		
Revenue from MaaS	1,019,061	932,473	9
Revenue from Key Clients ^(Note)	799,839	711,328	12
Number of Key Clients	223	211	6
Average revenue per Key Client	3,587	3,371	6
Retention rate of Key Clients	98%	97%	1pct

Note: “**Key Clients**” are defined as paying clients that each contributes more than RMB300,000 total revenue to the Company for the past 12 months.

BaaS (Business as a Service)

Our BaaS (Business as a Service) business, powered by Generative AI technology, enables institutions to enhance smart marketing and operations through our self-developed marketing and customer service AI agents and other solutions. This solution significantly improves asset operation efficiency across wealth management, insurance, and internet technology industries. We first perform predictive analysis on the target users of institutional clients, segmenting them into distinct groups. Our system then automatically matches optimal marketing strategies and engages potential users through our marketing and customer service AI agents or other methods to generate transactions. Through these end-to-end services, we reactivate dormant users across various industries while acquiring and converting new users. Our closed-loop approach enables real-time corpus accumulation, model training and refinement, speech iteration, and user profiling for continuous optimization.

Business Review (Continued)



BaaS – Financial Scenario

For the twelve months ended December 31, 2025, our BaaS – Financial Scenario business reported revenue of RMB1,370.76 million, representing a decrease of 3% year-over-year.

Key metrics of BaaS – Financial Scenario

	Year ended December 31,		
	2025	2024	Change (%)
	(RMB in thousands, except percentages)		
Revenue from BaaS – Financial Scenario	1,370,756	1,410,695	(3)

BaaS – Insurance Scenario

For the twelve months ended December 31, 2025, our BaaS – Insurance Scenario reported revenue decrease of 10% year-over-year to RMB530.40 million. Total premiums increased by 20% year-over-year to RMB6,519.80 million. Our first-year premiums increased by 25% year-over-year to RMB4,558.53 million and our renewal premiums increased by 9% year-over-year to RMB1,961.27 million. The persistency rate of life insurance premiums continued to exceed 90%, ranking among the top in the industry.

Key metrics of BaaS – Insurance Scenario

	Year ended December 31,		
	2025	2024	Change (%)
	(RMB in thousands, except percentages)		
Revenue from BaaS – Insurance Scenario	530,398	586,099	(10)
Revenue from first year premiums	450,392	486,964	(8)
First year premiums	4,558,527	3,641,095	25
Revenue from renewal premiums	80,006	99,136	(19)
Renewal premiums	1,961,269	1,801,335	9



Business Outlook

The year 2026 will be a pivotal period for our AI strategy, transitioning from the “capability-building stage” to the “value-realization stage”. As underlying technologies continue to mature and industry applications accelerate, we will be propelled by dual engines of “scaled profitability in mature scenarios” and “forward-looking deployment in innovative scenarios”. This approach is designed to convert technology investment into commercial value and reinforce our leading position in the AI field. The rapid advancement of AI Agent technology is bringing humanity into an era in which everything can be an Agent. To capitalize on a blue-ocean market opportunity with a trillion-yuan scale, we are building differentiated competitive barriers. Anchored by the AgentOS enterprise-grade intelligent agent platform and Results Cloud, our AI agent product matrix, comprising of the Customer Experience (CX) and Employee Experience (EX), comprehensively addresses customer intelligent transformation needs. Leveraging our experience in serving more than 8,000 institutional clients, together with over a decade of dedicated data accumulation and vertical industry know-how, we have established a strong competitive moat. Our key areas of focus going forward will include:

- **Industry Focus:** We will continue to deepen and strengthen our advantages in sectors such as finance and insurance, while expanding the most promising scenarios across a broad range of industries. Priority scenarios include consumer-oriented Contact-Center use cases, covering customer service, marketing information confirmation, and customer management. In addition, we will vigorously develop the Professional • Service sector by integrating legal, commercial, finance, and tax resources, building a shared expert Agent platform, and providing globalized and modularized integrated solutions.
- **Technology and Ecosystem Strategy:** We will open our core capabilities, including voice interaction and intelligent decision-making, to empower industries such as home appliances and transportation, and we will promote natural language as the next-generation interaction interface. We will also develop ecosystem partners, including distributors, Independent Software Vendors (ISVs), and system integrators, and, together with capital partners, we will jointly establish AI industry funds and invest in and incubate AI-native enterprises.

Looking ahead to the next three years, we stand at a historic window of opportunity for the scaled development of Agentic AI. We will capitalize on this critical transition period to establish our position as an industry leader amid the wave of the silicon-based economy and to deliver long-term, sustainable value to shareholders. Over the longer term, we are committed to becoming a leading enterprise-grade AI company in China, enabling enterprises to design, produce, train, deploy and continuously evolve AI employees. We expect this AI transformation to be comparable to steam engine, electricity, and computers in driving an exponential leap in productivity, and we are well positioned to capture the resulting growth potential.

Management Discussion and Analysis



Year ended December 31,

2025

2024

(RMB in thousands)

	2025	2024
Revenue		
MaaS	1,019,061	932,473
BaaS	1,901,154	1,996,794
BaaS – Financial Scenario	1,370,756	1,410,695
BaaS – Insurance Scenario	530,398	586,099
Total revenue	2,920,215	2,929,267
Cost of sales	(818,353)	(787,555)
Gross profit	2,101,862	2,141,712
Other income	113,395	130,896
Research and development expenses	(636,778)	(509,290)
General and administrative expenses	(327,787)	(327,723)
Sales and marketing expenses	(1,141,783)	(1,118,937)
Impairment loss	(48,526)	(31,424)
Profit from operations	60,383	285,234
Finance income	12,616	4,893
Finance costs	(6,170)	(7,005)
Share of (losses)/profits of associates	(3,393)	8,317
Profit before taxation	63,436	291,439
Income tax benefit/(expense)	10,437	(25,410)
Profit for the year	73,873	266,029
Attributable to:		
Equity shareholders of the Company	66,908	266,182
Non-controlling interests	6,965	(153)



Management Discussion and Analysis (Continued)

Revenue

Our total revenue was RMB2,920.22 million and RMB2,929.27 million for the years ended December 31, 2025 and 2024, which remained stable on a year-over-year basis with second-half growth slowed down by the impact of the circular No. 9 of the National Financial Regulatory Administration issued in April 2025, the “Notice on Strengthening the Management of the Internet Loan Facilitation Business of Commercial Banks and Improving the Quality and Efficiency of Financial Services” (the “**Circular No. 9**”).

Our revenue from MaaS increased by 9% from RMB932.47 million for the year ended December 31, 2024 to RMB1,019.06 million for the year ended December 31, 2025, primarily attributable to expanded fields of application and enhanced product competitiveness combining AI algorithms to optimize product performance.

Our revenue from the Financial Scenario of our BaaS decreased by 5% from RMB1,996.79 million for the year ended December 31, 2024 to RMB1,901.15 million for the year ended December 31, 2025, primarily attributable to a prudent adjustment to the product strategies and the withdrawal of relevant products from the market involving certain partnering financial industry clients of the Group as a result of the Circular No. 9 which in turn had a significant impact on the Group’s BaaS-Financial Scenario revenue.

Our revenue from the Insurance Scenario of our BaaS decreased by 10% from RMB586.10 million for the year ended December 31, 2024 to RMB530.40 million for the year ended December 31, 2025. The insurance business demonstrated a remarkable resilience in a challenging economic and operational environment which still maintained a continuous growth of premiums despite the downward trend in product interest rates. The revenue showed signs of stabilizing in the second half year of the year 2025. We proactively navigated more prudent industry regulations, meanwhile we are confident about the future of the insurance industry, which was driven by factors including the aging population and the Chinese consumers’ increasing awareness of the benefits of insurance.

Cost of sales

Our cost of sales increased by 4% from RMB787.56 million for the year ended December 31, 2024 to RMB818.35 million for the year ended December 31, 2025, mainly due to an increase in the increase in data algorithm costs to adapt to the rapid development of AI.

Gross profit and gross profit margin

As a result of the foregoing, the Group’s gross profit decreased by 2% from RMB2,141.71 million for the year ended December 31, 2024 to RMB2,101.86 million for the year ended December 31, 2025. The Group’s gross profit margin decreased from approximately 73% for the year ended December 31, 2024 to 72% for the year ended December 31, 2025, which was attributable to a readjustment of the business structure.

Management Discussion and Analysis (Continued)



Research and development expenses

The Group's research and development expenses increased by 25% from RMB509.29 million for the year ended December 31, 2024 to RMB636.78 million for the year ended December 31, 2025, primarily attributable to the increase in the staff costs of our research and development personnel in the AI field to consolidate our talent foundation and enhance our core competitiveness in AI and the increase in expenses resulting from IDC data center-related investments, as well as all associated expenses arising therefrom. Research and development expenses as a percentage of revenue increased by 5pct to 22%.

General and administrative expenses

The Group's general and administrative expenses was RMB327.79 million and RMB327.72 million for the years ended December 31, 2025 and 2024 respectively, which remained stable on a year-over-year basis.

Sales and marketing expenses

Our sales and marketing expenses increased by 2% from RMB1,118.94 million for the year ended December 31, 2024 to RMB1,141.78 million for the year ended December 31, 2025, primarily due to the increase of the employee expense of the sales team, to expand into new industries and reach new customers.

Other income

Our other income decreased by 13% from RMB130.90 million for the year ended December 31, 2024 to RMB113.40 million for the year ended December 31, 2025. This is primarily due to increase of foreign exchange losses, which was mainly due to the variance from the appreciation of RMB against USD affected by macro environment, partially offset by the increase of net gains on disposal of subsidiaries. The Board will remain alert to any relevant risks and, if necessary, consider to hedge material potential foreign exchange risk.

Profit for the year

As a result of the foregoing, the Group's profit for the year decreased by 72% from RMB266.03 million for the year ended December 31, 2024 to RMB73.87 million for the year ended December 31, 2025.



Management Discussion and Analysis (Continued)

Non-IFRS Measures

To supplement our consolidated financial statements, which are presented in accordance with IFRSs, we also use non-IFRS profit and non-IFRS EBITDA as additional financial measures, which are not required by, or presented in accordance with IFRS Accounting Standards. We believe these non-IFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of items which our management considers non-indicative of our operating performance.

We believe these measures provide useful information to investors and others in understanding and evaluating our consolidated statement of profit or loss in the same manner as they help our management. However, our presentation of non-IFRS profit and non-IFRS EBITDA may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as substitutes for an analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

We define non-IFRS profit as profit for the year, excluding share-based compensation. We define non-IFRS EBITDA as EBITDA excluding share-based compensation. We exclude these items because they are not expected to result in future cash payments that are recurring in nature and they are not indicative of our core operating results and business outlook.

The following table reconciles our non-IFRS profit for the years ended December 31, 2024 and 2025 and non-IFRS EBITDA presented to the most directly comparable financial measure calculated and presented in accordance with IFRS Accounting Standards, which is profit for the year:

Reconciliation of profit to non-IFRS profit for the year:

	Year ended December 31,	
	2025	2024
	(RMB in thousands)	
Profit for the year	73,873	266,029
Add		
Share-based compensation ⁽¹⁾	104,752	110,022
Non-IFRS profit for the year	178,625	376,051
Non-IFRS profit margin for the year⁽²⁾	6%	13%

Management Discussion and Analysis (Continued)



Reconciliation of profit to EBITDA and non-IFRS EBITDA for the year:

	Year ended December 31,	
	2025	2024
	(RMB in thousands)	
Profit for the year	73,873	266,029
Add		
Finance income	(12,616)	(4,893)
Finance costs	6,170	7,005
Income tax (benefit)/expense	(10,437)	25,410
Depreciation	81,533	75,262
Amortization	1,173	7,341
EBITDA	139,696	376,154
Add		
Share-based compensation ⁽¹⁾	104,752	110,022
Non-IFRS EBITDA	244,448	486,176
Non-IFRS EBITDA margin⁽³⁾	8%	17%

Notes:

- (1) Share-based compensation relates to the share options and share award schemes that we granted under our share incentive plans, which is a non-cash expense that is commonly excluded from similar non-IFRS measures adopted by other companies in our industry.
- (2) Represents non-IFRS profit divided by revenue for the years presented.
- (3) Represents non-IFRS EBITDA divided by revenue for the years presented.

Liquidity and source of funding and borrowing

Other than the proceeds from the Global Offering, we have historically funded our cash requirements principally from cash generated from our operations and shareholder equity contributions. To monitor liquidity risk, we monitor and maintain a level of cash and cash equivalents and cash resources as deemed adequate by our senior management to finance our operations.



Management Discussion and Analysis (Continued)

The Group had cash and cash equivalents of RMB725.96 million and cash resources of RMB2,650.84 million as at December 31, 2025, compared to the balance of RMB739.23 million and RMB2,917.94 million as of December 31, 2024, respectively. The cash resources included restricted cash, time deposits and treasury investments.

Significant Investments

The Group did not make or hold any significant investments during the year ended December 31, 2025.

The Board confirmed that the Group's transactions in financial assets during the Reporting Period, on a standalone basis and aggregate basis, did not constitute notifiable transactions under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

Material acquisitions and disposals

The Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies during the year ended December 31, 2025.

Pledge of assets

The Group had not pledged any assets as at December 31, 2025.

Future plans for material investments or capital assets

Save for the expansion plan as disclosed in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated March 19, 2021 (the "**Prospectus**"), the Group did not have detailed future plans for material investments or capital assets as at December 31, 2025.

Gearing ratio

As at December 31, 2025, the Group's gearing ratio (i.e. total liabilities divided by total assets) was 0.14 (as at December 31, 2024: 0.21).

Foreign exchange exposure

During the year ended December 31, 2025, the Group mainly operated in China and the majority of the transactions were settled in RMB, the Company's consolidated affiliated entities' functional currency. As at December 31, 2025, except for bank deposits and investments denominated in US Dollar and HK Dollar, the Group did not have significant foreign currency exposure from its operations.

Contingent liabilities

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

Management Discussion and Analysis (Continued)



Commitments

Commitments outstanding at 31 December 2025 not provided for in the financial statements were as follows:

	2025 RMB'000	2024 RMB'000
Investments	150,000	–

Employees and remuneration

As at December 31, 2025, the Group had a total of 1,777 employees. The following table sets forth the total number of employees by function as at December 31, 2025:

Function	As at December 31, 2025	As % of Total Employees
Sales and marketing	299	17%
Research and development	1,138	64%
Customer service	150	8%
General administration	190	11%
Total	1,777	100%

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our human resources strategy, we offer our employees with competitive compensation packages, including competitive salaries, performance-based cash bonuses and other incentives. The total remuneration cost incurred by the Group for the year ended December 31, 2025 was RMB1,010.66 million, as compared to RMB875.30 million for the year ended December 31, 2024.

The Company has also adopted a 2024 share scheme and a restricted share unit scheme to incentivize its employees. To maintain the quality, knowledge and skill levels of our employees, we regularly organize training activities for our employees.

By order of the Board

Zhang Shaofeng

Chairperson and Executive Director

Beijing, China

March 26, 2026



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

General information

The Company was incorporated under the laws of the Cayman Islands on June 21, 2018 as an exempted limited liability company. The Company's Class B Shares were listed on the Main Board of the Stock Exchange on March 31, 2021.

Principal activities

The principal activity of the Company is investment holding. The principal business of the Company's subsidiaries is AI-powered technology services. Analysis of the principal activities of the Group during the year ended December 31, 2025 is set out in Note 1 to the consolidated financial statements.

All of the Group's operating assets are located in the PRC and all of the Company's revenue and operating profits were derived from the PRC during the Reporting Period. Accordingly, no segment analysis based on geographical locations is provided.

Business review

A business review of the Group, as required by Schedule 5 to the Companies Ordinance, including a fair review of the Company's business, a description of the principal risks and uncertainties facing by the Company, particulars of important events affecting the Company that have occurred since the end of the financial year, an indication of likely future developments in the Group's business, an analysis of the Group's financial performance and the Group's key relationships with its stakeholders who have a significant impact on the Group and on which the Group's success depends, is set out in the "Business review" and "Management discussion and analysis" on pages 5 to 20 of this annual report. These discussions form part of this Directors' report.

Principal risks and uncertainties

Our business involves certain risks as set out in the section headed "Risk factors" in the Prospectus. The following list is a summary of certain principal risks and uncertainties facing by the Group, some of which are beyond of its control:

- We operate in a rapidly evolving market, which makes it difficult to evaluate our future prospects.
- We face challenges from the evolving regulatory environment and user attitudes towards data privacy and protection.

Directors' Report (Continued)



- Actual or alleged failure to comply with data privacy and protection laws and regulations could materially and adversely affect our business and results of operations.
- Our historical growth is not indicative of our future performance, and if we fail to manage our operations and expenses during our rapid expansion, our business, results of operations and financial condition could be harmed.
- We have incurred net losses and negative operating cash flow in the past, which we may continue to experience in the future.
- If we fail to develop and innovate our products and services, our business, financial performance and prospects may be materially and adversely affected.
- Our business could be materially and adversely harmed by the tightening of laws, regulations or standards that affect financial institutions or non-financial institutions.
- If we are not able to continue to broaden data access in the future, our business, results of operations and financial condition could be materially and adversely affected.
- If we are deemed to engage in a personal credit reporting business and violate any PRC laws or regulations governing personal credit reporting businesses, our business, financial condition, results of operations and prospects could be materially and adversely affected. In particular, we are subject to uncertainties surrounding the 2021 Draft Measures for Credit Reporting Business, the implementation of which may have an adverse impact on our business, financial condition and results of operations.
- If our data labels are out of date, inaccurate or lack credible information, we may not be able to provide quality services for our clients, which could adversely impact our business.
- Our arrangements with Key Clients are typically not exclusive. Failure to maintain relationships with Key Clients or develop new ones may materially and adversely affect our business and results of operations.

Environmental policies and performance

The Group is committed to fulfilling social responsibility, promoting employee benefits and development, protecting the environment and giving back to community and achieving sustainable growth. Details of such will be set out in the Environmental, Social and Governance Report to be published on the same day of publication as this annual report.



Compliance with relevant laws and regulations

Save as disclosed in the Prospectus and as disclosed in the Environmental, Social and Governance Report, the Group has complied with the relevant laws and regulations that have a significant impact on the operations of the Group during the Reporting Period.

Connected transactions

During the year ended December 31, 2025, save as disclosed in this annual report, no related party transaction disclosed in Note 31 to the consolidated financial statements falls under the definition of "connected transaction" or "continuing connected transaction" in Chapter 14A of the Listing Rules for which disclosure is required. During the Reporting Period, the Company has fully complied with the disclosure requirements under Chapter 14A of the Listing Rules.

Contractual Arrangements

Background to the Contractual Arrangements

We currently conduct our MaaS and BaaS businesses (the "**Relevant Businesses**") through our Consolidated Affiliated Entities in the PRC as PRC laws, or their implementation by relevant government authorities, generally prohibit or restrict foreign ownership in the Relevant Businesses. Currently, PRC laws restrict foreign ownership of value-added telecommunications service providers (in addition to imposing a qualification requirement on the foreign owners).

As a result of the restrictions imposed by PRC laws, we are unable to own or hold any direct equity interest in our Consolidated Affiliated Entities. Accordingly, the term 'ownership' or the relevant concept, as applied to our Company in this document, refers to an economic interest in the assets or businesses through the Contractual Arrangements without holding any equity interest in our Consolidated Affiliated Entities. The Contractual Arrangements, through which we are able to exercise control over and derive the economic benefits from our Consolidated Affiliated Entities, are narrowly tailored to achieve our business purpose and minimise the potential for conflict with relevant PRC laws.

All of the Contractual Arrangements are subject to the foreign ownership restrictions described herein and as set out in the Prospectus.



Risks relating to the Contractual Arrangements and actions taken to mitigate the risks

We believe the following risks are associated with the Contractual Arrangements. Further details of these risks are set out on pages 79 to 84 of the Prospectus.

- If the PRC government deems that our contractual arrangements with our variable interest entity do not comply with PRC regulatory restrictions on foreign investment in the relevant industries, or if these regulations or the interpretation of existing regulations change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations.
- Our current corporate structure and business operations may be affected by the newly enacted Foreign Investment Law.
- We rely on Contractual Arrangements with our variable interest entity and its shareholders to exercise control over our business, which may not be as effective as direct ownership in providing operational control.
- If we exercise the option to acquire equity ownership and assets of Beijing Bairong, the ownership transfer may subject us to certain limitations and substantial costs.
- The shareholders of our variable interest entity may have potential conflicts of interest with us, which may materially and adversely affect our business and financial condition.
- Our Contractual Arrangements with our variable interest entity may be subject to scrutiny by the PRC tax authorities and they may determine that we or our variable interest entity owe additional taxes, which could negatively affect our financial condition and the value of your investment.
- We may lose the ability to use and benefit from assets held by our variable interest entity and its subsidiaries that are material to the operation of our business if the entity goes bankrupt or become subject to a dissolution or liquidation proceeding.

The structuring and implementation of the Contractual Arrangements, including the detailed terms of the Contractual Arrangements, as discussed in this report, is designed to mitigate these risks.



PRC laws and regulations

Pursuant to the Special Administrative Measures (Negative List) for Foreign Investment Access (2021 Edition) (外商投資准入特別管理措施(負面清單) (2021) (the “**Negative List**”), provision of value-added telecommunications services falls within the ‘restricted’ category. As such, the shareholding percentage of a foreign investor in companies engaged in value-added telecommunications services shall not exceed 50%. Moreover, pursuant to the Administrative Measures on Internet Information Services (互聯網信息服務管理辦法), a provider of ‘operational internet information services’ (namely services involving the provision of information or website-design services through the internet to internet-users for a fee) is required to obtain an ICP licence. See “Regulations-Regulation on Foreign Investment” in the Prospectus for details of limitations on foreign ownership in PRC companies conducting value-added telecommunications services.

Since our MaaS and BaaS businesses involve the operation of commercial internet information services, which is a sub-category of valued-added telecommunications business, for which an ICP licence is required, our MaaS and BaaS businesses are subject to foreign ownership restrictions. Therefore, our MaaS and BaaS businesses are conducted by, and ICP licences are held by, Beijing Bairong and Guangzhou Shurong Internet Micro-lending Co., Ltd..

We offer insurance distribution services through Liming and its brokers. Although insurance scenario services are not strictly subject to foreign investment restrictions, our insurance distribution services are fully integrated with our underlying data analytics and customer relationship management systems and cannot be separated from such systems as explained below. Given that the operations of our insurance distribution services are integrated with the data analytics infrastructure, which requires an ICP licence, and they are highly interconnected, correlated and inseparable from each other, it is necessary for the Company to operate our insurance distribution business under the Contractual Arrangements and we are of the view that the Contractual Arrangements remain narrowly tailored for the reasons set out in detail on pages 215 to 217 in the Prospectus.

Qualification requirements

Article 10 of the Regulations for the Administration of Foreign-Invested Telecommunications Enterprises further provides that a major foreign investor which invests in a value-added telecommunications business in the PRC must possess prior experience in, and a proven track record of good performance of, operating value-added telecommunications businesses overseas (the “**Qualification Requirements**”). Foreign investors that meet these requirements must obtain approvals from the MIIT which retain discretion in granting such approvals.



The MIIT issued a Guidance Memorandum on the Application Requirements for Establishing Foreign-invested Value-added Telecommunications Enterprises in the PRC ("**Guidance Memorandum**"). According to this Guidance Memorandum, a foreign investor applicant is required to provide, as proof of the satisfaction of the Qualification Requirements, a description of the value-added telecommunications services previously provided by itself or its direct shareholder, supported by, among other things, screenshots of licence and filings previously obtained and websites and apps previously operated, as well as previous telecommunication business licences issued by the relevant local authorities (unless where no licence is required in the relevant jurisdiction). The Guidance Memorandum, however, does not provide any further guidance on the proof, records or documents required to support the proof satisfying the Qualification Requirements.

Notwithstanding the above, we have adopted a specific plan and will continue to expend genuine efforts and financial resources towards meeting the Qualification Requirements. We will remain abreast of any regulatory developments and continuously assess whether we meet the Qualification Requirements, with a view to unwinding the Contractual Arrangements wholly or partially as and when practicable and permissible under the prevailing PRC laws.

We are implementing a business plan with a view to building up a track record of overseas telecommunication business operations. We believe that such business plan represents our commitment and a meaningful endeavour to demonstrate compliance with the Qualification Requirements. The Company is in the process of expanding its overseas value-added telecommunications business through its offshore subsidiaries. In particular, we have taken the following concrete steps to ensure compliance with the Qualification Requirements:

- We have registered a number of global top-level domain names (including "brgroup.com") outside of the PRC, and have constructed an English website that will help potential overseas users to better understand the Company's services and businesses;
- We have registered a trademark outside of the PRC (namely "百融雲創") and are in the process of registering a number of overseas trademarks for the promotion of the Company's services and businesses overseas;
- We have established a subsidiary in Hong Kong (namely Bairong HK Limited) for the purpose of registering and holding overseas intellectual properties, promoting the Company's services and businesses, and entering into business contracts with offshore counterparties; and
- Through our aforementioned offshore subsidiaries, we have been exploring business opportunities for the Relevant Businesses in overseas markets.



The officer from the MIIT also confirmed that the above steps are generally deemed helpful to prove that the Qualification Requirements have been fulfilled. Based on the above, and subject to the discretion of competent authority, our PRC Legal Adviser is of the view that the above steps are generally regarded as relevant and reasonable factors to prove that the Qualification Requirements have been fulfilled.

Summary of the Contractual Arrangements

The Contractual Arrangements in place for the Reporting Period were:

- **Exclusive Consulting Services Agreement.** Pursuant to the exclusive consulting services agreement dated June 27, 2019, Onshore Holdco agreed to engage WFOE as the exclusive provider to Onshore Holdco and its subsidiaries of management, consultancy, technical support, business support, and equipment services. In consideration of the services provided by WFOE, Onshore Holdco shall pay services fees to WFOE, which, subject to WFOE's adjustment at its sole discretion, shall consist of all of the profit before taxes of Onshore Holdco. The service fees shall be paid annually by Onshore Holdco upon receipt of invoice issued by WFOE. WFOE has the exclusive and proprietary rights to all intellectual properties developed by Onshore Holdco and enjoys all the economic benefits generated from such intellectual properties.
- **Exclusive Purchase Option Agreement.** Pursuant to the exclusive purchase option agreement dated June 27, 2019, WFOE or its designee was granted an irrevocable and exclusive right to purchase (i) from each of the registered shareholders all or any part of their equity interests in Onshore Holdco and/or (ii) from Onshore Holdco all or any part of its assets or interests in any of its assets. The purchase price payable by WFOE or its designee in respect of the transfer of shares or assets shall be the lowest price permitted under PRC laws, and the Registered Shareholders shall return the purchase price in full to WFOE or its designee.
- **Equity Pledge Agreement.** Pursuant to the equity pledge agreement on June 27, 2019, the then registered shareholders pledged all of their respective equity interests in Onshore Holdco to WFOE as collateral security to guarantee performance of their contractual obligations under the Contractual Arrangements and all liabilities, monetary debts or other payment obligations arising out of or in relation with the Contractual Arrangements. Upon the occurrence of an event of default, unless it is successfully resolved to WFOE's satisfaction within 10 days upon being notified by WFOE, WFOE may exercise its right of pledge immediately or any time thereafter or otherwise dispose of the pledged equity interest in accordance with applicable laws and have priority in the entitlement to the sale proceeds. The Registered Shareholders have agreed to irrevocably waive their pre-emptive right as existing shareholders when WFOE exercises such right of pledge.



- **Voting Proxy Agreement.** Pursuant to the shareholder voting rights proxy agreement on June 27, 2019, each of the then registered shareholders appointed WFOE and/or its designee as their exclusive agent and attorney to act on their behalf on all matters concerning Onshore Holdco and to exercise all of their rights as shareholder of Onshore Holdco. As a result of the Voting Proxy Agreement, the Company, through WFOE, is able to exercise management control over the activities that most significantly impact the economic performance of Onshore Holdco.
- **Loan Agreement.** Pursuant to the loan agreement between WFOE and Tianjin Saiji, WFOE agreed to provide a loan to Tianjin Saiji to finance its holding of equity interests in Onshore Holdco. All the equity interests in Onshore Holdco held and to be acquired by the borrower (the “**Acquired Interests**”) will be pledged to WFOE. As long as the Acquired Interests are pledged to WFOE, the borrower will not need to repay the loan. The consideration for the Acquired Interests payable by WFOE shall equal the principal of the loan, and the transfer of Acquired Interests under the Loan Agreement shall constitute repayment of the Loan Agreement by the borrower.

Please refer to the section headed “Contractual Arrangements” in the Prospectus for details of the material terms of the Contractual Arrangements.

Apart from the above, there were no other new Contractual Arrangements entered into, renewed or reproduced during the financial year ended December 31, 2025. Save as disclosed above or in the Prospectus and save for the change in the Group’s business reporting categories leading to the updated presentations above, there was no material change in the Contractual Arrangements and/or the circumstances under which they were adopted for the year ended December 31, 2025.

For the year ended December 31, 2025, none of the Contractual Arrangements had been terminated as none of the restrictions that led to the adoption of the contracts under the Contractual Arrangements has been removed.

Substantially all of the Group’s total revenue and net assets are derived from the Consolidated Affiliated Entities that are subject to the Contractual Arrangements. The total revenue and net assets derived from the Consolidated Affiliated Entities that are subject to the Contractual Arrangements is approximately RMB2,680.92 million for the year ended December 31, 2025 and approximately RMB1,535.72 million as at December 31, 2025, respectively.



Listing Rules implications and waivers

For the purpose of Chapter 14A of the Listing Rules, and in particular the definition of 'connected person', our Consolidated Affiliated Entities are treated as the Company's subsidiaries, but at the same time, the directors, chief executives or substantial shareholders of the Consolidated Affiliated Entities and its associates are treated as connected persons of our Company as applicable under the Listing Rules (excluding for this purpose, the Consolidated Affiliated Entities themselves). Therefore, the transactions contemplated under the Contractual Arrangements constitute continuing connected transactions of our Company under the Listing Rules.

The highest applicable percentage ratios (other than the profits ratio) under the Listing Rules in respect of the transactions associated with the Contractual Arrangements are expected to be more than 5%. As such, the transactions will be subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

However, in respect of the Contractual Arrangements and related new inter-group agreements, we have applied for, and the Stock Exchange has granted us, waivers from strict compliance with (i) the announcement, circular and independent shareholders' approval requirements pursuant to Rule 14A.105 of the Listing Rules, (ii) the requirement to set a term of three years or less under Rule 14A.52 of the Listing Rules, and (iii) the requirement set annual caps under Rule 14A.53 of the Listing Rules, for so long as our Class B Shares are listed on the Stock Exchange subject to conditions.

Confirmation from independent non-executive Directors

The Company's independent non-executive directors have reviewed the Contractual Arrangements and confirmed that:

- (i) the transactions carried out during the Reporting Period have been entered into in accordance with the relevant provisions of the Contractual Arrangements;
- (ii) no dividends or other distributions have been made by the Consolidated Affiliated Entities to the holders of its equity interests which are not otherwise subsequently assigned or transferred to the Group during the year;
- (iii) no new contracts were entered into, renewed or reproduced between the Company and the Consolidated Affiliated Entities during the Reporting Period other than the ones disclosed above;
- (iv) the Contractual Arrangements have been entered into in the ordinary and usual course of business of the Group;
- (v) the Contractual Arrangements have been entered into on normal commercial terms or better; and
- (vi) the Contractual Arrangements have been entered into in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.



Confirmation from the Company's independent auditor

The auditor of the Company has confirmed in a letter to the Board, with respect to the Contractual Arrangements and the transactions contemplated therein during the Reporting Period, that:

- (i) nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Board;
- (ii) nothing has come to their attention that causes them to believe that the transactions have not been entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (iii) nothing has come to their attention that causes them to believe that dividends or other distributions have been made by our Consolidated Affiliated Entities to the holders of its equity interests which are not otherwise subsequently assigned or transferred to our Group.

Weighted voting rights

The Company is controlled through weighted voting rights. Under this structure, the Shares comprise Class A Shares and Class B Shares. Each Class A Share entitles the holder to exercise 10 votes, and each Class B Share entitles the holder to exercise one vote, on any resolution tabled at the Company's general meetings, except for resolutions with respect to the Reserved Matters, in relation to which each Share is entitled to one vote.

The WVR structure enables the WVR Beneficiary to exercise voting control over the Company notwithstanding that the WVR Beneficiary does not hold a majority economic interest in the share capital of the Company. This will enable the Company to benefit from the continued vision and leadership of the WVR Beneficiary who will control the Company with a view to its long-term prospects and strategy.

Investors are advised to be aware of the potential risks of investing in companies with a WVR structure, in particular that the interests of the WVR Beneficiary may not necessarily always be aligned with those of our Shareholders as a whole, and that the WVR Beneficiary will be in a position to exert significant influence over the affairs of our Company and the outcome of Shareholders' resolutions, irrespective of how other Shareholders vote. Investors should make the decision to invest in the Company only after due and careful consideration.

As at December 31, 2025, Mr. Zhang, the WVR Beneficiary, is interested in 73,234,312 Class A Shares, representing approximately 65.36% of the voting rights in the Company, and entitled to control 38,226,303 Class B Shares representing approximately 3.41% of the voting rights in the Company with respect to shareholder resolutions relating to matters other than the Reserved Matters. The Class A Shares are held by Genisage Tech Inc., which is wholly owned by Genisage Holdings Limited. The entire interest in Genisage Holdings Limited is held through a trust which was established by Mr. Zhang (as settlor) for the benefit of himself and his family.



Class A Shares may be converted into Class B Shares on a one to one ratio. As at the date of this annual report, should all the issued and outstanding Class A Shares into Class B Shares, the Company will issue 72,708,830 Class B Shares, representing approximately 19.28% of the total number of issued and outstanding Class B Shares (excluding treasury shares) or 16.16% of the issued Share (excluding treasury shares).

The weighted voting rights attached to the Class A Shares will cease when the WVR Beneficiary has no beneficial ownership of any of the Class A Shares, in accordance with 8A.22 of the Listing Rules. This may occur:

- (i) upon the occurrence of any of the circumstances set out in Rule 8A.17 of the Listing Rules, in particular where the WVR Beneficiary is: (1) deceased; (2) no longer a member of the Board; (3) deemed by the Stock Exchange to be incapacitated for the purpose of performing his duties as a director; or (4) deemed by the Stock Exchange to no longer meet the requirements of a director set out in the Listing Rules;
- (ii) when Class A Shareholders have transferred to another person the beneficial ownership of, or economic interest in, all of the Class A Shares or the voting rights attached to them, other than in the circumstances permitted by Rule 8A.18 of the Listing Rules;
- (iii) where a vehicle holding Class A Shares on behalf of a WVR Beneficiary no longer complies with Rule 8A.18(2) of the Listing Rules; or
- (iv) when all of the Class A Shares have been converted into Class B Shares.

Major customers

We have attracted a large and diversified group of clients. We have served more than 8,000 institutional clients, including internet, retail, telecommunications, education, and healthcare.

During the year ended December 31, 2025, less than 30% of our total revenue was generated from our five largest customers combined.

None of the Directors, their respective close associates, or any Shareholder (which to the knowledge of the Directors own more than 5% of the number of issued shares of the Company) had any interest in any of our five largest customers during the year ended December 31, 2025.

Directors' Report (Continued)



Major suppliers

Our suppliers primarily include internet or insurance marketing service providers.

During the year ended December 31, 2025, less than 30% of our total purchases was made from the five largest suppliers combined.

None of the Directors, their respective close associates, or any Shareholder (which to the knowledge of the Directors own more than 5% of the number of issued shares of the Company) had any interest in any of our five largest suppliers during the year ended December 31, 2025.

Pre-emptive rights

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

Tax relief and exemption of holders of listed securities

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

Subsidiaries

Particulars of the Company's subsidiaries are set out in Note 16 to the consolidated financial statements.

Property, plant and equipment

Details of movements in the property, plant and equipment of the Group during the year ended December 31, 2025 are set out in Note 11 to the consolidated financial statements.

None of the Company's properties are held for development and/or sale or for investment purposes.

Share capital and shares issued

Details of movements in the share capital of the Company for the year ended December 31, 2025 are set out in Note 29(a) to the consolidated financial statements.

Sufficiency of public float

Based on information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained the prescribed percentage of public float under the Listing Rules.



Donation

As at the year ended December 31, 2025, the Group made charitable donations of RMB0.51 million.

Debenture issued

The Group has not issued any debentures during the year ended December 31, 2025.

Equity-linked agreements

Save as disclosed in the section headed "Share Schemes" in this annual report, no equity-linked agreements were entered into by the Group, or existed during the year ended December 31, 2025.

Dividend

There is no arrangement under which a Shareholder has waived or agreed to waive any dividends.

Permitted indemnity

Pursuant to the Existing Articles of Association and subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of their duty in their offices. A permitted indemnity provision (as defined in section 469 of the Companies Ordinance) for the benefit of the Directors is currently and was in force for the year ended December 31, 2025.

The Company has also maintained liability insurance to provide additional coverage for the Directors.

Reserves

Details of movements in the reserves of the Group and the Company during the year ended December 31, 2025 are set out in the consolidated statement of changes in equity on page 98 and in Note 29(e) to the consolidated financial statements, respectively. As of 31 December 2025, the Company's reserves available for distribution calculated in accordance with the provisions of Companies Act of the Cayman Islands amounted to approximately RMB4,348.97 million.

Directors' Report (Continued)



Directors' service contracts

Each of our executive Directors has entered into a service contract with our Company. The term of appointment for Mr. Zhang is for a term of three years from March 31, 2024 or until the third annual general meeting of our Company since March 31, 2024, whichever is sooner (subject to retirement as and when required under the Existing Articles of Association). The term of appointment for Ms. Wang Qing is for a term of three years from June 26, 2025, which may be terminated by either party giving not less than three months' written notice. The term of appointment for Mr. Chan Chun Kit is for a term of three years from January 27, 2026, which may be terminated by either party giving not less than three months' written notice.

Our non-executive Director has entered into an appointment letter with our Company. The term of appointment for Professor Liao Jianwen for a term of three years commencing from November 20, 2023, which may be terminated by either party giving not less than one month's written notice.

Each of Professor Chen Zhiwu and Mr. Zhou Hao, an independent non-executive Director, has entered into an appointment letter with our Company. The term of appointment shall be for a term of three years from March 31, 2024 or until the third annual general meeting of our Company after March 31, 2024, whichever is sooner (subject to retirement as and when required under the Existing Articles of Association).

Dr. Li Yao, an independent non-executive Director, has entered into an appointment letter with our Company. The term of appointment shall be for a term of three years from June 17, 2024 or until the third annual general meeting of the Company since June 17, 2024, whichever is sooner (subject to retirement as and when required under the Existing Articles of Association).

None of the Directors proposed for re-election at the forthcoming annual general meeting of the Company has or is proposed to have a service contract with any member of our Group other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

Directors' interests in transactions, arrangements or contracts of significance

Save as disclosed in the section "Connected Transactions" of this Directors' report, none of the Directors or 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 or at the end of the year ended December 31, 2025.



Emoluments of directors and the five highest paid individuals

In compliance with the CG Code, the Company has established the Remuneration Committee to formulate remuneration policies.

The remuneration is determined and recommended based on each Director's and senior management personnel's qualification, position and seniority. As for the independent non-executive Directors, their remuneration is determined by the Board upon recommendation from the Remuneration Committee.

The Directors and the senior management personnel are eligible participants of (i) 2019 ESOP and 2021 ESOP, details of which are set out in the Prospectus; (ii) 2021 Share Award Scheme, details of which are set out in the Company's announcement dated May 31, 2021 and Note 28 to the consolidated financial statements; and (iii) 2024 Share Scheme and RSU Scheme, details of which are set out in the Company's announcement dated April 10, 2024, circular dated May 17, 2024 and Note 28 to the consolidated financial statements.

Details of the remuneration of the Directors, senior management and the five highest paid individuals are set out in Note 8 and Note 9 to the consolidated financial statements.

None of the Directors waived or agreed to waive any remuneration and there were no emoluments paid by the Group to any of the Directors as an inducement to join, or upon joining the Group, or as compensation for loss of office.

Contracts with controlling shareholders

Save as set out in "Connected Transactions" above and the Underwriting Agreements (as defined in the Prospectus), no contract of significance or contract of significance for the provision of services has been entered into among the Company or any of its subsidiaries and the Controlling Shareholders or any of their subsidiaries during the year ended December 31, 2025.

Management contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended December 31, 2025.

Auditor

The consolidated financial statements of the Group have been audited by KPMG, who will retire and, being eligible, offer themselves for re-appointment at the 2026 AGM. There was no change in the auditor of the Company in any of the preceding three years.

Continuing disclosure obligations pursuant to the Listing Rules

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



Purchase, sale or redemption of the Company's listed securities

During the Reporting Period, the Company repurchased a total of 9,597,500 Class B Shares (the “**Shares Repurchased**”), out of which a total of 6,323,000 Class B Shares were held as treasury shares as at December 31, 2025, on the Stock Exchange at an aggregate consideration (including transaction cost) of approximately HK\$89.65 million including expenses to enhance the Company's shareholder value in the long run. Subject to compliance with the Listing Rules, the Company may consider applying such treasury shares for resale, consideration of future acquisitions, funding share schemes of the Company, or may cancel such treasury shares. As at December 31, 2025, an outstanding number of 3,274,500 Class B Shares (excluding treasury shares) that were repurchased for cancellation had not been cancelled yet and all such Class B Shares were subsequently cancelled on February 9, 2026. Therefore, there are no outstanding Class B Shares (excluding treasury shares) that were repurchased for cancellation and not yet cancelled as at the date of this report. As at December 31, 2025, the Company held 6,323,000 Class B Shares as treasury shares. Subsequent to the Reporting Period up to the date of this report, the Company repurchased an additional 11,822,500 Class B Shares held as treasury shares on the Stock Exchange at an aggregate consideration of approximately HK\$141.63 million including expenses.

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

Month of repurchase	No. of Class B Shares repurchased	Highest price paid per Class B Share (HK\$)	Lowest price paid per Class B Share (HK\$)	Approximate Aggregate Consideration (HK\$ million)
April	526,500	7.76	7.39	3.99
May	2,137,000	8.27	7.54	16.84
June	611,000	8.20	7.66	4.95
December	6,323,000	11.62	9.06	63.87
Total	9,597,500			89.65

The total of 3,274,500 Class B Shares repurchased from April 28, 2025 to June 6, 2025 were cancelled on February 9, 2026. A total of 525,482 Class A Shares were proportionately converted into Class B Shares on a one-to-one ratio on February 9, 2026.



In addition, the trustees of the Company's share award schemes didn't purchase Class B Shares on the market during the twelve months ended December 31, 2025.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities (including any sale of treasury shares) listed on the Stock Exchange during the year ended December 31, 2025.

Directors' rights to acquire shares or debentures

Save as disclosed in this annual report, at no time during the year ended December 31, 2025 was the Company or any of its subsidiaries, fellow subsidiaries or its holdings companies a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate; and none of the Directors, nor any of their spouse or children under the age of 18, had any right to subscribe for equity or debt securities of the Company or any other body corporate, or had exercised any such right.

Directors' Interests in Competing Business

During the Reporting Period, neither the Controlling Shareholders nor any of the Directors had any interest in a business, apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with the Group's business, which would require disclosure under Rule 8.10 of the Listing Rules.

By order of the Board

Zhang Shaofeng

Chairperson and Executive Director

Beijing, China

March 26, 2026

Directors and Senior Management



Directors

The Directors who held office during the year ended December 31, 2025 and up to the date of this annual report are:

1. Executive Directors

Mr. Zhang Shaofeng (張韶峰)

Ms. Wang Qing (王青) (*appointed with effect from June 26, 2025*)

Mr. Chan Chun Kit (陳俊傑) (*appointed with effect from January 27, 2026*)

Ms. Qin Xuan (覃璇) (*appointed with effect from June 26, 2025, resigned with effect from January 27, 2026*)

Mr. Zheng Wei (鄭威) (*resigned with effect from June 26, 2025*)

Ms. Han Kui Fang (韓奎芳) (*resigned with effect from June 26, 2025*)

2. Non-executive Directors

Mr. Bai Linsen (柏林森) (*resigned with effect from June 26, 2025*)

Professor Liao Jianwen (廖建文)

3. Independent non-executive Directors

Professor Chen Zhiwu (陳志武)

Mr. Zhou Hao (周浩)

Dr. Li Yao (李耀)

Executive Directors

Mr. Zhang Shaofeng (張韶峰), aged 48, is the founder, executive Director, chairperson and chief executive officer of our Company. He is also a director of Beijing Bairong and serves as director or executive director in a number of our subsidiaries and Consolidated Affiliated Entities.

Mr. Zhang has over 20 years of experience in operations and management of data analytics businesses and internet technology companies in China. Prior to founding our Company, Mr. Zhang served as a director, partner and chief data officer of Percent Corporation, an enterprise involved in data intelligence technology in China, from August 2010 to March 2014, responsible for the development and operations of their big data products. Before joining Percent Corporation, Mr. Zhang worked at Tianya Community Network, an information and e-commerce platform in China from February to August 2010. From May 2009 to January 2010, he worked at IBM (China) Investment Limited.

Mr. Zhang received both his bachelor's degree and master's degree in electrical engineering from Tsinghua University in China, in July 2000 and June 2003 respectively.

During the past three years, Mr. Zhang has not been a director of any other listed companies.



Directors and Senior Management (Continued)

Ms. Wang Qing (王青), aged 39, is the executive Director. She joined the Company in May 2025 and currently serves as the senior director of Financial AI. She possesses over 13 years of experience in product design and operations within the financial technology sector. Prior to joining the Company, Ms. Wang served as director of FinTech Products at GF Holdings (Hong Kong) Limited from November 2024 to March 2025. From February 2020 to August 2024, she served as a Senior Product Specialist at Ant Group. Between April 2011 and February 2020, she progressively served as Product Operations and Product Manager at Ant Group, where she was responsible for several core projects including Quick Pay, Alipay Checkout, Yu'e Bao, Life Account, Wealth Open Platform, and Ant Financial Advisor.

Ms. Wang obtained a Bachelor of Arts degree in Chinese Language and Literature from Zhejiang University of Finance & Economics in June 2010.

During the past three years, Ms. Wang has not been a director of any other listed companies.

Mr. Chan Chun Kit (陳俊傑), aged 32, is an executive Director. He joined the Company in July 2024 as Chief Strategy Officer and Head of Investment and has been re-designated from the chief strategy officer of the Company to the chief financial officer of the Company with effect from April 9, 2026. He possesses over 9 years of experience in the field of finance and investment, and has extensive expertise in financial institutions management and investment management. Prior to joining the Company, Mr. Chan served as Partner at a family office from January 2023 to June 2024, where he was responsible for managing stock, debt and private equity investments, with a focus on traditional finance, information technology, artificial intelligence, blockchain and algorithmic trading. From April 2018 to June 2022, he served as Executive Director at Head & Shoulders Financial Group, where he was responsible for equity capital markets business and asset management for high-net-worth clients, participating in multiple initial public offerings (IPOs) and share placements.

Mr. Chan received his Bachelor of Arts degree from University of Southern California in December 2016 and his Master of Science degree in Finance from The Chinese University of Hong Kong in July 2024.

During the past three years, Mr. Chan has not been a director of any other listed companies.

Directors and Senior Management (Continued)



Non-executive Director

Professor Liao Jianwen (廖建文), aged 59, was appointed as an independent non-executive Director on October 20, 2023 and he has been re-designated from an independent non-executive Director to a non-executive Director with effect from November 20, 2023. Professor Liao has extensive research and practical experience in strategic innovation management across both academia and industries. Currently, Professor Liao holds positions of Executive Fellow of Harvard Business School and Senior Advisor to the chairman of JD.com, Inc. (NASDAQ: JD and HKEx: 9618 (HKD counter) and 89618 (RMB counter)). Since 2012, Professor Liao served as the Associate Dean of Cheung Kong Graduate School of Business until March 2017. From April 2017 to July 2021, Professor Liao was the chief strategy officer of Beijing Jingdong Century Trade Co., Ltd..

Professor Liao has been serving as an independent director of Zhewen Interactive Group Co., Ltd. (a company whose shares are listed on the main board of the Shanghai Stock Exchange, stock code: 600986) since November 2020, an independent director of Juewei Food Co., Ltd. (a company whose shares are listed on the main board of the Shanghai Stock Exchange, stock code: 603517) since December 2021, a director of China United Network Communications Ltd. (a company whose shares are listed on the main board of the Shanghai Stock Exchange, stock code: 600050) from February 2018 to December 2021, a director of Yonghui Superstores Co., Ltd. (a company whose shares are listed on the main board of the Shanghai Stock Exchange, stock code: 601933) from April 2018 to December 2021, an independent non-executive director of Fantasia Holdings Group Co., Limited (a company whose shares are listed on the main board of the Stock Exchange, stock code: 1777) from February 2015 to May 2021 and an independent non-executive director of Colour Life Services Group Co., Limited (a company whose shares are listed on the main board of the Stock Exchange, stock code: 1778) from June 2014 to March 2021. Meanwhile, Professor Liao has been an independent director of Origin Asset Management Co., Ltd. since February 2022.

Professor Liao received his bachelor's degree from Northeastern University of China in 1988 majoring in Industry Engineering, his master's degree in Economics from People's (Renmin) University of China in 1991, and his Doctor of Philosophy from Southern Illinois University in 1996 (with a focus on business policy & strategy).

Save as disclosed above, Professor Liao has not been a director of any other listed companies during the past three years.



Directors and Senior Management (Continued)

Independent non-executive Directors

Professor Chen Zhiwu (陳志武), aged 63, has been independent non-executive Director since March 2021.

Professor Chen is a director of the Asia Global Institute and Chair Professor of Finance and the Victor and William Fung Professor in Economics at the University of Hong Kong since July 2016. Previously, Professor Chen was a professor of finance at Yale University for 18 years until 2017. He was also a special-term visiting professor at Peking University (School of Economics) and Tsinghua University (School of Social Sciences). Professor Chen was a PACAP Research Fellow at the University of Wisconsin-Madison in the United States from 1994 to 1995. Professor Chen received the Graham and Dodd Award for his research in 2013.

Professor Chen has served as an independent director and chairman of the corporate governance and nominating committee of Noah Holdings (NYSE: NOAH), since December 2013. Previously, Professor Chen was an independent non-executive director of IDG Energy Investment Limited (formerly known as Shun Cheong Holdings Limited) (HKEX: 650) from July 2015 to October 2018, Bank of Communications Co., Ltd. (HKEX: 3328) from August 2010 to August 2018 and PetroChina Company Limited (HKEX: 857) from May 2011 to June 2017.

Professor Chen received his Ph.D. from Yale University in the United States, in December 1990.

Save as disclosed above, Professor Chen has not been a director of any other listed companies during the past three years.

Mr. Zhou Hao (周浩), aged 49, has been independent non-executive Director since March 2021.

From June 2011 to September 2019, Mr. Zhou was the chief financial officer of 58.com Inc. (NYSE: WUBA), a company that operates online marketplace serving local merchants and consumers in the PRC, and was subsequently redesignated as head of international business in September 2019 and its chief strategic officer in April 2020. In November 2020, he was further redesignated as chief strategy officer of Anjuke Group Inc., the housing subsidiary of 58.com Inc., and has served such role until March 2023. In September 2010, Mr. Zhou joined CITIC Pharmaceutical Co Ltd., a pharmaceutical service provider that supplies medicine and related consumables to hospitals as chief financial officer. Mr. Zhou was the vice president of finance and the chief financial officer at Wuxi PharmaTech (Cayman) Inc. (NYSE: WX, delisted) from May 2009 to September 2010. Mr. Zhou joined General Electric (China) Co., Ltd. in January 2007 as a financial manager.

Directors and Senior Management (Continued)



Mr. Zhou has been serving as an independent non-executive director, chairman of the audit committee and member of the nomination committee and the remuneration committee of Angelalign Technology Inc. (HKEX: 6699) since April 2023.

Mr. Zhou has been serving as an independent non-executive director, chairman of the audit committee and member of the nomination committee of Meitu, Inc. (HKEX: 1357) since December 2016.

Mr. Zhou has been serving as an independent non-executive director, chairman of audit committee and member of nomination committee of WuXi XDC Cayman Inc. (HKEX: 2268) since November 2023.

Mr. Zhou received his bachelor's degree from Shanghai International Studies University in China, in July 1998.

Save as disclosed above, Mr. Zhou has not been a director of any other listed companies during the past three years.

Dr. Li Yao (李耀), aged 57, has been independent non-executive Director since June 2021.

Dr. Li Yao has roughly 30 years of professional experience in financial market. He built up his reputable leadership by holding senior positions with several high-profile financial institutions, including the CEO of a Chinese Government Sponsored Sovereign Fund, and Chairman of the Investment Committee; the Co-CEO of a large Capital Management firm by one of top Chinese Insurance Groups. In his early professional career, Dr. LI participated in building and growing the pioneering investment advisory business and investment banking business for Bank of China. Dr. LI also worked for DRC of China State Council as its Associate Researcher focusing on China's open economic policy making. Dr. Li has been serving as independent non-executive director of Yinsheng Digifavor Company Limited (formerly known as NNK Group Limited) (HKEX: 3773) since June 2023.

Dr. LI holds Ph.D of Economics degree from China Renmin University, and owned his Mater degree and Bachelor degree from Nanjing University and NanKai University. He joined various advanced executive financial programs during his professional career.

Save as disclosed above, Dr. Li has not been a director of any other listed companies.

Senior management

Our senior management team comprises Mr. Zhang Shaofeng, Ms. Wang Qing and Mr. Chan Chun Kit, who are each an executive Director of our Company. See "Executive Directors" for their biographies.



Directors and Senior Management (Continued)

Joint company secretary(ies)

Mr. Chen Chunyang (陳春陽), is our joint company secretary. Mr. Chen joined our Group in May 2017, and has served in various capacities including as chief investment officer. He joined Shanghai Fangchuang Financial Information Service Co., Ltd., a venture capitalist investor, from April 2014 to May 2017. Mr. Chen received his bachelor's degree in electronic information engineering from the Tianjin University of Technology in China in June 2014.

Ms. Leung Shui Bing (梁瑞冰), is our joint company secretary. Ms. Leung currently serves as a manager of the listing services department at TMF Hong Kong Limited.

Ms. Leung obtained her bachelor's degree in business and management studies (accounting and finance) from the University of Bradford in the United Kingdom in July 2008, and a master's degree in corporate governance from Hong Kong Metropolitan University (formerly known as The Open University of Hong Kong) in August 2017. Ms. Leung is a Chartered Secretary, a Chartered Governance Professional and an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

Changes to Directors' information

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of Directors of the Company since the last published interim report are set out below:

- Ms. Wang Qing was appointed as a member of the Nomination Committee with effect from January 27, 2026;
- Ms. Qin Xuan resigned as an executive Director and a member of the Nomination Committee, with effect from January 27, 2026; and
- Mr. Chan Chun Kit was appointed as an executive Director and a member of the Nomination Committee, with effect from January 27, 2026.

Save as disclosed above, there were no change to the information of the Directors that are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the interim report of the Company for the six months ended June 30, 2025 published on September 25, 2025.

Disclosure under Rule 8.10 of the Listing Rules

Save and except for the interests of our Controlling Shareholders in our Company and its subsidiaries, during the year ended December 31, 2025, neither our Controlling Shareholders nor any of our Directors had any interest in a business, apart from the business of our Group, which competes or is likely to compete, either directly or indirectly, with our business, which would require disclosure under Rule 8.10 of the Listing Rules.

Corporate Governance Report



The Board is pleased to present the corporate governance report of the Company for the year ended December 31, 2025.

Corporate Governance Practices

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a reference benchmark for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

Compliance with the Corporate Governance Code

Save as disclosed below, the Company had adopted and complied with the applicable code provisions set out in the CG Code during the year ended December 31, 2025.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Company deviates from this provision because Mr. Zhang performs both the roles of chairperson of the Board and the chief executive officer of the Company. Mr. Zhang is the founder of the Group and has extensive experience in the business operations and management of the Group. The Board believes that vesting the roles of both chairperson and chief executive officer to Mr. Zhang has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning. This structure will enable our Company to make and implement decisions promptly and effectively.

The Board considers that the balance of power and authority will not be impaired due to this arrangement. In addition, all major decisions are made in consultation with members of the Board, including the relevant Board committees, and with our independent non-executive Directors. The Board will reassess the division of the roles of chairperson and chief executive officer from time to time, and may recommend dividing the two roles between different people in the future, taking into account the circumstances of the Group as a whole.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the latest version of the CG Code, and maintain a high standard of corporate governance benchmark of the Company.

Compliance with the Model Code for Securities Transactions by Directors

Class B Shares were listed on the Stock Exchange on March 31, 2021, since which time the Model Code has been applicable to the Company.

The Company has adopted the Management Trading of Securities Policy (the “**Code**”), with terms no less exacting than the Model Code, as its own securities dealing code to regulate all dealings by Directors and relevant employees of securities in the Company and other matters covered by the Code.

Specific enquiry has been made of all the Directors and the relevant employees and they have confirmed that they have complied with the Code during the Reporting Period and up to the date of this report.



Board composition

The Board currently comprises seven members consisting of three executive Directors, one non-executive Director and three independent non-executive Directors.

During the Reporting Period and up to the date of this corporate governance report, the composition of the Board comprises the following Directors:

Executive Directors

Mr. Zhang Shaofeng (*Chairperson and chief executive officer, member of the Nomination Committee*)

Ms. Wang Qing (王青) (*appointed as executive Director with effect from June 26, 2025 and appointed as a member of the Nomination Committee with effect from January 27, 2026*)

Mr. Chan Chun Kit (陳俊傑) (*appointed with effect from January 27, 2026*)

Ms. Qin Xuan (覃璇) (*appointed as executive Director and a member of the Nomination Committee with effect from June 26, 2025, resigned with effect from January 27, 2026*)

Mr. Zheng Wei (鄭威) (*resigned with effect from June 26, 2025*)

Ms. Han Kui Fang (韓奎芳) (*resigned with effect from June 26, 2025*)

Non-executive Directors

Mr. Bai Linsen (柏林森) (*resigned with effect from June 26, 2025*)

Professor Liao Jianwen (*member of the Remuneration Committee*)

Independent non-executive Directors

Professor Chen Zhiwu (*chairperson of the Remuneration Committee and the Corporate Governance Committee, member of the Audit Committee and Nomination Committee*)

Mr. Zhou Hao (*chairperson of the Audit Committee, member of the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee*)

Dr. Li Yao (*chairperson of the Nomination Committee, member of the Audit Committee and the Corporate Governance Committee*)

The biographical information of the Directors is disclosed under “Directors and Senior Management” on pages 38 to 42 of this annual report.

There are no material/relevant relationships (including financial, business, family) between members of the Board.



Board meetings and committee meetings

Code provision C.5.1 of the CG Code stipulates that the board should meet regularly and board meetings should be held at least four times a year at approximately quarterly intervals.

During the Reporting Period, the Board held 4 Board meetings, 2 Audit Committee meetings, 3 Corporate Governance Committee meetings, 3 Remuneration Committee meetings, 2 Nomination Committee meeting and an annual general meeting.

A summary of the attendance record of the Directors at Board meetings and committee meetings is set out in the table below:

Director	Number of meeting(s) attended/Number of meeting(s) held					
	Annual general meeting	Board meeting(s)	Audit committee meeting(s)	Remuneration committee meeting(s)	Nomination committee meeting(s)	Corporate governance committee meeting(s)
Zhang Shaofeng	1/1	4/4	–	–	2/2	–
Wang Qing ⁽¹⁾	–/–	2/2	–	–	–	–
Zheng Wei ⁽²⁾	1/1	3/3	–	–	–	–
Han Kui Fang ⁽²⁾	1/1	3/3	–	–	–	–
Qin Xuan ⁽³⁾	–/–	2/2	–	–	–/–	–
Bai Linsen ⁽²⁾	1/1	3/3	1/1	3/3	–	–
Liao Jianwen	1/1	4/4	–	–/–	–	–
Chen Zhiwu	1/1	4/4	2/2	3/3	–/–	3/3
Zhou Hao	1/1	4/4	2/2	3/3	2/2	3/3
Li Yao	1/1	4/4	1/1	–	2/2	3/3

Notes:

(1) appointed with effect from June 26, 2025.

(2) resigned with effect from June 26, 2025.

(3) appointed with effect from June 26, 2025 and resigned with effect from January 27, 2026.



In accordance with code provision C.2.7 of the CG Code, apart from the regular Board meeting(s) above, the chairperson of the Board has held meetings with the independent non-executive Directors without the presence of other directors during the Reporting Period to discuss the Company's strategy, director's contributions, and their independent view.

Independent non-executive Directors

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers each of the independent non-executive Directors to be independent.

Following the Listing, the Board has at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors, representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

Appointment and re-election of Directors

Code provision B.2.2 of the CG Code stipulates that every Directors, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

At each annual general meeting, one third of the Directors for the time being shall retire from office by rotation. However, if the number of Directors is not three or a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors. The Directors to retire in each year shall be those who have been in office longest since their last re-election or appointment but, as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional to the Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.

Each of executive Directors have entered into a service contract with our Company. The term of appointment for Mr. Zhang is for a term of three years from March 31, 2024 or until the third annual general meeting of our Company since March 31, 2024, whichever is sooner (subject to retirement as and when required under the Existing Articles of Association). The term of appointment for Ms. Wang Qing is for a term of three years from June 26, 2025, which may be terminated by either party giving not less than three months' written notice. The term of appointment for Mr. Chan Chun Kit is for a term of three years from January 27, 2026, which may be terminated by either party giving not less than three months' written notice.



Our non-executive Director has entered into an appointment letter with our Company. The term of appointment for Professor Liao Jianwen is three years commencing from November 20, 2023, which may be terminated by either party giving not less than one month's written notice.

Each of Professor Chen Zhiwu and Mr. Zhou Hao, an independent non-executive Director, has entered into an appointment letter with our Company. The term of appointment shall be for a term of three years from March 31, 2024 or until the third annual general meeting of our Company after March 31, 2024, whichever is sooner (subject to retirement as and when required under the Existing Articles of Association).

Dr. Li Yao, an independent non-executive Director, has entered into an appointment letter with our Company. The term of appointment shall be for a term of three years from June 17, 2024 or until the third annual general meeting of the Company since June 17, 2024, whichever is sooner (subject to retirement as and when required under the Existing Articles of Association).

On June 26, 2025, Ms. Qin Xuan and Ms. Wang Qing, and on January 27, 2026, Mr. Chan Chun Kit have, respectively, (i) obtained legal advice referred to Rule 3.09D of the Listing Rules that are applicable to him/her as a director of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange, and (ii) confirmed that he/she understood his/her obligations as a director of a listed issuer.

Details of the Directors standing for re-election at the forthcoming annual general meeting are set out in the circular to the Shareholders which will be published on the websites of the Stock Exchange and the Company in due course.

Responsibilities, accountabilities and contributions of the Board and management

The Board is the primary decision-making body of the Company and is responsible for overseeing the Group's businesses, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. The Board makes decisions objectively in the interests of the Company. All Directors, including 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. The Group's senior management is responsible for the day-to-day management of the Group's business and is responsible for overseeing the general operation, business development, finance, marketing, and operations.

The Board reserves for its decision all major matters relating to policy, strategies and budgeting, internal control and risk management, material transactions (in particular those that may involve conflicts 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 coordinating the daily operation and management of the Company are delegated to the management. Each Director is able to seek independent professional advice in appropriate circumstances at the Company's expense, upon reasonable request made to the Board.



The Company has purchased insurance coverage on Directors' and officers' liabilities in respect of any legal actions taken against Directors and senior management arising out of corporate activities.

Board committees

The Board has established four committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee, for overseeing particular aspects of the Company's affairs. Each of these committees is provided with sufficient resources to perform its duties. Each of these committees is established with defined written terms of reference. The terms of reference of the Board committees are available on the websites of the Company and the Stock Exchange.

Audit Committee

The Company has established an Audit Committee in compliance with Rule 3.21 of the Listing Rules and the CG Code.

The primary duties of the Audit Committee are to review and supervise the financial reporting process and the risk management and internal control systems of the Group, review and approve connected transactions and provide advice and comments to the Board.

The Audit Committee comprises three independent non-executive Directors, being Mr. Zhou Hao, Dr. Li Yao and Professor Chen Zhiwu, with Mr. Zhou Hao (being our independent non-executive Director with the appropriate professional qualifications) as the chairperson of the Audit Committee.

During the Reporting Period, the Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended December 31, 2024 and the unaudited consolidated financial statements of the Group for the six months ended June 30, 2025; reviewed financial reporting system and the effectiveness of the risk management and internal control systems of the Group; discussed with the external auditor to assess the impact on applying the new accounting standards; considered the re-appointment of the external auditor of the Company and reviewed its independence and qualification; reviewed and approved the audit scope and fees proposed by the external auditor and made relevant recommendation to the Board.

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended December 31, 2025 and has met with the independent auditor of the Company, KPMG. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control and financial reporting matters with senior management members of the Company.



Remuneration Committee

The Company established the Remuneration Committee in compliance with Rule 3.25 of the Listing Rules and the CG Code. The Remuneration Committee should consult the chairman and/or chief executive about their remuneration proposals for other executive directors. The Remuneration Committee should have access to independent professional advice if necessary.

The purpose of the Remuneration Committee is to make recommendations to the Board on the policy and structure for the remuneration of directors and senior management, to establish a formal and transparent procedure for developing policy, to evaluate the performance of directors and senior management, to review and approve the terms of and/or matters relating to incentive schemes (including share schemes under Chapter 17 of the Listing Rules (as amended from time to time)) and directors' service contracts, and to recommend the remuneration packages for all directors and senior management. Ensure that no director or any of their associates is involved in deciding that director's own remuneration.

The Remuneration Committee comprises one non-executive Director, being Professor Liao Jianwen and two independent non-executive Directors, being Professor Chen Zhiwu and Mr. Zhou Hao, with Professor Chen Zhiwu as the chairperson of the Remuneration Committee.

The Remuneration Committee has adopted the second model described in paragraph E.1.2(c) under Appendix C1 to the Listing Rules (i.e. make recommendation to the Board on the remuneration packages of individual executive Directors and senior management members).

During the Reporting Period, the Remuneration Committee has performed the following major tasks:

- Reviewed the remuneration policy and the remuneration packages of the Directors and senior management of the Company including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment.
- Reviewed and recommended to the Board the remuneration packages of the newly appointed Directors.
- Reviewed and approved the terms of and/or matters relating to incentive schemes (including share schemes) under Chapter 17 of the Listing Rules.



Details of the remuneration paid or payable to each Director of the Company (member of the senior management), on an individual and named basis for the year ended December 31, 2025 are set out in Note 8 to the consolidated financial statements.

All the members of senior management were also a Director or chief executive of the Company, whose remunerations are already disclosed on an individual basis in Note 8 to the consolidated financial statements.

Nomination Committee

The Company has established the Nomination Committee in compliance with the CG Code.

The primary duties of the Nomination Committee are to make recommendations to our Board on the appointment or re-appointment of Directors and management of Board succession. The Nomination Committee should have access to independent professional advice at the Company's expense, if necessary.

The Nomination Committee comprises two executive Directors, being Mr. Zhang and Ms. Wang Qing and three independent non-executive Directors, being Professor Chen Zhiwu, Mr. Zhou Hao and Dr. Li Yao, with Dr. Li Yao as the chairperson of the Nomination Committee.

During the Reporting Period, the Nomination Committee has performed the following major tasks:

- Reviewed the structure, size and composition of the Board to ensure that it has a balance of expertise, skills and experience appropriate to the requirements for the business of the Group.
- Assessed the independence of all the independent non-executive Directors.
- Recommended the re-election of the retiring Directors at the annual general meeting of the Company.
- Made recommendations on appointment of Directors and proposed changes to the Board during the Reporting Period to complement the Company's corporate strategy.
- Reviewed the implementation of the board diversity policy and director nomination policy and ensured such policies' continued effectiveness from time to time.



Corporate Governance Committee

The Company has established the Corporate Governance Committee in compliance with Rule 8A.30 of the Listing Rules and the CG Code.

The primary duties of the Corporate Governance Committee are to ensure that the Company is operated and managed for the benefit of all Shareholders and to ensure the Company's compliance with the Listing Rules and safeguards relating to the WVR structure of the Company.

The Corporate Governance Committee comprises three independent non-executive Directors, namely Professor Chen Zhiwu, Mr. Zhou Hao and Dr. Li Yao. Professor Chen Zhiwu is the chairperson of the Corporate Governance Committee.

The following is a summary of work performed by the Corporate Governance Committee during the Reporting Period:

- Reviewed the policies and practices of the Company on corporate governance and on compliance with legal and regulatory requirements. The policies reviewed include the Code for Securities Transactions by Directors and Relevant Employees, board diversity policy, shareholders' communication policy, procedures for nomination of director by shareholders, disclosure of information policy, connected transactions policy and whistle-blowing policy, dividend policy and other corporate governance policies.
- Reviewed the Company's compliance with the CG Code and the deviation(s) from code provision C.2.1 of the CG Code and the Company's disclosure for compliance with Chapter 8A of the Listing Rules.
- Reviewed the remuneration, the terms of engagement and made a recommendation to the Board as to the appointment of the Company's compliance adviser.
- Reviewed and monitored the management of conflicts of interests between the Group/the Shareholders on one hand and the WVR Beneficiary on the other.
- Reviewed and monitored all risks related to the Company's WVR structure, including connected transactions between the Group/the Shareholders on one hand and the WVR Beneficiary on the other.
- Reviewed the arrangements for the training and continuous professional development of the Directors and senior management (in particular, Chapter 8A of the Listing Rules and knowledge in relation to risks relating to the weighted voting rights structure).



Corporate Governance Report (Continued)

- Reviewed and confirmed that the WVR Beneficiary has been a member of the Board throughout the Reporting Period and no matters under Rule 8A.17 of the Listing Rules have occurred during the Reporting Period, and that he has complied with Rules 8A.14, 8A.15, 8A.18 and 8A.24 of the Listing Rules throughout the Reporting Period.
- Sought to ensure effective and on-going communication between the Company and its Shareholders, particularly with regards to the requirements of Rule 8A.35 of the Listing Rules.
- Reported on the work of the Corporate Governance Committee on a half-yearly and annual basis covering all areas of its terms of reference.

The Corporate Governance Committee has confirmed to the Board it is of the view that the Company has adopted sufficient corporate governance measures to manage potential conflicts of interest between the Group and the WVR Beneficiary in order to ensure that the operations and management of the Company are in the interests of the Shareholders as a whole indiscriminately. These measures include the Corporate Governance Committee (a) reviewing and monitoring each transaction contemplated to be entered into by the Group and making a recommendation to the Board on any matter should there be/where there is a potential conflict of interest between the Group and/or the Shareholders and the WVR Beneficiary, and (b) ensuring that (i) any connected transactions are disclosed and dealt with in accordance with the requirements of the Listing Rules, (ii) their terms are fair and reasonable and in the interest of the Company and its Shareholders as a whole, (iii) any directors who have a conflict of interest should abstain from voting on the relevant board resolution, and (iv) the compliance adviser of the Company is consulted on any matters relating to transactions involving the WVR Beneficiary or a potential conflict of interest between the Group and/or the Shareholders and the WVR Beneficiary. The Corporate Governance Committee recommended the Board to continue the implementation of these measures and to periodically review their efficacy towards these objectives.

The Corporate Governance Committee has confirmed that (i) the WVR beneficiaries have been members of the Board throughout the Reporting Period; (ii) no matter under Rule 8A.17 has occurred during the Reporting Period; and (iii) the WVR Beneficiaries have complied with Rules 8A.14, 8A.15, 8A.18 and 8A.24 of the Listing Rules during the Reporting Period.

The Corporate Governance Committee has reviewed the remuneration and terms of engagement of the compliance adviser of the Company, and confirmed to the Board that it is not aware of any factors that would require it to consider either the removal of the current compliance adviser of the Company or the appointment of a new compliance adviser. As a result, the Corporate Governance Committee recommended that the Board retain the services of the compliance adviser of the Company.



Policy on obtaining independent views and input

Our Company adopted a policy on obtaining independent views and input on December 26, 2022 which sets out the mechanisms to ensure independent views and input are available to the Board. In particular, the Board, Board committees or individual Directors may seek such independent professional advice, views and input as considered necessary to fulfil their responsibilities and in exercising independent judgement when making decisions in furtherance of their Directors' duties at the Company's expense. The Board has annually reviewed the implementation and effectiveness of the mechanism during the Reporting Period.

Board diversity policy

Our Company adopted a board diversity policy (the "**Board Diversity Policy**") on March 16, 2021 which sets out the approach to achieve diversity of the Board. Our Company recognises and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level, including gender diversity, as an essential element in maintaining the Company's competitive advantage and enhancing its ability to attract, retain and motivate employees from the widest possible pool of available talent. Pursuant to the Board Diversity Policy, in reviewing and assessing suitable candidates to serve as a director of the Company, the nomination committee will consider a number of factors, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge, and industry and regional experience, and will discuss and review periodically the measurable objectives for achieving diversity, including gender diversity, on the Board and recommend them to the Board for formal adoption.

As of the date of this annual report, the Company had a total of seven Directors. There is a diverse mix of educational background and professional experience. There is also a diverse mix of gender including one female and six male board members, allowing the Company to achieve the gender diversity of the Board at 14.29%. During the Reporting Period, the Board has reviewed the board diversity policy and considers that appropriate balance has been struck among the Board members in terms of skills, experience and perspectives/ the implementation of the board diversity policy to be effective. The Board will continue to diversify its Board structure going forward and consider to increase the proportion of female members as and when suitable candidates are identified.



Dividend policy

In accordance with code provision F.1.1 of the CG Code, the Company adopted a dividend policy (the “**Dividend Policy**”) on March 16, 2021, which outlines the principles and guidelines that the Company intends to apply in relation to the declaration, payment and distribution of dividends to the Shareholders.

The Company does not have a fixed dividend payout ratio. The Company currently intends to retain most, if not all, of its available funds and any future earnings to operate and expand its business.

Director nomination policy

In accordance with paragraph E(d)(iii) of the CG Code, the Company adopted a nomination policy for nomination of directors (the “**Director Nomination Policy**”) on March 16, 2021. Such policy ensures that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business.

According to the Director Nomination Policy:

- (i) the ultimate responsibility for selection and appointment of Directors rests with the entire Board;
- (ii) the nomination committee shall identify, consider and recommend suitable individuals to the Board to consider and to make recommendations to the Shareholders for election of Directors at a general meeting either to fill a casual vacancy or as an addition to the Board;
- (iii) in assessing the suitability and the potential contribution to the Board of a proposed candidate, the nomination committee would reference, among others, the candidates’ reputation for integrity, professional qualifications and skills, accomplishment and experience in the private education sector, commitment in respect of available time and relevant interest, independence of proposed independent non-executive Directors; and diversity in all aspects; and
- (iv) the nomination committee shall make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors.

Directors’ remuneration policy

The remuneration of the Directors comprises an annual directors’ fee, of which they may also be entitled to options and/or awards under the rules of the share option scheme or share award scheme adopted by the Company from time to time. Such remuneration is determined and recommended by the Remuneration Committee with reference to the respective Directors’ duties and responsibilities with the Company, the Company’s remuneration policy (as disclosed in this annual report) and the prevailing market conditions.



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

	Number of members of senior management
Nil to RMB5,000,000	1
RMB5,000,001 to RMB50,000,000	1
Total	2

Other governance policies

During the Reporting Period, the Board has reviewed the compliance status of the Group with respect to the CG Code as well as other corporate governance topics including the Group's policies and practices on compliance with legal and regulatory requirements, and ensured that any deviation from the CG Code was properly explained and disclosed in this annual report.

In accordance with code provisions D.2.6 and D.2.7 of the CG Code, the Company adopted its anti-corruption and whistleblowing policy on March 16, 2021, which outlines the principles and guidelines that the Company intends to apply to promote and support anti-corruption laws and regulations and establishes a whistleblowing policy and system for employees and those who deal with the Company to raise concerns, in confidence and anonymity with the integrity panel of the Company, which will then report to the Audit Committee about any material improprieties related to the Company. These policies are reviewed from time to time to ensure their relevance and appropriateness to the Group's business, corporate strategy and stakeholder expectations.

Workforce diversity

The total gender diversity of the Group is balanced, at 40%, representing 712 females out of 1,777 employees (including senior management), with a slightly higher male employee base driven by the research and development department. The Group has a strong focus on promoting gender diversity in the workforce, having set an overall gender diversity target of 50% female representation across the organization, as well as individual gender diversity targets for operations support and general administrative teams. To support the achievement of these targets, specific initiatives have included a review of the recruitment process, with job descriptions and postings amended to motivate a broader applicant pool, as well as changes to applicant screening and interviews. In addition, to support diversity across all facets, the Group is enhancing diversity and inclusion efforts through employee networks, mentoring programmes, equitable hiring practices, policies and awareness raising events and training for all employees to support inclusive behaviours.



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 will receive formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

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

During the year ended December 31, 2025, the key methods of attaining continuous professional development by each of the Directors are recognised as follows:

Director	Attended training session	Reading materials
Zhang Shaofeng	✓	✓
Wang Qing (<i>appointed with effect from June 26, 2025</i>)	✓	✓
Zheng Wei (<i>resigned with effect from June 26, 2025</i>)	✓	✓
Han Kui Fang (<i>resigned with effect from June 26, 2025</i>)	✓	✓
Qin Xuan (<i>appointed with effect from June 26, 2025 and resigned with effect from January 27, 2026</i>)	✓	✓
Bai Linsen (<i>resigned with effect from June 26, 2025</i>)	✓	✓
Liao Jianwen	✓	✓
Chen Zhiwu	✓	✓
Zhou Hao	✓	✓
Li Yao	✓	✓

Directors' responsibility in respect of the financial statements

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended December 31, 2025. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.



Auditor's responsibilities and scope of work

The statement by the auditor of the Company, KPMG, about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 84 to 92 of this annual report.

Corporate governance function

The Board is responsible for performing the functions set out in the code provision A.2.1 of the CG Code.

The Board has reviewed and monitored the Company's policies and practices on corporate governance, training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, and the Company's compliance with the CG Code and disclosure in this corporate governance report.

Risk management and internal control

The Board acknowledges that it is responsible for the risk management and internal control systems of the Company and for 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 is responsible for evaluating and determining the nature and extent of the Company's environmental, social and governance ("ESG") risks it is willing to take in achieving the Company's strategic objectives, and ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems. The Board oversees risk management functions directly and also through the Audit Committee and the senior management.

The senior management is responsible for the overall implementation of ESG risk management and internal control plans and policies determined by the Board and managing the risks in connection with all of the Company's business operations. The senior management identifies, assess and take measures against any significant risks that the Company is facing, and reviews the risk assessment report on a regular basis and reports to the Board on a regular basis.

The Audit Committee assists the Board in leading the management and monitoring and overseeing the ESG risk management and internal control systems through the internal audit department, and reporting and making recommendations to the Board where appropriate.

The management confirms to the Board and the audit committee on the effectiveness of the risk management and internal control systems for each financial year.

The Board, as supported by the Audit Committee as well as the management report and the internal audit findings by the internal audit department, will review the effectiveness of the Company's and its subsidiaries' ESG risk management and internal control systems, including the financial, operational and compliance controls, for each financial year, and will consider whether such systems are effective and adequate.



Corporate Governance Report (Continued)

The annual review will also cover the financial reporting and internal audit function and staff qualifications, experiences and relevant resources. The Board, supported by the Audit Committee and management, reviewed the management reports and the internal audit results. For the Reporting Period, the Board considered the risk management and internal control systems of the Company effective and adequate.

The Board is responsible for the handling and dissemination of inside information. In order to ensure the market and stakeholders are timely and fully informed about the material developments in the Company's business, the Board has adopted the inside information disclosure policy regarding the procedures of proper information disclosure. As such, the inside information will not be passed on to any external party.

Joint company secretaries

Mr. Chen Chunyang and Ms. Leung Shui Bing are the Company's joint company secretaries. Ms. Leung Shui Bing is an external secretarial service provider.

All Directors have access to the advice and services of the joint company secretaries on corporate governance and board practices and matters. Mr. Chen Chunyang, a joint company secretary of the Company, has been designated as the primary contact person of Ms. Leung Shui Bing at the Company, who would work and communicate on the Company's corporate governance and secretarial and administrative matters.

During the year ended December 31, 2025, Mr. Chen Chunyang and Ms. Leung Shui Bing have complied with Rule 3.29 of the Listing Rules and taken no less than 15 hours of relevant professional training.

Auditor's remuneration

A breakdown of the remuneration in respect of audit and non-audit services provided by the auditor to the Company for the year ended December 31, 2025 is set out below:

Service category	Fees paid (RMB'000)
Audit services	4,280
Non-audit services ⁽¹⁾	1,450

Note:

(1) The non-audit services conducted by the Auditor mainly include certain consulting services.



Shareholders' rights

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

Convening an extraordinary general meeting by Shareholders

Pursuant to Article 13.3 of the Existing Articles of Association, extraordinary general meetings shall be convened on the written requisition of any one or more members holding together, as at the date of deposit of the requisition, shares representing not less than one-tenth of the paid up capital of the Company on a one vote per share basis, which carry the right of voting at general meetings of the Company. The written requisition shall be deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office of the Company, specifying the objects of the meeting and the resolutions to be added to the meeting agenda and signed by the requisitionist(s). If the Directors do not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Directors provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Directors shall be reimbursed to them by the Company.

Putting forward proposals at general meetings

The Board is not aware of any provisions allowing the Shareholders to put forward proposals at general meetings of the Company under the Existing Articles of Association and the Companies Act of the Cayman Islands. Shareholders who wish to put forward proposals at general meetings may refer to the preceding paragraph to make a written requisition to require the convening of an extraordinary general meeting of the Company.

Procedures for Shareholders to propose a person for election as a director

Shareholders may propose a person for election as a director, the procedures for which are available on the Company's website.

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: 1-3/F, Tower A, No.10 Furong Street, Chaoyang District, Beijing, China

Telephone: (+86) 010-64718828

Email: ir@brgroup.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. The information of the Shareholder(s) may be disclosed as required by law.

Communication with shareholders and investor relations – Shareholders' communication policy

The Company considers effective communication with Shareholders as essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavors to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. At annual general meetings, Directors (or their respective delegate, as appropriate) are available to meet Shareholders and answer their enquiries. The Shareholders may make a request for information about the Company by sending an email to ir@brgroup.com.

The Board adopted a shareholders' communication policy on March 16, 2021, with reference to the CG Code. In addition to our existing investor relations website, email and app, the Company also conducts quarterly communications with major shareholders to obtain suggestions on strategic development and various matters.

The Company discloses information and publishes periodic reports and announcements to the public in accordance with the Listing Rules, the relevant laws and regulations. The primary focus of the Company is to ensure timely, fair, accurate, truthful and complete disclosure of information, thereby enabling Shareholders, investors and the public to make rational and informed decisions. For the Reporting Period, the Board has reviewed and considered the shareholders' communication policy of the Company to be effective and adequate.

Changes to constitutional documents

During the Reporting Period, there was no significant change in the Company's constitutional documents.

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

Corporate Governance Report (Continued)



Significant subsequent events

Save as disclosed above and in this annual report, there were no significant subsequent events after the Reporting Period up to the date of publication of this Annual Report.

By order of the Board

Zhang Shaofeng

Chairperson

Beijing, China

March 26, 2026



Directors' and chief executives' interests and short positions in shares and underlying shares and debentures of the Company or any of its associated corporations

As at December 31, 2025, the interests or short positions of the Directors and chief executives of the Company in the Shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code, to be notified to our Company and the Stock Exchange are set out below:

Name	Nature of interest	Number of Shares	Approximate % of interest in each class of share ⁽¹⁾
Mr. Zhang ⁽²⁾	Founder of a trust	73,234,312 Class A Shares (L)	100.00%
	Founder of a trust	11,065,303 Class B Shares (L)	2.80%
	Beneficial owner	27,161,000 Class B Shares (L)	6.89%
Ms. Wang Qing ⁽³⁾	Beneficial owner	317,000 Class B Shares (L)	0.08%
Ms. Qin Xuan ⁽⁴⁾	Beneficial owner	129,750 Class B Shares (L)	0.03%

Notes:

- (1) The calculation is based on the number of 73,234,312 Class A Shares and 394,493,599 Class B Shares in issue (including treasury shares) as at December 31, 2025. The letter "L" stand for long position.
- (2) This includes 73,234,312 Class A Shares held by Genisage Tech Inc., 11,065,303 Class B Shares held by Genisage Tech Inc., 1,547,600 Class B Shares and 25,613,400 underlying shares. Genisage Tech Inc. is wholly owned by Genisage Holdings Limited. The entire interest in Genisage Holdings Limited is held through a trust which was established by Mr. Zhang (as settlor) for the benefit of himself and his family. Such underlying shares represent (i) 20,948,400 options which are the relevant Class B Shares that may be allotted and issued to him upon full exercise of all the options granted to him under the 2021 ESOP, and (ii) 4,665,000 award shares which are the relevant Class B Shares to be purchased from the open market upon vesting of the award shares granted to Mr. Zhang under the RSU Scheme.
- (3) Ms. Wang Qing was interested in 3,500 Class B Shares and 313,500 Class B Shares underlying the award shares granted pursuant to the RSU Scheme and 2024 Share Scheme, respectively.
- (4) Ms. Qin Xuan was interested in 75,625 Class B Shares and 54,125 Class B Shares underlying the award shares granted pursuant to the 2021 Share Award Scheme.

Other Information (Continued)



Substantial shareholders' interests and short positions in shares and underlying shares

As at December 31, 2025, the following persons (other than the Directors and chief executives whose interests have been disclosed in this annual report) had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company, pursuant to section 336 of the SFO:

Name	Capacity/Nature of interest	Number of Shares	Approximate % of interest in each class of share ⁽¹⁾
Class A Shares			
Genisage Tech Inc. ⁽²⁾	Beneficial owner	73,234,312 (L)	100.00%
Genisage Holdings Limited ⁽²⁾	Interest in controlled corporations	73,234,312 (L)	100.00%
TMF (Cayman) Ltd. ⁽²⁾	Trustee	73,234,312 (L)	100.00%
Mr. Zhang ⁽²⁾	Founder of a trust	73,234,312 (L)	100.00%
Class B Shares			
HH BR-I Holdings Limited ⁽³⁾	Beneficial owner	37,631,065 (L)	9.54%
Tianjin GLTC Enterprise Management Consultation, L.P. ⁽³⁾	Interest in controlled corporations	37,631,065 (L)	9.54%
Zhuhai Gaoling Tiancheng Investment Management Co., Ltd. ⁽³⁾	Interest in controlled corporations	37,631,065 (L)	9.54%
CRF Summit Investment Limited ⁽⁴⁾	Interest in controlled corporations	24,203,192 (L)	6.14%
Tianjin Shenghuatianxi Enterprise Management Partnership L.P. ⁽⁴⁾	Interest in controlled corporations	24,203,192 (L)	6.14%
Xinjiang Guoxin Equity Investment Management Co., Ltd. ⁽⁴⁾	Interest in controlled corporations	38,298,080 (L)	9.71%
China Reform Fund Management (Group) Co., Ltd. ⁽⁴⁾	Interest in controlled corporations	38,298,080 (L)	9.71%
China Reform Fund Management Co., Ltd. ⁽⁴⁾	Interest in controlled corporations	38,298,080 (L)	9.71%
China Reform Holdings Corporation Ltd. ⁽⁴⁾	Interest in controlled corporations	38,298,080 (L)	9.71%



Other Information (Continued)

Name	Capacity/Nature of interest	Number of Shares	Approximate % of interest in each class of share ⁽¹⁾
Hong Jing ⁽⁵⁾	Interest in controlled corporations	35,559,711 (L)	9.01%

Notes:

- (1) The calculation is based on the number of 73,234,312 Class A Shares and 394,493,599 Class B Shares in issue (including treasury shares) as at December 31, 2025. The letter "L" stands for long position.
- (2) Genisage Tech Inc. is wholly-owned by Genisage Holdings Limited. The entire interest in Genisage Holdings Limited is indirectly held through TMF (Cayman) Ltd., which is the trustee of a trust which was established by Mr. Zhang (as settlor) for the benefit of himself and his family. Therefore Mr. Zhang is deemed to hold interests in Genisage Tech Inc..
- (3) HH BR-I Holdings Limited is wholly-owned by Tianjin GLTC Enterprise Management Consultation, L.P. The general partner of Tianjin GLTC Enterprise Management Consultation, L.P. is Zhuhai Gaoling Tiancheng Investment Management Co., Ltd.
- (4) CRF Summit Investment Limited is wholly-owned by Tianjin Shenghuatianxi Enterprise Management Partnership L.P. and Waterdrop Investment Limited is indirectly wholly-owned by Tianjin Zhonghetianxi Enterprise Management Partnership L.P., with Xinjiang Guoxin Equity Investment Management Co., Ltd. being their sole management company. Xinjiang Guoxin Equity Investment Management Co., Ltd. is wholly-owned by China Reform Fund Management Co., Ltd., with China Reform Fund Management (Group) Co., Ltd. being its largest single shareholder. China Reform Fund Management (Group) Co., Ltd. is wholly-owned by China Reform Holdings Co., Ltd.
- (5) Hong Jing through series of companies indirectly deemed to be interested in 35,559,711 Class B Shares.

Other Information (Continued)



Share Schemes

The Company has two effective share schemes that are subject to Chapter 17 of the Listing Rules, namely the 2024 Share Scheme and the RSU Scheme, and three expired share schemes with options or awards outstanding, namely the 2019 ESOP, the 2021 ESOP and the 2021 Share Award Scheme.

The 2019 ESOP does not involve the grant of any options after Listing and is not subject to Chapter 17 of the Listing Rules. The 2021 Schemes were terminated immediately upon the 2024 Share Scheme and the RSU Scheme taking effect on June 21, 2024 at the conclusion of the Company's 2024 annual general meeting, and the Company shall not grant any further options and awards under the 2021 Schemes thereafter (the "**Termination of 2021 Schemes**"). For further details of the Termination of 2021 Schemes and the adoption of the 2024 Share Scheme and the RSU Scheme, please refer to the announcements of the Company dated April 10, 2024 and June 21, 2024 and the circular of the Company dated May 17, 2024.

As no grants were made during the Reporting Period under the 2024 Share Scheme, the number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the Reporting Period divided by the weighted average number of Shares of the relevant class in issue (excluding treasury shares) for the Reporting Period is nil. The RSU Scheme is a share scheme that is funded by existing Shares under Rule 17.01(1)(b) of the Listing Rules.

Further, details and relevant breakdowns of each of the share schemes of the Company are set out below:

1. 2019 ESOP

The following is a summary of the principal terms of the 2019 ESOP. The 2019 ESOP does not involve the grant of any share options after Listing and is not subject to Chapter 17 of the Listing Rules.

Purpose. The purpose of the 2019 ESOP is to promote the success and enhance the value of our Company by linking the personal interests of the participants to those of Shareholders and by providing such individuals with an incentive for outstanding performance to generate superior returns to Shareholders. The 2019 ESOP is further intended to provide flexibility to the Company in its ability to motivate, attract, and retain the services of the participants upon whose judgement, interest, and special effort the successful conduct of the Company's operation is largely dependent.

Eligible participants. Any person, including an officer, a director or a consultant of any member of a Group Entity (as defined therein), who is in the employment of or other contractual relationship with any member of the Group Entity. The Committee may, from time to time, select from among all eligible individuals, those to whom Awards shall be granted and shall determine the nature and amount of each Award (the "**Participant**"). No individual shall have any right to be granted an award pursuant to the 2019 ESOP.



Maximum number of Class B Shares. The maximum aggregate number of Class B Shares which may be issued pursuant to all awards under the 2019 ESOP shall be 49,817,780 Class B Shares. Class B Shares subject to any awards that terminate, expire or lapse for any reason shall again be available for the grant of an award pursuant to the 2019 ESOP. Class B Shares subject to any awards that are forfeited by the participant or repurchased by the Company may again be optioned, granted or awarded under the 2019 ESOP.

Given that no further awards would be granted under the 2019 ESOP, the outstanding number of options would be equivalent to the maximum number of new Shares available for issue under the 2019 ESOP. As of the date of this annual report, outstanding awards representing 1,400,739 underlying Shares, being approximately 0.31% of the issued Shares (excluding treasury shares) of the Company, were granted to eligible participants pursuant to the 2019 ESOP. Details of the 2019 ESOP are set out in Note 28 to the consolidated financial statements.

Maximum entitlement of a grantee. Under the 2019 ESOP, there is no specific limit on the maximum number of shares which may be granted to a single eligible participant under the 2019 ESOP.

Exercise Period. The Committee shall determine the time or times for exercise, including exercise prior to vesting; provided that the term shall not exceed ten years. The Committee shall also determine any conditions, if any, that must be satisfied before exercise.

Vesting Period. The vesting criteria and conditions, and the vesting date are specified in the award agreement. Details of the vesting period of individual grants are stated in the table below.

Exercise Price. The exercise price shall be set forth in the Award Agreement which may be a fixed price or a variable price related to the fair market value of the Class B Shares.

Duration. The 2019 ESOP shall become effective on the date of its adoption and shall expire on, and no award may be granted pursuant to the 2019 ESOP after the tenth anniversary of the effective date. Any awards that are outstanding on the tenth anniversary of the effective date shall remain in force according to the terms of the 2019 ESOP and the applicable memorialized in an agreement. The remaining life of the 2019 ESOP is approximately three years.

Outstanding options granted. As of December 31, 2025, a total of 3,446,668 options remained outstanding under the 2019 ESOP. All the options under the 2019 ESOP were granted between May 20, 2016 and March 9, 2021 (both days inclusive) and our Company does not grant further options under the 2019 ESOP after the Listing.

Further details of the 2019 ESOP are set out in the Prospectus.

Other Information (Continued)



Details of the outstanding options granted under the 2019 ESOP are as follows:

Category	Date of grant	Vesting period ⁽¹⁾	Exercise Price (per Share)	Outstanding as at January 1, 2025	Exercised during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Outstanding as at December 31, 2025	Weighted average closing price of Class B Shares immediately before the date(s) of
									exercise during the Reporting Period (HKD)
Other grantees in category									
31 Employee Participants in aggregate	January 1, 2016 – March 9, 2021	4 years	RMB0.2	3,324,968	1,474,725	-	-	1,850,243	10.304
12 Service Providers in aggregate	January 1, 2016 – March 9, 2021	4 years	RMB0.2	1,596,425	-	-	-	1,596,425	N/A
Total				4,921,393	1,474,725	-	-	3,446,668	

Note:

- The Committee shall determine the time or times for exercise, including exercise prior to vesting; provided that the term shall not exceed ten years, subject to the terms of the 2019 ESOP and the award agreement signed by the grantee.

2. 2021 ESOP

The following is a summary of the principal terms of the 2021 ESOP conditionally adopted by our Shareholders' resolutions dated March 16, 2021 with effect from Listing and subsequently terminated on June 21, 2024 pursuant to the Termination of 2021 Schemes.

Purpose. The purpose of the 2021 ESOP is to provide Eligible Persons (defined below) with the opportunity to acquire proprietary interests in our Company and to encourage the Eligible Person to work towards enhancing the value of our Company and our Shares for the benefit of our Company and Shareholders as a whole. The 2021 ESOP will provide our Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to Eligible Persons.



Other Information (Continued)

Eligible Persons. Any individual, being an employee or director of any member of the Group or any Affiliate (including nominees, and/or trustees of any employee benefit trust established for them), officer, consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of our Group or any of our Group's affiliates who the Board or its delegate(s) considers, in their sole discretion, to have contributed or will contribute to our Group is entitled to be offered and granted options ("**Eligible Person(s)**").

Maximum number of Shares. The overall limit on the number of Class B Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2021 ESOP and any other share option schemes of our Company at any time (and to which the provisions of Chapter 17 of the Listing Rules are applicable) must not exceed 30% of the Shares in issue from time to time (the "**Option Scheme Limit**").

No further awards would be granted under the 2021 ESOP after June 21, 2024 pursuant to the Termination of 2021 Schemes.

Maximum entitlement of a grantee. Unless approved by our Shareholders, the total number of Class B Shares issued and to be issued upon exercise of the options granted and to be granted under the 2021 ESOP and any other share option scheme(s) of our Company to each Eligible Person (including both exercised and outstanding options) in any 12 month period shall not exceed 1% of the total number of Shares in issue (the "**Individual Limit**"). Any further grant of options to an Eligible Person which would result in the aggregate number of Class B Shares issued and to be issued upon exercise of all options granted and to be granted to such Eligible Person (including exercised, cancelled and outstanding options) in the 12 month period up to and including the date of such further grant exceeding the Individual Limit shall be subject to separate approval of our Shareholders in general meeting (with such Eligible Persons and his associates abstaining from voting).

Exercise period. The period within which an option may be exercised is to be determined and notified by the Board to each grantee at the time of making an offer, and shall not expire later than ten years from the date of grant.

Vesting period and consideration. An offer shall be made to Eligible Persons by a letter in duplicate which specifies the terms on which the option is to be granted. Such terms may include any minimum period(s) for which an option must be held and/or any minimum performance target(s) that must be achieved, before the option can be exercised in whole or in part, and may include at the discretion of the Board or its delegate(s) such other terms either on a case basis or generally.

Other Information (Continued)



An offer shall be deemed to have been accepted and the option to which the offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the offer letter comprising acceptance of the offer duly signed by the grantee with the number of Class B Shares in respect of which the offer is accepted clearly stated therein, together with a remittance in favour of our Company of HK\$1.00 by way of consideration for the grant thereof, is received by our Company within 20 business days from the date on which the letter containing the offer is delivered to the Eligible Person.

Any offer may be accepted in respect of less than the number of Class B Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in Class B Shares or a multiple thereof. To the extent that the offer is not accepted within 20 business days from the date on which the letter containing the offer is delivered to that Eligible Person, it shall be deemed to have been irrevocably declined.

Exercise price. The price per Class B Share at which a grantee may subscribe for Class B Shares on the exercise of an option (the “**Exercise Price**”) shall be such price determined by the Board in its absolute discretion and shall be no less than the higher of:

- (i) the closing price of a Class B Share as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant;
- (ii) the average closing price of the Class B Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a Class B Share on the date of grant.

Duration. The 2021 ESOP shall be valid and effective for the period of ten years commencing on the Listing Date (after which, no further options shall be offered or granted), but in all other respects the provisions of the 2021 ESOP shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the rules of the 2021 ESOP.

Outstanding options granted. As of December 31, 2025, a total of 37,461,900 options remained outstanding under the 2021 ESOP, all of which were granted prior to the termination of the 2021 Schemes.



Other Information (Continued)

Details of movements of options granted under the 2021 ESOP during the Reporting Period are as follows:

Name or category of grantees	Date of grant	Vesting period ⁽¹⁾	Exercise Price (per Class B Share) (HKD)	Number of Class B shares underlying options outstanding as at January 1, 2025	Number of options granted during the Reporting Period	Number of options exercised during the Reporting Period	Number of options lapsed during the Reporting Period	Number of options cancelled during the Reporting Period	Number of Class B shares underlying options as at December 31, 2025	Closing price of Class B Shares immediately before the date on which the options were granted (HKD)	Fair value of options at the date of grant ⁽²⁾ (HKD)	Weighted average closing price of the Shares immediately before the date of exercise during the Reporting Period (HKD)
Director, chief executive or substantial shareholder												
Mr. Zhang Shaofeng	December 29, 2021,	4 years	9.602	1,746,000	-	-	-	-	1,746,000	9.70	3.53	N/A
	March 26, 2024	3 years	13.8	19,202,400	-	-	-	-	19,202,400	14.28	4.04	N/A
Mr. Zheng Wei ⁽³⁾	December 29, 2021	4 years	9.602	678,000	-	-	-	-	678,000	9.70	3.53	N/A
	March 26, 2024	3 years	13.8	600,000	-	-	-	-	600,000	14.28	4.04	N/A
Ms. Han Kui Fang ⁽⁴⁾	December 29, 2021	4 years	9.602	107,500	-	-	-	-	107,500	9.70	3.26	N/A
	February 7, 2024	4 years	11.432	230,000	-	-	-	-	230,000	11.76	4.24	N/A
Other grantees in category												
64 Employee Participants in aggregate	December 29, 2021	4 years	9.602	6,271,000	-	170,000	228,500	-	5,872,500	9.70	3.26; 3.53	11.60
118 Employee Participants in aggregate	February 7, 2024	4 years	11.432	9,672,500	-	-	647,000	-	9,025,500	11.76	4.24; 4.51	N/A
Total				38,507,400	-	170,000	875,500	-	37,461,900			

Notes:

- The period within which an option may be exercised is to be determined and notified by the Board to each grantee at the time of making an offer, and shall not expire later than ten years from the date of grant.
- The fair value of options are calculated in accordance with the accounting standards and policies adopted for preparing the Company's financial statements. The methodology and assumptions used was the fair value measured at grant date using the binomial model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.
- Mr. Zheng Wei resigned as an executive Director with effect from June 26, 2025.
- Ms. Han Kui Fang resigned as an executive Director with effect from June 26, 2025.

Other Information (Continued)



The options granted shall be valid for a period of ten years from the respective date of grant.

The options granted shall be vested in accordance with the timetable below:

Date of grant	Vesting date	Percentage of options to vest
December 29, 2021	December 29, 2023	50% of the total number of options granted
	December 29, 2024	25% of the total number of options granted
	December 29, 2025	25% of the total number of options granted
February 7, 2024	February 7, 2026	50% of the total number of options granted
	February 7, 2027	25% of the total number of options granted
	February 7, 2028	25% of the total number of options granted
March 26, 2024	March 26, 2025	50% of the total number of options granted
	March 26, 2026	25% of the total number of options granted
	March 26, 2027	25% of the total number of options granted

Further details of the 2021 ESOP are set out in Note 28 to the consolidated financial statements.

3. 2021 Share Award Scheme

The following is a summary of the principal terms of the 2021 Share Award Scheme adopted by the Board on May 28, 2021 and subsequently terminated on June 21, 2024 pursuant to the Termination of 2021 Schemes.

Purpose. The purposes of the 2021 Share Award Scheme are (a) to align the interests of Eligible Persons with those of the Group through ownership of Class B Shares, dividends and other distributions paid on Shares and/or the increase in value of the Class B Shares, and (b) to encourage and retain Eligible Persons to make contributions to the long-term growth and profits of the Group.

Eligible participant. Any individual, being an employee or director (including executive Directors, non-executive Directors and independent non-executive Directors of any member of the Group or any Affiliate of the Group (including nominees and/or trustees of any employee benefit trust established for them), and any) officer, consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of the Group or any affiliate who the Board or its delegate(s) considers, in its sole discretion, to have contributed or will contribute to the Group ("**Selected Participant**") is eligible to receive an Award. The Board or the Scheme Administrator may, from time to time, at their absolute discretion, grant an Award to a Selected Participant.



Maximum number of award shares (which can be satisfied by new Shares or existing Shares) available for grant. The maximum aggregate number of Class B Shares underlying all grants made pursuant to the 2021 Share Award Scheme shall be 24,764,500 Class B Shares subject to an annual limit of 3% of the total number of issued Shares at the relevant time (the “**2021 Share Award Scheme Limit**”).

No further awards would be granted under the 2021 Share Award Scheme after June 21, 2024, pursuant to the Termination of 2021 Schemes.

Maximum number of new Class B Shares available for issue. The total number of new Shares issued and may be issued pursuant to the 2021 Share Award Scheme will not exceed 24,764,500 Shares (the “**Share Award Scheme Mandate**”), representing 5% of the total issued Shares of the Company and approximately 6% of Class B Shares on May 28, 2021, being the date on which the 2021 Share Award Scheme was adopted.

As of January 1, 2025, December 31, 2025 and the date of this report, no new Shares were available for issue under the 2021 Share Award Scheme Mandate as (i) no further awards would be granted under the 2021 Share Award Scheme following the Termination of 2021 Shares; and (ii) all outstanding awards granted under the 2021 Share Award Scheme would be satisfied by existing Shares acquired by the trustee on market.

Maximum entitlement of a grantee. Under the 2021 Share Award Scheme, there is no specific limit on the maximum number of Awards which may be granted to a single eligible participant under the 2021 Share Award Scheme.

Vesting period. The Board or its delegate(s) may from time to time while the 2021 Share Award Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the Award to be vested.

Consideration. Pursuant to the 2021 Share Award Scheme, there is no amount payable on application or acceptance of the Award and no purchase price of Shares awarded.

Duration. The 2021 Share Award Scheme was effective from May 28, 2021 and subsequently terminated on June 21, 2024 pursuant to the Termination of 2021 Schemes. However, such termination shall not affect any subsisting rights of any Selected Participant under the rules of the 2021 Share Award Scheme. The remaining life of the Share Award Scheme is approximately six years.

Other Information (Continued)



Outstanding awards granted. As of December 31, 2025, a total of 6,064,625 awards remained outstanding under the 2021 Share Award Scheme, all of which were granted prior to the termination of the 2021 Schemes.

Details of movements of award shares granted under the 2021 Share Award Scheme during the Reporting Period are as follows:

Name or category of grantees	Date of grant	Vesting period ⁽¹⁾	Purchase price	Unvested award shares as of January 1, 2025	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled/forfeited during the Reporting Period	Lapsed during the Reporting Period	Unvested award shares as of December 31, 2025	Closing price of Class B Shares immediately before the date of grant (HKD)	Fair value of award shares at the date of grant (per award share) ⁽²⁾ (HKD)	Weighted average closing price of the Class B Shares immediately before the date of vesting during the Reporting Period (HKD)
Directors, chief executives or substantial shareholders												
Mr. Zhang Shaofeng	March 26, 2024	1 year	Nil	3,415,500	-	3,415,500	-	-	-	14.28	11.84	9.64
Mr. Zheng Wei ⁽⁴⁾	December 29, 2021	4 years	Nil	175,000	-	175,000	-	-	-	9.70	9.48	11.24
	March 26, 2024	4 years	Nil	130,000	-	-	-	-	130,000	14.28	11.84	N/A
Ms. Han Kui Fang ⁽⁵⁾	December 29, 2021	4 years	Nil	43,500	-	43,500	-	-	-	9.70	9.48	11.24
	February 7, 2024	4 years	Nil	90,000	-	-	-	-	90,000	11.76	11.16	N/A
Ms. Qin Xuan ⁽⁶⁾	July 1, 2022	4 years	Nil	108,250	-	54,125	-	-	54,125	9.82	9.82	9.35
Top 5 paid individuals in aggregate												
	December 29, 2021 ⁽³⁾	4 years	Nil	225,000	-	225,000	-	-	-	9.70	9.48	11.24
	July 1, 2022	4 years	Nil	242,000	-	121,000	-	-	121,000	9.82	9.82	9.35
	February 7, 2024	4 years	Nil	452,000	-	-	-	-	452,000	11.76	11.16	N/A
Other grantees in category												
82 Employee Participants in aggregate	December 29, 2021 ⁽³⁾	4 years	Nil	1,893,125	-	1,711,125	-	182,000	-	9.70	9.48	11.24
1 Employee Participant	January 4, 2022	4 years	Nil	200,000	-	100,000	-	100,000	-	10.88	10.42	8.48
1 Employee Participant	July 1, 2022	4 years	Nil	224,000	-	37,375	-	149,250	37,375	9.82	9.82	9.35
1 Employee Participant	October 8, 2022	4 years	Nil	249,750	-	124,875	-	-	124,875	8.58	8.58	10.90
2 Employee Participants in aggregate	January 4, 2023	4 years	Nil	203,500	-	101,750	-	-	101,750	10.36	10.94	8.48
2 Employee Participants in aggregate	April 1, 2023	4 years	Nil	111,500	-	55,750	-	-	55,750	12.42	12.42	8.46
3 Employee Participants in aggregate	July 1, 2023	4 years	Nil	208,500	-	104,250	-	-	104,250	9.28	9.28	9.35
1 Employee Participant	October 8, 2023	4 years	Nil	21,500	-	10,750	-	-	10,750	10.10	10.10	10.90
8 Employee Participants in aggregate	January 4, 2024	4 years	Nil	330,000	-	-	-	21,500	308,500	13.72	13.24	N/A
131 Employee Participants in aggregate	February 7, 2024	4 years	Nil	4,205,500	-	-	-	298,000	3,907,500	11.76	11.16	N/A
6 Employee Participants in aggregate	April 1, 2024	4 years	Nil	592,000	-	-	-	39,500	552,500	11.08	11.08	N/A
2 Service Providers in aggregate	July 1, 2022	4 years	Nil	28,500	-	14,250	-	-	14,250	9.82	9.82	9.35
1 Service Provider	February 7, 2024	1 year	Nil	65,500	-	65,500	-	-	-	11.76	11.16	10.92
1 Service Provider	April 1, 2024	4 years	Nil	38,000	-	-	-	38,000	-	11.08	11.08	N/A
Total				13,252,625	-	6,359,750	-	828,250	6,064,625			



Notes:

1. Exercise period is not applicable for award shares. The award shares granted shall be valid for a period of ten years from the date of grant.
2. The fair value of award shares are calculated in accordance with the accounting standards and policies adopted for preparing the Company's financial statements. The methodology and assumptions used for the fair value of each RSU at the grant date were determined by reference to the fair value of the ordinary shares of the Group issued to its shareholders.
3. As disclosed in the announcement published by the Company on December 29, 2021, except for the 9,889,000 award shares granted to unconnected grantees on December 29, 2021, the remaining award shares will be satisfied by existing shares acquired by trustee(s) of the Company. Subsequently, the Scheme Administrator decided that all the award shares granted under the 2021 Share Award Scheme shall be satisfied by existing shares acquired by trustee(s) of the Company. As such, all the award shares vested during the Reporting Period were satisfied by existing shares.
4. Mr. Zheng Wei resigned as an executive Director with effect from June 26, 2025.
5. Ms. Han Kui Fang resigned as an executive Director with effect from June 26, 2025.
6. Ms. Qin Xuan was appointed as an executive Director with effect from June 26, 2025 and resigned as an executive Director with effect from January 27, 2026.

Further details of the 2021 Share Award Scheme are set out in Note 28 to the consolidated financial statements.

4. 2024 Share Scheme

The following is a summary of the principal terms of the 2024 Share Scheme adopted on June 21, 2024 at the conclusion of the Company's 2024 annual general meeting.

Purpose. The purposes of the 2024 Share Scheme are (a) to provide Eligible Participants with the opportunity to acquire proprietary interests in the Company and to encourage the Eligible Participants to work towards enhancing the value of the Company and the Shares for the benefit of the Company and the Shareholders as a whole; (b) to encourage and retain Eligible Participants and attract talents to make contributions to the long-term development goals of the Group; and (c) to provide the Company with a flexible means of retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to Eligible Participants.

Other Information (Continued)



Eligible participant. Any individual, being an Employee Participant, a Related Entity Participant or a Service Provider Participant at any time during the term of the 2024 Share Scheme. The Eligible Participants shall fall under one or more of the below categories: (a) Employee Participants, being directors and employees (including full-time and part-time employees) of the Company or any of its subsidiaries (including persons who are granted Awards as an inducement to enter into employment contracts with these companies). (b) Related Entity Participants, being directors and employees of the Related Entities. (c) Service Provider Participants, being persons (natural persons or corporate entities) who provide services to the Group in relation to the Group's model as a service (MaaS) and business as a service (BaaS) business operations on a continuing and recurring basis in the ordinary course of business of the Group which are in the interests of the long-term growth of the Group, excluding (1) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (2) professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity. The Board or the Scheme Administrator may, from time to time, at its sole and absolute discretion, select any Eligible Participant (other than any Excluded Participant) for participation in the 2024 Share Scheme.

Maximum number of new Class B Shares available for issue. The total number of Class B Shares which may be issued (including any transfer of Class B Shares out of treasury that are held as treasury shares) pursuant to all awards to be granted under the 2024 Share Scheme (or any other share schemes of the Company) shall not exceed 49,102,996 (the "**Scheme Mandate Limit**"), representing 10% of the total number of Shares of the Company (including Class A Shares and Class B Shares but excluding any treasury shares) in issue as at June 21, 2024, being the adoption date of the 2024 Share Scheme. Within which, the total number of new Shares that may be issued (including any transfer of Class B Shares out of treasury that are held as treasury shares) pursuant to all awards to be granted to service provider participants under the 2024 Share Scheme (or any other share schemes of the Company) is 4,910,299 Shares, representing 1% of the total number of the issued share capital of the Company as at June 21, 2024 (the "**Service Provider Sublimit**"). Both the Scheme Mandate Limit and the Service Provider Sublimit may be subsequently refreshed by the Shareholders at general meeting in accordance with the 2024 Share Scheme Rules and the Listing Rules.

As of January 1, 2025, 47,934,496 and 4,910,299 new Shares were available for issue under the Scheme Mandate Limit and the Service Provider Sublimit, respectively. During the Reporting Period, nil new Shares were issued pursuant to the 2024 Share Scheme under the Scheme Mandate Limit, within which, nil new Shares were issued under the Service Provider Sublimit. It follows that, as of December 31, 2025, 47,934,496 and 4,910,299 new Shares were available for issue under the Scheme Mandate Limit and the Service Provider Sublimit, respectively. As of the date of this report, 38,682,996 and 4,799,299 new Shares (representing approximately 8.60% and 1.07% of the issued Shares (excluding treasury shares) of the Company as of the date of this report, respectively) were available for issue under the Scheme Mandate Limit and the Service Provider Sublimit, respectively.



Maximum number of awards available for grant. The Company shall not make any further grant of Awards that would result in the total number of Class B Shares issued under the 2024 Share Scheme and any other share schemes of the Company exceeding the Scheme Mandate Limit and, where applicable, the Service Provider Sublimit.

As of January 1, 2025, 47,934,496 and 4,910,299 awards were available for grant under the Scheme Mandate Limit and the Service Provider Sublimit, respectively. During the Reporting Period, nil awards were granted to eligible participants pursuant to the 2024 Share Scheme under the Scheme Mandate Limit. It follows that, as of December 31, 2025, 47,934,496 and 4,910,299 awards were available for grant under the Scheme Mandate Limit and the Service Provider Sublimit, respectively. As of the date of this report, 38,682,996 and 4,799,299 awards were available for grant under the Scheme Mandate Limit and the Service Provider Sublimit, respectively.

Maximum entitlement of a grantee. Under the 2024 Share Scheme, grants to individuals that exceed the thresholds set out in Chapter 17 of the Listing Rules will be subject to additional approval requirements as required under Chapter 17 of the Listing Rules.

Exercise Period. The period within which an option may be exercised is to be determined by the Board or the Scheme Administrator in its absolute discretion and such period shall be set out in the award agreement. In any event, the period within which an option may be exercised shall not be longer than 10 years from the date of grant.

Vesting Period The vesting criteria and conditions, and the vesting date are specified in the award agreement. Save as otherwise provided in the limited circumstances set out in the 2024 Share Scheme Rules the vesting period shall be in the range of 12 months to 48 months and may not be a period less than 12 months from the date of grant. Details of the vesting period of individual grants are stated in the table below.

Issue Price and Exercise Price. Pursuant to the 2024 Share Scheme, the Board or the Scheme Administrator may determine in its absolute discretion the issue price of the Shares awarded and the exercise price for share options and such prices shall be set out in the award agreement. The exercise price for share options shall be no less than the higher of: (i) the closing price of the Class B Shares on the date of grant; (ii) the average closing price of the Class B Shares for the 5 business days immediately preceding the date of grant; and (iii) the nominal value of the Class B Shares. The issue price of Shares awarded shall be determined on an individual basis for each grantee by the Board or the Scheme Administrator. For the avoidance of doubt, the Board may determine the issue price of Shares awarded to be nil.

Other Information (Continued)



Duration. The 2024 Share Scheme is effective from June 21, 2024 and shall terminate on the earlier of: (1) the end of the period of ten years commencing on the Share Scheme Adoption Date, and (2) such date of early termination as determined by either (i) an ordinary resolution in general meeting passed by the Shareholders or (ii) the Board. The remaining life of the 2024 Share Scheme is approximately eight years.

Outstanding awards granted. As of December 31, 2025, the Company had awarded a total of 1,168,500 awards to one Selected Participant under the 2024 Share Scheme.

Details of movements of options granted under the 2024 Share Scheme during the Reporting Period are as follows:

Name or category of grantees	Date of Grant	Vesting Period ⁽¹⁾	Exercise Price (HKD)	Number of our shares underlying options outstanding as at January 1, 2025	Number of options granted during the Reporting Period	Number of options exercised during the Reporting Period	Number of options lapsed during the Reporting Period	Number of options cancelled during the Reporting Period	Number of our shares underlying options outstanding as at December 31, 2025	Closing price immediately before the date on which the options were granted (HKD)	Fair value of options at the date of grant ⁽²⁾ (HKD)	Weighted average closing price of the Shares immediately before the date of exercise during the Reporting Period (HKD)
Other grantees in category												
1 Employee Participant	October 8, 2024	4 years	11.276	1,168,500	-	-	-	-	1,168,500	11.680	3.87	N/A
Total				1,168,500	-	-	-	-	1,168,500			

Notes:

1. The period within which an option may be exercised is to be determined and notified by the Board or the Scheme Administrator to each grantee at the time of making an offer, and shall not expire later than ten years from the date of grant.
2. The fair value of options are calculated in accordance with the accounting standards and policies adopted for preparing the Company's financial statements. The methodology and assumptions used was the fair value is measured at grant date using the binomial model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.



Further details of the 2024 Share Scheme are set out in Note 28 to the consolidated financial statements.

5. RSU Scheme

The following is a summary of the principal terms of the RSU Scheme adopted on June 21, 2024 at the conclusion of the Company's 2024 annual general meeting. The RSU Scheme constitutes a share scheme of a listed issuer that is funded by existing shares of the issuer under Rule 17.01(1)(b) of the Listing Rules.

Purpose. The purposes of the RSU Scheme are to (a) to provide Eligible Persons with the opportunity to acquire proprietary interests in the Company and to encourage the Eligible Persons to work towards enhancing the value of the Company and the Shares for the benefit of the Company and the Shareholders as a whole; (b) to encourage and retain Eligible Persons and attract talents to make contributions to the long-term development goals of the Group; and (c) to provide the Company with a flexible means of retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to Eligible Persons.

Eligible Persons. The Eligible Persons of the RSU Schemes are any individual and/or entity (as the case may be), being (i) any directors or employees of the Group; (ii) any directors or employees of any Related Entity; and (iii) any officer, consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of the Group or any Related Entity who the Board or the Scheme Administrator considers, in its sole discretion and from time to time, to have contributed or will contribute to the long-term growth of the Group. The Board or the Scheme Administrator may, from time to time, subject to the RSU Scheme Rules, grant a RSU Award to a Selected Participant conditional upon fulfilment of terms and conditions of the RSU Awards.

Maximum number of RSUs (funded by existing Class B Shares) available for grant. The Company shall not make further grant of RSUs which will result in the aggregate number of Class B Shares granted underlying all grants made pursuant to the RSU Scheme (excluding any RSUs lapsed in accordance with the RSU Scheme Rules) to exceed 5% of the total number of issued Shares as at the relevant date of grant unless the Board has approved a further refreshment of the limit of the RSU Scheme.

Up to the date of this report, a total of 18,654,000 award shares had been awarded and 743,500 award shares had been lapsed under the RSU Scheme. The total number of award shares which is available for further grant under the Scheme (i.e., 4,582,408 award shares) represents approximately 1.0% of the total number of issued Shares (excluding any treasury shares) as at the date of this report.

Other Information (Continued)



Maximum entitlement of a grantee. The aggregate number of RSUs granted and to be granted to a Selected Participant (excluding any RSUs lapsed in accordance with the RSU Scheme Rules) in the twelve (12)-month period up to and including the relevant date of grant shall not exceed one per cent (1%) of the total number of issued Shares as at the relevant date of grant.

Vesting period. The Board or the Scheme Administrator may from time to time while the RSU Scheme is in force and subject to all applicable laws, rules and regulations, determine in its sole and absolute discretion such vesting criteria and conditions or periods for the RSU Award to be vested. The relevant vesting date of any RSU Award and any other criteria or conditions for vesting shall be set out in the RSU award agreement. The vesting of the RSU Award granted under the RSU Scheme is subject to the vesting conditions as set out in the RSU award agreement.

Purchase price. The purchase price payable for the RSUs, if any, will be specified in a letter or notice (including but not limited to by mail, e-mail or by notification via any electronic means) to each Selected Participant in such form as the Board or the Scheme Administrator may from time to time determine.

Duration. The RSU Scheme is effective from June 21, 2024 and shall terminate on the earlier of: (a) the end of the period of ten years commencing on the RSU Adoption Date, except in respect of any non-vested RSUs granted and accepted hereunder prior to the expiration of the RSU Scheme, for the purpose of giving effect to the vesting of such RSUs or otherwise as may be required in accordance with the provisions of the RSU Scheme; or (b) such date of early termination as determined by the Board. The remaining life of the RSU Scheme is approximately eight years.

Outstanding RSUs granted. As of December 31, 2025, the Company had awarded a total of 11,149,500 RSUs to 56 Selected Participants under the RSU Scheme.



Other Information (Continued)

Details of movements of RSUs granted under the RSU Scheme during the Reporting Period are as follows:

Name or category of grantees	Date of grant ⁽²⁾	Vesting period	Purchase price	Unvested award shares held as of January 1, 2025	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled/ forfeited during the Reporting Period	Lapsed during the Reporting Period	Unvested award shares held as of December 31, 2025	Closing price of Shares immediately before the date of grant (HKD)	Fair value of award shares at the date of grant (per award share) ⁽¹⁾ (HKD)	Weighted average closing price of the Shares immediately before the date of vesting during the Reporting Period (HKD)
Director, chief executive or substantial shareholder												
Mr. Zhang Shaofeng	April 25, 2025	1 year	Nil	-	4,665,000	-	-	-	4,665,000	7.33	7.35	N/A
Ms. Wang Qing	July 1, 2025	4 years	Nil	-	313,500	-	-	-	313,500	9.35	9.35	N/A
Other grantees in category												
Top 5 paid individuals in aggregate	October 8, 2024	4 years	Nil	1,869,500	-	-	-	-	1,869,500	11.68	10.26	N/A
	April 1, 2025	4 years	Nil	-	700,000	-	-	-	700,000	8.36	8.43	N/A
8 Employee Participants in aggregate	July 2, 2024	4 years	Nil	826,500	-	-	-	-	826,500	8.90	9.02	N/A
8 Employee Participants in aggregate	October 8, 2024	3-4 years	Nil	1,011,500	-	237,500	-	177,000	597,000	11.68	10.26	10.90
1 Employee Participant	January 4, 2025	4 years	Nil	-	86,500	-	-	49,500	37,000	8.48	8.48	N/A
7 Employee Participants in aggregate	April 1, 2025	4 years	Nil	-	1,213,500	-	-	249,500	964,000	8.36	8.43	N/A
11 Employee Participants in aggregate	July 1, 2025	4 years	Nil	-	1,193,000	-	-	144,500	1,048,500	9.35	9.35	N/A
22 Employee Participants in aggregate	October 8, 2025	4 years	Nil	-	2,095,500	-	-	80,500	2,015,000	10.90	10.53	N/A
1 Service Provider	July 2, 2024	4 years	Nil	112,500	-	-	-	-	112,500	8.90	9.02	N/A
1 Service Provider	October 8, 2024	1 year	Nil	49,000	-	49,000	-	-	-	11.68	10.26	10.90
1 Service Provider	February 7, 2025	1 year	Nil	-	82,500	-	-	-	82,500	10.92	10.58	N/A
2 Service Provider in aggregate	July 1, 2025	3-4 years	Nil	-	749,500	-	-	-	749,500	9.35	9.35	N/A
1 Service Provider	October 8, 2025	1 year	Nil	-	50,500	-	-	-	50,500	10.90	10.53	N/A
Total				3,869,000	11,149,500	286,500	-	701,000	14,031,000			

Note:

1. The fair value of RSUs are calculated in accordance with the accounting standards and policies adopted for preparing the Company's financial statements. The methodology and assumptions used for the fair value of each RSU at the grant date were determined by reference to the fair value of the ordinary shares of the Group issued to its shareholders.
2. Vesting of RSUs granted during the Reporting Period is subject to the fulfillment of specific quantitative and qualitative requirements for the relevant business units, as well as the achievement of individual performance targets set by the scheme administrator.

Further details of the RSU Scheme are set out in Note 28 to the consolidated financial statements.

Other Information (Continued)



Material litigation

The Company was not involved in any material litigation or arbitration during the year ended December 31, 2025. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the Reporting Period and up to the date of this report.

Use of proceeds from the Global Offering

On March 31, 2021, the shares of the Company were listed on the Main Board of the Stock Exchange. The net proceeds from the Global Offering were approximately RMB3,170.39 million (the “**IPO Proceeds**”), after deducting of underwriting commissions and total expenses paid by the Company in connection with the Global Offering.

As disclosed in the Company’s interim results announcement dated August 29, 2024, having considered the Company’s operational status and business developments then, the Board has resolved to extend the expected timeline for the use of the unutilised IPO Proceeds for (i) the enhancement of efforts in research and development; and (ii) working capital and general corporate purposes from the end of 2024 to the end of 2026 (the “**Extension of Utilisation Timeline**”). Save for the Extension of Utilisation Timeline, during the Reporting Period, the Group has gradually utilised the IPO Proceeds in accordance with the intended purposes stated in the Prospectus. For details, please refer to the following table:

				Amount		
	IPO Proceeds		Unutilised	utilised	Unutilised	Expected timeline
	from the		amount as	during the	amount as at	of full utilisation
	Global Offering	Proportion	at January 1,	Reporting	December 31,	of the unutilised
	(RMB million)		2025	Period	2025	IPO Proceeds
			(RMB million)	(RMB million)	(RMB million)	
Fund business expansion with a goal to expand FSP client base and penetrate into existing FSP client base	1,426.68	45%	–	–	–	Not applicable
Enhance efforts in research and development	951.12	30%	252.32	252.32	–	Not applicable



Other Information (Continued)

	IPO Proceeds from the Global Offering	Proportion	Unutilised amount as at January 1, 2025	Amount utilised during the Reporting Period	Unutilised amount as at December 31, 2025	Expected timeline of full utilisation of the unutilised IPO Proceeds
	(RMB million)		(RMB million)	(RMB million)	(RMB million)	
Pursue strategic investments and acquisitions to expand our existing product and service offerings, improve our technology capabilities, and enhance our value proposition to FSP clients	475.56	15%	–	–	–	Not applicable
Working capital and general corporate purposes	317.03	10%	184.31	158.52	25.79	Before December 31, 2026
Total	3,170.39	100%	436.63	410.84	25.79	

The current expected timeline for full utilisation of the IPO Proceeds is based on the Company's business plans and best estimation of future market conditions, and thus might be subject to further changes.

Dividends/Declaration of final dividend

The Board does not recommend the distribution of a final dividend for the year ended December 31, 2025.

Events after the Reporting Period

Save as disclosed in this annual report, there were no other significant events that might affect the Group after the Reporting Period.

Independent Auditor's Report



Independent auditor's report to the shareholders of Bairong Inc.

(Incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Bairong Inc. (the "Company") and its subsidiaries (the "Group") set out on pages 93 to 202, which comprise the consolidated statement of financial position as at December 31, 2025, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

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

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional 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.



Key audit matters (Continued) Revenue recognition

Refer to note 4 to the consolidated financial statements and the accounting policies in note 2(w).

The key audit matter	How the matter was addressed in our audit
<p>The Group generates revenue from the Model as a service ("MaaS") and Business as a service ("BaaS"), BaaS service is further divided into financial scenario service and insurance scenario service. The revenue from MaaS, BaaS – Financial Scenario and BaaS – Insurance Scenario were RMB1,019 million, RMB1,371 million and RMB530 million, respectively, for the year ended December 31, 2025.</p>	<p>Our audit procedures to assess the recognition of revenue included the following:</p> <ul style="list-style-type: none">• assessing the design, implementation and operating effectiveness of key internal controls over revenue recognition;• confirming with customers, on a sample basis, the billing amounts for the year;• for unreturned confirmations, performing alternative procedures by checking the result of periodic reconciliations of the billing amounts between the Group and its customers against the accounting ledgers, and checking the customer payment amounts appearing on bank statements against the accounting ledgers;• inspecting manual adjustments to revenue raised during the reporting period or subsequent to the period end as a result of reconciliations with the customers, and comparing the amount of the adjustments with relevant underlying documentation on reconciliation;

Independent Auditor's Report (Continued)



Key audit matters (Continued) Revenue recognition (Continued)

Refer to note 4 to the consolidated financial statements and the accounting policies in note 2(w).

The key audit matter

For MaaS services, the Group uses its information technology system ('billing system') to record the number of transactions with a customer and the billing amounts within a specified period.

The Group performs periodic reconciliations and confirms the billing amounts within a specified period with its customers across all the service lines.

We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Group which gives rise to an inherent risk that revenue could be subject to manipulation to meet targets or expectations.

How the matter was addressed in our audit

Our audit procedures to assess the recognition of revenue included the following: (continued)

In addition to the above, the following procedures were performed on the revenue generated from billing system, in particular:

- assessing, with the assistance of KPMG IT specialists, the accuracy of the number of transactions generated from the billing system, and performing re-calculations of the billing amounts within a specified period, on a sample basis; and
- comparing, on a sample basis, the key billing information exported from the billing system, such as unit price, with the underlying customer contracts, and reconciling the amount of revenue billed in the billing system to the accounting system.



Key audit matters (Continued)

Assessment of the fair value of level 2 and 3 financial instruments

Refer to note 30(e) to the consolidated financial statements and the accounting policies in note 2(g).

The key audit matter	How the matter was addressed in our audit
<p>As at December 31, 2025, the fair value of the Group's financial assets carried at fair value represented 24.88% of its total assets, of which RMB243.7 million and RMB1,085.9 million were classified under the fair value hierarchy as level 2 and 3 financial instruments respectively.</p>	<p>Our audit procedures to assess the fair value of level 2 and 3 financial instruments included the following:</p>
<p>The valuation of the Group's financial instruments is based on a combination of market data and valuation models which often require judgement.</p>	<ul style="list-style-type: none"> assessing the design and implementation of key internal controls over the valuation of level 2 and 3 financial instruments;
<p>Some of the inputs used in the valuation models are obtained from readily available data for liquid markets. Where such observable data is not available, as in the case of level 3 financial instruments which are generally illiquid in nature, estimates need to be developed which can involve significant management judgement.</p>	<ul style="list-style-type: none"> reading investment agreements for level 2 and level 3 financial instruments to understand the relevant investment terms and identify any conditions that were relevant to the valuation of financial instruments;

Independent Auditor's Report (Continued)



Key audit matters (Continued)

Assessment of the fair value of level 2 and 3 financial instruments (Continued)

Refer to note 30(e) to the consolidated financial statements and the accounting policies in note 2(g).

The key audit matter	How the matter was addressed in our audit
We identified assessing the fair value of level 2 and 3 financial instruments as a key audit matter because of the degree of complexity involved in valuing certain financial instruments in terms of the methodology and the assumptions applied and because of the significant degree of judgement exercised by management in determining the inputs used in the valuation models.	<p>Our audit procedures to assess the fair value of level 2 and 3 financial instruments included the following: (continued)</p> <ul style="list-style-type: none">• assessing the appropriateness of the methodology with reference to the requirements of the prevailing accounting standards and the reasonableness of the assumptions adopted by management against market data;• in cases of fair value estimation using valuation models, evaluating the fair value of level 3 financial instruments on a sample basis, by involving KPMG valuation specialists to evaluate the Group's valuation models, conduct independent valuation, obtain inputs independently and verify inputs, and compare our valuation results with the Group's results; and• evaluating the reasonableness of the disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards.



Information other than the consolidated financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises all 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 as part of our engagement to audit the consolidated financial statements. We have performed an assurance engagement on the disclosed continuing connected transactions that form part of the other information and provided a separate assurance practitioner's conclusion thereon that is included within the other information.

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

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

The directors 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. This 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 HKSA's 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 HKSA's, 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.



Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

- 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 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.

Independent Auditor's Report (Continued)



Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

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

The engagement partner on the audit resulting in this independent auditor's report is Pang, Shing Chor, Eric as appearing on his Practising Certificate (practising certificate number: P05008).

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

March 26, 2026



Consolidated Statement of Profit or Loss

for the year ended December 31, 2025

Expressed in Renminbi ("RMB")

	Note	2025 RMB'000	2024 RMB'000
Revenue	4	2,920,215	2,929,267
Cost of sales		(818,353)	(787,555)
Gross profit		2,101,862	2,141,712
Other income	5	113,395	130,896
Research and development expenses		(636,778)	(509,290)
General and administrative expenses		(327,787)	(327,723)
Sales and marketing expenses		(1,141,783)	(1,118,937)
Impairment loss	6(c)	(48,526)	(31,424)
Profit from operations		60,383	285,234
Finance income	6(a)	12,616	4,893
Finance costs	6(a)	(6,170)	(7,005)
Share of (losses)/profits of associates		(3,393)	8,317
Profit before taxation	6	63,436	291,439
Income tax benefit/(expense)	7	10,437	(25,410)
Profit for the year		73,873	266,029
Attributable to:			
Equity shareholders of the Company		66,908	266,182
Non-controlling interests		6,965	(153)
Profit for the year		73,873	266,029
Earnings per share			
Basic (RMB)	10	0.151	0.578
Diluted (RMB)	10	0.146	0.559

The notes on pages 102 to 202 form part of these financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended December 31, 2025

Expressed in RMB



<i>Note</i>	2025	2024
	RMB'000	RMB'000
Profit for the year	73,873	266,029
Other comprehensive income for the year		
Items that may be reclassified subsequently to profit or loss		
Share of other comprehensive income of investments accounted for using the equity method	(24)	1
Currency translation differences	(1,661)	–
Total comprehensive income for the year	72,188	266,030
Attributable to:		
Equity shareholders of the Company	65,223	266,183
Non-controlling interests	6,965	(153)
Total comprehensive income for the year	72,188	266,030

The notes on pages 102 to 202 form part of these financial statements.



Consolidated Statement of Financial Position

as at December 31, 2025

Expressed in RMB

	Note	December 31, 2025 RMB'000	December 31, 2024 RMB'000
Non-current assets			
Property, plant and equipment	11	122,258	80,758
Intangible assets	12	29,687	30,617
Right-of-use assets	13	122,531	125,402
Goodwill	14	24,652	34,054
Financial assets at fair value through profit or loss	15	738,744	152,156
Interests in associates	17	375,498	197,436
Deferred tax assets	27	18,409	4,615
Time deposits	21(b)	190,000	193,594
Restricted cash	21(c)	7,206	8,605
		1,628,985	827,237
Current assets			
Prepaid expenses and other current assets	20	78,714	304,061
Financial assets at fair value through profit or loss	15	590,922	480,568
Loans receivable	19	244,902	115,263
Trade receivables	18	487,265	611,816
Time deposits	21(b)	1,585,647	2,243,569
Restricted cash	21(c)	1,551	211
Cash and cash equivalents	21(a)	725,958	739,227
Assets held for sale	26	–	360,959
		3,714,959	4,855,674

The notes on pages 102 to 202 form part of these financial statements.

Consolidated Statement of Financial Position (Continued)

as at December 31, 2025

Expressed in RMB



	<i>Note</i>	December 31, 2025 RMB'000	December 31, 2024 RMB'000
Current liabilities			
Trade payables	22	151,568	256,657
Contract liabilities	24	38,993	62,175
Lease liabilities	25	45,783	36,396
Current income tax liabilities		17,108	18,002
Accrued expenses and other current liabilities	23	387,028	406,528
Liabilities directly associated with the assets held for sale	26	–	280,164
		640,480	1,059,922
Net current assets			
		3,074,479	3,795,752
Total assets less current liabilities			
		4,703,464	4,622,989

The notes on pages 102 to 202 form part of these financial statements.



Consolidated Statement of Financial Position (Continued)

as at December 31, 2025

Expressed in RMB

	Note	December 31, 2025 RMB'000	December 31, 2024 RMB'000
Non-current liabilities			
Lease liabilities	25	79,121	90,499
Deferred tax liabilities	27	7,524	5,840
		86,645	96,339
NET ASSETS			
		4,616,819	4,526,650
Equity			
Share capital	29(a)	71	62
Treasury shares	29(a)	(108,168)	(298,728)
Reserves	29(b)	4,715,034	4,815,745
Total equity attributable to equity shareholders of the Company		4,606,937	4,517,079
Non-controlling interests		9,882	9,571
TOTAL EQUITY		4,616,819	4,526,650

Approved and authorized for issue by the Board of Directors on March 26, 2026.

Zhang Shaofeng

Director

Chan Chun Kit

Director

The notes on pages 102 to 202 form part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended December 31, 2025

Expressed in RMB



	Total equity attributable to equity shareholders of the Company									
	Ordinary shares		Treasury shares		Reserves			Non-controlling		
	Shares	Amount	Shares	Amount	Capital reserve	Other reserves	Retained Profits	Total	interests	Total equity
<i>Note</i>										
Balance as of January 1, 2025	491,396,186	62	(50,121,875)	(298,728)	4,182,271	1	633,473	4,517,079	9,571	4,526,650
Profit for the year	-	-	-	-	-	-	66,908	66,908	6,965	73,873
Share of other comprehensive income of investments accounted for using the equity method	17	-	-	-	-	(24)	-	(24)	-	(24)
Currency translation differences	-	-	-	-	-	(1,661)	-	(1,661)	-	(1,661)
Exercise of share options	28	1,644,725	-	6,646,250	57,110	(55,299)	-	1,811	-	1,811
Capital injection by the shareholders	-	12	-	-	-	-	-	12	-	12
Share-based compensation	28	-	-	-	104,752	-	-	104,752	-	104,752
Share of other reserves of investments accounted for using the equity method	17	-	-	-	(279)	-	-	(279)	-	(279)
Non-controlling interests from disposal of subsidiaries	-	-	-	-	-	-	-	-	(6,654)	(6,654)
Cancellation of ordinary shares	29	(25,313,000)	(3)	25,313,000	215,111	(215,108)	-	-	-	-
Repurchase of ordinary shares	29	-	-	(9,597,500)	(81,661)	-	-	(81,661)	-	(81,661)
Balance as of December 31, 2025	467,727,911	71	(27,760,125)	(108,168)	4,016,337	(1,684)	700,381	4,606,937	9,882	4,616,819

The notes on pages 102 to 202 form part of these financial statements.



Consolidated Statement of Changes in Equity (Continued)

for the year ended December 31, 2025

Expressed in RMB

Total equity attributable to equity shareholders of the Company											
	Note	Ordinary shares		Treasury shares		Reserves			Non-controlling		Total equity RMB'000
		Shares	Amount RMB'000	Shares	Amount RMB'000	Capital reserve RMB'000	Other reserves RMB'000	Retained Profits RMB'000	Total RMB'000	interests RMB'000	
Balance as of January 1, 2024		506,173,779	64	(35,159,250)	(185,584)	4,257,429	-	367,291	4,439,200	9,724	4,448,924
Profit for the year		-	-	-	-	-	-	266,182	266,182	(153)	266,029
Share of other comprehensive income											
of investments accounted for using											
the equity method	17	-	-	-	-	-	1	-	1	-	1
Exercise of share options	28	2,398,907	-	3,682,375	31,511	(24,029)	-	-	7,482	-	7,482
Share-based compensation	28	-	-	-	-	110,022	-	-	110,022	-	110,022
Share of other reserves of											
investments accounted for using the											
equity method	17	-	-	-	-	401	-	-	401	-	401
Cancellation of ordinary shares	29	(17,176,500)	(2)	17,176,500	161,554	(161,552)	-	-	-	-	-
Repurchase of ordinary shares	29	-	-	(25,490,000)	(216,992)	-	-	-	(216,992)	-	(216,992)
Shares held for share award schemes	29	-	-	(10,331,500)	(89,217)	-	-	-	(89,217)	-	(89,217)
Balance as of December 31, 2024		491,396,186	62	(50,121,875)	(298,728)	4,182,271	1	633,473	4,517,079	9,571	4,526,650

The notes on pages 102 to 202 form part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended December 31, 2025

Expressed in RMB



	Note	2025 RMB'000	2024 RMB'000
Operating activities			
Cash generated from operations	21(d)	93,824	313,132
Income tax paid		(2,565)	(10,348)
Net cash generated from operating activities		91,259	302,784
Investing activities			
Purchase of property, plant and equipment	11	(85,561)	(56,502)
Placement of long-term bank deposits		(3,932,316)	(1,015,700)
Proceeds from maturity of bank deposits		4,593,832	966,385
Purchase of intangible assets	12	(243)	(2,209)
Purchase of investments		(8,209,414)	(3,948,669)
Proceeds from sale of investments		7,552,697	4,214,456
Proceeds from disposal of subsidiaries, net of cash disposal of		20,160	–
Payment for investment in associates		(127,045)	(164,779)
Interest received from time deposits and coupon notes		200,090	31,540
Decrease in restricted cash		–	5,600
Net cash generated from investing activities		12,200	30,122

The notes on pages 102 to 202 form part of these financial statements.



Consolidated Statement of Cash Flows (Continued)

for the year ended December 31, 2025

Expressed in RMB

	Note	2025 RMB'000	2024 RMB'000
Financing activities			
Payments for repurchase of shares		(82,161)	(217,548)
Shares withheld for share award schemes		–	(89,390)
Repayment of bank loans		–	(91,360)
Capital injection by the shareholders		12	–
Proceeds from exercise of share options		1,811	7,482
Interest paid	21(e)	–	(1,982)
Payment of lease liabilities	21(e)	(60,698)	(76,103)
Net cash used in financing activities		(141,036)	(468,901)
Net decrease in cash and cash equivalents		(37,577)	(135,995)
Cash and cash equivalents at the beginning of the year		778,392	913,987
Cash and cash equivalents as stated in the statement of financial position		739,227	913,987
Cash and cash equivalents of a disposal group classified as held for sale		39,165	–
Effect of foreign exchange rate changes	5	(14,857)	400
Cash and cash equivalents at the end of the year		725,958	778,392
Analysis of cash and cash equivalents:			
Cash and cash equivalents as stated in the statement of financial position		725,958	739,227
Cash and cash equivalents of a disposal group classified as held for sale		–	39,165
Cash and cash equivalents as stated in the statement of cash flows		725,958	778,392

The notes on pages 102 to 202 form part of these financial statements.

Notes to the Consolidated Financial Statements

(Expressed in RMB unless otherwise indicated)



1 Principal Activities and Organisation

Bairong Inc. (the “Company”), was incorporated on June 21, 2018 in the Cayman Islands as an exempted company with limited liability under the Companies Act, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Island.

The Company is an investment holding company. The Company and its subsidiaries, Bairong Yunchuang Technology Co., Ltd. (“Beijing Bairong”) and Beijing Bairong’s subsidiaries (collectively referred to as the “Group”), operates a leading independent AI-powered technology platform in China serving the financial services industry and is principally engaged in MaaS, BaaS – Financial Scenario and BaaS – Insurance Scenario (the “Business”). The Group’s operations and geographic markets are in the People’s Republic of China (the “PRC”).

The Company’s shares have been listed on the Main Board of the Stock Exchange of Hong Kong Limited (“the Stock Exchange”) since March 31, 2021 by way of its initial public offering.

Mr. Zhang Shaofeng is the ultimate controlling shareholder of the Company as of the date of approval of these consolidated financial statements.

These consolidated financial statements have been approved for issuance by the Board of Directors on March 26, 2026.

2 Material Accounting Policies

(a) Statement of compliance

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

The IASB has issued certain new or amended IFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(b) Basis of preparation and presentation of the financial statements

These consolidated financial statements have been prepared on a going concern basis. The financial statements are presented in RMB, rounded to the nearest thousands, except for earnings per share information.

The consolidated financial statements for the year ended December 31, 2025 comprises the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in associates.

The measurement basis used in the preparation of the financial statements is the historical cost basis, except for certain financial assets and liabilities measured at fair value as explained in notes 2(g) and (h).

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements made by management in the application of IFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(c) Changes in accounting policies

The Group has initially adopted the following accounting policy for annual financial statements covering periods beginning on or after January 1, 2025. Adopting the accounting policy does not have a material effect on the Group's financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

- *Lack of Exchangeability-Amendments to IAS 21*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(d) Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see note 2(d)(ii)). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment (see note 2(l)(ii)). Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(d) Basis of consolidation (Continued)

(i) Business combinations (Continued)

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

(ii) Subsidiaries and non-controlling interests

Subsidiaries are entities (including structured entities) controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(d) Basis of consolidation (Continued)

(ii) Subsidiaries and non-controlling interests (Continued)

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity holders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity holders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 2 (r) or (s) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(g)) or, when appropriate, the cost on initial recognition of an investment in an associate.

In the Company's statement of financial position, investments in subsidiaries and consolidated structured entities is stated at cost less impairment losses (see note 2(l)(ii)), unless the investment is classified as held for sale.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(d) Basis of consolidation (Continued)

(iii) Subsidiaries controlled through Contractual Arrangements

As the Business conducted by Beijing Bairong is subject to foreign investment restrictions under the relevant PRC laws and regulations, Tianjin Bairong Technology Co., Ltd. (“WFOE”), an indirectly wholly-owned subsidiary of the Company, entered into a series of contractual arrangements (the “Contractual Arrangements”) with Beijing Bairong and its registered shareholders to operate the Business.

The equity interests of Beijing Bairong are legally held by individuals and companies who act as registered shareholders of Beijing Bairong on behalf of the WFOE. The contractual agreements include a Shareholder Voting Rights Proxy Agreement, an Exclusive Purchase Option Agreement, an Exclusive Consulting and Services Agreement, an Equity Pledge Agreement and Spousal Consents (collectively, the “VIE Agreements”). Pursuant to the Contractual Agreements, the WFOE has the power to direct activities that most significantly impact the Beijing Bairong and its subsidiaries, including appointing key management, setting financial and operating policies, exerting financial controls and transferring profits or assets out of Beijing Bairong and its subsidiaries at its discretion. The WFOE considers that it also has the right to substantially all of the economic benefits of Beijing Bairong and has an exclusive option to purchase all or part of the equity interests in Beijing Bairong when and to the extent permitted by the PRC laws and regulations at the minimum price possible.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(e) Associates

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see note 2(l)(ii)). At each reporting date, the Group assesses whether there is any objective evidence that the investment is impaired. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with any other long-term interests that in substance form part of the Group's net investment in the associate, after applying the ECL model to such other long-term interests where applicable.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

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.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(e) Associates (Continued)

In all other cases, when the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(g)).

In the Company's statement of financial position, investments in associates are stated at cost less impairment losses (see note 2(l)(ii)), unless classified as held for sale (or included in a disposal group that is classified as held for sale).

(f) Goodwill

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 2(l)(ii)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(g) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries and associates, are set out below:

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments in debt and equity securities are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss (FVPL) for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 30. These investments are subsequently accounted for as follows, depending on their classification:

(i) Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.
- fair value through other comprehensive income (FVOCI) — recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- fair value through profit or loss (FVPL) if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(g) Other investments in debt and equity securities (Continued)

(ii) Equity investments

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in note 2(w)(v).

(h) Derivative financial instruments

Derivative financial instruments are recognised at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedges of net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

(i) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(l)(ii)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

– Right-of-use assets	Over the lease term
– Office and other equipment	3 – 5 years
– Electronic equipment	3 – 5 years
– Leasehold improvements	the shorter of the unexpired term of lease and estimated useful lives

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(i) Property, plant and equipment (Continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(j) Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 2(l)(ii)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date it is available for use and its estimated useful life is as follows:

– Software	5 – 10 years
– Insurance brokerage licence	Indefinite useful life
– Customer base	5 years
– Backlog	2 years

The estimates and associated assumptions of useful life determined by the Group are based on technical and commercial obsolescence, legal or contractual limits on the use of the asset and other relevant factors. Based on the current functionalities equipped by the software and the daily operation needs, the Group considers a useful life of 5-10 years to be their best estimation.

Customer base and backlog acquired in a business combination is recognized at fair value at the acquisition date. The contractual customer base and backlog have a finite useful life and are carried out at cost less accumulated amortization. Amortisation is calculated using the straight-line method over the expected life of 5 years for the customer base, and 2 years for the backlog.

Both the period and method of amortisation are reviewed annually.

Intangible assets are not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(k) Lease

At inception of a contract, the Group assesses whether the 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. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 2(i) and 2(l)(ii)), except for the following types of right-of-use asset:

- right-of-use assets that meet the definition of investment property are carried at fair value;
- right-of-use assets related to leasehold land and buildings where the Group is the registered owner of the leasehold interest are carried at fair value; and

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(k) Lease (Continued)

- right-of-use assets related to interests in leasehold land where the interest in the land is held as inventory are carried at the lower of cost and net realisable.

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in debt securities carried at amortised cost. Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("lease modification") that is not accounted for as a separate lease. In this case, the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

The Group presents right-of-use assets that do not meet the definition of investment property and lease liabilities separately in the consolidated statement of financial position.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(I) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognises a loss allowance for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables).

Other financial assets measured at fair value are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(I) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Measurement of ECLs (Continued)

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(I) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Significant increases in credit risk (Continued)

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

Basis of calculation of interest income

Interest income recognised in accordance with note 2(w)(iv) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or past due event;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(I) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Basis of calculation of interest income (Continued)

Write-off policy

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- investments in subsidiaries and associates in the Company's statement of financial position;
- property, plant and equipment;
- intangible assets;
- right-of-use assets;
- goodwill; and
- other non-current assets.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(I) Credit losses and impairment of assets (Continued)

(ii) Impairment of other non-current assets (Continued)

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit). A portion of the carrying amount of a corporate asset (for example, head office building) is allocated to an individual cash-generating unit if the allocation can be done on a reasonable and consistent basis, or to the smallest group of cash-generating units if otherwise.

– Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(m) Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer, which are not capitalised as inventory, property, plant and equipment (see note 2(i)) or intangible assets (see note 2(j)).

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained e.g. an incremental sales commission. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract (for example, payments to sub-contractors). Other costs of fulfilling a contract, which are not capitalised as inventory, property, plant and equipment or intangible assets, are expensed as incurred.

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised. The accounting policy for revenue recognition is set out in note 2(w).



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(n) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 2(w)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for expected credit losses (ECL) in accordance with the policy set out in note 2(l)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 2(o)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see note 2(w)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(o)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(w)).

(o) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see note 2(n)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 2(l)(i)).

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(p) Software-as-a-service (SaaS) arrangement costs

A SaaS arrangement is a service arrangement where the Group has a right to access to the supplier's application software running on the supplier's cloud infrastructure during the term of the arrangement, but not control over the underlying software asset.

Costs to implement a SaaS arrangement, including those incurred in configuring or customising the access to the supplier's application software, are evaluated to determine if they give rise to a separate asset that the Group controls. Any resulting asset is recognised and accounted for in accordance with the policy for intangible assets as set out in note 2(j). Implementation costs that do not give rise to an asset are recognised in profit or loss as incurred, which may be over the period the configuration or customisation services are received to the extent that such services are distinct from the SaaS, or over the term of the SaaS arrangement to the extent the configuration or customisation services are not distinct from the SaaS.

Payment made in advance of receiving the related services is recognised as prepayment.

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for expected credit losses (ECL) in accordance with the policy set out in note 2(l)(i).

(r) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities, trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(s) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see note 2(y)).



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(t) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) Share-based payment

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital and share premium for the shares issued) or the option expires (when it is released directly to retained profits).

(iii) Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the end of the years, then they are discounted to their present value.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(u) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax assets can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax asset arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(u) Income tax (Continued)

The amount of deferred tax recognised is 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 the reporting period.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company and the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(v) Provisions and contingent liabilities

Provisions are recognised when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(w) Revenue recognition

Income is classified by the Group as revenue when it arises from the provision of services in the ordinary course of the Group's business.

Revenue is recognised when control over a service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts. Depending on the terms of the contracts and the laws that apply to the contracts, if control of the promised services is transferred over time, revenues are recognised over the period of the contracts by reference to the progress towards complete satisfaction of those performance obligations. Otherwise, revenues are recognised at a point in time when the customers obtain control of the promised services.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(w) Revenue recognition (Continued)

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) MaaS

Our revenue for MaaS Services are derived from the provision of information services to our customers on a transactional basis, in which distinct services are delivered over time as the customer simultaneously receives and consumes the benefits of the services delivered. To measure our performance over time, the output method is utilised to measure the value to the customer based on the transfer to date of the services promised, with no rights of return once consumed. In these cases, revenue on usage-based subscription contracts with a defined price but an undefined quantity is recognised utilising the right to invoice expedient resulting in revenue being recognised when the service is provided and billed. Additionally, contracts with a defined price but an undefined quantity that utilise tier pricing would be defined as a series of distinct performance obligations satisfied over time utilising the same method of measurement, the output method, with no rights of return once consumed. This measurement method is applied on a monthly basis resulting in revenue being recognised when the service is provided and billed.

A small portion of our revenue is generated from annual subscription contracts under which a customer pays a preset fee for a predetermined or unlimited number of transactions or services provided during the subscription period, which is generally one year. Revenue from the subscription packages having a preset number of transactions is recognised as the services are provided, using an effective transaction rate as the actual transactions are delivered. Any remaining revenue related to unfulfilled units is not recognised until the end of the related contracts' subscription period. Revenue from the subscription packages having an unlimited volume is recognized ratably during the contract term.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(w) Revenue recognition (Continued)

(ii) BaaS – Financial Scenario

Users revitalization

The Group provides recommendation services in respect of loan products offered by financial service providers on its platform, and assists the financial service providers or their loan sales representatives to identify qualified individual users or borrowers. The Group considers the financial service providers, mainly including banks, consumer finance, internet finance, and other financial service providers to be their customers, and receives service fees from the customers primarily based on loan facilitation volume. The price for each recommendation charged to the financial service providers is a fixed price or a percentage of loans approved or applied as pre-agreed in the service contract, or pre-set in the bidding systems by the customers. Therefore, while loan size impacts our fees when the price for the recommendation charged to the financial service providers is a percentage of the amount of loans approved by our customers, the loan duration does not impact our fees. Revenue is recognised when all of the revenue recognition criteria are met, which is generally when the identified borrowers submit a loan application to the customers or when the loan application is approved by our customers.

(iii) BaaS – Insurance Scenario Services

The primary source of revenue is commissions from insurance distribution services, determined based on a percentage of premiums paid by the policy holder. The brokerage fee rate is based on the terms specified in the service contract with the insurance company for each product sold through the Group. The Group determined that the insurance company, or the insurer, is its customer in this agreement. BaaS – Insurance Scenario Services revenue is recognised when the signed insurance policy is in place and the Group has a present right to payment from the insurer since the Group has fulfilled its performance obligation to sell an insurance policy on behalf of the insurance company.

(iv) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(l)(i)).



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(w) Revenue recognition (Continued)

(v) Dividends

Dividends income from equity investments is recognised when the investor's right to receive payment is established.

(vi) Government grants

Government grants are recognised in the consolidated statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(x) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss except those arising from foreign currency borrowings used to hedge a net investment in a foreign operation which are recognised in other comprehensive income.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(y) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(z) Non-current assets held for sale

Non-current assets, or disposal group comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to deferred tax assets, employee benefits assets, financial assets (other than investments in subsidiaries, associates and joint ventures) and investment properties, which continue to be measured in accordance with the group's other accounting policies. Impairment losses on initial classification as held for sale or held for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss. Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

2 Material Accounting Policies (Continued)

(aa) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if 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 or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities 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);
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



2 Material Accounting Policies (Continued)

(ab) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

The Group's chief operating decision maker has been identified as the Chief Executive Officer, who reviews consolidated results when making decisions about allocating resources and assessing performance of the Group.

For the purpose of internal reporting and management's operation review, the Group's Chief Executive Officer and management personnel do not segregate the Group's business by service lines. All service categories are viewed as one and the only operating segment.

3 Accounting Judgement and Estimates

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

(a) Fair value of share-based compensation payments

As mentioned in note 28, the Group has granted shares options to its employees. The Group has used binomial option-pricing model to determine the total fair value of the options granted to employees, which is to be expensed over the vesting period. Significant estimate on assumptions, such as the underlying equity value, risk-free interest rate, expected volatility and dividend yield, is required to be made by the Group in applying the binomial option-pricing model.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

3 Accounting Judgement and Estimates (Continued)

(b) Assessment of the fair value of level 2 and 3 financial instruments

The Group uses valuation techniques to estimate the fair value of financial instruments which are not quoted in an active market. These valuation techniques include discounted cash flow analysis and other generally accepted pricing models. To the extent practical, market observable inputs and data, such as interest rate yield curves, foreign currency rates and implied option volatilities, are used when estimating fair value through a valuation technique. Where market observable inputs are not available, they are estimated using assumptions that are calibrated as closely as possible to market observable data. However, areas such as the credit risk of the counterparty, liquidity, volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the estimated fair value of financial instruments.

(c) Recognition of income taxes and deferred tax assets

Determining income tax provision involves judgement on the future tax treatment of certain transactions. Management evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatments of such transactions are reconsidered periodically to take into account all changes in tax legislation. Deferred tax assets are recognised in respect of deductible temporary differences. As those deferred tax assets can only be recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised, management's judgement is required to assess the probability of future taxable profits. Management's assessment is revised as necessary and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

(d) Impairment of trade and other receivables and loans receivables

The Group estimates the amount of loss allowance for ECLs on trade and other receivables and loans receivables that are measured at amortised cost on the credit risk of the respective financial instruments. The loss allowance amount is measured as the assets carrying amount and the present value of estimated future cash flows with the consideration of expected future credit loss of the respective financial instrument. The assessment of the credit risk of the respective financial instrument involves high degree of estimation and uncertainty. When the actual future cash flows are less than expected or more than expected, a material impairment loss or a material reversal of impairment loss may arise, accordingly.

(e) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are given in note 14.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



4 Revenue

The principal activities of the Group are providing MaaS and BaaS services in the PRC.

The amount of each significant category of revenue is as follows:

	2025	2024
	RMB'000	RMB'000
MaaS	1,019,061	932,473
BaaS		
BaaS – Financial Scenario	1,370,756	1,410,695
BaaS – Insurance Scenario	530,398	586,099
	2,920,215	2,929,267

During the year, no customer individually accounted for more than 10% of the Group's total revenue.

Disaggregation of the Group's revenue from contracts with customers by the timing of revenue recognition is set out below:

	2025	2024
	RMB'000	RMB'000
Point-in-time	1,701,348	1,732,152
Over-time	1,218,867	1,197,115
	2,920,215	2,929,267



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

4 Revenue (Continued)

Remaining Performance Obligation

The Group has elected the practical expedient not to disclose the information about remaining performance obligations which are part of contracts that have an original expected duration of one year or less and do not disclose the value of remaining performance obligations for contracts in which the Group recognises revenue at the amount to which the Group has the right to invoice.

All of the Group's operating assets are located in the PRC and all of the Company's revenue and operating profits are derived from the PRC during the years. Accordingly, no segment analysis based on geographical locations is provided.

5 Other income

	2025	2024
	RMB'000	RMB'000
Interest income from time deposits	43,390	78,721
Net gains on financial investments measured at fair value through profit or loss	41,188	35,897
Net gains on disposal of subsidiaries	22,858	–
Government grants and others	20,587	15,878
Foreign currency exchange (losses)/gains, net	(14,857)	400
Gains from fixed coupon notes	229	–
	113,395	130,896

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



6 Profit before taxation

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

(a) Finance income and costs

	2025	2024
	RMB'000	RMB'000
Finance income		
Interest income from bank deposits	12,616	4,893
	12,616	4,893

	2025	2024
	RMB'000	RMB'000
Finance costs		
Interest expense on bank loans	–	(1,982)
Interest expense on lease liabilities	(6,170)	(5,023)
Total	(6,170)	(7,005)

(b) Staff costs

	Note	2025	2024
		RMB'000	RMB'000
Salaries, wages and other benefits		819,256	694,194
Contributions to defined contribution retirement plan ⁽ⁱ⁾		78,996	60,554
Equity-settled share-based compensation expenses	28	104,752	110,022
Termination benefits		7,652	10,527
Total		1,010,656	875,297

Note:

- (i) Employees of the Group's subsidiaries in the PRC are required to participate in a defined contribution retirement scheme administered and operated by the local municipal government. The Group's subsidiaries in the PRC contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees. During the reporting period, no forfeited contributions had been used by the Group to reduce the existing level of contributions.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

6 Profit before taxation (Continued)

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

(c) Other items

	2025	2024
	RMB'000	RMB'000
Analytics service costs	163,882	123,955
BaaS-related insurance brokerage commission, operating and marketing expenditures	1,281,908	1,288,264
Depreciation of property, plant and equipment	35,128	25,631
Amortisation of intangible assets	1,173	7,341
Depreciation of right-of-use assets	46,405	49,631
Impairment losses		
– Trade receivables and others	17,072	24,402
– Loans	22,052	7,022
– Goodwill	9,402	–
Auditors' remuneration	4,280	4,280

7 Income tax (benefit)/expense

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

	<i>Note</i>	2025	2024
		RMB'000	RMB'000
Current tax			
– PRC Enterprise Income Tax ("EIT") Provision for the year		1,673	27,944
Deferred tax			
– Changes in deferred tax assets and liabilities	27	(12,110)	(2,534)
		(10,437)	25,410

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



7 Income tax (benefit)/expense (Continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	2025	2024
	RMB'000	RMB'000
Profit before taxation	63,436	291,439
Notional tax on loss before taxation, calculated at the rates applicable in the jurisdictions concerned	15,859	72,860
Tax effect of preferential tax rates	(12,678)	(71,074)
Super-deduction of research and development expense	(24,856)	(9,270)
Tax effect of non-deductible expenses	16,320	20,119
Tax effect of tax losses and temporary differences not recognised	(5,082)	(4,297)
Withholding tax	–	17,072
Actual income tax (benefit)/expense	(10,437)	25,410

Notes:

Cayman Islands

Under the current laws of the Cayman Islands, the Company is not subject to tax on either income or capital gain, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

PRC

Mainland

Except for Beijing Bairong, Beijing Bairong Ruibo Technology Co., Ltd. ("Bairong Ruibo"), Bairong Zhixin (Beijing) Technology Co., Ltd. ("Bairong Zhixin") and Beijing All Union Technology Co., Ltd. ("All Union") who enjoy a preferential income tax rate, all the other subsidiaries established in the PRC are subject to an income tax rate of 25%, according to the PRC Enterprise Income Tax Law (the "EIT Law") in the years ended December 31, 2025 and 2024. All Union was no longer a subsidiary of the Group after March 31, 2025 after the Group disposed 20% equity interests in All Union on March 31, 2025.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

7 Income tax (benefit)/expense (Continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates: (Continued)

Notes: (Continued)

A “high and new technology enterprise” (“HNTE”) is entitled to a favorable statutory tax rate of 15% and such qualification is reassessed by relevant governmental authorities every three years. In December 2016, Beijing Bairong was qualified as an HNTE and therefore enjoyed the preferential statutory tax rate of 15% for the period ended November 30, 2019. In December 2019, Beijing Bairong received approval from the tax authority on the renewal of its HNTE status which entitled it to the preferential income tax rate of 15% from December 2, 2019 to December 2, 2022. In December 2022, Beijing Bairong received approval from the tax authority on the renewal of its HNTE status which entitled it to the preferential income tax rate of 15% from December 1, 2022 to December 1, 2025. In December 2025, Beijing Bairong received approval from the tax authority on the renewal of its HNTE status which entitled it to the preferential income tax rate of 15% from December 2, 2025 to December 1, 2028. In December 2020, Bairong Zhixin was qualified as an HNTE, which entitled it to the preferential income tax rate of 15% from December 2, 2020 to December 2, 2023. In November 2023, Bairong Zhixin received approval from the tax authority on the renewal of its HNTE status which entitled it to the preferential income tax rate of 15% from November 30, 2023 to November 29, 2026. In December 2020, All Union was qualified as an HNTE, which entitled to the preferential income tax rate of 15% from December 2, 2020 to December 2, 2023. In October 2023, All Union received approval from the tax authority on the renewal of its HNTE status which entitled it to the preferential income tax rate of 15% from October 26, 2023 to October 25, 2026, and All Union was no longer a subsidiary of the Group after March 31, 2025 after the 20% equity interests disposal by the Group mentioned above.

According to Income Tax Policies for Promoting the High Quality Development of the Integrated Circuit Industry and Software Industry (“the Policy”), all eligible software enterprises that were profit-making were to be entitled to two-year EIT exemptions followed by three years’ 50% EIT reduction of the statutory EIT rates, starting from their first profit making year.

Beijing Bairong was qualified as a software enterprise by Beijing Software and Information Service Industry Association on December 27, 2022. Beijing Bairong was profit-making in the year 2025 and continued to be qualified as a software enterprise up to the year ending 2025. The business operations will meet the criteria of eligible software enterprise in the Policy. Therefore, Beijing Bairong has applied the preferential tax rate of 12.5% during the year ended December 31, 2025. Bairong Ruibo was qualified as a software enterprise by Beijing Software and Information Service Industry Association on June 27, 2025. Bairong Ruibo was profit-making in the year 2025 and continued to be qualified as a software enterprise up to the year ending 2025. The business operations will meet the criteria of eligible software enterprise in the Policy. Therefore, Bairong Ruibo has applied the preferential tax rate of 0% during the year ended December 31, 2025. The application of the preferential tax rate of Beijing Bairong and Bairong Ruibo is subject to critical estimates of the management of the Group.

Hong Kong

The Company’s Hong Kong subsidiaries are subject to a profits tax rate of 8.25% for the first HK\$2,000,000 of assessable profit and 16.5% for profit exceeding HK\$2,000,000. No provision for Hong Kong profits tax was made as the Group had no estimated assessable profit that was subject to Hong Kong profits tax for the years ended December 31, 2025 and 2024.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



8 Directors' emoluments

Directors' emoluments during the years is as follows:

	Year ended December 31, 2025						
	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-Total	Share-based payments ⁽ⁱ⁾	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors							
Zhang Shaofeng	357	1,581	945	68	2,951	45,992	48,943
Zheng Wei	179	709	265	23	1,176	1,443	2,619
Han Kuifang	179	567	271	23	1,040	701	1,741
Wang Qing	184	676	129	–	989	459	1,448
Qin Xuan	184	526	145	–	855	47	902
Non-executive directors							
Bai Linsen	–	–	–	–	–	–	–
Liao Jianwen	355	–	–	–	355	–	355
Independent non-executive directors							
Chen Zhiwu	355	–	–	–	355	–	355
Zhou Hao	355	–	–	–	355	–	355
Li Yao	355	–	–	–	355	–	355
	2,503	4,059	1,755	114	8,431	48,642	57,073



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

8 Directors' emoluments (Continued)

Year ended December 31, 2024

	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-Total	Share-based payments ⁽ⁱ⁾	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive directors							
Zhang Shaofeng	359	1,547	953	66	2,925	57,435	60,360
Zheng Wei	359	1,453	523	47	2,382	2,376	4,758
Han Kuifang	170	577	549	23	1,319	783	2,102
Xie Jianing	–	545	–	5	550	–	550
Non-executive directors							
Bai Linsen	–	–	–	–	–	–	–
Liao Jianwen	358	–	–	–	358	–	358
Independent non-executive directors							
Chen Zhiwu	358	–	–	–	358	–	358
Zhou Hao	358	–	–	–	358	–	358
Li Yao	358	–	–	–	358	–	358
	2,320	4,122	2,025	141	8,608	60,594	69,202

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



8 Directors' emoluments (Continued)

Notes:

- (i) These represent the estimated value of share options granted to the directors under the Group's share option schemes. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 2(t) (ii) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting.
- (ii) The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the paragraph Share option schemes in note 28.
- (iii) During the years, no emoluments were paid by the Group to the director as an inducement to join or upon joining the Group or as compensation for loss of office. No director of the Group waived or agreed to waive any emoluments during the years.
- (iv) Mr. Zhang Shaofeng was appointed as executive director of the Company in June 2018.

Ms. Xie Jianing was appointed as executive director of the Company in November 2023, and was resigned as an executive director of the Company in April 2024.

Mr. Zheng Wei was appointed as executive director of the Company in November 2023, and was resigned as an executive director of the Company in June 2025.

Ms. Han Kuifang was appointed as executive director of the Company in July 2024 and was resigned as an executive director of the Company in June 2025.

Ms. Qin Xuan was appointed as executive director of the Company in June 2025 and was resigned as an executive director of the Company in January 2026.

Ms. Wang Qing was appointed as executive director of the Company in June 2025.

Mr. Chan Chun Kit was appointed as executive director of the Company in January 2026.

Mr. Bai Linsen was appointed as non-executive director of the Company in June 2018, and has resigned as a non-executive director of the Company in June 2025.

Mr. Liao Jianwen was appointed as non-executive director of the Company in October 2023.

Dr. Li Yao has been appointed as independent non-executive Director, with effect from June 17, 2021.

Besides, Professor Chen Zhiwu, Mr. Zhou Hao and Professor Guo Yike, were appointed as independent non-executive directors with effect from Listing, and Professor Guo Yike has resigned as an independent non-executive director in August 2023.

The amounts presented above represent the directors' fees, salaries, allowances and benefits in kind, discretionary bonus and retirement scheme contributions paid during the years.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

9 Individuals with highest emoluments

The number of directors and non-directors included in the five highest paid individuals for the years ended December 31, 2025 and 2024 are set forth below:

	2025	2024
	RMB'000	RMB'000
Directors	1	2
Non-directors	4	3
	5	5

The emoluments of the directors are disclosed in note 8. The aggregate of the emoluments in respect of the remaining highest paid individuals are as follows:

	2025	2024
	RMB'000	RMB'000
Salaries, allowances and benefits in kind	6,362	5,367
Retirement scheme contributions	239	160
Discretionary bonuses	3,237	2,067
Share-based payment	14,308	5,997
Total	24,146	13,591

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



9 Individuals with highest emoluments (Continued)

The emoluments of the other individuals with the highest emoluments are all within the following band:

	2025 Number of individuals	2024 Number of individuals
Nil – HKD4,000,000	–	–
HKD4,000,001 – HKD4,500,000	–	–
HKD4,500,001 – HKD5,000,000	1	2
HKD5,000,001 – HKD5,500,000	2	1
HKD5,500,001 – HKD6,000,000	–	–
HKD6,000,001 – HKD6,500,000	–	–
HKD6,500,001 – HKD7,000,000	–	–
HKD7,000,001 – HKD7,500,000	–	–
HKD7,500,001 – HKD8,000,000	–	–
HKD8,000,001 – HKD8,500,000	–	–
HKD8,500,001 – HKD9,000,000	–	–
HKD9,000,001 – HKD9,500,000	–	–
HKD9,500,001 – HKD10,000,000	–	–
HKD10,000,001 – HKD10,500,000	–	–
HKD10,500,001 – HKD11,000,000	–	–
HKD11,000,001 – HKD11,500,000	1	–



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

10 Basic and diluted earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity shareholders of the Company by the weighted average number of ordinary shares in issue during the years 2025 and 2024.

The following table sets forth the basic earnings per share computation and the numerator and denominator for the years presented:

	2025	2024
Net profit attributable to equity shareholders of the Company (RMB'000)	66,908	266,182
Weighted average number of ordinary shares	442,859,590	460,479,896
Basic earnings per share attributable to equity shareholders of the Company (in RMB)	0.151	0.578

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the years ended 2025 and 2024 the Company has share options and share award schemes as potential ordinary shares.

	2025	2024
Net profit attributable to equity shareholders of the Company (RMB'000)	66,908	266,182
Weighted average number of ordinary shares	442,859,590	460,479,896
Adjustments for share options and share award schemes	15,489,392	15,363,683
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share	458,348,982	475,843,579
Diluted earnings per share attributable to equity shareholders of the Company (in RMB)	0.146	0.559

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



11 Property, plant and equipment

	Electronic equipment	Office and other equipment	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Cost:				
As at January 1, 2024	107,161	8,789	35,816	151,766
Additions	50,595	413	3,335	54,343
Disposals	(1,747)	(454)	–	(2,201)
Reclassification to assets held for sale	(1,054)	(83)	–	(1,137)
As at December 31, 2024/January 1, 2025	154,955	8,665	39,151	202,771
Additions	73,598	625	2,815	77,038
Disposals	(2,253)	(307)	–	(2,560)
As at December 31, 2025	226,300	8,983	41,966	277,249
Accumulated depreciation:				
As at January 1, 2024	(61,365)	(5,882)	(31,647)	(98,894)
Charge for the year	(21,036)	(880)	(3,715)	(25,631)
Disposals	1,729	370	–	2,099
Reclassification to assets held for sale	368	45	–	413
As at December 31, 2024/January 1, 2025	(80,304)	(6,347)	(35,362)	(122,013)
Charge for the year	(32,294)	(858)	(1,976)	(35,128)
Disposals	1,932	218	–	2,150
As at December 31, 2025	(110,666)	(6,987)	(37,338)	(154,991)
Net book value:				
As at December 31, 2024	74,651	2,318	3,789	80,758
As at December 31, 2025	115,634	1,996	4,628	122,258



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

12 Intangible assets

	Software	Insurance brokerage licence	Customer Base	Backlog	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Cost:					
As at January 1, 2024	14,963	23,280	27,200	4,700	70,143
Additions	2,209	–	–	–	2,209
Reclassification to assets held for sale	(2,500)	–	(27,200)	(4,700)	(34,400)
As at December 31, 2024/ January 1, 2025	14,672	23,280	–	–	37,952
Additions	243	–	–	–	243
Disposals	(302)	–	–	–	(302)
As at December 31, 2025	14,613	23,280	–	–	37,893
Accumulated amortisation:					
As at January 1, 2024	(6,225)	–	(11,787)	(4,700)	(22,712)
Charge for the year	(1,901)	–	(5,440)	–	(7,341)
Reclassification to assets held for sale	791	–	17,227	4,700	22,718
As at December 31, 2024/ January 1, 2025	(7,335)	–	–	–	(7,335)
Charge for the year	(1,173)	–	–	–	(1,173)
Disposals	302	–	–	–	302
As at December 31, 2025	(8,206)	–	–	–	(8,206)
Net book value:					
As at December 31, 2024	7,337	23,280	–	–	30,617
As at December 31, 2025	6,407	23,280	–	–	29,687

Intangible assets mainly comprise of software, insurance brokerage licence, customer base and backlog.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



12 Intangible assets (Continued)

The insurance brokerage licence was acquired in the business combination of Liming Insurance Brokerage Co., Ltd. ("Liming") and has an indefinite useful life. The legal term of the licence is 3 years but can be easily renewed upon expiry at an insignificant cost. Therefore, management concluded that the licence has indefinite useful life.

The software acquired in the business combination of All Union has a useful life of 10 years. The customer base acquired in the business combination of All Union has a useful life of 5 years. The backlog acquired in the business combination of All Union has a useful life of 2 years.

The Group evaluates indefinite-lived intangible asset each reporting period to determine whether events and circumstances continue to support an indefinite useful life. If an intangible asset that is not being amortised is subsequently determined to have a finite useful life, the asset is tested for impairment.

The Group performed impairment testing at the end of each reporting period. For details, please refer to note 14.

13 Right-of-use assets

	2025	2024
	RMB'000	RMB'000
Cost:		
At January 1,	152,485	200,404
Inception of leases	51,573	147,644
Termination of leases	(24,907)	(185,751)
Reclassification to assets held for sale	–	(9,812)
At December 31,	179,151	152,485
Accumulated depreciation:		
At January 1,	(27,083)	(152,212)
Charge for the year	(46,405)	(49,631)
Termination of leases	16,868	168,092
Reclassification to assets held for sale	–	6,668
At December 31,	(56,620)	(27,083)
Net book value:		
At December 31,	122,531	125,402



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

14 Goodwill

	RMB'000
Balance as of January 1, 2024	119,466
Reclassification to assets held for sale	(85,412)
Balance as of December 31, 2024	34,054
Impairment	(9,402)
Balance as of December 31, 2025	24,652

As at December 31, 2025, the goodwill of the Group was generated from the acquisition of Liming in 2017, the goodwill acquired from All Union in 2021 was classified as assets held for sale as at December 31, 2024. The goodwill is not expected to be deductible for tax purposes.

	<i>Note</i>	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Liming Insurance Brokerage Co., Ltd.	(i)	24,652	34,054
Total		24,652	34,054

Note:

Impairment review on the goodwill and intangible assets of the Group has been conducted by the management as of December 31, 2025 and 2024.

- (i) For the purpose of impairment testing, goodwill and insurance brokerage licence are fully allocated to Liming, which is considered a separate cash generating unit ("CGU"), representing the lowest level within the Group for which the goodwill and insurance brokerage licence are monitored for internal management purpose.

In light of the past performance of the CGU, economic, operating environment and market uncertainties at the financial year end, the carrying amounts of the CGU has been reduced to recoverable amount as a result of the impairment test performed as detailed below.

The recoverable amount of goodwill and insurance brokerage licence is determined based on the value-in-use calculations using the discounted cash flow method. Management forecasted an average annual revenue growth rate of 1.15% (2024: 3.57%) for the next five-year period, and the cash flows beyond the five-year period were extrapolated using an estimated annual growth rates of 2.00% (2024: 2.00%). Pre-tax discount rate of 19.50% (2024: 19.50%) was used to reflect market assessment of time value and the specific risks relating to the CGU.

Based on the result of the above impairment review, RMB9.40 million and nil impairment loss was identified as of December 31, 2025 and 2024, respectively.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



15 Financial assets at fair value through profit or loss

	<i>Note</i>	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Non-current			
– Unlisted equity securities	(i)	234,133	152,156
– Wealth management products	(ii)	102,410	–
– Fund investments	(iii)	248,850	–
– Beneficial interests in non-performing loans	(iv)	153,351	–
Current			
– Wealth management products	(ii)	243,137	328,419
– Fund investments	(iii)	279,240	148,517
– Beneficial interests in non-performing loans	(iv)	68,545	3,632
Total		1,329,666	632,724

Notes:

- (i) The Group's investments in unlisted equity securities included in financial assets measured at fair value through profit or loss represent the investments in certain privately owned companies.
- (ii) Wealth management products were mainly issued by commercial banks in the PRC.
- (iii) Fund investments were administered by licensed financial institutions in Hong Kong.
- (iv) The Group, acting as the transferee, made capital contributions to acquire the beneficial interests in non-performing loans ("NLPs") from asset management companies (AMCs).



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

16 Investment in subsidiaries

	Note	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Investment in subsidiaries	(i)	1,307,420	1,013,292
Deemed investment arising from share-based compensation	(ii)	374,694	305,949
Investment in subsidiaries		1,682,114	1,319,241

Notes:

- (i) The following list contains only the particulars of subsidiaries as at December 31, 2025 which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

Company names	Place and date of incorporation	Nature of legal entity	Registered capital	Held by the Company	Held by the subsidiary	Principal activities and place of operation
Directly held						
Bairong HK Limited (百融香港科技有限公司)	Hong Kong July 18, 2018	limited liability company	HKD 10,000	100%	–	Investment holding in Hong Kong
Indirectly held						
Tianjin Bairong Technology Co., Ltd.(天津百融科技 有限公司)*	Tianjin, PRC August 14, 2018	limited liability company	RMB 1,200,000,000	–	100%	Development, consulting and transfer services of software and hardware products and network technology in PRC
Shanghai Bairong Huayu Technology Co., Ltd. (上海百融华昱科技有限公司)*	Shanghai, PRC August 11, 2021	limited liability company	RMB 50,000,000	–	100%	Software development services; data processing services in PRC
Beijing Bairong Ruibo Technology Co., Ltd. (北京百融睿博科技有限公司)*	Beijing, PRC June 18, 2021	limited liability company	RMB 40,000,000	–	100%	Software development services; data processing services in PRC

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



16 Investment in subsidiaries (Continued)

Notes: (Continued)

(i) (Continued)

Company names	Place and date of incorporation	Nature of legal entity	Registered capital	Held by the Company	Held by the subsidiary	Principal activities and place of operation
Shanghai Yaowei Technology Co., Ltd. (上海壹威科技有限公司)*	Shanghai, PRC July 08, 2021	limited liability company	USD 10,000,000	-	100%	Software development services; data processing services in PRC
Held through Contractual Arrangements						
Bairong Yunchuang Technology Co., Ltd. (百融雲創科技股份有限公司)*	Beijing, PRC March 19, 2014	corporation limited	RMB 77,951,405	-	100%	Data processing services; big data services in PRC
Bairong Zhixin (Beijing) Technology Co., Ltd. (百融至信(北京)科技有限公司)*	Beijing, PRC February 3, 2015	limited liability company	RMB 400,000,000	-	100%	Enterprise credit services in PRC
Beijing Rongda Tianxia Information Technology Co., Ltd. (北京榮達天下信息科技有限公司)*	Beijing, PRC October 15, 2014	limited liability company	RMB 50,000,000	-	100%	Technology development services in PRC
Guangzhou Shurong Internet Micro-lending Co., Ltd. ("Guangzhou Shurong") (廣州數融互聯網小額貸款有限公司)*	Guangzhou, PRC February 14, 2017	limited liability company	RMB 200,000,000	-	100%	Micro-loan business in PRC
Liming Insurance Brokerage Co., Ltd. (黎明保險經紀有限公司)*	Beijing, PRC April 21, 2014	limited liability company	RMB 55,555,500	-	63%	Insurance and reinsurance brokerage business in PRC
Shanghai Baozhu Information Technology Co., Ltd.(上海保築信息科技有限公司)*	Shanghai, PRC July 22, 2016	limited liability company	RMB 5,000,000	-	100%	Development, consulting and transfer services of technology in PRC
Shenzhen Bairong Borui Information Technology Co., Ltd. (深圳百融博瑞信息科技有限公司)*	Guangdong, PRC November 12, 2020	limited liability company	RMB 5,000,000	-	100%	Development, consulting and transfer services of technology in PRC



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

16 Investment in subsidiaries (Continued)

Notes: (Continued)

(i) (Continued)

Company names	Place and date of incorporation	Nature of legal entity	Registered capital	Held by the Company	Held by the subsidiary	Principal activities and place of operation
Beijing Riyue Insurance Box Information Technology Co., Ltd. (日月保盒(北京)信息科技有限公司)*	Beijing, PRC July 8, 2022	limited liability company	RMB 1,000,000	–	100%	Software development services; data processing services in PRC
Tianjin Saiji Technology Co., Ltd. (天津賽吉科技有限責任公司)* (Note 1)	Tianjin, PRC January 21, 2019	limited liability company	RMB 100,000,000	–	100%	Development, consulting and transfer services of technology in PRC
Bairong Ruicheng Information Technology Co., Ltd. ("Bairong Ruicheng") (百融睿誠信息科技有限公司)*	Chongqing, PRC January 13, 2021	limited liability company	RMB 200,000,000	–	100%	Software development services; data processing services in PRC
Shanghai Jiashu Technology Co., Ltd (上海迦數科技有限公司)*	Beijing, PRC October 17, 2023	limited liability company	RMB 50,000,000	–	100%	Software development services; data processing services in PRC
Shanghai Jishu Technology Co., Ltd (上海璣數科技有限公司)*	Beijing, PRC August 09, 2024	limited liability company	RMB 10,000,000	–	100%	Software development services; data processing services in PRC
New Qidian Asset Management Co., Ltd (青島新啟點信息諮詢有限公司)*	Beijing, PRC December 07, 2018	limited liability company	RMB 50,000,000	–	100%	Asset Management business in PRC
Held through Contractual Arrangements						
Beijing Chengshu Technology Co., Ltd (北京程數科技有限公司)*	Beijing, PRC March 11, 2025	limited liability company	RMB 20,000,000	–	100%	Technology development services in PRC
Shenzhen Shuijiyoufu Consulting Co., Ltd (深圳數聚優服諮詢有限公司)*	Beijing, PRC September 26, 2025	limited liability company	RMB 10,000,000	–	100%	Technology development services in PRC

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



16 Investment in subsidiaries (Continued)

Notes: (Continued)

(i) (Continued)

* The English translation of the names is for reference only. The official names of these entities are in Chinese.

Note 1: Tianjin Saiji Technology Co., Ltd. was incorporated for reorganisation purpose and designed to repurchase ordinary shares and preferred shares from shareholders of Beijing Bairong. As the Group or Beijing Bairong has power to govern the relevant activities of Tianjin Saiji Technology Co., Ltd. and can derive benefits from the operating of the entity, the directors of the Company consider that it is appropriate to consolidate the entity.

(ii) The amount represents share-based compensation expenses arising from the grant of share options and share award schemes of the Company to employees of the subsidiaries (note 28) in exchange for their services provided to these subsidiaries, which were deemed to be investments made by the Company into these subsidiaries.

These structured entities were established to implement the share-based compensation. In addition, the Group has invested in a structured entity for the dedicated investment in a structured note. The particulars are as follows:

Company names	Place and date of incorporation	Nature of legal entity	Registered capital	Held by the Company	Held by the subsidiary	Principal activities and place of operation
Structured Entities						
GeniAI Tech Ltd. ("ESOP entity") (Note 1)	British Virgin Islands October 19, 2018	limited liability company	USD1	100%	–	Investment holding in British Virgin Islands
GeniAI Tech II Ltd. ("ESOP entity") (Note 1)	British Virgin Islands September 14, 2021	limited liability company	USD1	100%	–	Investment holding in British Virgin Islands
GeniAI Tech III Ltd. ("ESOP entity") (Note 1)	British Virgin Islands December 2, 2021	limited liability company	USD1	100%	–	Investment holding in British Virgin Islands
Rongtuo Holdings Limited (Note 1)	Cayman Islands September 28, 2018	limited liability company	USD1	100%	–	Investment holding in Cayman Islands
Tianjin Bairong Tongchuang Enterprise Management Consulting Center (L.P.) (天津百榮同創企業管理諮詢中心 (有限合伙))* (Note 1)	Tianjin, PRC August 5, 2014	limited partnership	RMB 300,000	–	100%	Enterprise management consulting in PRC
Wingspan Project II Investment Fund (Note 2)	Hong Kong, May 22, 2025	Open-ended fund company	USD 10,000,000	100%	–	Investment holding in Hong Kong



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

16 Investment in subsidiaries (Continued)

Notes: (Continued)

(ii) (Continued)

Note 1: GeniAI Tech Ltd., GeniAI Tech II Ltd., GeniAI Tech III Ltd., Rongtuo Holdings Limited and Tianjin Bairong Tongchuang Enterprise Management Consulting Center (L.P.) were incorporated as vehicles to hold the ordinary shares of the Company or Beijing Bairong, separately, under the share-based compensation plan. As the Group or Beijing Bairong has power to govern the relevant activities of GeniAI Tech Ltd., GeniAI Tech II Ltd., GeniAI Tech III Ltd., Rongtuo Holdings Limited and Tianjin Bairong Tongchuang Enterprise Management Consulting Center (L.P.), and can derive benefits from the operating of these entities, the directors of the Company consider that it is appropriate to consolidate these entities.

Note 2: During the year, the Group invested in Wingspan Project II Investment Fund (the "Fund") and is the sole limited partner of the Fund. The Fund invests exclusively in a structured note issued by Miracle Creation Investment Limited ("Miracle"), pursuant to the terms of such structured note, the Group is entitled to receive excess returns upon the satisfaction of certain trigger conditions. The Group has power over, is exposed to, or has rights to, variable returns from its involvement with the Fund and has the ability to use its power over the Fund to affect the amount of the Group's returns. The directors of the Group consider that it is appropriate to consolidate the Fund. As of December 31, 2025, the carrying amount of the structured note held by the Fund was approximately RMB72.41 million.

17 Interests in associates

	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Unlisted entities	375,498	197,436

The Group has interests in a number of immaterial associates and are accounted for using the equity method.

There were no material contingent liabilities relating to the Group's interests in the associates.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



17 Interests in associates (Continued)

	<i>Note</i>	2025	2024
		RMB'000	RMB'000
At the beginning of the year		197,436	9,645
Additions		127,045	188,562
Conversion from subsidiaries to associates	(i)	54,713	–
The Group's share of (losses)/profits		(3,393)	8,317
Share of other comprehensive income		(24)	1
Share of changes of other reserves		(279)	401
Reclassification to assets held for sale		–	(9,490)
Investment in associates		375,498	197,436

Note:

- (i) As at March 31, 2025, the Group transferred 20% equity interests in All Union to a third party, and could no longer exercise control on All Union. According, the Group recorded its investment in All Union using equity method. The Group remeasured All Union to its fair value of RMB54,713,000.

18 Trade receivables

	As at	As at
	December 31,	December 31,
	2025	2024
	RMB'000	RMB'000
Trade receivables	498,732	617,189
Less: loss allowance	(11,467)	(5,373)
Trade receivables, net	487,265	611,816



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

18 Trade receivables (Continued)

Ageing analysis

As of the end of each of the year, the ageing analysis of trade receivables, based on the transaction date and net of loss allowance, is as follows:

	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Within 3 months (inclusive)	311,430	462,846
3 months to 6 months (inclusive)	130,338	96,270
6 months to 1 year (inclusive)	49,511	50,804
Over 1 year	7,453	7,269
Less: loss allowance	(11,467)	(5,373)
Trade receivables, net	487,265	611,816

Further details on the Group's credit policy and credit risk arising from trade receivables are set out in note 30(a).

19 Loans receivable

	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Loans facilitated through Guangzhou Shurong		
– Consumer loans	275,084	123,345
Loans receivable	275,084	123,345
Less: allowance for loan losses	(30,182)	(8,082)
Loans receivable, net	244,902	115,263

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



19 Loans receivable (Continued)

The following table presents the ageing of past-due loan principles as of December 31, 2024 and 2025, respectively:

	1 – 90 days		Over 90 days	Total loans
	Total current	past due	past due	
	RMB'000	RMB'000	RMB'000	RMB'000
As of December 31, 2024	115,653	2,309	5,383	123,345
As of December 31, 2025	242,999	13,365	18,720	275,084

The following table presents the movements in the allowance for loan losses are as follows:

	2025	2024
	RMB'000	RMB'000
Balance at the beginning of the year	8,082	6,368
Additions	22,052	7,022
Write-off	–	(5,308)
Recoveries	48	–
Balance at the end of the year	30,182	8,082

The following table presents an analysis of the relevant maturity based on the remaining periods to repayment at December 31, 2025 and 2024, respectively:

	As at	As at
	December 31,	December 31,
	2025	2024
	RMB'000	RMB'000
Within 3 months (inclusive)	64,042	44,974
Between 3 months and 1 year (inclusive)	180,860	70,289
Loans receivable, net	244,902	115,263



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

20 Prepaid expenses and other current assets

	As at December 31, 2025	As at December 31, 2024
	RMB'000	RMB'000
Deposits	25,132	20,297
Interest receivable	20,027	175,978
Advances to suppliers	9,365	17,191
Prepaid expenses	6,305	16,796
Recoverable value-added tax and other taxes	2,540	–
Others	15,345	73,799
Total	78,714	304,061

21 Cash and cash equivalents, time deposits and restricted cash

(a) Cash and cash equivalents comprise:

	As at December 31, 2025	As at December 31, 2024
	RMB'000	RMB'000
Cash at bank	459,620	728,557
Cash equivalents ⁽ⁱ⁾	266,338	10,670
Cash and cash equivalents	725,958	739,227

(i) Cash equivalents represent cash balances kept in third party payment platform, which can be withdrawn by the Group at any time.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



21 Cash and cash equivalents, time deposits and restricted cash (Continued)

(b) Time deposits

	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Non-current		
Time deposits	190,000	193,594
Current		
Time deposits	1,585,647	2,243,569
	1,775,647	2,437,163

As at December 31, 2025, time deposits with initial terms of over three months were neither past due nor impaired, the carrying amounts of the time deposits with initial terms of over three months approximated their fair values.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

21 Cash and cash equivalents, time deposits and restricted cash (Continued)

(c) Restricted cash

	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Non-current		
Restricted cash ⁽ⁱ⁾	7,206	8,605
Current		
Restricted cash	1,551	211
Total	8,757	8,816

Restricted cash consists of funds that are contractually restricted as to usage or withdrawal due to regulatory requirements. The Group's restricted cash are all denominated in RMB and are all placed at financial institutions in the mainland of the PRC. The Group has presented restricted cash separately from cash and cash equivalents on the consolidated statement of financial position. The balances of the Group's restricted cash primarily comprise the following:

- (i) In accordance with the rules issued by the National Administration of Financial Regulation (the former "China Banking and Insurance Regulatory Commission", the "NAFR"), the Group's insurance brokerage subsidiary, Liming, sets aside cash funds as a liquidity reserve.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



21 Cash and cash equivalents, time deposits and restricted cash (Continued)

(d) Reconciliation of profit before taxation to cash generated from operation

	Note	2025 RMB'000	2024 RMB'000
Profit for the year		73,873	266,029
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	6(c)	35,128	25,631
Amortisation of intangible assets	6(c)	1,173	7,341
Depreciation of right-of-use assets	6(c)	46,405	49,631
Impairment loss	6(c)	48,526	31,424
Finance costs	6(a)	6,170	7,005
Share-based compensation	28	104,752	110,022
Deferred tax benefit	7	(12,110)	(2,534)
Gains from financial investments measured at fair value through profit or loss	5	(41,188)	(35,897)
Gains from disposal of subsidiaries	5	(22,858)	–
Gains from fixed coupon notes	5	(229)	–
Interest income from time deposits	5	(43,390)	(78,721)
Foreign exchange losses/(gains)	5	14,857	(400)
Share of losses/(profits) of associates	17	3,393	(8,317)
Operating profit before changes in working capital		214,502	371,214
Changes in working capital			
Decrease/(Increase) in restricted cash	21(c)	1,442	(1,772)
Decrease/(Increase) in trade receivables	18	128,653	(130,446)
Increase in loans receivable	19	(151,692)	(54,113)
Decrease in prepaid expenses and other current assets	20	58,650	58,755
(Decrease)/Increase in trade payables	22	(59,281)	25,326
Decrease in contract liabilities	24	(19,572)	(12,623)
(Decrease)/Increase in accrued expenses and other liabilities	23	(78,878)	56,791
Cash generated from operations		93,824	313,132



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

21 Cash and cash equivalents, time deposits and restricted cash (Continued)

(e) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Bank loans	Interests payable	Lease liabilities	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2024	91,360	–	53,150	144,510
Changes from financing cash flows:				
Repayment of bank loans	(91,360)	–	–	(91,360)
Payment of lease liabilities	–	–	(76,103)	(76,103)
Interest paid	–	(1,982)	–	(1,982)
Other changes:				
Increase in lease liabilities	–	–	147,644	147,644
Interest expenses	–	1,982	5,023	7,005
Reclassification to liabilities directly associated with the assets held for sale	–	–	(2,819)	(2,819)
As at December 31, 2024	–	–	126,895	126,895

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



21 Cash and cash equivalents, time deposits and restricted cash (Continued)

(e) Reconciliation of liabilities arising from financing activities (Continued)

	Bank loans	Interests payable	Lease liabilities	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2025	–	–	126,895	126,895
Changes from financing cash flows:				
Payment of lease liabilities	–	–	(59,706)	(59,706)
Other changes:				
Increase in lease liabilities	–	–	51,545	51,545
Interest expenses	–	–	6,170	6,170
As at December 31, 2025	–	–	124,904	124,904



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

22 Trade payables

	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Amounts due to third parties	151,568	256,657

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

	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Within 6 months	149,012	246,252
6 months to 1 year	1,173	8,069
1 to 2 years	1,383	2,336
	151,568	256,657

Trade payables are primarily expected to be settled within one year or are repayable on demand.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



23 Accrued expenses and other current liabilities

	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Accrued payroll and welfare	235,362	202,596
Accrued expenses	111,444	150,916
Value Added Tax, withholding tax and surcharges payable	36,642	42,974
Deposit received	3,580	3,550
Others	–	6,492
Total	387,028	406,528

All of the accrued expenses and other current liabilities are expected to be settled and expensed within one year or are repayable on demand.

24 Contract liabilities

Movements in contract liabilities are as below:

	2025 RMB'000	2024 RMB'000
Balance at January 1	62,175	81,576
Additions	409,115	501,547
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(62,175)	(81,576)
Decrease in contract liabilities as a result of recognising revenue during the same year	(370,122)	(432,861)
Reclassification to liabilities directly associated with the assets held for sale	–	(6,511)
Balance at December 31	38,993	62,175



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

25 Lease liabilities

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the reporting periods:

	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Maturity analysis-contractual undiscounted cash flows		
Within 1 year or on demand	49,982	44,370
More than 1 year but less than 2 years	36,292	37,849
More than 2 years	44,351	56,817
Total undiscounted lease liabilities	130,625	139,036
Less: total future interest expenses	(5,721)	(12,141)
Present value of lease liabilities	124,904	126,895
Lease liabilities included in the consolidated statement of financial position		
Current	45,783	36,396
Non-current	79,121	90,499
Present value of lease liabilities	124,904	126,895
	2025 RMB'000	2024 RMB'000
Amounts recognised in profit or loss		
Interest on lease liabilities	6,170	5,023
Amounts recognised in the consolidated statement of cash flows		
Total cash flow for leases	60,698	76,103

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



26 Disposal group classified as held for sale

In December 2024, the management of the company has committed to a plan to sell 20% equity interest in All Union for a cash consideration of RMB60,000,000 (the "Disposal"). The execution of the formal agreement and the completion of the Disposal are expected to occur in the first half of 2025, which may be subject to further changes depending on market conditions. The assets and liabilities attributable to All Union, which are expected to be sold within the next twelve months, have been classified as assets and liabilities held for sale and are presented separately in the consolidated statement of financial position. The Disposal was completed in 31 March 2025 ("Completion Date") and All Union became an associate of the Group.

Assets and liabilities included in disposal group held for sale

Considering that the disposal group's fair value less costs to sell assessed by management as at 31 December 2024 were higher than its carrying amount, the assets and liabilities held for sale were measured at their carrying amounts. As at 31 December 2024, the disposal group comprised the following assets and liabilities after inter-company elimination:

	<i>Note</i>	December 31, 2024 RMB'000
Assets		
Property, plant and equipment	11	724
Intangible assets	12	11,682
Right-of-use assets	13	3,144
Goodwill	14	85,412
Interests in associates	17	9,490
Restricted cash		1,382
Trade and other receivables	20	209,960
Cash and cash equivalents		39,165
Assets of disposal group held for sale		360,959
Liabilities		
Trade payables		70,525
Contract liabilities and other liabilities	23/24	204,936
Lease liabilities		2,819
Current income tax liabilities		132
Deferred tax liabilities		1,752
Liabilities directly associated with the disposal group held for sale		280,164



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

27 Income tax in the consolidated statement of financial position

Deferred tax assets and liabilities recognised

(i) Movement of each component of deferred tax assets and liabilities

The components of deferred tax assets and liabilities recognised in the consolidated statement of financial position and the movements during the years are as follows:

Deferred tax arising from:	Deductible	Impairment	Other	Changes in	Identified	Lease	Right-of-use	Total
	accumulative		deductible		temporary			
	losses	losses	differences	the fair value	acquisition	liabilities	assets	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2024	-	1,489	1,482	-	(8,426)	486	(542)	(5,511)
Credited/(charged) to profit or loss (note 7(a))	-	450	(548)	1,621	854	12,016	(11,859)	2,534
Reclassification to liabilities held for sale	-	-	-	-	1,752	-	-	1,752
At December 31, 2024 and January 1, 2025	-	1,939	934	1,621	(5,820)	12,502	(12,401)	(1,225)
Credited/(charged) to profit or loss (note 7(a))	11,515	2,011	-	(1,874)	-	3,623	(3,165)	12,110
At December 31, 2025	11,515	3,950	934	(253)	(5,820)	16,125	(15,566)	10,885

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



27 Income tax in the consolidated statement of financial position (Continued) Deferred tax assets and liabilities recognised (Continued)

(ii) Reconciliation to the consolidated statement of financial position

	As at December 31, 2025 RMB'000	As at December 31, 2024 RMB'000
Deferred tax assets recognised in the consolidated statement of financial position	33,976	16,996
Set-off with deferred tax liabilities pursuant to set-off provisions	(15,567)	(12,381)
Net deferred tax assets recognised in the consolidated statement of financial position	18,409	4,615
Deferred tax liabilities recognised in the consolidated statement of financial position	(23,091)	(18,221)
Set-off with deferred tax assets pursuant to set-off provisions	15,567	12,381
Net deferred tax liabilities recognised in the consolidated statement of financial position	(7,524)	(5,840)

Deferred tax assets not recognised

The Group has not recognised deferred tax assets in respect of cumulative tax losses of RMB89.97 million and RMB101.63 million as at December 31, 2025 and 2024, as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction before they expire.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

28 Share-based compensation

2019 ESOP

As part of the Group's re-organization prior to its IPO, the Group adopted a share incentive plan (the "2019 ESOP") in August 2019. Under the 2019 ESOP, the Group was entitled to grant a total of 12,963,556 share options to its employees, officers, directors and individuals.

Share options granted to an employee under the 2019 ESOP will be exercisable upon the employee renders service to the Group in accordance with a stipulated service schedule starting from the employee's date of employment. Employees are generally subject to a four-year service schedule commencing from the employees' date of employment, under which an employee is entitled to vest in 50% of his option grants for the first two years of completed service and entitled to vest in 25% of his option grants annually thereafter of completed service.

Upon the Share Subdivision becoming effective, pro-rata adjustments have been made to the number of outstanding awarded shares, so as to give the participants the same proportion of the equity capital that were before the offer of the Share Subdivision to which they were entitled to. The exercise price of all the options granted under the 2019 ESOP is RMB1.0 which was adjusted to RMB0.2 per share after the subdivision on March 16, 2021.

The Group will not grant further options under the 2019 Plan after the initial public offering.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



28 Share-based compensation (Continued)

2019 ESOP (Continued)

The following table sets forth the share option shares activities under the 2019 Plan for the years ended 2025 and 2024.

	Options outstanding	Weighted average exercise price RMB
Outstanding at January 1, 2024	6,500,800	0.2
Granted	–	Not applicable
Exercised	(1,579,407)	0.2
Forfeited	–	Not applicable
Outstanding at December 31, 2024	4,921,393	0.2
Exercisable as of December 31, 2024	4,817,005	0.2
Outstanding at January 1, 2025	4,921,393	0.2
Granted	–	Not applicable
Exercised	(1,474,725)	0.2
Forfeited	–	Not applicable
Outstanding at December 31, 2025	3,446,668	0.2
Exercisable as of December 31, 2025	3,446,668	0.2



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

28 Share-based compensation (Continued)

2019 ESOP (Continued)

The weighted-average remaining contract life for outstanding share options was 1.40 years as of December 31, 2025 (2024: 2.41 years).

Options granted to employees were measured at fair value on the dates of grant based on the Binomial Option Pricing Model with the following assumptions:

	2020
Expected volatility	33% – 36%
Risk-free interest rate	2.85% – 3.28%
Exercise multiple	2
Expected dividend yield	–
Expected term (in years)	10
Fair value of the underlying shares on the date of option grants (per share)	RMB27.00 – RMB27.13

2021 ESOP

The Company adopted the post-IPO share option scheme (the “2021 ESOP”) on March 16, 2021 with effect from the initial public offering and subsequently terminated on June 21, 2024 pursuant to the Termination of 2021 Schemes. Under the 2021 ESOP, the Group was entitled to grant a total of 41,098,971 share options to employees, officers, directors and individuals of the Group.

Share options granted to an employee under the 2021 ESOP will be exercisable upon the employee renders service to the Group in accordance with a stipulated service schedule starting from the relevant performance period. Employees are generally subject to a four-year service schedule, under which an employee is entitled to vest in 50% of his option grants for the first two years of completed service and entitled to vest in 25% of his option grants annually thereafter of completed service.

The Group granted nil and 31,171,400 share options to employees during the year ended December 31, 2025 and 2024 respectively, and will not grant further options under the 2021 ESOP after June 21, 2024.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



28 Share-based compensation (Continued)

2021 ESOP (Continued)

The following table sets forth the share option shares activities under the 2021 ESOP for the years ended 2025 and 2024.

	Options outstanding	Weighted average exercise price RMB
Outstanding at January 1, 2024	9,927,500	7.75
Granted	31,171,400	11.79
Exercised	(819,500)	7.75
Forfeited	(1,772,000)	11.94
Outstanding at December 31, 2024	38,507,400	10.82
Exercisable as of December 31, 2024	6,473,375	7.75
Outstanding at January 1, 2025	38,507,400	10.82
Granted	–	Not applicable
Exercised	(170,000)	7.75
Forfeited	(875,500)	9.63
Outstanding at December 31, 2025	37,461,900	10.87
Exercisable as of December 31, 2025	18,305,200	10.21

The weighted-average remaining contract life for outstanding share options was 7.70 years as of December 31, 2025 (2024: 8.69 years).

The weighted average fair value of options granted during the year ended December 31, 2024 was RMB3.75 per share.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

28 Share-based compensation (Continued)

2021 ESOP (Continued)

Options granted to employees were measured at fair value on the dates of grant based on the Binomial Option Pricing Model with the following assumptions:

	2021
Expected volatility	33.00%-34.28%
Risk-free interest rate	1.58%-3.76%
Exercise multiple	2 – 2.8
Expected dividend yield	–
Expected term (in years)	10
Fair value of the underlying shares on the date of option grants (per share)	RMB7.75-RMB12.52

Share Award Scheme (“2021 RSUs”)

The Group adopted a share award scheme (the “Share Award Scheme”) on May 28, 2021. Under the 2021 RSUs and subsequently terminated on June 21, 2024 pursuant to the Termination of 2021 Schemes.

The Group granted 14,257,500 and 2,776,500 of restricted share units (the “2021 RSUs”) to its employees, consultants, and directors during the year 2021 and 2022 respectively. In addition, the Group granted 1,269,000 and 10,531,500 of the RSUs to its employees, consultants, and directors during the year 2023 and 2024 respectively. The Group will not grant further RSUs under the 2021 RSUs after June 21, 2024.

The RSUs awarded vest in tranches from the grant date over a certain service period, on condition that employees remain in service without any performance requirements. Once the vesting conditions underlying the respective RSUs are met, the RSUs are considered duly and validly issued to the holder, and free of restrictions on transfer.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



28 Share-based compensation (Continued)

Share Award Scheme ("2021 RSUs") (Continued)

The fair value of each RSU at the grant date were determined by reference to the fair value of the ordinary shares of the Group that issued to its shareholders. Movements in the number of RSUs and the respective weighted average grant date fair value are as below:

	Number of RSUs	Weighted average grant date fair value per RSU RMB
Outstanding at January 1, 2024	8,500,750	7.95
Granted	10,531,500	10.56
Exercised	(3,682,375)	7.85
Forfeited	(2,097,250)	10.14
Outstanding at December 31, 2024	13,252,625	9.71
Granted	–	Not applicable
Exercised	(6,359,750)	9.47
Forfeited	(828,250)	9.01
Outstanding at December 31, 2025	6,064,625	10.06

2024 ESOP

The 2024 Share Scheme (the "2024 ESOP") was adopted on June 21, 2024 at the conclusion of the Company's 2024 annual general meeting. Under the 2024 ESOP, the total number of share options shall not exceed 49,102,996.

Share options granted to an employee under the 2024 ESOP will be exercisable upon the employee renders service to the Group in accordance with a stipulated service schedule starting from the relevant performance period. Employees are generally subject to a four-year service schedule, under which an employee is entitled to vest in 50% of his option grants for the first two years of completed service and entitled to vest in 25% of his option grants annually thereafter of completed service.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

28 Share-based compensation (Continued)

2024 ESOP (Continued)

The Group granted nil and 1,168,500 share options to employees during the year ended December 31, 2025 and 2024 respectively.

Movements in the number of share options granted to employees and their related weighted average exercise prices are as follow:

	Options outstanding	Weighted average exercise price
		RMB
Outstanding at January 1, 2024	–	Not applicable
Granted	1,168,500	10.27
Exercised	–	Not applicable
Forfeited	–	Not applicable
Outstanding at December 31, 2024	1,168,500	10.27
Exercisable as of December 31, 2024	–	Not applicable
Outstanding at January 1, 2025	1,168,500	10.27
Granted	–	Not applicable
Exercised	–	Not applicable
Forfeited	–	Not applicable
Outstanding at December 31, 2025	1,168,500	10.27
Exercisable as of December 31, 2025	–	Not applicable

The weighted-average remaining contract life for outstanding share options was 8.73 years as of December 31, 2025 (2024: 9.73 years).

The weighted average fair value of options granted during the year ended December 31, 2024 was RMB3.53 per share.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



28 Share-based compensation (Continued)

2024 ESOP (Continued)

Options granted to employees were measured at fair value on the dates of grant based on the Binomial Option Pricing Model with the following assumptions:

	2024
Expected volatility	34.62%
Risk-free interest rate	3.01%
Exercise multiple	2 – 2.8
Expected dividend yield	–
Expected term (in years)	10
Fair value of the underlying shares on the date of option grants (per share)	RMB9.34

2024 Share Award Scheme (“2024 RSUs”)

The Group adopted a share award scheme (the “2024 Share Award Scheme”) on June 21, 2024. Under the 2024 RSUs, the Group granted 3,911,500 and 11,149,500 of restricted share units (the “2024 RSUs”) to its employees, consultants, and directors during the year 2024 and 2025 respectively.

The 2024 RSUs awarded vest in tranches from the grant date over a certain service period, on condition that employees remain in service without any performance requirements. Once the vesting conditions underlying the respective RSUs are met, the RSUs are considered duly and validly issued to the holder, and free of restrictions on transfer.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

28 Share-based compensation (Continued)

2024 Share Award Scheme ("2024 RSUs") (Continued)

The fair value of each RSU at the grant date were determined by reference to the fair value of the ordinary shares of the Group that issued to its shareholders. Movements in the number of RSUs and the respective weighted average grant date fair value are as below:

	Number of RSUs	Weighted average grant date fair value per RSU RMB
Outstanding at January 1, 2024	–	Not applicable
Granted	3,911,500	9.06
Exercised	–	Not applicable
Forfeited	(42,500)	8.23
Outstanding at December 31, 2024	3,869,000	9.07
Granted	11,149,500	7.90
Exercised	(286,500)	9.34
Forfeited	(701,000)	8.54
Outstanding at December 31, 2025	14,031,000	8.16

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



28 Share-based compensation (Continued)

The total share-based compensation expenses recognised in the consolidated statement of profit or loss are RMB104.75 million and RMB110.02 million for the years ended December 31, 2025 and 2024, respectively. The following table sets forth a breakdown of share-based compensation by nature:

	2025	2024
	RMB'000	RMB'000
2019 ESOP	1,474	2,901
2021 ESOP	32,650	48,433
2021 RSUs	28,154	54,518
2024 ESOP	1,437	331
2024 RSUs	41,037	3,839
Total	104,752	110,022

29 Capital and reserves

(a) Share capital

(i) Authorized and issued share capital by the Company

The Company was incorporated in the Cayman Islands in June 2018 with an authorised share capital of US\$50,000 divided into 500,000,000 shares with a par value of US\$0.0001 each. Upon incorporation, the Company issued 18,776,522 ordinary shares to the co-founders with a consideration of RMB13,000.

Pursuant to share subscription agreements with the investors on June 27, 2019, the Company issued 22,237,437 ordinary shares to third party investors. In addition, the Company approved surrender of 735,050 ordinary shares by one of the co-founders.

On August 26, 2019, the Company repurchased 9,963,556 shares with a par value of US\$0.0001 each from GeniAI Tech Ltd. for nil consideration and then promptly cancelled such shares.

On March 16, 2021, pursuant to the shareholders' resolution, each existing issued and unissued share of US\$0.0001 each in the share capital of the Company were subdivided into 5 shares of US\$0.00002 each.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

29 Capital and reserves (Continued)

(a) Share capital (Continued)

(i) Authorized and issued share capital by the Company (Continued)

Upon completion of the IPO, the Company issued 123,822,500 new ordinary shares at par value of US\$0.00002 each for cash consideration of HK\$31.80 each, and raised gross proceeds of approximately HK\$3,937,555,500. The respective share capital amount was approximately RMB16,000 and share premium arising from the issuance was approximately RMB3,198,349,000, net of the share issuance costs.

Upon completion of the IPO, all the redeemable convertible preferred shares were redesignated and reclassified as ordinary shares on a five for one basis. As a result, the redeemable convertible preferred shares were derecognized and recorded as share capital and capital reserve.

As at December 31, 2025, the Company had 2,500,000,000 shares authorised, which consisted of 500,000,000 Class A shares and 2,000,000,000 Class B shares, and the Company had 467,727,911 shares issued, which consisted of 73,234,312 Class A shares and 394,493,599 Class B shares.

(ii) Repurchase and cancellation of ordinary shares by the Company

During the year ended December 31, 2021, the Company repurchased a total of 8,894,500 ordinary shares that had been listed on the Stock Exchange. The total amount to repurchase these ordinary shares was approximately equivalent to RMB118,272,000. As at December 31, 2021, a total of 3,785,000 repurchased ordinary shares have been cancelled. The remaining repurchased shares were recorded as “treasury shares” as at December 31, 2021 at the amount of RMB54,765,000.

During the year ended December 31, 2022, all the ordinary shares repurchased during the year 2021 were cancelled and deducted from the share capital and share premium within shareholders’ equity. The share capital amount of these cancelled shares was approximately RMB1,000 and the corresponding share premium was approximately RMB54,764,000. The Company further repurchased a total of 14,433,000 ordinary shares that had been listed on the Stock Exchange. The total amount to repurchase these ordinary shares was approximately equivalent to RMB114,483,000. The repurchased shares were recorded as “treasury shares” as at December 31, 2022.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



29 Capital and reserves (Continued)

(a) Share capital (Continued)

(ii) Repurchase and cancellation of ordinary shares by the Company (Continued)

During the year ended December 31, 2023, all the ordinary shares repurchased during the year 2022 were cancelled and deducted from the share capital and share premium within shareholders' equity. The share capital amount of these cancelled shares was approximately RMB2,000 and the corresponding share premium was approximately RMB152,280,000. The Company further repurchased a total of 20,732,500 ordinary shares that had been listed on the Stock Exchange. The total amount to repurchase these ordinary shares was approximately equivalent to RMB197,472,000. The repurchased shares were recorded as "treasury shares" as at December 31, 2023.

During the year ended December 31, 2024, all the ordinary shares repurchased during the year 2023 were cancelled and deducted from the share capital and share premium within shareholders' equity. The share capital amount of these cancelled shares was approximately RMB2,000 and the corresponding share premium was approximately RMB161,552,000. The Company further repurchased a total of 25,490,000 ordinary shares that had been listed on the Stock Exchange. The total amount to repurchase these ordinary shares was approximately equivalent to RMB216,992,000. The repurchased shares were recorded as "treasury shares" as at December 31, 2024.

During the year ended December 31, 2025, all the ordinary shares repurchased during the year 2024 were cancelled and deducted from the share capital and share premium within shareholders' equity. The share capital amount of these cancelled shares was approximately RMB3,000 and the corresponding share premium was approximately RMB215,108,000. The Company further repurchased a total of 9,597,500 ordinary shares that had been listed on the Stock Exchange. The total amount to repurchase these ordinary shares was approximately equivalent to RMB81,661,000. The repurchased shares were recorded as "treasury shares" as at December 31, 2025.

(iii) Shares issued and held for share award schemes

As at September 29, 2021, the Company issued a total of 8,847,081 ordinary shares on the Stock Exchange to Rongtuo Holdings Limited for the settlement of 2019 ESOP share options. As at December 30, 2021 and December 31, 2021, GeniAI Tech II Ltd. purchased a total of 730,500 ordinary shares of the Company on the Stock Exchange for the settlement of 2019 ESOP share options.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

29 Capital and reserves (Continued)

(a) Share capital (Continued)

(iii) Shares issued and held for share award schemes (Continued)

During the year ended December 31, 2022, GeniAI Tech II Ltd. and GeniAI Tech III Ltd. purchased a total of 3,638,000 ordinary shares of the Company on the Stock Exchange for the settlement of 2019 ESOP share options.

During the year ended December 31, 2022, the Company issued a total of 23,474,731 ordinary shares on the Stock Exchange to employees for the exercise of 2019 ESOP share options. In addition, 8,837,081 shares were transferred from Rongtuo Holdings Limited to employees for the exercise of 2019 ESOP share options.

During the year ended December 31, 2023, GeniAI Tech II Ltd. purchased a total of 4,538,500 ordinary shares of the Company on the Stock Exchange for the settlement of 2019 ESOP share options and Share Award Scheme.

During the year ended December 31, 2023, the Company issued a total of 5,623,137 ordinary shares on the Stock Exchange to employees for the exercise of 2019 ESOP share options. In addition, 5,757,250 shares were transferred from GeniAI Tech II Ltd. and GeniAI Tech III Ltd. to employees for the exercise of Share Award Scheme.

During the year ended December 31, 2024, GeniAI Tech II Ltd. purchased a total of 10,331,500 ordinary shares of the Company on the Stock Exchange for the settlement of 2019 ESOP share options and Share Award Scheme.

During the year ended December 31, 2024, the Company issued a total of 2,398,907 ordinary shares on the Stock Exchange to employees for the exercise of 2019 ESOP share options. In addition, 3,682,375 shares were transferred from GeniAI Tech II Ltd. and GeniAI Tech III Ltd. to employees for the exercise of Share Award Scheme.

During the year ended December 31, 2025, the Company issued a total of 1,644,725 ordinary shares on the Stock Exchange to employees for the exercise of 2019 ESOP share options and 2021 ESOP share options. In addition, 6,646,250 shares were transferred from GeniAI Tech II Ltd. and GeniAI Tech III Ltd. to employees for the exercise of Share Award Scheme.

As Rongtuo Holdings Limited, GeniAI Tech II Ltd. and GeniAI Tech III Ltd. are consolidated entities of the Group as disclosed in note 16, these shares were therefore recorded as "treasury shares" as at December 31, 2025.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



29 Capital and reserves (Continued)

(b) Reserves

	<i>Note</i>	Share premium	Share-based compensation reserve	Others	Total
		RMB'000	RMB'000	RMB'000	RMB'000
Balance at December 31, 2023 and					
January 1, 2024		4,107,845	113,237	36,347	4,257,429
Exercise of share options		10,775	(34,804)	-	(24,029)
Share-based compensation expenses	(i)	-	110,022	-	110,022
Share of other comprehensive income of investments accounted for using the equity method		-	-	1	1
Share of other reserves of investments accounted for using the equity method		-	-	401	401
Cancellation of shares		(161,552)	-	-	(161,552)
Balance at December 31, 2024		3,957,068	188,455	36,749	4,182,272
Exercise of share options		4,784	(60,083)	-	(55,299)
Share-based compensation expenses	(i)	-	104,752	-	104,752
Share of other comprehensive income of investments accounted for using the equity method		-	-	(24)	(24)
Share of other reserves of investments accounted for using the equity method		-	-	(279)	(279)
Currency translation differences		-	-	(1,661)	(1,661)
Cancellation of shares		(215,108)	-	-	(215,108)
Balance at December 31, 2025		3,746,744	233,124	34,785	4,014,653

Notes

- (i) Share-based compensation reserve arises from share-based payments granted to employees of the Company, see note 28 for detail.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

29 Capital and reserves (Continued)

(c) Dividends

During the years of 2025 and 2024, no dividends were declared by the entities comprising the Group to its owners.

(d) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Except for Liming and Guangzhou Shurong, neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

In accordance with the rules issued by the National Administration of Financial Regulation (the former "China Banking and Insurance Regulatory Commission", the "NAFR"), the Group's insurance brokerage subsidiary, Liming, sets aside cash funds as a liquidity reserve.

Guangzhou Shurong, the Group's micro-loan subsidiary, regularly monitors the balance of the loans in relation to its paid-in capital, so as to comply with regulatory requirements.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



29 Capital and reserves (Continued)

(e) Movements in components of equity

The changes of each component of the Group's consolidated equity during the years is set out in the consolidated statement of changes in equity. Details of changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

	Share capital RMB'000	Treasury shares RMB'000	Reserve RMB'000	Total RMB'000
Balance at December 31, 2023	64	(159,673)	4,363,053	4,203,444
Changes in equity for 2024:				
Profit for the year	–	–	8,599	8,599
Exercise of share options	–	–	7,482	7,482
Cancellation of shares	(2)	161,554	(161,552)	–
Repurchase of ordinary shares	–	(216,992)	–	(216,992)
Share-based compensation	–	–	110,022	110,022
Balance at December 31, 2024	62	(215,111)	4,327,604	4,112,555
Changes in equity for 2025:				
Capital injection by the shareholders	12	–	182,211	182,223
Loss for the year	–	–	(52,304)	(52,304)
Exercise of share options	–	–	1,811	1,811
Cancellation of shares	(3)	215,111	(215,108)	–
Repurchase of ordinary shares	–	(81,661)	–	(81,661)
Share-based compensation	–	–	104,752	104,752
Balance at December 31, 2025	71	(81,661)	4,348,966	4,267,376



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

30 Financial risk management and fair values of financial instruments

Exposure to credit risk, liquidity risk, interest rate risk, foreign exchange risk and fair value measurement arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practice used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions with a minimum credit rating, for which the Group considers to have low credit risk.

The Group does not provide any guarantees which would expose the Group to credit risk.

Trade receivables

In respect of trade receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are non-interest bearing and are generally on terms between 1 to 90 days. In some cases, these terms are extended for certain qualified long-term customers who have met specific credit requirements. The Group does not have any off-balance-sheet credit exposure related to its customers.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. As at December 31, 2025 and 2024, 3.81% and 12.21% of the total trade receivables was due from the Group's five largest customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at December 31, 2025 and 2024:

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



30 Financial risk management and fair values of financial instruments (Continued)

(a) Credit risk (Continued)

Trade receivables (Continued)

	December 31, 2025		
	Expected loss rates	Gross carrying amount RMB'000	Loss allowance RMB'000
Current	0.16%	401,301	642
Overdue within 3 months	1.90%	80,949	1,538
Overdue after 3 months but within 6 months	51.0%	13,897	7,087
Overdue more than 6 months	85.1%	2,585	2,200
		498,732	11,467

	December 31, 2024		
	Expected loss rates	Gross carrying amount RMB'000	Loss allowance RMB'000
Current	0.16%	567,954	909
Overdue within 3 months	1.90%	43,348	824
Overdue after 3 months but within 6 months	51.0%	4,020	2,051
Overdue more than 6 months	85.1%	1,867	1,589
		617,189	5,373



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

30 Financial risk management and fair values of financial instruments (Continued)

(a) Credit risk (Continued)

Trade receivables (Continued)

Expected loss rates are based on actual loss experience over the past recent years. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

	2025	2024
	RMB'000	RMB'000
Balance at January 1,	(5,373)	(2,815)
Loss allowance recognised during the year	(7,172)	(2,558)
Written off	1,078	–
Balance at December 31,	(11,467)	(5,373)

Loans receivable

The Group classifies loans receivable into three stages and makes provisions for expected credit losses accordingly, depending on whether credit risk on that loans receivable has increased significantly since initial recognition.

The three stages are defined as follows:

Stage 1: A financial asset of which the credit risk has not significantly increase since initial recognition. The amount equal to 12-month expected credit losses is recognised as loss allowance.

Stage 2: A financial asset with a significant increase in credit risk since initial recognition but is not considered to be credit-impaired. The amount equal to lifetime expected credit losses is recognised as loss allowance.

Stage 3: A financial asset is considered to be credit-impaired as at statement of financial position date. The amount equal to lifetime expected credit losses is recognised as loss allowance. Refer to note 2(l)(i) for the definition of credit-impaired financial assets.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



30 Financial risk management and fair values of financial instruments (Continued)

(a) Credit risk (Continued)

Loans receivable (Continued)

The assessment of significant increase since initial recognition in the credit risk is performed at least on a quarterly basis for financial assets held by the Group. The Group takes into consideration all reasonable and supportable information (including forward-looking information) that reflects significantly change in credit risk for the purposes of classifying financial assets. In determining whether credit risk of a financial asset has increased significantly since initial recognition, the Group considers factors indicating whether the probability of default has risen sharply, whether the financial asset has been past due.

Impairment assessment

Generally, a financial asset is considered to be credit-impaired if:

- It has been overdue for more than 90 days;
- In light of economic, legal or other factors, the Group has made concessions to a customer in financial difficulties, which would otherwise have been impossible under normal circumstances;
- The customer is probable to be insolvent or carry out other financial restructurings;
- Due to serious financial difficulties, the financial asset cannot continue to be traded in an active market;
- There are other objective evidences that the financial asset is impaired.

The Group recognises ECLs of the underlying loan using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

30 Financial risk management and fair values of financial instruments (Continued)

(a) Credit risk (Continued)

Impairment assessment (Continued)

Movement in the loss allowance account in respect of loans receivable during the year is as follows:

	December 31, 2025			
	12-month ECL	Lifetime ECL		Total
		not credit-	Lifetime ECL	
RMB'000	RMB'000	RMB'000	RMB'000	
As at January 1, 2025	1,499	1,179	5,404	8,082
Transferred:				
– to 12-month ECL	–	–	–	–
– to lifetime ECL not credit-impaired	(12)	12	–	–
– to lifetime ECL credit-impaired	(5,187)	(264)	5,451	–
Charge for the year	9,590	4,672	7,790	22,052
Recoveries	–	–	48	48
As at December 31, 2025	5,890	5,599	18,693	30,182

	December 31, 2024			
	12-month ECL	Lifetime ECL		Total
		not credit-	Lifetime ECL	
RMB'000	RMB'000	RMB'000	RMB'000	
As at January 1, 2024	4,774	435	1,159	6,368
Transferred:				
– to 12-month ECL	–	–	–	–
– to lifetime ECL not credit-impaired	(83)	83	–	–
– to lifetime ECL credit-impaired	(3,489)	(845)	4,334	–
Charge for the year	297	1,506	5,219	7,022
Write-offs	–	–	(5,308)	(5,308)
As at December 31, 2024	1,499	1,179	5,404	8,082

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



30 Financial risk management and fair values of financial instruments (Continued)

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient cash to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's policy is to regularly monitor current and expected liquidity requirements, and to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

	As at December 31, 2025					Carrying amounts in the consolidated statement of financial position
	Contractual undiscounted cash outflow				Total	
	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Trade payables	150,185	1,383	-	-	151,568	151,568
Lease liabilities	49,982	36,292	44,351	-	130,625	124,904
Accrued expenses and other current liabilities	387,028	-	-	-	387,028	387,028
	587,195	37,675	44,351	-	669,221	663,500



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

30 Financial risk management and fair values of financial instruments (Continued)

(b) Liquidity risk (Continued)

	As at December 31, 2024					Carrying amounts in the consolidated statement of financial position RMB'000
	Contractual undiscounted cash outflow				Total RMB'000	
	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000		
		RMB'000	RMB'000	RMB'000		
Trade payables	254,321	2,336	–	–	256,657	256,657
Lease liabilities	44,370	37,849	56,817	–	139,036	126,895
Accrued expenses and other current liabilities	406,528	–	–	–	406,528	406,528
	705,219	40,185	56,817	–	802,221	790,080

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from borrowings. The interest risk arising from financial assets at fair value through profit or loss and loans receivable is not significant due to the short-term maturity of these financial instruments. Borrowings issued at variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively.

The Group has no interest-bearing liabilities at December 31, 2025 and 2024, respectively. Thus, the Group is not exposed to significant cash flow interest rate risk during the year.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



30 Financial risk management and fair values of financial instruments (Continued)

(d) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the Group entities functional currency. The functional currency of the Company and the subsidiaries operated in the PRC are RMB. The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and tries to minimise these exposures through natural hedges, wherever possible, and may enter into forward foreign exchange contracts, when necessary.

The Group operates mainly in the PRC with most of the transactions settled in RMB. Management considers that the business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities of the Group denominated in the currencies other than the respective functional currencies of the Group's entities.

(e) Fair value measurement

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of each reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

Level 3 valuations: Fair value measured using significant unobservable inputs.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

30 Financial risk management and fair values of financial instruments (Continued)

(e) Fair value measurement (Continued)

Fair value hierarchy (Continued)

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Level 2		
Assets		
– Fund investments	243,742	112,167
– Wealth management products	–	101,010
	243,742	213,177
Level 3		
Assets		
– Wealth management products ⁽ⁱ⁾	345,547	227,409
– Unlisted equity securities ⁽ⁱⁱ⁾	234,133	152,156
– Fund investments ⁽ⁱ⁾	284,348	36,350
– Beneficial interests in non-performing loans ⁽ⁱⁱⁱ⁾	221,896	3,632
	1,085,924	419,547

During the year, there were no transfers between Level 1, Level 2 and Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Valuation techniques and inputs used in Level 2 fair value measurement:

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize 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 for evaluating the fair value of a financial instrument are observable, the instrument is included in Level 2.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



30 Financial risk management and fair values of financial instruments (Continued)

(e) Fair value measurement (Continued)

Valuation techniques and inputs used in Level 3 fair value measurement:

(i) Fund investments and wealth management products

The carrying amount of fund investments and wealth management products are measured at fair values in the consolidated statement of financial position as of December 31, 2025 and 2024. The Group determines the fair value of fund investments and wealth management products by using discounted cash flow models. The unobservable inputs are expected annual return rates fixed in the investment contracts. These expected annual return rates ranged from 1.60% to 6.00% and 2.15% to 4.50% as of December 31, 2025 and 2024, respectively.

It is estimated that with all other variables held constant, if the expected annual return rates increased/decreased by 1%, the aggregate profit before taxation as of December 31, 2025 and 2024 would have increased/decreased by RMB6.30 million and RMB2.64 million, respectively.

The movements of fund investments and wealth management products during the year in the balance of these Level 3 fair value measurements are as follows:

	2025	2024
	RMB'000	RMB'000
At the beginning of the year	263,759	514,772
Addition	7,671,231	3,672,876
Disposal	(7,345,328)	(3,950,071)
Change in fair value	40,233	26,182
At the end of the year	629,895	263,759



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

30 Financial risk management and fair values of financial instruments (Continued)

(e) Fair value measurement (Continued)

Valuation techniques and inputs used in Level 3 fair value measurement: (Continued)

(ii) Equity securities

The carrying amount of equity securities are measured at fair values in the consolidated statement of financial position as of December 31, 2025 and 2024. The Group's equity securities are investments in unlisted companies. The valuation techniques used to value the equity securities are recent transactions and market approaches. The unobservable inputs include discount for lack of marketability ("DLOM"), market multiples, etc.

It is estimated that with all other variables held constant, if the fair values of equity securities increased/decreased by 1%, the aggregate profit before taxation as of December 31, 2025 and 2024 would have increased/decreased by RMB2.34 million and RMB1.52 million, respectively.

The movements of unlisted equity securities during the year in the balance of these Level 3 fair value measurements are as follows:

	2025	2024
	RMB'000	RMB'000
At the beginning of the year	152,156	149,750
Addition	98,163	23,027
Disposal	–	(18,575)
Change in fair value	(16,186)	(2,046)
At the end of the year	234,133	152,156
Net unrealised losses for the year	(16,186)	(2,046)

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



30 Financial risk management and fair values of financial instruments (Continued)

(e) Fair value measurement (Continued)

Valuation techniques and inputs used in Level 3 fair value measurement: (Continued)

(iii) Beneficial interests in non-performing loans

The carrying amount of beneficial interests in non-performing loans are measured at fair values in the consolidated statement of financial position as of December 31, 2025 and 2024. The Group determines the fair value of beneficial interests in non-performing loans by using discounted cash flow models. The unobservable inputs are default rates of recovery and discount rates. As of December 31, 2025 and 2024, these discount rates ranged from 7.80% to 13.23% and 10.61% to 11.61% respectively, and these default rates of recovery ranged from 0.07% to 0.89% and 0.18% to 1.03% respectively.

The movements of beneficial interests in non-performing loans during the year in the balance of these Level 3 fair value measurements are as follows:

	2025	2024
	RMB'000	RMB'000
At the beginning of the year	3,632	–
Addition	230,588	3,632
Disposal	(19,295)	–
Change in fair value	6,971	–
At the end of the year	221,896	3,632

The carrying amounts of the Group's financial assets and financial liabilities measured at amortised cost are approximate their fair values.



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

31 Material related party transactions

Key management personnel remuneration

Remuneration for key management personnel of the Group during the year is as follows:

	2025	2024
	RMB'000	RMB'000
Directors' fees	2,503	2,320
Salaries, allowances and benefits in kind	4,059	4,122
Discretionary bonuses	1,755	2,025
Retirement scheme contributions	114	141
Share-based payments	48,642	60,594
Key management personnel remuneration	57,073	69,202

32 Commitments

Commitments outstanding at 31 December 2025 not provided for in the financial statements were as follows:

	2025	2024
	RMB'000	RMB'000
Investments	150,000	–

33 Contingencies

The Group did not have any material contingent liabilities as of December 31, 2025.

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



34 Company-level statement of financial position

	<i>Note</i>	December 31, 2025	December 31, 2024
		RMB'000	RMB'000
Non-current assets			
Property, plant and equipment		54	66
Investment in subsidiaries	16	1,682,114	1,319,241
Interests in associates		90,188	–
Financial assets at fair value through profit or loss		184,627	87,906
		1,956,983	1,407,213
Current assets			
Cash and cash equivalents		392,859	553,214
Time deposits		1,135,597	255,207
Prepaid expenses and other current assets		446,533	1,742,200
Financial assets at fair value through profit or loss		358,202	165,506
		2,333,191	2,716,127
Current liabilities			
Accrued expenses and other current liabilities		22,798	10,785
		22,798	10,785
Net current assets		2,310,393	2,705,342
Total assets less current liabilities		4,267,376	4,112,555
NET ASSETS		4,267,376	4,112,555
Equity			
Share capital		71	62
Treasury shares		(81,661)	(215,111)
Reserves		4,348,966	4,327,604
TOTAL EQUITY		4,267,376	4,112,555

Approved and authorized for issue by the Board of Directors on March 26, 2026.

Zhang Shaofeng

Director

Chan Chun Kit

Director



Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)

35 Events after the reporting period

There were no material subsequent events during the period from December 31, 2025 to the approval date of the Annual Financial Report by the Board on March 26, 2026.

36 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended December 31, 2025

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, new standards and interpretations which are not yet effective for the accounting year ended December 31, 2025 and which have not been adopted in the financial statements. These include the following which may be relevant to the Group:

The revised and new accounting standards and interpretations but not yet effective for the year ended December 31, 2025 are set out below:

	Effective for accounting periods beginning on or after
<i>Classification and Measurement of Financial Instruments-Amendments to IFRS 9 and IFRS 7</i>	January 1, 2026
<i>Contracts Referencing Nature-dependent Electricity-Amendments to IFRS 9 and IFRS 7</i>	January 1, 2026
<i>Annual Improvements to IFRS Accounting Standards -Volume 11</i>	January 1, 2026
<i>IFRS 18 Presentation and Disclosure in Financial Statements</i>	January 1, 2027
<i>IFRS 19 Subsidiaries without Public Accountability: Disclosures</i>	January 1, 2027
<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture-Amendments to IFRS 10 and IAS 28</i>	To be determined

The Group is in the process of making an assessment of what the impact of these development is expected to be in the period of initial application. So far the Group has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the following:

Notes to the Consolidated Financial Statements (Continued)

(Expressed in RMB unless otherwise indicated)



36 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended December 31, 2025 (Continued)

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18 and is still in the process of assessing the impact of the adoption.

37 Comparatives

Certain comparative amounts have been reclassified to conform with the current year's presentation.



Condensed consolidated statement of profit or loss

	2025	2024	2023	2022	2021
Revenue	2,920,215	2,929,267	2,680,915	2,054,178	1,623,464
Gross profit	2,101,862	2,141,712	1,954,532	1,481,121	1,194,628
Profit from operations	60,383	285,234	346,886	234,752	101,234
Profit/(Loss) before taxation	63,436	291,439	336,217	228,587	(3,596,645)
Profit/(Loss) for the year	73,873	266,029	335,259	229,305	(3,604,033)
Profit/(Loss) for the year attributable to equity shareholders of the Company	66,908	266,182	340,459	239,661	(3,603,016)
Non-IFRS profit	178,625	376,051	375,064	293,992	141,160
Non-IFRS EBITDA	244,448	486,176	463,782	385,248	233,455

Condensed consolidated statement of financial position

	2025	2024	2023	2022	2021
Non-current assets	1,628,985	827,237	2,421,951	2,735,830	642,490
Current assets	3,714,959	4,855,674	3,083,818	2,531,443	4,230,600
Current liabilities	640,480	1,059,922	1,033,792	911,383	635,489
Non-current liabilities	86,645	96,339	23,053	45,486	83,067
Net assets	4,616,819	4,526,650	4,448,924	4,310,404	4,154,534
Equity attributable to equity shareholders of the Company	4,606,937	4,517,079	4,439,200	4,295,480	4,128,997
Non-controlling interests	9,882	9,571	9,724	14,924	25,537
Total equity	4,616,819	4,526,650	4,448,924	4,310,404	4,154,534

Definitions



“2019 ESOP”	the share incentive plan approved and adopted in August 2019, the principal terms of which are set out in “Statutory and general information-Share Schemes” in Appendix V in the Prospectus
“2021 ESOP”	the post-IPO share option scheme conditionally approved and adopted by our Company on March 16, 2021, the principal terms of which are set out in “Statutory and general information-Share Schemes” in Appendix V in the Prospectus
“2021 Schemes”	the 2021 ESOP and the 2021 Share Award Scheme
“2021 Share Award Scheme”	the share award scheme adopted by the Board on May 28, 2021 as amended from time to time
“2024 Share Scheme”	the 2024 share scheme of the Company adopted on June 21, 2024
“2024 Share Scheme Rules”	the rules relating to the 2024 Share Scheme as amended from time to time
“AI”	artificial intelligence
“All Union”	Beijing All Union Technology Corp. (北京眾聯享付科技股份有限公司), a joint stock company incorporated in the PRC with limited liability
“Audit Committee”	the audit committee of the Company
“Beijing Bairong”, “Onshore Holdco” or “variable interest entity”	Bairong Yunchuang Technology Co., Ltd. (百融雲創科技股份有限公司), a company established in China with limited liability on March 19, 2014 and a Consolidated Affiliated Entity of our Company



Definitions (Continued)

“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China and for the purposes of this document only, except where the context requires otherwise, references to China or the PRC exclude Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Class A Share(s)”	class A ordinary share(s) in the share capital of our Company with a par value of US\$0.00002 each, conferring weighted voting rights in our Company such that a holder of a Class A Share is entitled to ten votes per share on any resolution tabled at the Company’s general meetings, save for resolutions with respect to any Reserved Matters, in which case they shall be entitled to one vote per share
“Class B Share(s)”	class B ordinary share(s) in the share capital of our Company with a par value of US\$0.00002 each, conferring a holder of a Class B Share one vote per share on any resolution tabled at the Company’s general meetings
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”, “our Company”, or “the Company”	Bairong Inc., a company with limited liability incorporated in the Cayman Islands on June 21, 2018
“Consolidated Affiliated Entity(ies)”	Onshore Holdco and its subsidiaries and affiliated entities, the financial accounts of which have been consolidated and accounted for as if they were subsidiaries of our Company by virtue of the Contractual Arrangements

Definitions (Continued)



“Contractual Arrangement(s)”	the series of contractual arrangements entered into between, among others, the WFOE, the Onshore Holdco and the then Registered Shareholders, as detailed in “Contractual Arrangements” in the Prospectus and as amended, restated, renewed, reproduced or joined from time to time
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Zhang and the direct and indirect companies through which Mr. Zhang has an interest in the Company, namely Genisage Tech Inc. and Genisage Holdings Limited.
“Corporate Governance Code” or “CG Code”	the Corporate Governance Code set out in Appendix C1 of the Listing Rules, as amended from time to time
“Corporate Governance Committee”	the corporate governance committee of the Company
“Director(s)”	the director(s) of our Company
“Existing Articles of Association”	the fifth amended and restated articles of association of the Company, as amended from time to time
“Global Offering”	the public offering of the Company’s Class B Shares as defined and described in the Prospectus
“Group”, “we” or “us”	the Company, its subsidiaries, and the Consolidated Affiliated Entities (the financial results of which have been consolidated and accounted for as subsidiaries of our Company by virtue of the Contractual Arrangements) from time to time, and in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time



Definitions (Continued)

“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Legal Adviser”	Han Kun Law Offices LLP
“ICP licence”	the value-added telecommunications business operating licence for internet information service
“IFRS”	International Financial Reporting Standards, as issued by the International Accounting Standards Board
“Key Clients”	refers to clients that each contribute more than RMB300,000 total revenue to the Company year-to-date
“Key Client retention rate”	the percentage of the Key Clients we have in a given year that we continue to retain during the next twelve months
“Liming”	Liming Insurance Brokers Co., Ltd. (黎明保險經紀有限公司), a company established in China with limited liability on April 21, 2014 and a Consolidated Affiliated Entity of our Company
“Listing”	the listing of the Class B Shares on the Main Board
“Listing Date”	March 31, 2021, the date on which the Shares were listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

Definitions (Continued)



“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the Growth Enterprise Market of the Stock Exchange
“MIIT”	Ministry of Industry and Information Technology of the PRC (中華人民共和國工業和信息化部) (formerly known as the Ministry of Information Industry of the PRC (中華人民共和國信息產業部))
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules, as amended from time to time
“Mr. Zhang” or “WVR Beneficiary”	Mr. Zhang Shaofeng, our founder, executive Director, chairperson, chief executive officer and Controlling Shareholder, as well as the holder of the Class A Shares entitling him to weighted voting rights
“Nomination Committee”	the nomination committee of the Company
“PRC Legal Adviser”	Commerce & Finance Law Offices
“Prospectus”	the prospectus of the Company dated March 19, 2021
“Registered Shareholders”	the registered shareholders of the Onshore Holdco from time to time
“Remuneration Committee”	the remuneration committee of the Company
“Reporting Period”	the year ended December 31, 2025



Definitions (Continued)

“Reserved Matters”	those matters resolutions with respect to which each Share is entitled to one vote at general meetings of the Company pursuant to the Existing Articles of Association, being: (i) any amendments to the Company’s constitutional documents, however framed; (ii) the variation of rights attached to any class of Shares; (iii) the appointment or removal of an independent non-executive Director; (iv) the appointment or removal of the Company’s auditors; and (v) the voluntary winding-up of the Company
“RMB”	Renminbi yuan, the lawful currency of China
“RSU Scheme”	the restricted share unit scheme adopted on June 21, 2024
“RSU Scheme Rules”	the rules relating to the RSU Scheme adopted on June 21, 2024 as amended from time to time
“Scheme Administrator”	any committee of the Board or other persons to whom the Board has delegated its authority to administer the 2024 Share Scheme and/or the RSU Scheme in accordance with the 2024 Share Scheme Rules and/or the RSU Scheme Rules, as the case may be
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	the Class A Shares and Class B Shares in the share capital of our Company
“Share Schemes”	the 2019 ESOP, the 2021 ESOP and the 2021 Share Award Scheme, the 2024 Share Scheme and the RSU Scheme

Definitions (Continued)



“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the meaning ascribed thereto in section 15 of the Companies Ordinance
“treasury shares”	has the meaning ascribed thereto under the Listing Rules
“United States” or “U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US\$”	United States dollars, the lawful currency of the United States
“weighted voting rights” or “WVR”	has the meaning ascribed thereto under the Listing Rules
“WFOE”	Tianjin Bairong Technology Co., Ltd. (天津百融科技有限公司), a company established in China on August 14, 2018 and a wholly owned subsidiary of our Company
“%”	per cent

