

CHINA RENAISSANCE HOLDINGS LIMITED

華興資本控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1911



2025 ANNUAL REPORT

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COMPANY PROFILE

China Renaissance is the leading investment banking and investment management firm dedicated to China's innovative economy businesses, which are transforming traditional industries through entrepreneurship, technological advancement, and innovative business models. The Group has built its business specifically to discover best-in-class entrepreneurs and businesses and provide them with advisory and capital markets services and investment through all phases of their development. The Group's network of entrepreneurs and investors plays a critical role in supporting investment capital flows into leading innovative economy businesses and structuring industry-shaping transactions.



COMPANY PROFILE (CONTINUED)



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Ms. Hui Yin Ching (*Chairperson*)
Mr. Wang Lixing
Mr. Du Yongbo

Non-Executive Director

Mr. Lin Ning David

Independent Non-Executive Directors

Ms. Chan Ka Lai Vanessa
Mr. Zhao Yue
Mr. Alex Liang
Mr. FU Frank Kan

AUDIT COMMITTEE

Ms. Chan Ka Lai Vanessa (*Chairperson*)
Mr. Zhao Yue
Mr. Alex Liang
Mr. FU Frank Kan

REMUNERATION COMMITTEE

Mr. Alex Liang (*Chairperson*)
Ms. Hui Yin Ching
Mr. Zhao Yue
Mr. FU Frank Kan

NOMINATION COMMITTEE

Ms. Hui Yin Ching (*Chairperson*)
Ms. Chan Ka Lai Vanessa
Mr. Zhao Yue
Mr. FU Frank Kan

COMPANY SECRETARY

Mr. Liu Chak Sing

AUTHORIZED REPRESENTATIVES

Mr. Wang Lixing
Mr. Liu Chak Sing

AUDITOR

ZHONGHUI ANDA CPA Limited
Registered Public Interest Entity Auditors
23/F, Tower 2, Enterprise Square Five,
38 Wang Chiu Road, Kowloon Bay,
Hong Kong

COMPANY ADDRESS

Registered Office

The offices of Maples Corporate Services Limited
P.O. Box 309
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Grand Cayman, KY1-1104
Cayman Islands

Principal Place of Business in China

Unit 703, Tower B, Pacific Century Place
No. 2A Workers' stadium North Road
Chaoyang District
Beijing 100027, China

Principal Place of Business in Hong Kong

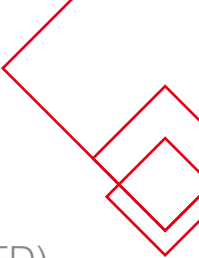
Units 8107-08, Level 81
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

LEGAL ADVISORS

As to Hong Kong law
Reed Smith Richards Butler

As to the laws of mainland China
Commerce & Finance Law Offices

As to BVI and Cayman Islands law
Maples and Calder (Hong Kong) LLP



CORPORATE INFORMATION (CONTINUED)

HONG KONG SHARE REGISTRAR

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

China Merchants Bank
Bank of Communications
HSBC
Huaxia Bank
CMB Wing Lung Bank
Shanghai Innovation Bank
China CITIC Bank

STOCK CODE

1911

COMPANY WEBSITE

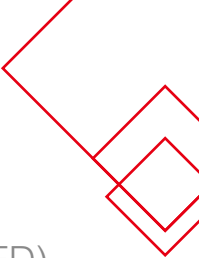
<http://www.huaxing.com/>

CHAIRPERSON'S STATEMENT



The year 2025 that has now passed holds special significance for China Renaissance. Amidst a complex and volatile external environment, all our colleagues stood firm through major trials and delivered an impressive performance that was hard-earned. This represents far more than a set of encouraging financial figures—it is a true reflection of the China Renaissance spirit: never retreating from challenges, finding optimal solutions in adversity, and forging ahead with unwavering determination. Our mission is clear and steadfast—to create long-term, sustainable value for our shareholders. Today, we can clearly see that the Company has fully entered a virtuous cycle, with all business lines working in synergy. China Renaissance has set sail.

Looking ahead, we remain fully confident in the long-term resilience of China's economy and its structural opportunities. Technological innovation, industrial upgrading, and the vigorous development of new quality productive forces are giving rise to a new wave of capital market activity. China Renaissance will stand at the forefront, continuing to lead the new opportunities of this new era.



CHAIRPERSON'S STATEMENT (CONTINUED)

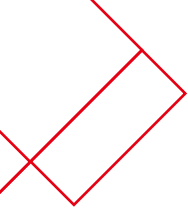
The year 2025 that has now passed holds special significance for China Renaissance. Amidst a complex and volatile external environment, all our colleagues stood firm through major trials and delivered an impressive performance that was hard-earned. This represents far more than a set of encouraging financial figures—it is a true reflection of the China Renaissance spirit: never retreating from challenges, finding optimal solutions in adversity, and forging ahead with unwavering determination. Our mission is clear and steadfast—to create long-term, sustainable value for our shareholders. Today, we can clearly see that the Company has fully entered a virtuous cycle, with all business lines working in synergy. China Renaissance has set sail.

2025 was also a year in which China Renaissance persisted in innovation, explored boldly, and fully embraced technology and new quality productive forces. Throughout 2025, whether in business direction, organisational structure, or resource allocation, the Company devoted its full efforts to new quality productive forces, including artificial intelligence and embodied intelligence, advanced manufacturing, low-altitude economy, and new energy. We focused on serving and empowering technological innovation, and deepened our advantages in the technology and innovation sector.

Over the past year, China Renaissance successfully served a series of leading enterprises in artificial intelligence and embodied intelligence, including Zhipu AI, Shengshu Technology, Astribot, Galaxea, Fourier Intelligence, SiliconFlow, Mingxin Intelligence, and Lightwheel AI, deeply participating in and contributing to the development of China's AI industry. At the same time, China Renaissance has never ceased its pace of innovation. Upholding our new economy DNA and leveraging our cross-border investment banking and asset management capabilities, we assessed the situation and conducted in-depth exploration and strategic positioning in Web3 and digital assets, dedicated to building a new second growth curve for China Renaissance. In special situation opportunities assets including consumer credit, and through active research and deployment of quantitative investment strategies, we have taken solid steps towards comprehensively enhancing ROE and overall balance sheet efficiency.

As a public company listed for eight years, China Renaissance always remembers the responsibilities and platform that the capital markets have bestowed upon us. In the past, we may have directed more of our energy towards our core businesses; going forward, we will more proactively leverage our listed company status. Under the principles of compliance and transparency, and centred on the core objective of enhancing shareholder returns, we will continue to increase our investment in premium businesses and emerging sectors. With prudent yet decisive actions, we will drive the Company towards higher-quality growth, creating long-term value for investors through solid performance growth.

More importantly, China Renaissance is accelerating its comprehensive upgrade from a traditional financial services institution to a new integrated capital markets platform with AI and technology as its core drivers. We deeply recognise that technological paradigm shifts are fundamentally reshaping the form and boundaries of financial services. To this end, the Company has clearly identified artificial intelligence, embodied intelligence, blockchain, and digital assets as our future strategic main channels, and will continue to increase investment therein.



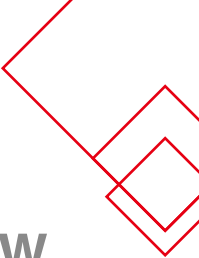
CHAIRPERSON'S STATEMENT (CONTINUED)

In terms of technology-empowered practices, China Renaissance has achieved substantive progress: relying on our self-developed data systems and algorithmic models, our multi-asset investment strategies have entered the live trading validation phase, with data performance proving strong and capable of effectively supporting the systematic upgrade of asset management and wealth management businesses. Going forward, the Company will continue to enhance its independent research and development capabilities, enrich its range of strategy products, and build technology-driven investment solutions with distinctive China Renaissance characteristics — delivering more robust and predictable long-term returns to investors, while driving the asset management and wealth management businesses towards a dual leap in both scale and quality.

Looking ahead, we remain fully confident in the long-term resilience of China's economy and its structural opportunities. Technological innovation, industrial upgrading, and the vigorous development of new quality productive forces are giving rise to a new wave of capital market activity. China Renaissance will stand at the forefront, continuing to lead the new opportunities of this new era. At the same time, we will adopt a more proactive stance in rewarding our shareholders — on the basis of continuously improving profitability and accumulating cash flows, the Company will carefully study and advance shareholder return arrangements, enabling shareholders to truly share the fruits of China Renaissance's growth.

For two decades, China Renaissance has accompanied China's new economy through glorious achievements and weathered storms. Under the new coordinates of this era, we will continue to move forward in concert with the finest entrepreneurs, the most cutting-edge technologies, and the most visionary investors. Advancing steadily towards our long-term goals, China Renaissance will find boundless sky and open sea ahead.

Chairperson
Hui Yin Ching
March 30, 2026



BUSINESS REVIEW

In 2025, the global economy remained in a complex and volatile environment, with divergent regional recoveries, geopolitical conflicts, policy adjustments by major economies and trade uncertainties continuing to affect market sentiment and capital flows. Meanwhile, China's economy maintained overall stable growth, with GDP increasing by 5.0% year-on-year for the full year and the economic aggregate exceeding RMB140 trillion for the first time. China's capital markets also gradually recovered amid structural adjustments. The Hong Kong IPO market rebounded markedly, opportunities in the U.S. capital markets became more selective, while private equity investment and financing activities remained under pressure overall. Against such a complex and evolving external and internal environment, the Group remained focused on its core businesses and leveraging its long-established client base and professional capabilities, continued to consolidate and upgrade its integrated strengths in technology, industry and capital market services, driving a significant improvement in its operating results for the year. In 2025, the Group's total revenue and net investment gains amounted to RMB1,198 million, representing a year-on-year increase of 43%, while profit before tax amounted to RMB162 million. Building on the prior year, the Group turned around from loss to profit and recorded profit attributable to owners of the Company of over RMB100 million, fully demonstrating the Group's operating resilience and the marked improvement in the strength of its business fundamentals and profitability. Meanwhile, the Group continued to pursue lean operations and optimise resource allocation, with operating expenses further declining for the year and operating efficiency continuing to improve. As of the year end, the Group maintained a sound balance sheet and ample liquidity, with highly liquid assets of approximately RMB4.4 billion and a clear and solid asset structure, providing strong support for future development and strategic execution.

During the year, the investment management business continued to serve as a key pillar of the Group's revenue growth and profit enhancement. In 2025, the Group's assets under management remained relatively stable at RMB28.4 billion as of the year end. During the Reporting Period, the Group continued to promote the orderly exit of projects and distributed approximately RMB2.5 billion to limited partners ("**LPs**") for the full year. As the exit process of fund assets continued to advance, the DPI of the Group's funds was further enhanced. To date, the DPI of 5 out of 11 main funds and certain project funds has exceeded 100%, and these funds have started to generate carried interest. In 2025, the Group recorded realized carried interest of approximately RMB524 million, while accumulated realized carried interest amounted to approximately RMB1.3 billion. As of the year end, accumulated unrealized total carried interest amounted to approximately RMB1.3 billion, corresponding to net carried interest of approximately RMB400 million. Overall, on the back of its existing platform, the Group's investment management business further strengthened its capabilities in exit management, post-investment management and monetization of returns. The release of carried interest accelerated significantly, and its profit contribution and cash return generation continued to strengthen, providing strong support for the overall improvement in the Group's results.

BUSINESS REVIEW (CONTINUED)

In investment banking, the Group continued to demonstrate strong market influence, client stickiness and project execution capabilities amid market volatility in 2025, with aggregate transaction value of approximately RMB23.2 billion for the year, representing a year-on-year increase of approximately 147%. The private equity financing business remained active, with aggregate transaction value exceeding RMB8.0 billion for the full year, representing a year-on-year increase of approximately 33%. Among these, 18 transactions were completed in the AI and embodied intelligence sectors, accounting for nearly 80% of the aggregate transaction value of the private equity financing business, further reinforcing the Group's professional edge and market influence in frontier technology sectors. In the M&A as well as Hong Kong and U.S. equity capital markets businesses, the Group continued to advance a number of representative transactions around industrial consolidation, strategic M&A, cross-border listings, at-the-market offerings ("**ATM**") and exit needs, while continuously enhancing its cross-border capital market service capabilities and multi-product synergies. At the same time, the Group continued to optimise team deployment and resource allocation on the basis of its existing business platform, further reducing operating costs. Excluding the impact of the one-off cost reversal recorded in the prior year, the core operations of the investment banking business continued to improve. Overall, financial advisory and cross-border businesses together supported the revenue base of the investment banking business, and the core business maintained its overall robustness and resilience, laying a stronger foundation for future business growth and capability expansion.

CR Securities continued to advance the development of its key businesses during the Reporting Period, with a significant improvement in overall operating performance. In 2025, the total revenue and net investment gains of CR Securities amounted to RMB294 million, representing a year-on-year increase of 19%. Operating loss was approximately RMB46 million, narrowing by 52% year-on-year. Among these, revenue from retail and brokerage business increased by 55% year-on-year and accounted for 43% of the total revenue of CR Securities, becoming an important growth driver. CR Securities' Duoduojin App continued to support the development of its retail business. As of the end of 2025, the accumulated number of registered users reached approximately 570,000, representing an increase of 47% as compared to the end of the previous year, and the number of customers reached approximately 310,000, representing an increase of 58% as compared to the end of the previous year. User scale and activity level continued to improve. Meanwhile, the asset management business continued to strengthen its investment research capabilities, with both revenue and assets under management achieving relatively rapid growth. Its investment banking business continued to focus on the hard technology sector and advanced multiple private equity financings, restructurings and listing projects. Overall, on the basis of its existing businesses, CR Securities continued to consolidate its client franchise, product capabilities and research strengths, and through the development of key businesses and enhanced operating efficiency, achieved both revenue growth and a substantial narrowing of losses, with operating improvement becoming increasingly evident.

In 2025, as part of the strategy to scale up the Group's proprietary investments to further enhance returns and create greater value for the Company's shareholders, the Group invested in the Distressed Assets (as defined in the announcement of the Company dated December 31, 2025) for a total consideration of approximately RMB308.3 million. The Group expects to fully recover the capital invested (i.e. the total consideration for the Distressed Assets) within approximately 3 years or less.

BUSINESS OUTLOOK

Looking ahead, China's economic transformation, technological innovation and industrial upgrading will continue to generate structural opportunities in the capital markets. The Group will remain focused on its core businesses and, on the basis of consolidating its existing strengths, continue to upgrade its professional capabilities and platform capabilities, further enhancing operating quality, earnings resilience and sustainable development.

In investment banking, the Group will continue to focus on key areas such as AI, embodied intelligence, advanced manufacturing and M&A integration, strengthening sector coverage and project execution capabilities while continuously enhancing its comprehensive cross-border capital market service capabilities. In investment management, the Group will continue to promote the orderly exit of projects, improve DPI and accelerate the continued release of carried interest, thereby further enhancing profit contribution and cash return generation. Meanwhile, the Group will steadily advance fundraising for new funds, laying the foundation for future expansion of asset management scale, cultivation of long-term income streams and the sustainable development of the business. For CR Securities, the Group will continue to promote synergies across retail brokerage, wealth management, asset management and investment banking, and will continue to improve profitability through customer base expansion, product capability enhancement and operating efficiency optimisation.

The Group will also adhere to the principles of compliance and prudence, controllable risks and phased validation, and prudently advance the establishment of business frameworks and ecosystem cooperation in relation to Web3 and cryptocurrency assets, in order to explore long-term growth opportunities. Supported by its sound balance sheet, ample liquidity reserves and continuously optimised business structure, the Group is confident that, on the basis of consolidating its improved operating performance, it will capture a new round of opportunities arising from industrial development and capital market evolution, further enhance earnings quality and create long-term value for Shareholders.

FINANCIAL HIGHLIGHTS

The following table summarizes our consolidated results of operations for the years indicated. The summary consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, the consolidated financial statements in this Annual Report, including the related notes. Our financial information was prepared in accordance with IFRS.



FINANCIAL HIGHLIGHTS (CONTINUED)

SUMMARY OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the Year Ended December 31,	
	2025	2024
	RMB'000	RMB'000
Total revenue	1,066,141	777,104
Total revenue and net investment gains	1,198,097	839,641
Total operating expenses	(1,065,021)	(881,281)
Operating profit/(loss)	133,076	(41,640)
Profit/(loss) before tax	161,900	(162,573)
Income tax expense	(69,599)	(48,086)
Profit/(loss) for the year	92,301	(210,659)
Profit/(loss) for the year attributable to owners of the Company	101,372	(179,017)

To supplement our financial information presented in accordance with IFRS, we also use adjusted net profit/(loss) attributable to owners of the Company as an additional financial measure, which is not required by, or presented in accordance with, IFRS. We believe that this non-IFRS measure facilitates comparisons of operating performance from period to period and company to company by adjusting for potential impacts of non-recurring and certain non-cash items and our management considers this non-IFRS measure to be indicative of our operating performance. We believe that this measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. Adjusted net profit/(loss) attributable to owners of the Company does not have a standardised meaning prescribed by IFRS and may not be comparable to similarly titled measures presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and the Shareholders should not consider it in isolation from, or as substitute for analysis of, or our results of operations as reported under IFRS.

	For the Year Ended December 31,	
	2025	2024
	RMB'000	RMB'000
Profit/(loss) for the year attributable to owners of the Company	101,372	(179,017)
Add:		
Share-based payment expense	31,443	38,789
Change in fair value of call option	(1,803)	—
Subtotal before adjustments relating to carried interest	131,012	(140,228)
Add:		
Reversal of unrealized net carried interest ⁽¹⁾	(241,826)	(160,609)
Non-IFRS Measure: Adjusted net loss attributable to owners of the Company (unaudited)⁽²⁾	(110,814)	(300,837)

FINANCIAL HIGHLIGHTS (CONTINUED)

SUMMARY OF CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

Notes:

- (1) The unrealized net carried interest is calculated by subtracting our carried interest to management team and other parties from our unrealized income from carried interest as follows.

	For the Year Ended December 31,	
	2025	2024
	RMB'000	RMB'000
Reversal of unrealized income from carried interest	(722,876)	(550,501)
Reversal of carried interest to management team and other parties	481,050	389,892
Reversal of unrealized net carried interest	(241,826)	(160,609)

The unrealized income from carried interest is based on the underlying fair value change of the respective funds under our investment management business. The unrealized income from carried interest is allocated to us based on the cumulative fund performance to date, subject to the achievement of minimum return levels to limited partners. At the end of each reporting period, we calculate the unrealized income from carried interest that would be due to us for each fund, pursuant to the relevant fund agreements, as if the fair value of the underlying investments were realized as of such date, irrespective of whether such amounts have been realized. As of December 31, 2025, accumulated unrealized income from carried interest and unrealized net carried interest were RMB1.3 billion and RMB0.4 billion, respectively. As the fair value of underlying investments varies among reporting periods, it is necessary to make adjustments to amounts presented as unrealized income from carried interest. Such adjustments may, in certain circumstances, reverse the unrealized income from carried interest reported in the prior period when the carried interest income is realized and the value of the underlying investments fluctuates.

- (2) We define adjusted net loss attributable to owners of the Company as profit/(loss) for the year attributable to owners of the Company adjusted for the impact of (i) share-based payment expense, (ii) change in fair value of call option, (iii) reversal of unrealized income from carried interest, and (iv) reversal of carried interest to management team and other parties.

MANAGEMENT DISCUSSION AND ANALYSIS

SEGMENT PERFORMANCE

The following table sets forth a breakdown of revenue and net investment gains by reporting segment for the years indicated.

	For the Year Ended December 31,			
	2025	2024	Change	% of change
	RMB'000	RMB'000	RMB'000	
Business Segment				
Investment Banking	128,913	224,453	(95,540)	-42.6%
Investment Management	732,596	316,336	416,260	131.6%
CR Securities	293,933	247,719	46,214	18.7%
Others	42,655	51,133	(8,478)	-16.6%
Total revenue and net investment gains	1,198,097	839,641	358,456	42.7%

The following table sets forth a breakdown of operating profit/(loss) by reporting segment for the years indicated.

	For the Year Ended December 31,			
	2025	2024	Change	% of change
	RMB'000	RMB'000	RMB'000	
Business Segment				
Investment Banking	(73,629)	(34,837)	(38,792)	111.4%
Investment Management	294,204	125,950	168,254	133.6%
CR Securities	(45,522)	(94,249)	48,727	-51.7%
Others	(41,977)	(38,504)	(3,473)	9.0%
Operating profit/(loss)	133,076	(41,640)	174,716	n.m.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

SEGMENT PERFORMANCE (CONTINUED)

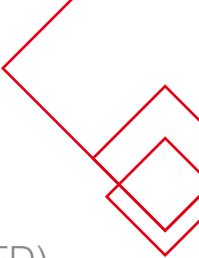
Investment Banking

The following table sets forth segment revenue, segment operating expenses and segment operating loss for the years indicated.

	For the Year Ended December 31,			
	2025	2024	Change	% of change
	RMB'000	RMB'000	RMB'000	
Investment Banking				
Advisory services	75,987	102,847	(26,860)	-26.1%
Equity underwriting	12,814	42,348	(29,534)	-69.7%
Sales, trading, and brokerage	40,112	79,258	(39,146)	-49.4%
Segment revenue	128,913	224,453	(95,540)	-42.6%
Compensation and benefit expenses	(138,978)	(169,865)	30,887	-18.2%
Net (provision)/reversal of impairment losses under expected credit loss model	(188)	1	(189)	n.m.
Other operating expenses	(63,376)	(89,426)	26,050	-29.1%
Segment operating expenses	(202,542)	(259,290)	56,748	-21.9%
Segment operating loss	(73,629)	(34,837)	(38,792)	111.4%

The following table sets forth a breakdown of the transaction value of the investment banking business by major service type for the years indicated.

	For the Year Ended December 31,			
	2025	2024	Change	% of change
	RMB in million	RMB in million	RMB in million	
Transaction Value				
Advisory services	14,687	7,364	7,323	99.4%
Equity underwriting	8,509	2,045	6,464	316.1%
Total	23,196	9,409	13,787	146.5%



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

SEGMENT PERFORMANCE (CONTINUED)

Investment Banking (continued)

Segment Revenue

Investment banking revenue was RMB128.9 million for the year ended December 31, 2025, a decrease of 42.6% from the year ended December 31, 2024. The Group maintained its expertise in private equity financing, contributing RMB63.5 million in revenue for the year ended December 31, 2025, 89% of which was focused on the areas of AI, embodied intelligence, and advanced manufacturing.

Segment Operating Expenses

For the investment banking segment, segment operating expenses decreased by 21.9% from RMB259.3 million for the year ended December 31, 2024 to RMB202.5 million for the year ended December 31, 2025 due to the effort to streamline operations and cost structure.

Segment Operating Loss

For the investment banking segment, segment operating loss was RMB73.6 million and RMB34.8 million for the year ended December 31, 2025 and 2024, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

SEGMENT PERFORMANCE (CONTINUED)

Investment Management

The following table sets forth segment revenue, segment operating expenses and segment operating profit for the years indicated.

	For the Year Ended December 31,			
	2025 RMB'000	2024 RMB'000	Change RMB'000	% of change
Investment Management				
Management fees	205,049	288,580	(83,531)	-28.9%
Realized income from carried interest	524,100	104,727	419,373	400.4%
Segment revenue	729,149	393,307	335,842	85.4%
Net investment gains/(losses)	3,447	(76,971)	80,418	n.m.
Segment revenue and net investment gains or losses	732,596	316,336	416,260	131.6%
Compensation and benefit expenses	(68,770)	(85,386)	16,616	-19.5%
Carried interest to management team and other parties	(368,674)	(76,068)	(292,606)	384.7%
Investment losses attributable to interest holders of consolidated structured entities	7,723	27,581	(19,858)	-72.0%
Net reversal of impairment losses under expected credit loss model	50,709	24,128	26,581	110.2%
Other operating expenses	(59,380)	(80,641)	21,261	-26.4%
Segment operating expenses	(438,392)	(190,386)	(248,006)	130.3%
Segment operating profit	294,204	125,950	168,254	133.6%
Segment operating margin	40.2%	39.8%		

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

SEGMENT PERFORMANCE (CONTINUED)

Investment Management (continued)

The following table sets forth a movement of investments in our own private equity funds and investments in third-party private equity funds for the year indicated.

	Investments in our own funds RMB'000	Investments in third-party funds RMB'000
Balance at December 31, 2024	1,048,778	604,134
Invested Capital	115,900	9,920
Distribution	(143,480)	(58,968)
Changes in value	22,208	(58,981)
Effect of exchange rate change	(9,036)	(8,211)
Balance at December 31, 2025	1,034,370	487,894

The following table sets forth certain operational information for the investment management segment as of the dates indicated.

	As of December 31, 2025 RMB in million	2024 RMB in million
Committed Capital	34,927	36,118
Invested Capital	29,899	30,131
Fair Value of Investments	53,222	53,247
AUM	28,379	31,974

The management fees for each of our main funds are calculated on a percentage which ranges from 1.5% to 2.0% of capital commitments during investment period or cost of undisposed investments after investment period. For our project funds, the percentage may vary from 0% to 2%. The income from carried interest from each of our funds is determined only after the fund has achieved its applicable contractual hurdle rate and is based on a percentage of difference of fair value of investments net of expenses over invested capital, which is typically 20% for our main funds and ranges from 0% to 20% for our project funds. The hurdle rate of our funds is typically 8% per annum. Our main funds generally have investment periods of five years. The term of our main funds generally last for 7 to 12 years, subject to a limited number of extensions with the consent of the limited partners.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

SEGMENT PERFORMANCE (CONTINUED)

Investment Management (continued)

The following table sets forth certain performance information for our private equity funds as of the dates indicated.

RMB in million except multiples and percentages	Committed Capital	Realized Investments ⁽¹⁾		Unrealized Investments		Gross Multiple of Invested Capital ⁽²⁾
		Invested capital	Fair Value	Invested capital	Fair Value	
As of December 31, 2025						
Main Funds ⁽³⁾	28,743	9,587	20,982	13,172	19,756	1.8
Project Funds	6,184	3,587	8,448	3,553	4,036	1.7
Total	34,927	13,174	29,430	16,725	23,792	1.8
As of December 31, 2024						
Main Funds ⁽³⁾	29,892	7,718	19,383	15,211	21,348	1.8
Project Funds	6,226	3,472	8,285	3,730	4,231	1.7
Total	36,118	11,190	27,668	18,941	25,579	1.8

(1) An investment is considered fully or partially realized when it has been disposed of or has otherwise generated disposition proceeds or current income.

(2) The gross multiples of invested capital measure the aggregate value generated by private equity fund's investments in absolute terms. Each gross multiple of invested capital is calculated by dividing the sum of total realized and unrealized values of a private equity fund's investments by the total amount of capital invested by the private equity fund. Such total amount of capital invested by the private equity fund does not give effect to the allocation of realized and unrealized carried interest or the payment of any applicable management fees or operating expenses.

(3) As of December 31, 2025 and 2024, we managed eleven main private equity funds, including eight under our Huaxing Growth Capital and three under our Huaxing Healthcare Capital.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

SEGMENT PERFORMANCE (CONTINUED)

Investment Management (continued)

Segment Revenue and Net Investment Gains or Losses

For the investment management segment, management fees decreased by 28.9% from RMB288.6 million for the year ended December 31, 2024 to RMB205.0 million for the year ended December 31, 2025. This decrease was primarily due to the decrease in fee-earning AUM with the distribution of funds in 2025. Net investment gains or losses from the investment management business mainly represents the investment income or loss from the investments in our own private equity funds, third-party private equity funds and convertible notes. Net investment gains were RMB3.4 million for the year ended December 31, 2025, as compared to RMB77.0 million of net investment losses for the year ended December 31, 2024.

As of December 31, 2025, the total return of five main funds and nine project funds have successfully exceeded the agreed return level in the governing agreement, and it is highly improbable that a significant reversal in the amount of cumulative return will occur. Accordingly, the Group was entitled to a performance-based fee and recognized this fee as income from carried interest. The carried interest to management team and other parties was recognized as an operating expense. During the year ended December 31, 2025, RMB524.1 million of realized income from carried interest from four main funds and two project funds was recognized, which increased significantly from RMB104.7 million for the year ended December 31, 2024.

Segment Operating Expenses

For the investment management segment, segment operating expenses increased from RMB190.4 million for the year ended December 31, 2024 to RMB438.4 million for the year ended December 31, 2025. This increase was primarily due to the increase in carried interest to management team and other parties which was in line with the increase in realized income from carried interest, partially offset by the reversal of impairment losses under expected credit loss model and the decrease in compensation and benefit expenses and other operating expenses.

Segment Operating Profit

For the investment management segment, segment operating profit was RMB294.2 million and RMB126.0 million for the year ended December 31, 2025 and 2024, respectively. Segment operating margin was 40.2% and 39.8% for the year ended December 31, 2025 and 2024, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

SEGMENT PERFORMANCE (CONTINUED)

CR Securities

The following table sets forth segment revenue, segment operating expenses, and segment operating loss for the years indicated.

	For the Year Ended December 31,		Change	% of change
	2025	2024		
	RMB'000	RMB'000	RMB'000	
CR Securities				
Advisory and underwriting services	39,474	24,978	14,496	58.0%
Sales, trading, and brokerage	125,397	80,733	44,664	55.3%
Interest income	10,132	9,925	207	2.1%
Segment revenue	175,003	115,636	59,367	51.3%
Net investment gains	118,930	132,083	(13,153)	-10.0%
Segment revenue and net investment gains	293,933	247,719	46,214	18.7%
Compensation and benefit expenses	(168,462)	(176,651)	8,189	-4.6%
Investment gains attributable to interest holders of consolidated structured entities	(1,949)	—	(1,949)	n.m.
Net (provision)/reversal of impairment losses under expected credit loss model	(1,218)	9	(1,227)	n.m.
Finance cost	(9,979)	(14,493)	4,514	-31.1%
Other operating expenses	(157,847)	(150,833)	(7,014)	4.7%
Segment operating expenses	(339,455)	(341,968)	2,513	-0.7%
Segment operating loss	(45,522)	(94,249)	48,727	-51.7%

Segment Revenue and Net Investment Gains

For the CR Securities segment, segment revenue and net investment gains were RMB293.9 million for the year ended December 31, 2025, an increase of 18.7% from RMB247.7 million for the year ended December 31, 2024. This increase was primarily due to the increase in sales, trading, and brokerage fees, resulting from the advancement of innovative brokerage business, and the increase in advisory services fees.

Segment Operating Expenses

For the CR Securities segment, segment operating expenses decreased by 0.7% from RMB342.0 million for the year ended December 31, 2024 to RMB339.5 million for the year ended December 31, 2025. This was primarily due to the decrease in compensation and benefit expenses, and partially offset by an increase in other operating expenses, which was in line with the increase in innovative brokerage revenue.

Segment Operating Loss

For the CR Securities segment, segment operating loss was RMB45.5 million and RMB94.2 million for the year ended December 31, 2025 and 2024, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

SEGMENT PERFORMANCE (CONTINUED)

Others

The others segment mainly comprises of wealth management business, and investment and management of our own funds. Wealth management business provides value-added wealth management services for high net worth individuals and other high net worth groups represented by new-economy entrepreneurs.

The following table sets forth segment revenue, segment operating expenses and segment operating loss for the years indicated.

	For the Year Ended December 31,			
	2025	2024	Change	% of change
	RMB'000	RMB'000	RMB'000	
Others				
Segment revenue	33,076	43,708	(10,632)	-24.3%
Net investment gains	9,579	7,425	2,154	29.0%
Segment revenue and net investment gains	42,655	51,133	(8,478)	-16.6%
Compensation and benefit expenses	(58,864)	(53,896)	(4,968)	9.2%
Net provision of impairment losses under expected credit loss model	(39)	(1,016)	977	-96.2%
Finance cost	(1,515)	(1,590)	75	-4.7%
Other operating expenses	(24,214)	(33,135)	8,921	-26.9%
Segment operating expenses	(84,632)	(89,637)	5,005	-5.6%
Segment operating loss	(41,977)	(38,504)	(3,473)	9.0%

Segment Revenue and Net Investment Gains

For the others segment, total revenue and net investment gains were RMB42.7 million for the year ended December 31, 2025, a decrease of 16.6% from RMB51.1 million for the year ended December 31, 2024.

Segment Operating Expenses

For the others segment, segment operating expenses decreased by 5.6% from RMB89.6 million for the year ended December 31, 2024 to RMB84.6 million for the year ended December 31, 2025.

Segment Operating Loss

For the others segment, segment operating loss was RMB42.0 million and RMB38.5 million for the year ended December 31, 2025 and 2024, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

RESULTS OF OPERATIONS

Revenue and Net Investment Gains

The following table sets forth a breakdown of revenue and net investment gains by type for the years indicated.

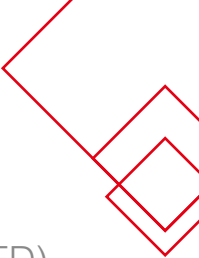
	For the Year Ended December 31,			
	2025 RMB'000	2024 RMB'000	Change RMB'000	% of change
Transaction and advisory fees	293,784	330,164	(36,380)	-11.0%
Management fees	205,833	298,108	(92,275)	-31.0%
Interest income	42,424	44,105	(1,681)	-3.8%
Income from carried interest	524,100	104,727	419,373	400.4%
Total revenue	1,066,141	777,104	289,037	37.2%
Net investment gains	131,956	62,537	69,419	111.0%
Total revenue and net investment gains	1,198,097	839,641	358,456	42.7%

Total revenue was RMB1,066.1 million for the year ended December 31, 2025, an increase of 37.2% from RMB777.1 million for the year ended December 31, 2024.

- Transaction and advisory fees were RMB293.8 million, a decrease of 11.0% from the prior year.
- Management fees were RMB205.8 million, a decrease of 31.0% from the prior year.
- Interest income was RMB42.4 million, a decrease of 3.8% from the prior year.
- Realized income from carried interest was RMB524.1 million, an increase of 400.4% from the prior year.

Net investment gains were mainly derived from investments in our own private equity funds, third-party private equity funds, convertible notes, listed equity investments, wealth management related products, structured finance related products, financial bonds and other cash management products. Net investment gains increased from RMB62.5 million for the year ended December 31, 2024 to RMB132.0 million for the year ended December 31, 2025.

Total revenue and net investment gains were RMB1,198.1 million for the year ended December 31, 2025, an increase of 42.7% from RMB839.6 million for the year ended December 31, 2024.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

RESULTS OF OPERATIONS (CONTINUED)

Operating Expenses

Total operating expenses increased by 20.8% from RMB881.3 million for the year ended December 31, 2024 to RMB1,065.0 million for the year ended December 31, 2025.

Compensation and benefit expenses decreased by 10.4% from RMB485.8 million for the year ended December 31, 2024 to RMB435.1 million for the year ended December 31, 2025. Among compensation and benefit expenses, share-based compensation decreased by 18.9% from RMB38.8 million for the year ended December 31, 2024 to RMB31.4 million for the year ended December 31, 2025.

Finance costs decreased by 28.5% from RMB16.1 million for the year ended December 31, 2024 to RMB11.5 million for the year ended December 31, 2025.

Net reversal of impairment losses under expected credit loss model was RMB49.3 million and RMB23.1 million for the year ended December 31, 2025 and 2024, respectively.

Investment losses attributable to interest holders of consolidated structured entities were RMB5.8 million and RMB27.6 million for the year ended December 31, 2025 and 2024, respectively.

Carried interest to management team and other parties increased from RMB76.1 million for the year ended December 31, 2024 to RMB368.7 million for the year ended December 31, 2025, in line with the increase in income from carried interest.

Other operating expenses decreased by 13.9% from RMB354.0 million for the year ended December 31, 2024 to RMB304.8 million for the year ended December 31, 2025.

Operating Profit (Loss)

Operating profit was RMB133.1 million for the year ended December 31, 2025, as compared to RMB41.6 million of operating loss for the year ended December 31, 2024.

Other Income, Gains or Losses

Other gains were RMB1.7 million for the year ended December 31, 2025, as compared to RMB44.9 million of other losses for the year ended December 31, 2024. Other gains or losses mainly came from government grants, net exchange gain/(loss), impairment loss on investment in a joint venture, loss on disposal of investment in an associate and impairment loss of intangible asset. Please refer to note 10 of the consolidated financial statements for further details.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

RESULTS OF OPERATIONS (CONTINUED)

Investment Gain (Loss) arising from Certain Incidental and Ancillary Investments

Incidental to, and ancillary of, our business operations, we have made investments from time to time, the primary types of which include strategic minority equity investments. Usually we make strategic minority equity investments primarily to establish long-term business relationships with selected companies to facilitate our business. These companies operate in various new economy sectors, such as data service and information technology, and we leverage their expertise to enhance our various business operations.

Investment gain arising from certain incidental and ancillary investments was RMB25.3 million for the year ended December 31, 2025, as compared to RMB76.5 million of investment loss arising from certain incidental and ancillary investments for the year ended December 31, 2024.

Share of Results of Associates

Share of gain of associates decreased from RMB0.5 million for the year ended December 31, 2024 to nil for the year ended December 31, 2025.

Change in Fair Value of Call Option

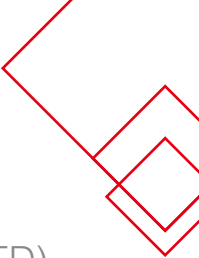
The Special Administrative Measures for Access of Foreign Investment (Negative List) (2018 Edition) was promulgated on June 28, 2018 and became effective on July 28, 2018, pursuant to which the limit of ownership percentage by foreign investors in a securities company increased from 49% to 51%. On March 13, 2020, the CSRC announced an elimination of foreign equity cap in securities companies starting from April 1, 2020. Qualified foreign investors can render applications to establish new wholly-owned securities companies or change actual controllers in their existing joint ventures according to Chinese laws, regulations and applicable rules and service guides of the CSRC. Our call option to acquire the non-controlling interests in CR Securities is substantially exercisable and is mandatorily measured at fair value through profit or loss as a derivative in accordance with IFRS. A gain of RMB1.8 million for the year ended December 31, 2025 was recorded under the change in fair value of call option.

Profit (Loss) before Tax

Profit before tax was RMB161.9 million for the year ended December 31, 2025, as compared to RMB162.6 million of loss before tax for the year ended December 31, 2024.

Income Tax Expense

Income tax expense was RMB69.6 million and RMB48.1 million for the year ended December 31, 2025 and 2024, respectively.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

RESULTS OF OPERATIONS (CONTINUED)

Profit (Loss) for the Year and Profit (Loss) for the Year Attributable to Owners of the Company

Profit for the year was RMB92.3 million for the year ended December 31, 2025, as compared to RMB210.7 million of loss for the year for the year ended December 31, 2024. Profit for the year attributable to owners of the Company was RMB101.4 million for the year ended December 31, 2025, as compared to RMB179.0 million of loss for the year attributable to owners of the Company for the year ended December 31, 2024.

Adjusted Net Loss Attributable to Owners of the Company

Adjusted net profit attributable to owners of the Company without unrealized net carried interest was RMB131.0 million for the year ended December 31, 2025, as compared to RMB140.2 million of adjusted net loss attributable to owners of the Company without unrealized net carried interest for the year ended December 31, 2024. Unrealized net carried interest, calculated as unrealized income from carried interest subtracting carried interest to management team and other parties, was a reverse of RMB241.8 million and a reverse of RMB160.6 million for the year ended December 31, 2025 and 2024, respectively. Adjusted net loss attributable to owners of the Company with unrealized net carried interest was RMB110.8 million and RMB300.8 million for the year ended December 31, 2025 and 2024, respectively.

CASH FLOWS

During the year ended December 31, 2025, we funded working capital and other capital requirements primarily from cash generated from our business operations. We have primarily used cash to fund our capital expenditures and working capital for our business development.

We generally deposit our excess cash in interest bearing bank accounts and current accounts and invest in investment-grade financial bonds, structured finance products and other cash management investments. As of December 31, 2025, we had aggregate cash and cash equivalents of RMB1,355.4 million. Excluding CR Securities, we had cash and cash equivalents of RMB1,191.3 million. As of December 31, 2025, we had RMB2,267.8 million of cash and cash equivalents and highly liquid cash management products. Besides, we also had RMB2,191.9 million of highly liquid financial assets which mainly comprise of listed corporate bonds.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

CASH FLOWS (CONTINUED)

Cash Flows from Operating Activities

Cash generated from operating activities consists primarily of our transaction and advisory fees, management fees, interest income and realized net investment gains received. Cash used in operating activities mainly comprises of investments in cash management products and contribution in the working capital. Cash flow from operating activities reflects: (i) profit or loss before income tax adjusted for non-cash and non-operating items, such as depreciation of property and equipment, amortization of intangible assets, gain on disposal of property and equipment, change in fair value of call option, net investment gains, interest income, finance costs, investment gain or loss arising from certain incidental and ancillary investments, loss on disposal of investment in an associate, impairment loss on investment in a joint venture, net reversal of impairment losses under expected credit loss model, investment losses attributable to interest holders of consolidated structured entities, share of results of associates, impairment loss on intangible assets, other gains or losses and share-based payment expense; (ii) the effects of movements in working capital, such as increase or decrease in accounts and other receivables, amounts due from related parties, amounts due to related parties, financial assets purchased under resale agreements, cash held on behalf of brokerage clients, accounts and other payables, financial assets sold under repurchase agreements, payable to brokerage clients and contract liabilities; (iii) increase or decrease in financial assets at fair value through profit or loss; and (iv) other cash items such as interest received and income tax paid.

For the year ended December 31, 2025, we had net cash used in operating activities of RMB27.6 million, resulting from our profit before income tax of RMB161.9 million adjusted for non-cash and non-operating items of RMB143.3 million, income tax payment of RMB47.0 million, interest earned of RMB41.9 million and movements in working capital of RMB41.1 million. Movements in working capital primarily reflected: (i) a decrease of RMB420.3 million in financial assets sold under repurchase agreements, (ii) a decrease of RMB791.7 million in payable to brokerage clients; and partially offset by (iii) a decrease of RMB214.2 million in accounts and other receivables in connection with our business operations, (iv) a decrease of RMB8.9 million in financial assets at fair value through profit or loss, (v) an increase of RMB0.6 million in amounts due to related parties, (vi) a decrease of RMB23.1 million in amounts due from related parties, (vii) a decrease of RMB791.7 million in cash held on behalf of brokerage clients, (viii) a decrease of RMB19.3 million in financial assets purchased under resale agreements, (ix) an increase of RMB105.2 million in accounts and other payables, and (x) an increase of RMB8.0 million in contract liabilities.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

CASH FLOWS (CONTINUED)

Cash Flows from Operating Activities (continued)

For the year ended December 31, 2024, we had net cash generated from operating activities of RMB43.0 million, resulting from our loss before income tax of RMB162.6 million adjusted for non-cash and non-operating items of RMB122.6 million, income tax payment of RMB74.2 million, interest earned of RMB41.8 million and movements in working capital of RMB115.3 million. Movements in working capital primarily reflected: (i) a decrease of RMB127.0 million in accounts and other receivables in connection with our business operations, (ii) a decrease of RMB159.0 million in financial assets at fair value through profit or loss, (iii) an increase of RMB99.0 million in financial assets sold under repurchase agreements, (iv) an increase of RMB1,290.4 million in payable to brokerage clients, (v) an increase of RMB0.4 million in amounts due to related parties; and partially offset by (vi) an increase of RMB117.7 million in amounts due from related parties, (vii) an increase of RMB1,290.4 million in cash held on behalf of brokerage clients, (viii) an increase of RMB18.5 million in financial assets purchased under resale agreements, (ix) a decrease of RMB131.7 million in accounts and other payables, and (x) a decrease of RMB2.3 million in contract liabilities.

Cash Flows from Investing Activities

Cash outflows from investing activities primarily consist of our purchase of property and equipment, intangible assets, financial assets at fair value through profit or loss (non-current), financial bonds, term deposits, pledged bank deposits, investments in associates, loan receivables and other financial assets. Cash inflows from investing activities primarily consist of proceeds from disposal of financial bonds, financial assets at fair value through profit or loss (non-current) and investments in associates, maturity of term deposits, and repayment of loan receivables.

For the year ended December 31, 2025, net cash generated from investing activities was RMB70.6 million, primarily due to (i) repayment from loan receivables of RMB126.4 million, (ii) proceeds from investments in associates of RMB41.0 million, (iii) net refund of rental deposits of RMB21.2 million, (iv) proceeds from disposal of financial assets at fair value through other comprehensive income of RMB45.8 million; and partially offset by (v) purchases of digital assets of RMB147.9 million, (vi) net cash outflows for the purchases of property and equipment and intangible assets of RMB5.4 million, and (vii) net cash outflows for the purchases of financial assets at fair value through profit or loss of RMB7.4 million.

For the year ended December 31, 2024, net cash used in investing activities was RMB33.7 million, primarily due to (i) acquisition of investments in joint ventures of RMB100.0 million, (ii) net payments for rental deposits of RMB13.7 million, (iii) net cash outflows for the purchase of property and equipment and intangible assets of RMB8.9 million; and partially offset by (iv) net cash inflows for the disposal of financial assets at fair value through profit or loss of RMB13.5 million, and (v) proceeds from investments in associates of RMB74.4 million.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

CASH FLOWS (CONTINUED)

Cash Flows from Financing Activities

Financing activities primarily consist of issuance of ordinary shares for share option exercised, bank borrowings, structured notes, cash injection by third-party holders to consolidated structured entities, distribution of dividends to Shareholders and non-controlling shareholders, repayment of lease liabilities and interest paid on the banking borrowings.

For the year ended December 31, 2025, net cash generated from financing activities was RMB86.4 million, primarily due to (i) proceeds from issuance of structured notes of RMB210.0 million; and partially offset by (ii) net cash outflows to third-party holders to consolidated structured entities of RMB95.4 million, and (iii) repayment of RMB25.3 million for the lease liabilities.

For the year ended December 31, 2024, net cash generated from financing activities was RMB136.9 million, primarily due to (i) net cash inflows from third-party holders to consolidated structured entities of RMB273.4 million, (ii) proceeds from issuance of ordinary shares for share option exercised of RMB6.4 million; and partially offset by (iii) redemption of structured notes of RMB93.8 million, (iv) repayment of RMB44.5 million for the lease liabilities, and (v) payment of RMB3.6 million for the interest.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of December 31, 2025, we had not entered into any off-balance sheet transactions.

CAPITAL STRUCTURE

We manage our capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to Shareholders through the optimisation of our capital structure.

The Group is aware of the need to use capital for further business development, continuously seeking various means of financing. As of December 31, 2025, the Group had no outstanding bank borrowings and held credit facilities from authorized institutions in aggregate principal amount of RMB522.0 million. As of December 31, 2025, the Group had RMB2,267.8 million of cash and cash equivalents and highly liquid cash management products. Besides, the Group also had RMB2,191.9 million of highly liquid financial assets which mainly comprise of listed corporate bonds.

GEARING RATIO

The gearing ratio of the Group, which is calculated as total liabilities divided by total assets, excluding the effect of right-of-use assets, lease liabilities, open trade receivable, open trade payable, payable to interest holders of consolidated structured entities, cash held on behalf of brokerage clients and payable to brokerage clients was 13.4% as of December 31, 2025, compared with 12.2% as of December 31, 2024.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

SIGNIFICANT INVESTMENTS HELD

Incidental to, and ancillary of, our business operations, we have made investments from time to time, the primary types of which include (i) investments in our own private equity funds in our capacity as a general partner and limited partner, to further align our interests with those of investors in our private equity funds, (ii) investments in third-party private equity funds in our capacity as a limited partner, to seize investment opportunities that are complementary to our own private equity funds, such as investment in those third-party private equity funds focusing on early-stage portfolio companies, (iii) strategic minority equity investments, to establish long-term business relationships with selected companies to facilitate our business, (iv) digital assets, to develop our Web3.0 business, and (v) distressed asset portfolio, as part of our strategy to increase the intensity of our proprietary investments to enhance returns and create greater value for Shareholders.

The following table sets forth the fair value of investments of our primary investment activities as of the dates indicated.

	As of December 31, 2025 RMB'000	2024 RMB'000
Investments in our own private equity funds in our capacity as a general partner and limited partner	1,034,370	1,048,778
Investments in third-party private equity funds in our capacity as a limited partner	487,894	604,134
Strategic minority equity investments		
— Investments in the form of preferred shares of other companies	848,296	1,272,048
— Equity holdings in non-associate companies	37,387	56,155
— Investments in listed companies	196,565	—
Digital assets	150,475	—
Distressed asset portfolio	377,497	—
Total	3,132,484	2,981,115

As of December 31, 2025, the Group had investments of our primary investment activities amounting to an aggregate of approximately RMB3,132.5 million measured in fair value, which increased by 5.1% as compared to December 31, 2024. Each investment was individually less than 5% of the total assets of the Group as of December 31, 2025.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

SIGNIFICANT INVESTMENTS HELD (CONTINUED)

As of December 31, 2025, the IRR of investments in our own private equity funds and investments in third-party private equity funds was 16.4% and 13.6%, respectively. As of December 31, 2025, the Group held approximately RMB50.4 million in digital asset portfolios managed by independent investment managers, with a gross annualized rate of return of 10.1%.

We are exposed to a variety of risks in our primary investment activities, including but not limited to, market risk, liquidity risk, and credit risk. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner. To mitigate the market risk, we have established a market risk management system, which sets out the overall market risk management structure and detailed risk management measures. In managing our liquidity risks, we take into account of our short, medium and long-term funding needs and liquidity management requirements. We maintain adequate cash and cash equivalents and continuously monitor cash flow forecast and actual cash flows. Through rigorous credit assessment and monitoring of risk, we are able to timely detect, report, and manage credit risk.

We apply a rigorous investment process across all of our primary investment activities. Our investment process consists of (i) sourcing and screening, (ii) project establishment, (iii) investment decision-making, (iv) investment execution, (v) post-investment management, and (vi) exit. The Group's investment activities are approved, monitored and reviewed by the relevant investment committees established by the Company, whose members include senior management of the Group, and representatives from finance, legal & compliance functions.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

On June 26, 2025, the Board of the Company has approved China Renaissance's expansion into the Web3.0 and the cryptocurrency assets sector, while consolidating its current businesses, and approved a budget of a total amount of US\$100 million over the next two years for the Group to develop its Web3.0 business and to invest in cryptocurrency assets. Please refer to the disclosure in this Annual Report and the Company's announcement dated June 26, 2025 for more details.

Save as disclosed above, the Group did not have any plans for material investments and capital assets as at December 31, 2025.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

The Group did not have material acquisitions and disposals of subsidiaries and affiliated companies for the year ended December 31, 2025.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

EMPLOYEE AND REMUNERATION POLICY

As of December 31, 2025, we had 443 full-time employees, including over 85% of whom are advisory and investment professionals.

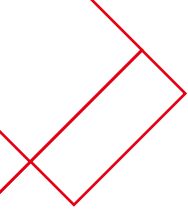
The following table sets forth the number of our employees by function as of December 31, 2025.

Function	Number of Employees	Percentage
Investment Banking	69	16%
Investment Management	35	8%
CR Securities	268	60%
Others	5	1%
Group Middle and Back Office	66	15%
Total	443	100%

The following table sets forth the number of our employees by geographic region as of December 31, 2025.

Geographic Region	Number of Employees	Percentage
Beijing, China	175	40%
Shanghai, China	200	45%
Other cities in China	15	3%
Hong Kong	47	11%
United States	5	1%
Singapore	1	—%
Total	443	100%

Our success depends on our ability to attract, retain and motivate qualified personnel. As part of our retention strategy, we offer employees performance-based cash bonuses and other incentives in addition to base salaries. As of December 31, 2025, 71 grantees held options granted under the ESOP (as defined in the Prospectus) and restricted shares under the RSU Plan (as defined in the Prospectus) which remained outstanding. The total remuneration expenses, including share-based payment expense, for the year ended December 31, 2025 were RMB435.1 million.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FOREIGN EXCHANGE RISK

Foreign currency risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations. Although we operate businesses in different countries, our primary subsidiaries operate in the PRC with most of the transactions settled in RMB. When considered appropriate, we enter into hedging activities with regard to exchange rate risk. As of December 31, 2025, we did not hedge or used any financial instruments for hedging purposes.

PLEDGE OF ASSETS

As of December 31, 2025, no assets of the Group were pledged.

CONTINGENT LIABILITIES

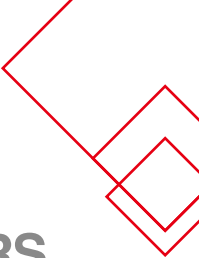
As of December 31, 2025, save as disclosed in note 48 to the consolidated financial statements, we did not have any material contingent liabilities.

FINAL DIVIDENDS

The Board does not recommend the distribution of a final dividend for the year ended December 31, 2025 to preserve capital for the Group's business operations and development, including but not limited to the expansion of its investment banking capabilities and the Web 3.0 business, with a view to further enhance operating quality, earnings resilience and sustainable development of the Group.

No dividends have been declared or paid by the Company during the year ended December 31, 2025 and 2024.

Details of the dividend policy adopted by the Company is set out in the section headed "Corporate Governance Report" of this Annual Report.



REPORT OF DIRECTORS

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

DIRECTORS

The Directors who held office during the year ended December 31, 2025 and up to the Latest Practicable Date are:

Executive Directors:

Ms. Hui Yin Ching (*Chairperson*)
Mr. Wang Lixing
Mr. Du Yongbo

Non-executive Director:

Mr. Lin Ning David

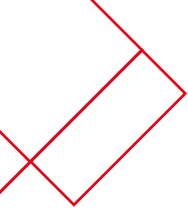
Independent non-executive Directors:

Ms. Yao Jue^(note 1)
Ms. Chan Ka Lai Vanessa^(note 2)
Mr. Zhao Yue
Mr. Alex Liang
Mr. FU Frank Kan^(note 3)

Notes:

1. Ms. Yao Jue retired as an independent non-executive Director with effect from June 26, 2025 on the conclusion of the annual general meeting of the Company.
2. Ms. Chan Ka Lai Vanessa was elected as an independent non-executive Director on June 26, 2025 at the annual general meeting of the Company.
3. Mr. FU Frank Kan was appointed by the Board as an independent non-executive Director with effect from June 26, 2025.

Biographical details of the Directors and senior management of the Group are set out in the section headed “Directors and Senior Management” on pages 58 to 63 in this Annual Report.



REPORT OF DIRECTORS (CONTINUED)

GLOBAL OFFERING

The Company was incorporated in the Cayman Islands on July 13, 2011 as an exempted limited liability company under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's Shares were listed on the Main Board of the Stock Exchange on September 27, 2018.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Analysis of the principal activities of the Group during the year ended December 31, 2025 is set out in Note 49 to the consolidated financial statements.

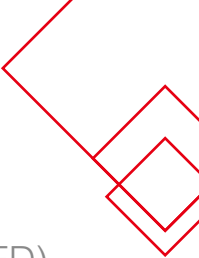
BUSINESS REVIEW

A fair review of the business of the Group as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including an analysis of the Group's financial performance and an indication of likely future developments in the Group's business are set out in the section headed "Business Review" and "Management Discussion and Analysis" of this Annual Report. 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 section headed "Environmental, Social and Governance Report" of this Annual Report. These discussions form part of this Annual Report. Events affecting the Company that have occurred since the end of the financial year is set out in the section headed "Important Events After The Reporting Date" of "Other Information" in this Annual Report.

PRINCIPAL RISKS AND UNCERTAINTIES

The following list is a summary of certain principal risks and uncertainties facing the Group, some of which are beyond its control:

- our businesses may be materially and adversely affected by general market and economic conditions in China and other jurisdictions where we operate;
- we are subject to risks associated with operating in the rapidly evolving new economy sectors;
- the financial services industry and all of the subsectors, in which we compete, are intensely competitive;
- our profitability may fluctuate and we may incur net loss in the future;
- our operations depend on key management and professional staff and our business may suffer if we are unable to recruit or retain them;
- we are exposed to the risk of harm to our reputation, which may have a material adverse effect on our business, results of operations and financial condition; and
- potential challenges stemming from macro and industry environments since 2020 and geopolitical tension between China and the US, will likely slow down the revenue realization of investment banking projects.



REPORT OF DIRECTORS (CONTINUED)

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

However, the above is not an exhaustive list. Investors are advised to make their own judgment or consult their own investment advisors before making any investment in the Shares.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to fulfilling social responsibility, promoting employee benefits and development, protecting the environment, giving back to the community and achieving sustainable growth. Details are set out in the section headed “Environmental, Social and Governance Report” in this Annual Report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

As far as the Board and management are aware, the Group has complied in all material aspects with relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year ended December 31, 2025, there was no material breach of, or non-compliance with, applicable laws and regulations by the Group.

CONNECTED TRANSACTIONS

The following are connected transactions and/or continuing connected transactions entered into by the Group for the year ended December 31, 2025 which are required to be disclosed in accordance with Chapter 14A of the Listing Rules.

During the year ended December 31, 2025, no connected transaction for the Group was entered into which was required to be disclosed in accordance with Chapter 14A of the Listing Rules. Save as disclosed below, no other related party transactions disclosed in Note 43 to the consolidated financial statements constituted a connected transaction or continuing connected transaction which should be disclosed pursuant to the Listing Rules. The Company has complied with, where applicable, the disclosure requirements prescribed in Chapter 14A of the Listing Rules with respect to the connected transactions and continuing connected transactions entered into by the Group during the year under review.

Continuing connected transactions

Non-exempt continuing connected transactions

Set out below is a summary of the continuing connected transactions of the Group, which are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

REPORT OF DIRECTORS (CONTINUED)

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

1. Carried Interest Distribution Framework Agreement

Background

We incentivize the personnel of our investment funds by sharing carried interest to be distributed from the general partners of the investment funds. Thus, on June 15, 2018 (as amended and restated on September 11, 2018), the Company, Huagan Shanghai (a wholly-owned subsidiary), CR Investments Corporation (a wholly-owned subsidiary), our Consolidated Affiliated Entities (being the ultimate general partners of the relevant funds) and the Connected Investment Team Members (as defined below), entered into the Carried Interest Distribution Framework Agreement.

The Carried Interest Distribution Framework Agreement governs the distribution of carried interest to designated personnel of 22 of our investment funds from which we derive income from carried interest. Recipients of such distribution of carried interest may include connected persons of the Company (the **“Connected Investment Team Members”**, including, as of 31 December 2025, Mr. Bao (our former Director who resigned February 2, 2024), Mr. Wang Xinwei (a substantial shareholder of certain subsidiaries of the Group), Mr. Du Yongbo (our executive Director), FBH Partners Limited (an associate of Mr. Bao), CRP Holdings Limited (an associate of Mr. Bao), Running Goal Limited (an associate of Mr. Bao), High Fortune Investments Limited (an associate of Mr. Wang Xinwei) and Ever Perfect Investments Limited (an associate of Mr. Du Yongbo). The term of the Carried Interest Distribution Framework Agreement commenced on the date of the agreement and shall end on December 31, 2030.

Pursuant to the Carried Interest Distribution Framework Agreement, certain employees or directors of members of the Group as well as our external consultants who are our former employees and independent third parties responsible for managing the 22 relevant investment funds may, by virtue of their limited partner interests in the general partners of our investment funds (which include any of Huagan Shanghai or its subsidiaries, CR Investments Corporation or its subsidiaries, or any of the Consolidated Affiliated Entities or their respective subsidiaries), receive distributions of carried interest for their contribution to the management and operation of the investment funds after such general partners receive their carried interest.

As disclosed in the Prospectus, we consider that it would be unsuitable to adopt monetary annual caps for the Carried Interest Distribution Framework Agreement. We expect to retain at least 25% of the distributable carried interest for each of the 22 relevant investment funds.

REPORT OF DIRECTORS (CONTINUED)

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

1. Carried Interest Distribution Framework Agreement (Continued)

Distributions under the Carried Interest Distribution Framework Agreement

For the year ended December 31, 2025, carried interest in the total amount of RMB541,693,585 was received by the general partner of the relevant investment funds as set out below:

Name of relevant investment funds	Amount of carried interest received by the general partner of the fund (RMB)
Huaxing Growth Capital USD Fund I	1,090,885
Huaxing Growth Capital USD Fund II	5,777,375
Huaxing Growth Capital RMB Fund II	302,558,012
Huaxing Healthcare Capital RMB Fund I	88,681,915
Project fund(s)	143,585,398

(i) Huaxing Growth Capital USD Fund I

For the year ended December 31, 2025, (i) carried interest in the amount of RMB272,765 received by the general partner of Huaxing Growth Capital USD Fund I was distributed to the Group; and (ii) carried interest in the total amount of RMB305,066 received by the general partner of Huaxing Growth Capital USD Fund I was distributed to the Connected Investment Team Members as set out below:

Name of Connected Investment Team Member	Amount of carried interest distributed to the relevant Connected Investment Team Member (RMB)
FBH Partners Limited (as associate of Mr. Bao)	256,358
High Fortune Investments Limited (an associate of Mr. Wang Xinwei)	48,708

REPORT OF DIRECTORS (CONTINUED)

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

1. Carried Interest Distribution Framework Agreement (Continued)

Distributions under the Carried Interest Distribution Framework Agreement (continued)

(ii) Huaxing Growth Capital USD Fund II

For the year ended December 31, 2025, (i) carried interest in the amount of RMB1,569,135 received by the general partner of Huaxing Growth Capital USD Fund II was distributed to the Group; and (ii) carried interest in the total amount of RMB1,118,008 received by the general partner of Huaxing Growth Capital USD Fund II was distributed to the Connected Investment Team Members as set out below:

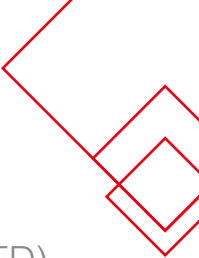
Name of Connected Investment Team Member	Amount of carried interest distributed to the relevant Connected Investment Team Member (RMB)
FBH Partners Limited (as associate of Mr. Bao)	560,405
Ever Perfect Investments Limited (as associate of Mr. Du Yongbo)	420,304
High Fortune Investments Limited (an associate of Mr. Wang Xinwei)	137,299

(iii) Huaxing Growth Capital RMB Fund II

For the year ended December 31, 2025, (i) carried interest in the amount of RMB13,638,706 received by the general partner of Huaxing Growth Capital RMB Fund II was distributed to the Group; and (ii) no carried interest received by the general partner of Huaxing Growth Capital RMB Fund II was distributed to the Connected Investment Team Members.

(iv) Huaxing Healthcare Capital RMB Fund I

For the year ended December 31, 2025, (i) carried interest in the amount of RMB22,170,479 received by the general partner of Huaxing Healthcare Capital RMB Fund I was distributed to the Group; and (ii) no carried interest received by the general partner of Huaxing Healthcare Capital RMB Fund I was distributed to the Connected Investment Team Members.



REPORT OF DIRECTORS (CONTINUED)

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

1. Carried Interest Distribution Framework Agreement (Continued)

Distributions under the Carried Interest Distribution Framework Agreement (Continued)

(v) Project Funds

For the year ended December 31, 2025, (i) carried interest in the amount of RMB73,226,437 received by the general partner of relevant project funds was distributed to the Group; and (ii) no carried interest received by the general partner of the relevant project funds was distributed to the Connected Investment Team Members.

Save as disclosed above, for the year ended December 31, 2025, there were no carried interest distribution arrangements entered into under the Carried Interest Distribution Framework Agreement.

Further details of the Carried Interest Distribution Framework Agreement are set out in the Prospectus.

Confirmation from independent non-executive Directors

The Company's independent non-executive Directors have reviewed the Carried Interest Distribution Framework Agreement, and confirmed the Carried Interest Distribution Framework Agreement has been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms or better; and
- (c) according to the agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

Conclusions from the Company's independent Auditor

The Auditor of the Company has confirmed in a letter to the Board that, with respect to the Carried Interest Distribution Framework Agreement entered into by the Group, for the year ended December 31, 2025:

- (a) nothing has come to their attention that causes the Auditor to believe that the disclosed continuing connected transactions have not been approved by the Board;
- (b) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes the Auditor to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (c) nothing has come to their attention that causes the Auditor to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (d) nothing has come to their attention that causes the Auditor to believe that the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

REPORT OF DIRECTORS (CONTINUED)

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

2. Contractual Arrangements

Background to the Contractual Arrangements

Our Consolidated Affiliated Entities are held by their respective registered shareholders (the **“Registered Owners”**). As of December 31, 2025, (i) the Registered Owners with respect to Shanghai Quanyuan and Dazi Huashi were Mr. Du Yongbo (**“Mr. Du”**), our executive Director, and Mr. Wang Xinwei (**“Mr. Wang”**), a substantial shareholders of certain subsidiaries of our Group; and (ii) the Registered Owners with respect to Dazi Hualing and Dazi Huafeng, were Ms. Xin Xin (**“Ms. Xin”**), our Chief Strategy Officer and Ms. Zheng Yi, the Group’s Deputy Chief Financial Officer (**“Ms. Zheng”**).

One of our core businesses is investment management which we engage in through managing private equity investments funds including RMB denominated funds (as well as the legal entities of these RMB denominated funds, together the **“RMB Funds”**) in China. Some of our RMB Funds primarily invest in innovative and emerging businesses, the underlying investee companies of which are subject to foreign investment restrictions and/or prohibitions in China (the **“FI Restrictions”**) under the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) promulgated by the PRC National People’s Congress and became effective on January 1, 2020 (the **“FIL”**) and the Special Entry Management Measures (Negative List) for the Access of Foreign Investment (2024 Version)(《外商投資准入特別管理措施(負面清單)(2024年版)》) (the **“2024 Negative List”**) jointly promulgated by National Development and Reform Commission of China (中華人民共和國國家發展和改革委員會) (**“NDRC”**) and the Ministry of Commerce of the People’s Republic of China (中華人民共和國商務部) (**“MOFCOM”**) and became effective on November 1, 2024, whilst some of these RMB Funds invest in investee companies whose businesses are not subject to FI Restrictions. We derive our investment management revenue primarily from two sources, namely collection of management fees and carried interest from the investment funds.

The investment fund management entities currently are not subject to the FI Restrictions, and therefore our equity interests in all of our current and future investment fund management entities for our RMB Funds that we control are and will be held by Huagan Shanghai (or its wholly owned subsidiaries) unless there is any change to the FI Restrictions.

We collect carried interest from the general partners and special limited partners of our RMB Funds. In the private equity investment fund industry, to ensure compliance with applicable PRC laws and regulations and to conform with the industry practice, the investee companies usually adopt a “look-through” approach in determining eligibility of their investors when they engage in businesses subject to FI Restrictions (in the case of investors which are limited partnerships, the investee companies will assess the shareholders of both general partners and limited partners). As such, given the Company’s RMB Funds primarily invest in new economy companies involved in innovative and emerging businesses, some of which are subject to FI Restrictions, we control the general partners and special limited partners of these RMB Funds through the Contractual Arrangements at the time of their establishment.

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

2. Contractual Arrangements (Continued)

Background to the Contractual Arrangements (Continued)

We also have certain strategic investments (either in the capacity of limited partner in private equity funds managed by third parties, or other minority investments) in businesses that are subject to the FI Restrictions and are currently held through the Contractual Arrangements.

In order to comply with the PRC laws and regulations to the extent practicable, while availing ourselves of international capital markets and maintaining effective control over all of our operations, we entered into the Contractual Arrangements. Pursuant to the Contractual Arrangements:

- (i) the general partners and special limited partners of our RMB Funds (some underlying investee companies of which operate in industries that are subject to the FI Restrictions) are owned by our Consolidated Affiliated Entities;
- (ii) Huagan Shanghai acquired effective control over our Consolidated Affiliated Entities and has been entitled to the economic benefits derived from the collection of carried interest by those entities and attributable to the Group in the capacity as general partners or special limited partners of such RMB Funds; and
- (iii) our strategic investments (either in the capacity of limited partner in private equity funds managed by third parties, or other minority investments) that are subject to the FI Restrictions are and will be held by our Consolidated Affiliated Entities.

PRC Laws and Regulations Relating to Foreign Ownership Restrictions

Foreign investment activities in China are mainly governed by the FIL, the Encouraged Industry Catalogue for Foreign Investment (2025 Version) (《鼓勵外商投資產業目錄 (2025年版)》) (the “**Encouraged Catalogue**”) jointly promulgated by the NDRC and the MOFCOM and became effective since February 1, 2026 and the 2024 Negative List, which have been promulgated and amended from time to time. The FIL, the Encouraged Catalogue and the 2024 Negative List divide industries into four categories in terms of foreign investment, namely “encouraged”, “restricted” and “prohibited”, and all industries not listed under any of these categories are deemed to be “permitted”. As confirmed by our PRC Legal Adviser, certain investees of our RMB Funds engage in restricted industries and/or prohibited industries including but not limited to internet information services, value-added telecommunication business, internet audio-visual program services and internet publication service.

REPORT OF DIRECTORS (CONTINUED)

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

2. Contractual Arrangements (Continued)

PRC Laws and Regulations Relating to Foreign Ownership Restrictions (Continued)

The Company's PRC Legal Adviser has opined that it would be impossible to obtain assurance from the competent PRC governmental authorities as to the restrictions applicable to the funds management entities because the PRC governmental authorities regulating the investees of the Group's RMB Funds do not regulate the Group's RMB Fund business. As a result, such governmental authorities are not the competent authorities for the purpose of the Group's RMB Funds business and hence are not in a position to opine on the Group's Contractual Arrangements. On the other hand, private equity investment funds as well as investment fund managers are not subject to the FI Restrictions and hence the registration authority, being the Asset Management Association of China, is not in a position to opine on the Group's Contractual Arrangements. Notwithstanding the above, our PRC Legal Adviser is of the view that the possibility of the relevant PRC governmental authorities of all investees concluding that contractual arrangement not being in compliance with applicable PRC laws and regulations, either separately or at the same time, is extremely low.

Due to the regulatory restrictions stated above, we cannot directly hold equity interests in the Consolidated Affiliated Entities, which are, or control entities which act as, general partners or special limited partners of our RMB Funds whose investees are engaging in businesses subject to the FI Restrictions.

Further details of the limitations on foreign ownership in PRC companies under PRC laws and regulations are set out in the sections headed "Contractual Arrangements" and "Regulations" in the Prospectus.

Risks relating to the Contractual Arrangements

The Company believes the following risks are associated with the Contractual Arrangements. Further details of these risks are set out on pages 59 to 66 of the Prospectus.

- Substantial uncertainties exist with respect to the PRC foreign investment legal regime and how it may impact the viability of our current corporate structure, corporate governance and business operations;
- if the PRC government finds that the Contractual Arrangements that establish the structure for operating certain of our businesses in China do not comply with applicable PRC governmental restrictions on foreign investment in these businesses, 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;
- we rely on Contractual Arrangements with our Consolidated Affiliated Entities and their shareholders for certain of our business operations in China, which may not be as effective in providing operational control or enabling us to derive economic benefits as through ownership of controlling equity interest;

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

2. Contractual Arrangements (Continued)

Risks relating to the Contractual Arrangements (Continued)

- the shareholders of our Consolidated Affiliated Entities may have potential conflicts of interest with us, which may materially and adversely affect our business and financial condition;
- Contractual Arrangements with our Consolidated Affiliated Entities and our principal shareholders may be subject to scrutiny by the PRC tax authorities and may result in a finding that we and our Consolidated Affiliated Entities owe additional taxes or are ineligible for tax exemption, or both, which could substantially increase our taxes owed and thereby reduce our net income;
- the Contractual Arrangements may be considered by PRC tax authorities to require transfer pricing adjustments;
- if we were required to obtain the prior approval of MOFCOM for or in connection with our corporate restructuring, our failure to do so may have a material adverse effect on our business;
- we conduct our business operation in China through our Consolidated Affiliated Entities by way of the Contractual Arrangements, but certain of the terms of the Contractual Arrangements may not be enforceable under PRC laws and our ability to enforce the Contractual Arrangements between us and the variable interest entity's shareholders may be subject to limitations based on PRC laws and regulations; and
- our ability to acquire the entire equity interest of our Consolidated Affiliated Entities is subject to restrictions.

Contractual Arrangements in Place

The Contractual Arrangements that were in place during the year ended December 31, 2025 are as follows:

Existing Contractual Arrangements

- (a) amended and restated exclusive call option agreements dated April 25, 2018 entered into between Huagan Shanghai, Mr. Du, Mr. Wang and Dazi Huashi pursuant to which Mr. Du and Mr. Wang agreed to grant Huagan Shanghai an exclusive option to purchase (or through its designated person(s) to purchase) from them all or part of their equity interests in Dazi Huashi;
- (b) second amended and restated exclusive call option agreements dated January 31, 2019 entered into between Huagan Shanghai, Mr. Du, Mr. Wang and Shanghai Quanyuan pursuant to which Mr. Du and Mr. Wang agreed to grant Huagan Shanghai an exclusive option to purchase (or through its designated person(s) to purchase) from them all or part of their equity interests in Shanghai Quanyuan;

REPORT OF DIRECTORS (CONTINUED)

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

2. Contractual Arrangements (Continued)

Contractual Arrangements in Place (Continued)

Existing Contractual Arrangements (Continued)

- (c) second amended and restated exclusive call option agreements dated June 15, 2020 entered into between Huagan Shanghai, Ms. Xin, Ms. Zheng and Dazi Huafeng, pursuant to which Ms. Xin and Ms. Zheng agreed to grant Huagan Shanghai an exclusive option to purchase (or through its designated person(s) to purchase) from them all or part of their equity interests in Dazi Huafeng;
- (d) third amended and restated exclusive call option agreement dated December 23, 2021 entered into between Huagan Shanghai, Ms. Xin, Ms. Zheng and Dazi Hualing, pursuant to which Ms. Xin and Ms. Zheng agreed to grant Huagan Shanghai an exclusive option to purchase (or through its designated person(s) to purchase) from them all or part of their equity interests in Dazi Hualing;
- (e) amended and restated exclusive business cooperation agreements dated April 25, 2018 entered into between Huagan Shanghai and each of the Consolidated Affiliated Entities, pursuant to which each of the Consolidated Affiliated Entities agreed to engage Huagan Shanghai as the exclusive service provider to provide each of the Consolidated Affiliated Entities with investment consultancy, financial consultancy, commercial consultancy, marketing information consultancy, technology consultancy and other services in return for service fees;
- (f) amended and restated equity pledge agreements dated April 25, 2018 entered into between Huagan Shanghai, Mr. Du, Mr. Wang and Dazi Huashi, pursuant to which Mr. Du and Mr. Wang agreed to pledge all of their existing and future equity interests in Dazi Huashi to Huagan Shanghai;
- (g) second amended and restated equity pledge agreements dated January 31, 2019 entered into between Huagan Shanghai, Mr. Du, Mr. Wang and Shanghai Quanyuan, pursuant to which Mr. Du and Mr. Wang agreed to pledge all of their existing and future equity interests in Shanghai Quanyuan to Huagan Shanghai;
- (h) second amended and restated equity pledge agreements dated June 15, 2020 entered into between Huagan Shanghai, Ms. Xin, Ms. Zheng and Dazi Huafeng, pursuant to which Ms. Xin and Ms. Zheng agreed to pledge all of their existing and future equity interests in Dazi Huafeng to Huagan Shanghai;
- (i) third amended and restated equity pledge agreement dated December 23, 2021 entered into between Huagan Shanghai, Ms. Xin, Ms. Zheng and Dazi Hualing, pursuant to which Ms. Xin and Ms. Zheng agreed to pledge all of their existing and future equity interests in Dazi Hualing to Huagan Shanghai;

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

2. Contractual Arrangements (Continued)

Contractual Arrangements in Place (Continued)

Existing Contractual Arrangements (Continued)

- (j) amended and restated proxy agreements dated April 25, 2018 entered into between Huagan Shanghai, Mr. Du, Mr. Wang and Dazi Huashi, pursuant to which Mr. Du and Mr. Wang agreed to, among other things, irrevocably authorize Huagan Shanghai or its designated person(s) to exercise all of their rights as shareholders of Dazi Huashi;
- (k) second amended and restated proxy agreements dated January 31, 2019 entered into between Huagan Shanghai, Mr. Du, Mr. Wang and Shanghai Quanyuan, pursuant to which Mr. Du and Mr. Wang agreed to, among other things, irrevocably authorize Huagan Shanghai or its designated person(s) to exercise all of their rights as shareholders of Shanghai Quanyuan;
- (l) second amended and restated proxy agreements dated June 15, 2020 entered into between Huagan Shanghai, Ms. Xin, Ms. Zheng and Dazi Huafeng, pursuant to which Mr. Xin and Ms. Zheng agreed to, among other things, irrevocably authorize Huagan Shanghai or its designated person(s) to exercise all of their rights as shareholders of Dazi Huafeng;
- (m) third amended and restated proxy agreement dated December 23, 2021 entered into between Huagan Shanghai, Ms. Xin, Ms. Zheng and Dazi Hualing, pursuant to which Mr. Xin and Ms. Zheng agreed to, among other things, irrevocably authorize Huagan Shanghai or its designated person(s) to exercise all of their rights as shareholders of Dazi Hualing;
- (n) powers of attorney dated April 25, 2018 made by each of Mr. Du and Mr. Wang, pursuant to which each of Mr. Du and Mr. Wang agreed to, among other things, authorize Huagan Shanghai or its designee(s) to represent each of them respectively to exercise all of their rights as shareholder of Dazi Huashi;
- (o) powers of attorney dated January 31, 2019 made by each of Mr. Du and Mr. Wang, pursuant to which each of Mr. Du and Mr. Wang agreed to, among other things, authorize Huagan Shanghai or its designee(s) to represent each of them respectively to exercise all of their rights as shareholder of Shanghai Quanyuan;
- (p) powers of attorney dated June 15, 2020 made by each of Ms. Xin, Ms. Zheng, pursuant to which each of Ms. Xin, Ms. Zheng agreed to, among other things, authorize Huagan Shanghai or its designee(s) to represent each of them respectively to exercise all of their rights as shareholders of Dazi Huafeng;
- (q) powers of attorney dated December 23, 2021 made by each of Ms. Xin, Ms. Zheng, pursuant to which each of Ms. Xin, Ms. Zheng agreed to, among other things, authorize Huagan Shanghai or its designee(s) to represent each of them respectively to exercise all of their rights as shareholders of Dazi Hualing;

REPORT OF DIRECTORS (CONTINUED)

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

2. Contractual Arrangements (Continued)

Contractual Arrangements in Place (Continued)

Existing Contractual Arrangements (Continued)

- (r) spouse undertakings dated April 25, 2018 made by the spouses of Mr. Du and Mr. Wang, pursuant to which they each, among other things, irrevocably undertook to refrain from claiming any interests or rights in the equity interests of Mr. Du and Mr. Wang in Dazi Huashi respectively;
- (s) spouse undertakings dated January 31, 2019 made by the spouses of Mr. Du and Mr. Wang, pursuant to which they each, among other things, irrevocably undertook to refrain from claiming any interests or rights in the equity interests of each of Mr. Du and Mr. Wang in Shanghai Quanyuan respectively;
- (t) spouse undertaking dated June 15, 2020 entered into by the spouse of Ms. Xin pursuant to which the spouse of Ms. Xin, among other things, irrevocably undertook to refrain from claiming any interests or rights in the equity interests of Ms. Xin in Dazi Huafeng; and
- (u) spouse undertaking dated December 23, 2021 entered into by the spouse of Ms. Xin pursuant to which the spouse of Ms. Xin, among other things, irrevocably undertook to refrain from claiming any interests or rights in the equity interests of Ms. Xin in Dazi Hualing.

There were no new Contractual Arrangements entered into, renewed or reproduced during the financial year ended December 31, 2025. 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.

The Board has reviewed the overall performance of the Contractual Arrangements and confirmed the strict compliance with relevant requirements under the Listing Rules and the waiver granted by the Stock Exchange upon the listing of the Company.

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

The total revenue and net assets of the Consolidated Affiliated Entities that are subject to the Contractual Arrangements amounted to approximately RMB486.0 million for the year ended 31 December 31, 2025 and approximately RMB490.1 million as at 31 December 2025 respectively.

The Company has been advised by its PRC Legal Adviser that the Contractual Arrangements do not violate the currently effective and applicable PRC regulations.

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

2. Contractual Arrangements (Continued)

Mitigation actions taken by the Company

The Company's management works closely with its external legal counsels and advisors to monitor the regulatory environment and developments in PRC laws and regulations to mitigate the risks associated with the Contractual Arrangements.

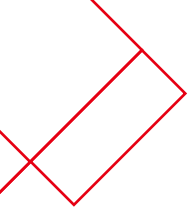
Listing Rule Implications and Waiver

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 Contractual Arrangements are subject to the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

However, the Stock Exchange has granted the Company a waiver from strict compliance with: (i) the announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the transactions under the Contractual Arrangements; (ii) setting an annual cap for the Contractual Arrangements; and (iii) limiting the term of the Contractual Arrangements.

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 year ended December 31, 2025 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 ended December 31, 2025; (iii) no new contracts were entered into, renewed or reproduced between the Group and the consolidated affiliated entities during the year ended December 31, 2025; (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 of the Company as a whole.



REPORT OF DIRECTORS (CONTINUED)

CONNECTED TRANSACTIONS (CONTINUED)

Continuing connected transactions (Continued)

Non-exempt continuing connected transactions (Continued)

2. Contractual Arrangements (Continued)

Mitigation actions taken by the Company (Continued)

Conclusions from the Company's independent Auditor

The Auditor of the Company has confirmed in a letter to the Board that, with respect to the aforesaid Contractual Arrangements entered into in the year ended December 31, 2025:

- (a) nothing has come to their attention that causes the Auditor to believe that the disclosed continuing connected transactions have not been approved by the Company's board of directors;
- (b) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes the Auditor to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (c) nothing has come to their attention that causes the Auditor to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (d) with respect to the Contractual Arrangements, nothing has come to their attention that causes the Auditor to believe that the disclosed continuing connected transactions have exceeded the annual cap (if any) as set by the Company.

MAJOR CUSTOMERS AND SUPPLIERS

Our major clients include (i) emerging startup and high-growth China-based companies with respect to our private placement and M&A advisory services, (ii) mature China-based companies, institutional secondary equity investors, and high-net-worth individuals with respect to our equity underwriting, sales, trading, brokerage, and research services, (iii) international and domestic institutional clients and high-net-worth individuals with respect to our private equity operations; and (iv) private equity funds managed by our Group.

For the year ended December 31, 2025, the revenue amounts from the Group's five largest customers accounted for 55.2% (2024: 34.0%) of the Group's total revenue and the revenue amount from our single largest customer accounted for 35.9% (2024: 10.5%) of the Group's total revenue.

All of the five largest customers of the Company for the year ended 31 December 2025 are private equity funds managed by the subsidiaries of the Group, in each case, as general partner interested in approximately 1.02%, 1.73%, 0.17%, 0.09% and 3.35% interests in such funds, respectively. Mr. Bao, the controlling shareholder of the Company and the spouse of Ms. Hui, is indirectly interested in one of the five funds (Huaxing Growth Capital III, L.P.) by virtue of no more than 5% indirect interest in the general partner of such fund.

Save as disclosed above, none of the Directors, their respective close associates, or any shareholder of the Company who, to the knowledge of the Directors, own more than 5% of the Company's issued capital, had any interest in any of the Group's five largest customers during the Reporting Period.

The Group has no major suppliers due to the nature of our business. For the year ended December 31, 2025, purchases from the Group's five largest suppliers accounted for approximately 27.0% (2024: 28.7%) of the Group's total purchase amount in the same year. The Group's largest supplier for the year ended December 31, 2025 accounted for approximately 10.5% (2024: 10.1%) of the Group's total purchase amount for the same year.

Save as disclosed above, none of the Directors, their respective close associates, or any shareholder of the Company who, to the knowledge of the Directors, own more than 5% of the Company's issued capital, has any interest in any of the Group's five largest suppliers.

During the year ended December 31, 2025, the Group did not experience any significant disputes with its customers or suppliers.

REPORT OF DIRECTORS (CONTINUED)

FINANCIAL SUMMARY

A summary of the audited consolidated results and the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements, is set out in the table below. This summary does not form part of the audited consolidated financial statements.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	2025 RMB'000	For the years ended December 31,			
		2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
Total revenue	1,066,141	777,104	1,006,094	1,585,380	1,744,483
Total revenue and net investment gains or losses	1,198,097	839,641	797,944	1,586,889	2,504,011
Total operating expenses	(1,065,021)	(881,281)	(995,761)	(1,690,755)	(1,641,207)
Operating profit/(loss)	133,076	(41,640)	(197,817)	(103,866)	862,804
Profit/(loss) for the year	92,301	(210,659)	(460,993)	(453,978)	1,645,385
Profit/(loss) for the year attributable to owners of the Company	101,372	(179,017)	(471,903)	(429,901)	1,624,362
Subtotal before adjustments relating to carried interest	131,012	(140,228)	(256,423)	(234,423)	842,895
Non-IFRS Measure: Adjusted net profit/(loss) attributable to owners of the Company (unaudited)	(110,814)	(300,837)	(592,446)	(451,053)	585,902

REPORT OF DIRECTORS (CONTINUED)

FINANCIAL SUMMARY (CONTINUED)

Condensed Consolidated Statement of Financial Position

	2025 RMB'000	As at December 31,			
		2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
Current assets	6,120,106	6,989,780	6,147,529	8,983,833	7,708,905
Current liabilities	2,475,849	3,451,562	2,085,055	3,893,206	4,457,356
Net current assets	3,644,257	3,538,218	4,062,474	5,090,627	3,251,549
Non-current assets	3,509,821	3,570,799	3,192,831	4,093,724	6,455,261
Non-current liabilities	50,751	60,265	78,362	1,645,071	1,799,295
NET ASSETS	7,103,327	7,048,752	7,176,943	7,539,280	7,907,515
Equity attributable to the owners of the Company	6,109,305	6,043,575	6,139,409	6,501,490	6,826,032
Non-controlling interest	994,022	1,005,177	1,037,534	1,037,790	1,081,483
CAPITAL AND RESERVES	7,103,327	7,048,752	7,176,943	7,539,280	7,907,515

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or 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 Company is not aware of any tax relief or exemption available to the Shareholders of the Company by reason of their respective holding of the Company's securities.

SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in Note 49 to the consolidated financial statements.

FURNITURE AND EQUIPMENT

Details of movements in the furniture and equipment of the Company and the Group during the year ended December 31, 2025 are set out in Note 18 to the consolidated financial statements.

REPORT OF DIRECTORS (CONTINUED)

SHARE CAPITAL AND SHARES ISSUED

Details of movements in the share capital of the Company for the year ended December 31, 2025 and details of the Shares issued during the year ended December 31, 2025 are set out in the section headed “Other Information — Purchase, Sale or Redemption of the Company’s Listed Securities” of this Annual Report and in Note 38 to the consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

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

DONATION

During the year ended December 31, 2025, the Group made charitable donations of approximately RMB2.0 million (2024: RMB0.2 million).

DEBENTURE ISSUED

The Group did not issue any debenture during the year ended December 31, 2025.

EQUITY-LINKED AGREEMENTS

Save for share incentive schemes as set out in this Annual Report, no equity-linked agreements were entered into by the Group, or existed during the year ended December 31, 2025.

DIVIDENDS

The Board does not recommend the payment of a dividend for the year ended December 31, 2025 to preserve capital for the Group’s business operations and development, including but not limited to the expansion of its investment banking capabilities and the Web 3.0 business, with a view to further enhance operating quality, earnings resilience and sustainable development of the Group.

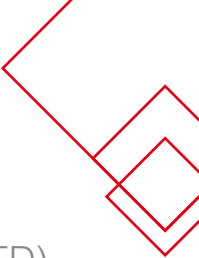
PERMITTED INDEMNITY

Pursuant to the Articles of Association and subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company 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.

Such permitted indemnity provision has been in force for the year ended December 31, 2025. The Company has taken out liability insurance to provide appropriate coverage for the Directors.

DISTRIBUTABLE RESERVES

Details of the movements in the reserves of the Group and the Company during the year ended December 31, 2025 are set out in the section of consolidated statement of changes in equity on page 156 and Note 51 in the consolidated financial statements respectively. The distributable reserves of the Company as at December 31, 2025 were RMB2,902.1 million.



REPORT OF DIRECTORS (CONTINUED)

BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Group as at December 31, 2025 are set out in the section headed “Management Discussion and Analysis” in this Annual Report.

DIRECTORS’ SERVICE CONTRACTS

Each of Ms. Hui Yin Ching, Mr. Wang Lixing and Mr. Du Yongbo, as an executive director of the Company, has entered into a service agreement with the Company with effective from October 9, 2024, August 22, 2020 and February 2, 2024, respectively. The appointment of each executive Director commenced from the date of the service agreement and continued for a period of three years or until the third annual general meeting of the Company since the date of the respective service agreement, whichever is earlier. Subject to re-election as and when required under the Articles of Association, and the terms and conditions specified in the service agreements, the appointment of each executive Director under the service agreements shall be automatically renewed for successive periods of three years.

Mr. Lin Ning David, as non-executive Director, entered into a letter of appointment with the Company for an initial term of three years with effect from August 24, 2021. Mr. Lin Ning David signed an extension letter with the Company pursuant to which the term of his appointment was renewed for a further period of three years from August 24, 2024.

Mr. Zhao Yue, as independence non-executive Director, entered into a letter of appointment with the Company on September 12, 2018 for an initial term of three years, which term was renewed pursuant to a renewal letter dated June 30, 2021 for a further term of three years. In August 2024, Mr. Zhao signed another extension letter with the Company pursuant to which the term of his appointment was renewed for a further period of three years from June 30, 2024. Mr. Alex Liang entered into a letter of appointment with the Company as independence non-executive Director for an initial term of three years with effect from October 9, 2024. Each of Ms. Chan Ka Lai Vanessa and Mr. FU Frank Kan entered into a letter of appointment with the Company as independence non-executive Directors for an initial term of three years with effect from June 26, 2025.

None of the Directors proposed for re-election at the annual general meeting has a service contract with members of the Group that is not terminable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS’ INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed “Report of Directors” above and “Other Information” below of this Annual Report, none of the Directors nor any entity connected with the Directors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party subsisting during or at the end of the year ended December 31, 2025.

REPORT OF DIRECTORS (CONTINUED)

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

A Remuneration Committee was set up for reviewing the Group's emolument policy and structure for all remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance of the Directors and senior management and comparable market practices.

Details of the emoluments of directors and the five highest paid individuals are set out in Note 15 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

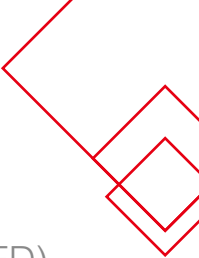
Save for the disclosure under the section headed "Connected Transactions" in the Prospectus and this Annual Report, no contract of significance (including for the provision of services to the Group) has been entered into among the Company or any of its subsidiaries and the Controlling Shareholders during 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

As disclosed in the Company's announcement dated December 13, 2023, Deloitte Touche Tohmatsu ("**Deloitte**") resigned as the auditor of the Company with effect from December 13, 2023, and confirmed in its letter of resignation that there are no matters in relation to its resignation that need to be brought to the attention of the members of the Company. Zhonghui Anda CPA Limited ("**Zhonghui Anda**") has been appointed as the auditor of the Company with effect from December 13, 2023 and it was re-appointed as the auditor of the Company for the year ended December 31, 2024 and December 31, 2025 in the annual general meetings of the Company held on October 9, 2024 and June 26, 2025 respectively. The consolidated financial statements for the year ended December 31, 2025 have been audited by Zhonghui Anda, who are proposed for reappointment at the forthcoming annual general meeting.



REPORT OF DIRECTORS (CONTINUED)

CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO LISTING RULES

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

On behalf of the Board

Hui Yin Ching

Chairperson of the Board and Executive Director

Hong Kong

March 30, 2026

DIRECTORS AND SENIOR MANAGEMENT

As at the Latest Practicable Date, the Board consists of three executive Directors, one non-executive Directors and four independent non-executive Directors.

DIRECTORS

Executive Directors

Ms. Hui Yin Ching (許彥清), aged 56, is currently an executive Director and the Chairperson of the Board of our Company. Ms. Hui was appointed as a non-executive Director of the Company on September 6, 2024, and was appointed as the chairperson of the Board and redesignated as executive Director from non-executive Director with effect from October 9, 2024. Following her redesignation as executive Director, Ms. Hui has acted as the chairperson of the Executive Committee of the Company, and she is also responsible for the Group's strategic planning, with a focus on the wealth management business, and be responsible for the development of the Group's overseas business in emerging markets and its investor relations affairs. Ms. Hui is also the founder, Chairperson and CEO of Dragon Flight Technology (Tianjin) Limited, a company that provides global private aviation services to the high-end consumers through internet solutions. In addition to her entrepreneurial experience, Ms. Hui is a dedicated philanthropist in China. In 2017, Ms. Hui and the China Social Welfare Foundation jointly established a charitable project for physically disabled children. The China Global Philanthropy Institute awarded Ms. Hui a diploma certificate in executive management of philanthropy (EMP) in 2019.

During the past three years, Ms. Hui has not been a director of any other listed companies. She is the spouse of Mr. Bao, the controlling shareholder of the Company.

Mr. Wang Lixing (王力行), aged 46, is an executive Director of our Company and the managing director, co-president of investment banking division of our Group. Mr. Wang was also appointed as Co-President of the Group with effect from February 2, 2024, and as the Chief Executive Officer of the Company with effect from November 29, 2024. Mr. Wang started his investment banking career with the Group in July 2007. From July 2007 to December 2015, he served as analyst, associate, vice president of the TME Group division, director of the corporate finance group division, managing director of the corporate finance group division. From January 2016 to December 2018, he served as head of advisory of our Group, before serving as his current roles. Mr. Wang is currently a member of the Executive Committee of the Company.

Mr. Wang received his bachelor's degree in automotive engineering in July 2002 and his master's degree in information and communication engineering in July 2007, both from Tsinghua University. During the past three years, Mr. Wang has not been a director of any other listed companies.

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

DIRECTORS (CONTINUED)

Executive Directors (Continued)

Mr. Du Yongbo (杜永波), aged 55, is currently the managing partner of Huaxing Growth Capital, responsible for overseeing the new economy investment management business of our Group, having held this position since January 2016. Mr. Du was appointed as an executive Director and the Co-President of the Group with effect from February 2, 2024. Since joining our Group in April 2006, Mr. Du has held various senior positions, including as principal of our TME group, and as managing director of our corporate finance group. Mr. Du served as an executive Director between August 2011 and August 2020. Prior to joining our Group, Mr. Du also served at the Lenovo Group for approximately 8 years, where he held various positions in different companies within the Lenovo Group, including as investment director from January 2002 to May 2006, the general manager from November 1998 to October 1999, and the vice general manager of corporate planning from April 1995 to October 1998. Before that, Mr. Du was the procurement manager of Huizhou Samsung Electronics Co., Ltd. (惠州三星電子有限公司) from July 1993 to January 1995.

Mr. Du received his dual bachelor's degrees in engineering (majoring in thermal and nuclear energy, and mechanical engineering) from Tsinghua University in July 1993, and his master of business administration degree in finance from the Chinese University of Hong Kong in December 2006. Mr. Du is a director of certain subsidiaries of our Company, he was also an independent non-executive director of Inkeverse Group Limited, whose shares are listed on the Stock Exchange with stock code 3700, from 23 June 2018 to 29 November 2024. Save as disclosed above, Mr. Du had not held any directorships in other listed public companies during the past three years.

Non-executive Directors

Mr. Lin Ning David (林寧), aged 56, was appointed as a non-executive Director of the Company with effect from August 24, 2021. He is a partner of Trustbridge Partners, which he joined in June 2008. Prior to joining Trustbridge, Mr. Lin was a partner with Orrick, Herrington & Sutcliffe based in Hong Kong. Previously, Mr. Lin practiced law at O'Melveny & Myers, Debevoise & Plimpton and Skadden Arps.

Mr. Lin receives a bachelor's degree in Mathematics and Electrical Engineering from the University of Minnesota in 1992, a master's degree in Electrical Engineering from Stanford University in 1995 and a juris doctor degree from New York University School of Law in 1999. During the past three years, Mr. Lin has not been a director of any other listed companies.

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

DIRECTORS (CONTINUED)

Independent non-executive Directors

Ms. Chan Ka Lai Vanessa (陳嘉麗), aged 53, was appointed as an independent non-executive Director, chairperson of the Audit Committee and member of the Nomination Committee of our Company with effect from June 26, 2025. Ms. Chan is a professional accountant with over 25 years of experience in auditing, accounting and financial management. Currently, Ms. Chan is the operating director of WA C&E Limited which specializes in providing professional accounting, company secretarial and business advisory services in Hong Kong. She also serves as the independent non-executive directors of Innovax Holdings Limited (創陞控股有限公司) (stock code: 2680), Tycoon Group Holdings Limited (滿貫集團控股有限公司) (stock code: 3390), Lepu ScienTech Medical Technology (Shanghai) Co., Ltd. (樂普心泰醫療科技(上海)股份有限公司) (stock code: 2291), Hollwin Urban Operation Service Group Co., Ltd (泓盈城市運營服務集團股份有限公司) (stock code: 2529), being companies all listed on the Main Board of the Stock Exchange. In August 2025, Ms. Chan has been appointed as independent non-executive director of Hunan Junxin Environmental Protection Company Limited (湖南軍信環保股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 301109.SZ). Ms. Chan worked in China Agri-Industries Holdings Limited (中國糧油控股有限公司), a state-owned enterprise previously listed on the Main Board of the Stock Exchange, from November 2009 to December 2018 with the last position as a financial controller. Prior to joining China Agri-Industries Holdings Limited, she worked as an accounting manager of The Kowloon Motor Bus Co. (1933) Ltd. (九龍巴士(一九三三)有限公司) (Stock Code: 0062), a company listed on the Main Board of the Stock Exchange from August 2005 to February 2008 and worked in KPMG Hong Kong from July 1995 to August 2005 with the last position as a senior manager. Ms. Chan is also a member of the board of directors of Hong Kong Guide Dogs Association Limited and Hong Kong Guide Dogs Academy Limited, both are charitable institutions.

Ms. Chan obtained a bachelor's degree in accounting from Hong Kong Polytechnic University (香港理工大學) in Hong Kong in October 1995. Ms. Chan has been a fellow member of the Hong Kong Institute of Certified Public Accountants since March 2006 and also a member of the Association of Chartered Certified Accountants since October 2006. She is also an associate member of The Chartered Governance Institute since September 2020 and the Hong Kong Institute of Directors since January 2018. Ms. Chan is our Director with appropriate professional accounting or related financial management expertise for the purpose of Rule 3.10(2) of the Listing Rules through her experiences disclosed above.

Mr. Zhao Yue (肇越), aged 59, was appointed as an independent non-executive Director and member of the Audit Committee, Remuneration Committee and Nomination Committee of our Company with effect from September 14, 2018. Mr. Zhao is an independent economist focusing on economics and economic policy. Previously, he was the chief economist of Chief Group from 2012 to 2025 and a senior manager of China Investment Corporation from May 2008 to January 2012.

Mr. Zhao received his bachelor of science degree in physics from Peking University in July 1988 and his doctor's degree in finance from the Financial Research Institute of People's Bank of China in October 2005. During the past three years, Mr. Zhao has not been a director of any other listed companies.

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

DIRECTORS (CONTINUED)

Independent Non-executive Directors (Continued)

Mr. Alex Liang, aged 57, was appointed as an independent non-executive Director, a member of the Audit Committee and chairperson of the Remuneration Committee of our Company with effect from October 9, 2024. Mr. Liang has over 13 years of experience in venture capital investment, covering a portfolio of technology companies in both the United States and China with a focus in artificial intelligence companies. Being a veteran in the venture capital and technology industries, Mr. Liang is well-connected within the startup communities and among venture capitalists in Silicon Valley. In addition to his venture capital experience, Mr. Liang has over 15 years of managerial and operational experience, having been the Co-Founder and CEO of MIMM Technologies (PICA Mobile Beijing) from 2005 to 2010, and as the senior executives of several multinational companies prior to that. Mr. Liang joined SAIF Partners as a Venture Partner in 2011, and established his own venture capital firm, Oriza Ventures in 2015 as the Founding Partner.

Mr. Liang received his Bachelor of Science's degree in Computer Communications from the University of Electronic Science & Technology, Chengdu China in 1991, and Master of Science in Computer Networking from Beijing University of Posts & Telecom, China in 1994. During the past three years, Mr. Liang has not been a director of any other listed companies.

Mr. FU Frank Kan, aged 56, was appointed as an independent non-executive Director, member of the Audit Committee, Remuneration Committee and Nomination Committee of our Company with effective from June 26, 2025. With over 30 years of business development experience in the technology industry, Mr. FU has held senior management roles in various prominent companies, including Fujitsu Electronics America, Inc., Samsung Telecommunications America, LLC, AboveNet Inc. (listed on the New York Stock Exchange, stock code: ABVT), Innopath Software, Inc., Bitfone Corporation, and Citirich International Ltd. From 2013 to 2016, he served as executive vice president (global Operations) of Beijing Kingsoft Office Software, Inc. (listed on the Shanghai Stock Exchange, stock code: 688111). Subsequently, he held managing director roles at Meitu Inc. (HKEX: 1357), served as CEO of HBUS Holdco Inc., and was a managing director and venture partner at Fenbushi Investment Management Co., Ltd. Currently, Mr. FU is the co-founder and chief marketing officer of Math Global Foundation., Ltd., and has been an independent non-executive director of Linekong Interactive Group Co., Ltd. (listed on the Stock Exchange, stock code: 8267) since February 2023.

Mr. FU graduated from Midland University in July 1992 with a bachelor degree in business administration. He also graduated from San Jose State University in May 1999 with a master degree in business administration.

DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

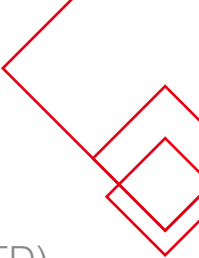
SENIOR MANAGEMENT

Mr. Cui Qiang (崔强), aged 52, is our Chief Financial Officer, primarily responsible for overseeing the overall financial management of the Group. He has served in his current role since March 1, 2019. He joined our Group in September 2016 as the chief financial officer of CR Securities, a subsidiary and domestic securities platform of the Group with multiple licences, and he also served as a member on its Management Committee, Risk Management Committee, Equity Commitment Committee, Operation Committee and Asset and Liability Management Committee. Prior to joining the Group, Mr. Cui worked at Zhong De Securities Company Limited as the chief financial officer and executive director from December 2011 to September 2016, and as the financial controller and director from July 2009 to November 2011. Previously, Mr. Cui was the business controller and vice president at Deutsche Bank Hong Kong Branch from July 2007 to July 2009, and the business controller and assistant vice president at Deutsche Bank Beijing Branch from November 2004 to July 2007. Prior to that, Mr. Cui was a senior counsel at PricewaterhouseCoopers Consulting Co. Ltd. from August 2002 to October 2004, and he also held the position of assistant financial controller at Thakral Information Technology Co. Ltd. from January 1998 to August 2000. From February 1996 to January 1998, he was an auditor at Reanda Certified Public Accountants LLP.

Mr. Cui received his bachelor's degree of corporate management from the University of International Business and Economics in 1996 and his master's degree in management and accounting from the University of Toronto in 2002. Mr. Cui is currently a member of the Chinese Institute of Certified Public Accountants. He has obtained qualifications from the Securities Association of China to act as a securities practitioner and the China Securities Regulatory Commission to hold senior management position in securities firms. During the past three years, Mr. Cui has not been a director of any listed companies.

Ms. Xin Xin (辛欣), aged 43, serves as the Chief Strategy Officer of the Group, responsible for the Group's strategic planning, strategic investment and financing, strategic research, IT and internal audit.

She joined our Group in April 2018 as the director and then as Head of CEO/Chairperson Office since June 2020. She became Head of IT in July 2021, then took on the additional role of Head of CIO Office since March 2022, and as the Assistant CEO and a member of the Group Executive Committee since May 2022, before serving in her current role as the Chief Strategy Officer since February 2024. Since joining the Group, Ms. Xin has continuously promoted the improvement of platform ability, and made outstanding contributions to important work such as strategic decision-making and research system, business operation analysis, middle platform system, rules and regulations construction, knowledge management system and so on.



DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

SENIOR MANAGEMENT (CONTINUED)

Prior to joining our Group, Ms. Xin served as the senior policy consultant of Baidu company's policy research department and the deputy general manager of Baidu Baizhong from May 2015 to September 2017. Previously, Ms. Xin was the deputy director of innovation business supervision department of China Securities Regulatory Commission from May 2009 to April 2015, and analyst of Capital Markets department at Citibank Group from June 2007 to April 2009.

Ms. Xin holds a Master's degree in Finance from Carroll School of Management, Boston College and a Bachelor's degree in Finance from Tsinghua University. During the past three years, Ms. Xin has not been a director of any listed companies.

COMPANY SECRETARY

Mr. Liu Chak Sing (廖澤昇) is currently the company secretary and legal director of our Company. Mr. Liu has over 13 years of experience in legal, corporate finance, company secretarial and compliance matters. Mr. Liu has been supporting the Group's company secretarial, legal and compliance matters as a senior legal counsel since he joined the Group in 2019. Mr. Liu holds a Bachelor degree of Social Sciences (Government & Laws) and a Bachelor degree of Laws from The University of Hong Kong. He was admitted as a solicitor to the High Court of the Hong Kong Special Administrative Region in 2012 and currently holds a solicitor's practicing certificate with the Law Society of Hong Kong.

CHANGES IN DIRECTORS' INFORMATION

The changes in information of Directors of the Company required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below.

Ms. Chan Ka Lai Vanessa was elected as an Independent Non-executive Director at the annual general meeting of the Company held on June 26, 2025, replacing Ms. Yao Jue who retired as an independent non-executive Director upon the conclusion of that annual general meeting. Ms. Chan was also appointed as the chairperson of the Audit Committee and member of the Nomination Committee of the Company on the same date.

With effect from August 6, 2025, Ms. Chan Ka Lai Vanessa was appointed as an independent non-executive director of Hunan Junxin Environmental Protection Company Limited (湖南軍信環保股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 301109.SZ)

With effect from June 26, 2025, Mr. FU Frank Kan was appointed by the Board as an Independent Non-Executive Director, member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company.

Save as disclosed above, as at the Latest Practicable Date, there is no change in information of Directors of the Company which shall be disclosed pursuant to Rule 13.51B (1) of the Listing Rules.

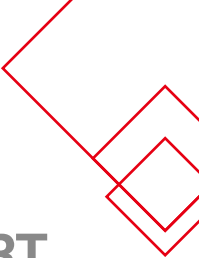
DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

DISCLOSURE UNDER RULE 8.10 OF THE LISTING RULES

Save as disclosed below, during the year ended December 31, 2025, none of the Directors nor their respective associates had an interest in a business, apart from the businesses of the Group, which competes or is likely to compete, directly or indirectly, with our business, which requires disclosure under Rule 8.10 of the Listing Rules.

Mr. Lin Ning David is the partner of Trustbridge Partners, which invests in a wide variety of growing business sectors in China, in which our investment funds may also invest from time to time. Notwithstanding the foregoing, the day-to-day operations and investment decision-making functions of our investment funds are generally independent from and do not require reporting to or prior approval by our Board. In the event that any investment presents a potential conflict of interest, the advisory committee constituted by members from the limited partners of the funds will first decide on whether the investment shall proceed and make recommendation to the investment committee, which will then make the final decision. Unless otherwise required by laws and regulations (including the Listing Rules), our Board generally has no participation in or influence on the decision making process of these investments of our investment funds. We have implemented policies to the effect that information relating to specific projects or client of our investment banking business or portfolio companies of our investment management business is not shared with Mr. Lin Ning David unless otherwise required by laws and regulations (including the Listing Rules). Mr. Lin Ning David is also subject to confidentiality obligations in respect of such information that he may receive from the Company.

Should under any circumstance an investment to be made by our investment funds requires prior approval by our Board, and conflicts of interest arise due to Mr. Lin Ning David's position with Trustbridge Partners (or any of its underlying investment vehicles or investees), Mr. Lin Ning David will not vote on the relevant Board resolution for the investment and will not be counted towards the quorum (if applicable) as required by the Articles of Association or any of the applicable laws and regulations. In any event, our Board will have sufficient number of Directors to constitute a quorum for board meetings and will be able to resolve any conflicts of interest that arise under such circumstances.



CORPORATE GOVERNANCE REPORT

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

CORPORATE GOVERNANCE PRACTICES AND COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures and to enhance the transparency and accountability of the Board to all Shareholders.

The Company has adopted the principles and code provisions of the CG Code as the basis of the Company's corporate governance practices, and the CG Code has been applicable to the Company with effect from the Listing Date.

For the year ended December 31, 2025, the Company has complied with all applicable code provisions set out in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

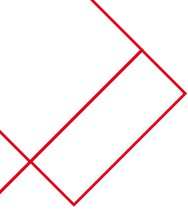
The Company has adopted the Model Code as its own securities dealing code to regulate all dealings by Directors and relevant employees of securities in the Company and other matters covered by the Model Code.

Specific enquiry has been made to all the Directors and the relevant employees and they have confirmed that they have complied with the Model Code during the year ended December 31, 2025.

CORPORATE CULTURE

As a trusted capital markets partner to thousands of Smart Economy entrepreneurs, we strive to identify and partner with high growth companies to support them at every stage of their value creation journey, and consequently participate in the fast-growing Smart Economy ecosystem. In order to realize our purpose and vision, we uphold our corporate culture — Goodness, Entrepreneurship, Partnership, Excellence.

Throughout 2025, we continued to strengthen our cultural framework through various initiatives set out in the Business Review and the Corporate Governance Report sections of this Annual Report.



CORPORATE GOVERNANCE REPORT (CONTINUED)

STRATEGIC PLANNING

The Company has a rigorous and ongoing strategic planning process to identify and assess the opportunities and challenges that the Group might face and to develop a planned course of action for the Group to generate sustainable long-term value for Shareholders.

BOARD OF DIRECTORS

The Board currently comprises seven Directors, including three executive Directors, one non-executive Director and four independent non-executive Directors. The composition of the Board as at the date of this Annual Report is as follows:

Executive Directors

Ms. Hui Yin Ching (*Chairperson*)

Mr. Wang Lixing

Mr. Du Yongbo

Non-executive Directors

Mr. Lin Ning David

Independent non-executive Directors

Ms. Chan Ka Lai Vanessa

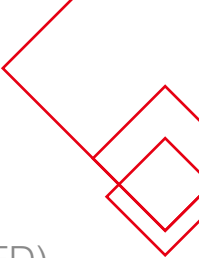
Mr. Alex Liang

Mr. Zhao Yue

Mr. FU Frank Kan

Each of Ms. Chan Ka Lai Vanessa and Mr. FU Frank Kan, who was appointed as a Director during the year ended December 31, 2025, has obtained legal advice referred to in Rule 3.09D of the Listing Rules on June 20, 2025 respectively. Each of them has confirmed that he/she understood the obligations as a Director of the Company.

The biographical details of the Directors are set out in the section headed “Directors and Senior Management” on pages 58 to 61 of this Annual Report.



CORPORATE GOVERNANCE REPORT (CONTINUED)

BOARD MEETINGS AND COMMITTEE MEETINGS

Code provision C.5.1 of the CG Code stipulates that board meetings should be held at least four times a year at approximately quarterly intervals with active participation of the majority of the Directors, either in person or through electronic means of communications.

During the year ended December 31, 2025, seven Board meetings were held. The main resolutions considered and approved in these meetings include, among others, (i) the Company's audited annual results for the year ended December 31, 2024, (ii) the Company's Crypto Currency Assets Investment Plan, (iii) the appointment of new independent non-executive Director, (iv) the Company entering into of a memorandum of understanding with YZi Labs, (v) the Company's unaudited interim results for the six months ended June 30, 2025 and (vi) the disclosable transaction of the Group in relation to the acquisition of distressed assets. The Company expects to continue to convene at least four regular Board meetings in each financial year at approximately quarterly intervals in accordance with code provision C.5.1 of the CG Code. Apart from regular Board meetings, the Chairperson of the Board also held a meeting with the independent non-executive Directors without the presence of executive Directors during the Reporting Period.

CORPORATE GOVERNANCE REPORT (CONTINUED)

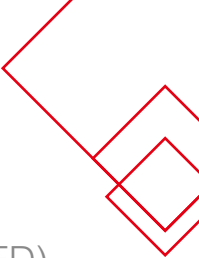
BOARD MEETINGS AND COMMITTEE MEETINGS (CONTINUED)

A summary of the attendance record of the Directors at Board meetings and Board committees meetings during the year ended December 31, 2025 is set out in the following table below:

Name of Director	Number of meeting(s) attended/ number of meeting(s) held during the year ended December 31, 2025						
	Annual General Meeting	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Executive Committee Meeting	Environmental, Social and Governance Committee Meeting
Executive Directors							
Ms. Hui Yin Ching	1/1	7/7	N./A.	2/3	2/2	14/14	N./A.
Mr. Wang Lixing	1/1	7/7	N./A.	N./A.	N./A.	14/14	1/1
Mr. Du Yongbo	1/1	7/7	N./A.	N./A.	N./A.	14/14	N./A.
Non-executive Directors:							
Mr. Lin Ning David	—	7/7	N./A.	N./A.	N./A.	N./A.	N./A.
Independent non-executive Directors:							
Ms. Yao Jue ⁽¹⁾	—	2/7	1/2	N./A.	1/2	N./A.	N./A.
Mr. Alex Liang	—	7/7	2/2	3/3	N./A.	N./A.	N./A.
Mr. Zhao Yue	—	7/7	2/2	3/3	2/2	N./A.	N./A.
Ms. Chan Ka Lai Vanessa ⁽²⁾	1/1	5/7	1/2	N./A.	1/2	N./A.	N./A.
Mr. FU Frank Kan ⁽³⁾	—	4/7	1/2	N./A.	N/A	N./A.	N./A.

Notes:

- (1) Ms. Yao Jue retired as an Independent Non-executive Director with effect from the conclusion of the annual general meeting of the Company held on June 26, 2025.
- (2) Ms. Chan Ka Lai Vanessa was elected as an Independent Non-executive Director at the annual general meeting of the Company held on June 26, 2025.
- (3) Mr. FU Frank Kan has been appointed by the Board as an Independent Non-Executive Director with effect from June 26, 2025.



CORPORATE GOVERNANCE REPORT (CONTINUED)

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board has received from each of the independent non-executive Directors a written annual confirmation of his or her independence pursuant to Rule 3.13 of the Listing Rules and considers each of them to be independent.

Mr. Zhao Yue, as independence non-executive Director of the Company, entered into a letter of appointment with the Company on September 12, 2018 for an initial term of three years, which term was renewed pursuant to a renewal letter dated June 30, 2021 for a further term of three years. In August 2024, Mr. Zhao signed another extension letter with the Company pursuant to which the term of his appointment was renewed for a further period of three years from June 30, 2024.

Mr. Alex Liang, who was elected as an independent non-executive Director at the annual general meeting of the Company held on October 9, 2024, entered into a letter of appointment with the Company for an initial term of three years with effect from October 9, 2024.

Ms. Chan Ka Lai Vanessa, who was elected as an independent non-executive Director at the annual general meeting of the Company held on 26 June 2025, entered into a letter of appointment with the Company for an initial term of three years with effect from June 26, 2025.

Mr. FU Frank Kan, who was appointed by the Board as an independent non-executive Director with effect from June 26, 2025, entered into a letter of appointment with the Company for an initial term of three years with effect from June 26, 2025.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

All the Directors are subject to retirement by rotation and re-election at annual general meeting. Pursuant to the Articles of Association, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office and be eligible for re-election at each annual general meeting, provided that every Director is subject to retirement by rotation at least once every three years. In addition, any new Director appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next following annual general meeting and be subject to re-election.

CORPORATE GOVERNANCE REPORT (CONTINUED)

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 business, 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 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.

BOARD COMMITTEES

The Board has established five committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee, the Executive Committee and the Environmental, Social and Governance Committee, for overseeing particular aspects of the Company's affairs. 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, risk management and internal controls system of the Group, review and approve connected transactions and to advise the Board.

The Audit Committee currently comprises four independent non-executive Directors, namely Ms. Chan Ka Lai Vanessa, Mr. Alex Liang, Mr. Zhao Yue and Mr. FU Frank Kan. Ms. Chan Ka Lai Vanessa is the chairperson of the Audit Committee.

During the year ended December 31, 2025, two Audit Committee meetings were held. The main resolutions considered and approved in these meetings include: (i) the Company's audited annual results for the year ended December 31, 2024; and (ii) the Company's unaudited interim results for the six months ended June 30, 2025.

CORPORATE GOVERNANCE REPORT (CONTINUED)

BOARD COMMITTEES (CONTINUED)

Remuneration Committee

The Company established a Remuneration Committee in compliance with Rule 3.25 of the Listing Rules and the CG Code. The primary duties of the Remuneration Committee are to review and make recommendations to the Board regarding the terms of remuneration packages, bonuses and other compensation payable to the Directors and other senior management.

The Remuneration Committee currently comprises one executive Director, namely Ms. Hui Yin Ching, and three independent non-executive Directors, namely Mr. Alex Liang, Mr. Zhao Yue and Mr. FU Frank Kan. Mr. Alex Liang is the chairman of the Remuneration Committee.

The Remuneration Committee has adopted the second model described in code provision 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 year ended December 31, 2025, three Remuneration Committee meetings were held. The main resolutions considered and approved in the meeting include: (i) the remuneration package of the Directors and senior management for the year ended December 31, 2024, (ii) the Company's policy and structure for the remuneration of the Directors and senior management for the year ended December 31, 2025, (iii) internal promotion and remuneration package of members of the Designated Business Unit (as defined in the Prospectus), (iv) the proposed remuneration for Directors subject to re-election and (v) the incentive proposal for internal and external talents for business development pursuant to the Cryptocurrency Assets Investment Plan.

Details of the remuneration paid or payable to each Director of the Company for the year ended December 31, 2025 are set out in Note 15 to the financial statements.

The remuneration of the members of senior management who are neither a Director nor chief executive of the Company by band for the year ended December 31, 2025 is set out below:

Remuneration Bands (HKD)	Number of Persons
6,000,001 or more	0
0–6,000,000	2
Total	2

CORPORATE GOVERNANCE REPORT (CONTINUED)

BOARD COMMITTEES (CONTINUED)

Nomination Committee

The Company has established a Nomination Committee in compliance with the CG Code. The primary duties of the Nomination Committee are to make recommendations to the Board on the appointment of Directors and management of Board succession.

The Nomination Committee currently comprises one executive Director, namely Ms. Hui Yin Ching, and three independent non-executive Directors, namely Ms. Chan Ka Lai Vanessa, Mr. Zhao Yue and Mr. FU Frank Kan. Ms. Hui Yin Ching is the chairperson of the Nomination Committee.

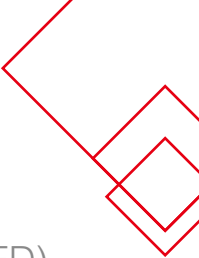
During the year ended December 31, 2025, two Nomination Committee meetings were held. The main resolutions considered and approved by the Nomination Committee include: (i) the independence of independent non-executive Directors, (ii) re-election of the Directors retiring by rotation at the annual general meeting, (iii) the board diversity policy (the “**Diversity Policy**”) and the structure, size and composition of the board, (iv) the relevant director nomination policy and (v) the nomination of independent non-executive Director.

Executive Committee

The Company has established an Executive Committee as the highest power and decision-making body of the Group at the level of operation and management. The primary duties of the Executive Committee are (i) to hear reports of significant events from various departments and functional units, (ii) to formulate and implement significant strategies and policies as well as make significant decisions for the Group, including but not limited to structure planning, significant investment and performance targets of the Group, and (iii) to authorize a member or members to exercise specific and decision-making events of Group’s operation and management.

The Executive Committee currently comprises three executive Directors, namely Ms. Hui Yin Ching, Mr. Wang Lixing, Mr. Du Yongbo and two additional members of senior management of the Company, namely Mr. Cui Qiang and Ms. Xin Xin. Ms. Hui Yin Ching is the chairperson of the Executive Committee.

During the year ended December 31, 2025, 14 Executive Committee meetings were held. The main resolutions considered and approved in the meetings include (i) making significant strategies for the Group, and (ii) hearing to reports of significant events from various departments and functional units.



CORPORATE GOVERNANCE REPORT (CONTINUED)

BOARD COMMITTEES (CONTINUED)

Environmental, Social and Governance Committee

The Company has established an Environmental, Social and Governance Committee in compliance with the CG Code and Environmental, Social and Governance Reporting Guide set out in Appendix 27 of the Listing Rules. The primary duties of the Environmental, Social and Governance Committee are to assist the Board in guiding and supervising the development and implementation of environmental, social and governance work of the Company and its subsidiaries.

The Environmental, Social and Governance Committee currently comprises one executive Director, namely Mr. Wang Lixing, and one additional member, namely Ms. Xin Xin. Mr. Wang Lixing is the chairman of the Environmental, Social and Governance Committee.

During the year ended December 31, 2025, one Environmental, Social and Governance Committee meeting was held. The main resolutions considered and approved in the meeting include (i) the environmental, social and governance report for the year ended December 31, 2024; and (ii) the environmental, social and governance working plan for the year ending December 31, 2025.

Board Diversity Policy

The Company has adopted a diversity policy which sets out the approach to achieve diversity of the Board. The Company embraces the benefits of having a diverse Board to enhance the quality of its performance.

In identifying and selecting suitable candidates to serve as a director of the Company, the Nomination Committee would consider the criteria necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendations to the Board.

CORPORATE GOVERNANCE REPORT (CONTINUED)

BOARD COMMITTEES (CONTINUED)

Board Diversity Policy (Continued)

Pursuant to the Board Diversity Policy, the Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, culture and educational background, professional qualifications, knowledge and industry and regional experience as measurable objectives. The Board will review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives. The Company aims to maintain an appropriate balance of diversity perspectives of the Board that are relevant to the Company's business growth. The Board has achieved gender diversity in accordance with the requirements of the CG Code and targets to maintain at least the current level of female representation. In considering the Board's succession, the Nomination Committee may engage independent professional search firm(s) to help identify potential candidates for Independent Non-executive Directors, as and when appropriate. The Board will continue to take opportunities to increase the proportion of female members over time as and when suitable candidates are identified.

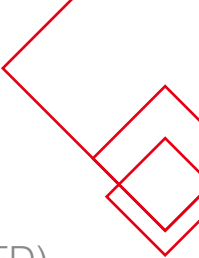
The Nomination Committee will continue to review the Board Diversity Policy, as appropriate, and recommend revision to the Board for consideration and approval to ensure its effectiveness. The Nomination Committee has reviewed the Board Diversity Policy during the year ended December 31, 2025.

Workforce diversity

At the workforce level, as at December 31, 2025, the Group had 443 full-time employees in total composing of 211 male and 232 female (i.e. a female-to-male ratio of approximately 232:211), reflecting that gender diversity has been generally adhered by the Group. The Group is determined to continue to maintain gender diversity and equality in terms of the whole workforce going forward.

Dividend Policy

The Company has adopted a dividend policy (the "**Dividend Policy**") which aims to increase or maintain the value of dividends per share of the Company, to provide reasonable return in investment of investors, and to allow the Shareholders to assess its dividend payout trend and intention.



CORPORATE GOVERNANCE REPORT (CONTINUED)

BOARD COMMITTEES (CONTINUED)

Dividend Policy (Continued)

Pursuant to the Dividend Policy, a dividend may only be declared and paid out of the profits and reserves of the Company lawfully available for distribution (including share premium), and may not be declared and paid out if this would result in the Company being unable to pay its debts as they fall due in the ordinary course of business. The Board has absolute discretion on whether to pay a dividend and alternatively, Shareholders may by ordinary resolution declare dividends but no dividend may be declared in excess of the amount recommended by the Board. In addition, the Company does not currently have a fixed dividend payout ratio. Even if the Board decides to pay dividends, the form, frequency and amount of dividends will depend on, among other things, (a) current and future operations, and future business prospects, (b) the Company's liquidity position, cash flows, general financial condition, capital adequacy ratio and capital requirements, and (c) the availability of dividends received from subsidiaries and associates in light of statutory and regulatory restrictions on the payment of dividends.

The Board will continue to review and amend the Dividend Policy as appropriate from time to time.

Nomination Policy

The Company has adopted a nomination policy (the "**Nomination Policy**") which sets out the selection criteria and procedures to nominate board candidates. The Nomination Policy aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business.

Pursuant to the Nomination Policy, the Nomination Committee shall identify suitable board candidates and make recommendation to the Board, after accessing a number of factors of a proposed candidate, including, but not limited to, reputation, professional skills, independence of proposed independent non-executive Directors and diversity in all aspect. The Board shall have the final decision in relation to its nomination of any candidates to stand for election at a general meeting.

Any nomination made by the Nomination Committee shall be made in accordance with the Nomination Policy. These include, among others, the candidates' market knowledge and experience, reputation for integrity, and the diversity aspects (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service), with due regard for the benefits of diversity, as set out in the Diversity Policy.

The Nomination Committee will continue to review the Nomination Policy, as appropriate, and recommend revision to the Board for consideration and approval. The Nomination Committee has reviewed the Nomination Policy during the year ended December 31, 2025.

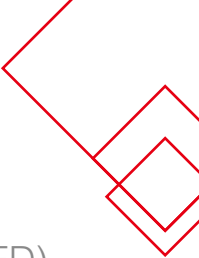
CORPORATE GOVERNANCE REPORT (CONTINUED)

BOARD COMMITTEES (CONTINUED)

Nomination Policy (Continued)

The Nomination Committee and the Board also reviewed and considered that the following key features or mechanisms under the Board and governance structure and the implementation are effective in ensuring that independent views and input are provided to the Board.

Board and Committees' structure	• Since its Listing, the Company has been steered by a Board, comprising a majority of non-executive Directors and independent non-executive Directors, who are independent of and not related to each other and any members of the senior management. • Chairperson of the Audit Committee and Remuneration Committee are independent non-executive Directors.
Independent Non-executive Directors' tenure	The Nomination Policy sets a maximum tenure of nine consecutive years for independent non-executive Directors to be eligible for nomination by the Board to stand for re-election by Shareholders.
Independent Non-executive Directors' remuneration	Independent non-executive Directors receive fixed fee(s) for their role as members of the Board and Board Committee(s) as appropriate, and are not entitled to participate in the Share Award Scheme.
Appointment of Directors	In assessing suitability of the candidates, the Nomination Committee will review their profiles, including their qualification and time commitment, having regard to the Board's composition, the Directors' skill matrix, the list of selection criteria approved by the Board, the Nomination Policy and the Board Diversity Policy.
Annual review of Independent Non-executive Directors' commitment and independence	The Nomination Committee reviews annually each Director's time commitment to the Company's business. Directors' attendance records in 2025 are disclosed in the Corporate Governance Report contained in this Annual Report. • Independent non-executive Directors' independence is assessed upon appointment, annually, and at any other time where the circumstances warrant reconsideration.
Professional advice	To facilitate proper discharge of their duties, all Directors are entitled to seek advice from the Company Secretary or the in-house legal team as well as from independent professional advisers at the Company's expense.



CORPORATE GOVERNANCE REPORT (CONTINUED)

CORPORATE GOVERNANCE FUNCTION

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

The Board would review the Company's corporate governance policies and practices, training and continuous professional development of the 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 its Corporate Governance Report.

The Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The company secretary of the Company may from time to time and as the circumstances require provide the Directors with updated written training materials relating to the roles, functions and duties of a director of a company listed on the Stock Exchange.

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 upon the Company's ability to continue as a going concern.

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

The Directors kept themselves abreast of the responsibilities as a director of the Company and of the Company's business operations, activities and developments.

The Company recognises the importance of Directors participating in appropriate continuous professional development ("**CPD**") to ensure that they are properly informed and equipped to discharge their responsibilities effectively. The Company maintains records of the Directors' training and is committed to providing regular learning opportunities to develop and refresh their knowledge and skills so that their contributions to the Board remain informed and relevant.

During the year ended 31 December 2025, all Directors participated in CPD activities, which included in-house briefings and updates on the latest developments in the Listing Rules, applicable laws, regulations, and corporate governance practices. Reading materials on relevant topics were circulated to the Directors from time to time. They were also provided with access to, and were encouraged to attend, relevant online training courses on Listing Rules and corporate governance practice updates at the Company's expense. The Directors also received regular updates on the Company's business performance, financial position and prospects to enable them to discharge their duties as members of the Board.

CORPORATE GOVERNANCE REPORT (CONTINUED)

AUDITOR'S RESPONSIBILITY AND REMUNERATION

Deloitte Touche Tohmatsu resigned as the auditor of the Company with effect from December 13, 2023. As disclosed in the Company's announcement dated December 13, 2023, Zhonghui Anda was appointed as the external auditor of the Company with effect from December 13, 2023, and it was re-appointed as the auditor of the Company for the year ended December 31, 2024 and for the year ended December 31, 2025. A statement by Zhonghui Anda about their reporting responsibilities for the financial statements is included in the Independent Auditor's Report on pages 147 to 151.

Details of the fees paid/payable in respect of the audit and non-audit services provided by Zhonghui Anda for the year ended December 31, 2025 are set out in the table below:

Services rendered for the Company	Fees paid/payable RMB'000
Audit services	4,131
Non-audit services	850
TOTAL	4,981

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges that it is responsible for the Company's risk management and internal control systems and reviewing their effectiveness. The risk management and internal control measures 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 had conducted an annual review of the effectiveness of the risk management and internal control system of the Company in respect of the year ended December 31, 2025 and considered the system effective and adequate.

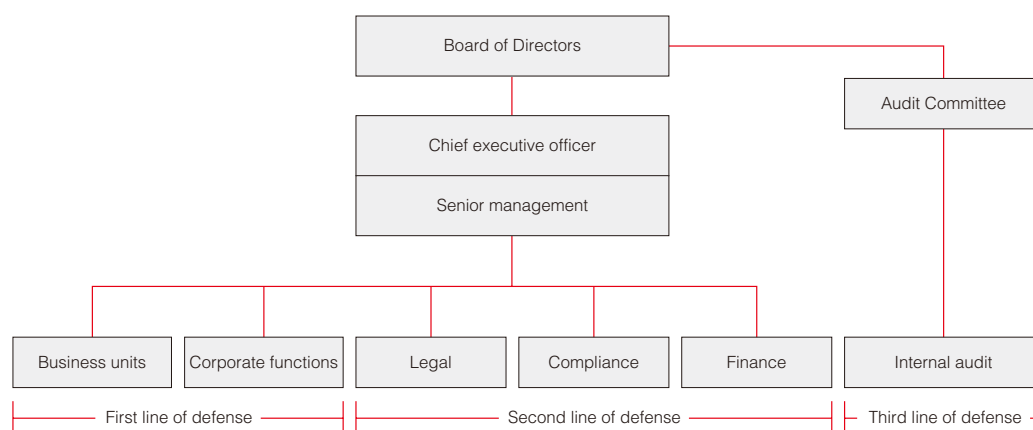
We have established a corporate governance structure with the Board at the top of our risk management hierarchy being responsible for overall risk management and oversees the risk management functions. Audit Committee provides an independent oversight on our Company. Our senior management is responsible for risk management through their regular managerial responsibilities. Our Chief Executive Officer and Chairperson of the Board and members of our senior management hold regular executive committee meetings to review, among others, risks that may have reputational implications, cross-business or cross-jurisdictional impacts on us.

To further enhance our controls on significant risks, an operating committee was set up on December 31, 2018. The operating committee is chaired by the Chief Executive Officer and comprises of the heads of relevant risk and control functions. It is responsible for determining daily operational matters, enhancing our operational infrastructure, formulating internal policies and procedures, allocating resources, leading major internal projects and IT infrastructure development. The operating committee reports directly to the executive committee on matters with a significant impact on our business.

CORPORATE GOVERNANCE REPORT (CONTINUED)

RISK MANAGEMENT AND INTERNAL CONTROLS (CONTINUED)

In the course of our business operations, we have a clear reporting procedure to make sure that risk issues of different nature and significance can be escalated and resolved by appropriate responsible persons. All of our front office business units and corporate departments assume risk management responsibilities and implement relevant risk management policies and procedures. They are our first line of defense. In support of them, we have dedicated legal, compliance, and finance departments, acting as the second line of defense, to maintain the systematic risk management framework addressing risks in relation to legal, regulatory and compliance, and finance (including but not limited to market risk, liquidity risk, and credit risk). Independently we have an internal audit department that reports directly to the Audit Committee, which serves as the third line of defense to provide check and balance. The following diagram illustrates our risk management framework:



If any risks are identified by our front office business units or corporate functions, they will first escalate within the chain of command in the unit or function, ultimately reaching the head of the unit or function. If the head, upon consultation with the relevant risk and control function, considers that the issue may have broader implications, such as reputational risks to us, or may have impact on other departments of the Company, he/she may escalate the issue to the operating committee and then executive committee. Our risk control departments, including legal, compliance and finance departments, support and advise our business units and corporate functions, as well as the Executive Committee, on the management and resolution of the risks and issues identified.

The corporate governance structure for our internal control is similar to that for our risk management. Our Board is responsible for establishing our internal control system and reviewing its effectiveness. Supported by various other internal departments, our senior management is responsible for implementing internal control measures in our daily operations. To assess the effectiveness of our internal control measures in preparation for our Listing, we engaged an independent internal control consultant to conduct an annual review of our internal control system. The consultant conducted review procedures on our internal control system in certain aspects, including revenue, purchase, fixed assets management, human resources, financial management and information technology, and immediately before the Listing, there were no material internal control findings on the Company.

CORPORATE GOVERNANCE REPORT (CONTINUED)

RISK MANAGEMENT AND INTERNAL CONTROLS (CONTINUED)

The Board considers there being no material changes to the Company's risk management and internal control systems since the Listing and is of the view that the systems are effective and adequate throughout the year ended December 31, 2025.

Regarding inside information concerning the Company itself, the Company has adopted its Inside Information Disclosure Policy which sets out the statutory obligations of disclosure of inside information, guidance on protection of inside information, procedures and formats of disclosures, and relevant roles and responsibilities. Additionally, an Information Barrier Policy is also adopted for our employees to follow. Information barrier is a form of segregation or barrier to ensure that the sharing of confidential information is properly controlled such that the two or multiple business units or project teams can operate independently without compromising the interests of their respective clients. Our employee handbook and our Code of Business Ethics and Conduct also require our employees to keep client information confidential. We provide regular trainings to our employees on information barrier policy.

SHAREHOLDERS' RIGHTS

Convening of Extraordinary General Meetings by Shareholders

Pursuant to article 12.3 of the Articles of Association, the Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any one or more Shareholders 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 specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company.

General meetings may also be convened on the written requisition of a Shareholder which is a recognized clearing house (or its nominee(s)) 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 specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company.

If the Board does 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 Board 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 Board shall be reimbursed to them by the Company.

CORPORATE GOVERNANCE REPORT (CONTINUED)

SHAREHOLDERS' RIGHTS (CONTINUED)

Putting Forward Proposals at General Meetings

There are no provisions allowing Shareholders to propose new resolutions at the general meetings under the Companies Act of Cayman Islands (as revised and amended from time to time) or the Articles of Association. However, Shareholders who wish to put forward proposals at general meetings may achieve so by means of convening an extraordinary general meeting following the procedures set out in the paragraph above.

Putting Forward Enquiries to the Board and Contact Details

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

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

Address: Units 8107–08, Level 81, International Commerce Centre,
1 Austin Road West, Kowloon, Hong Kong

Telephone: +852 2287 1600

Fax: +852 2287 1609

Email: ir@chinarenaissance.com

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS RELATIONS

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

To ensure that the shareholders and potential investors are provided with ready, equal and timely access to balanced and understandable information about the Company, the Company has established several channels to communicate with the shareholders as follows:

- (i) corporate communications such as annual reports, interim reports and circulars are issued in printed form and are available on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.chinarenaissance.com;
- (ii) periodic announcements are published on the websites of the Stock Exchange and the Company;
- (iii) corporate information is made available on the Company's website; and
- (iv) annual and extraordinary general meetings provide a forum for the shareholders to make comments and exchange views with the Directors and senior management.

CORPORATE GOVERNANCE REPORT (CONTINUED)

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS RELATIONS (CONTINUED)

The Company keeps on promoting investor relations and enhancing communication with the existing shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong (Attention: Company Secretary or Investor Relations).

The Board reviewed the Group's shareholders and investor engagement and communication activities conducted in 2025 and having considered the multiple channels of communication described above were all in place and sustainably implemented in 2025 to enable the Company to carry out effective two-way communication with its investors and Shareholders, it was satisfied with the implementation and effectiveness of the Shareholders Communication Policy.

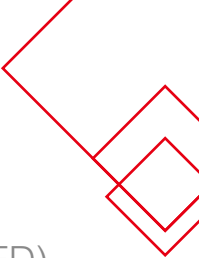
CHANGES IN CONSTITUTIONAL DOCUMENTS

During the year ended December 31, 2025, the Company did not make any significant changes in the Company's constitutional documents.

ANTI-CORRUPTION POLICY AND WHISTLEBLOWING POLICIES

The Company has adopted anti-corruption and whistleblowing policies to provide forums for reporting issues and concerns on any misconduct, and to uphold business ethics and integrity in its operations.

The Group's anti-corruption policy forms an essential component of its corporate governance framework. All employees are prohibited from exploiting their positions and authority for personal gain. The Group takes a strong stance against bribery, malpractice, fraud, and money laundering, adhering to the laws in the jurisdictions where it operates. During the Reporting Period, there were no concluded legal cases regarding corrupt practices brought against the Company or its employees. Training sessions on anti-corruption policies and procedures were conducted periodically for the Group's employees. The Group's anti-corruption policy would be reviewed and updated regularly to align with applicable laws, regulations, and industry best practices.



CORPORATE GOVERNANCE REPORT (CONTINUED)

ANTI-CORRUPTION POLICY AND WHISTLEBLOWING POLICIES (CONTINUED)

The Group also maintains a whistleblowing policy and has established procedures for employees, customers, suppliers and other stakeholders to report actual or suspected instances of improper conduct involving members of the Group or employees. These reports are to be investigated and addressed efficiently, appropriately, and transparently. The Board has designated the Internal Audit Department to receive on its behalf any such reports, to oversee the conduct of subsequent investigations, and to provide information, including recommendations arising from any investigations for reporting to the Audit Committee. The Internal Audit Department would evaluate the reported cases according to their nature, and further investigation would be carried out depending on the case's circumstances. Investigation reports will be submitted to the Audit Committee for regular review. The whistleblowing policy also provides measures for confidentiality and protection for whistle-blowers and prohibits retaliation or adverse treatment against whistle-blowers. The Group's whistleblowing policy would be reviewed and updated periodically to align with applicable laws, regulations, and industry best practices.

For further details, please refer to the Environmental, Social and Governance Report in this Annual Report.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

1. ABOUT THE REPORT

This report has been prepared in accordance with the “ESG Reporting Guide” as set out in Appendix C2 to the Listing Rules on the Hong Kong Stock Exchange to present the 2025 environmental, social and governance performance of the Company from January 1, 2025 to December 31, 2025. This report selects the principal operating points of the Company as its disclosure coverage. Unless otherwise stated, the scope of this report only covers the Company. This report should be read in conjunction with the section headed “Corporate Governance Report” in the 2025 Annual Report of the Company to better understand the ESG performance of the Company.

This report has been compiled under the reporting principles of materiality, quantitative, balance and consistency.

Materiality: China Renaissance carries out the materiality assessment work in compliance with the ESG Reporting Guide. The work process of the Company includes: i) identifying the related ESG topics, ii) assessing the importance of the issues, iii) reviewing and confirming the assessment process and results by the Board. The Company reports the ESG-related matters based on the results of the materiality assessment.

Quantitative: This report follows the ESG Reporting Guide, refers to the applicable quantification standards and practices, and adopts the quantification methods to measure and disclose the applicable key performance indicators. The quantification standards, methodologies, assumptions and/or calculation tools for key performance indicators and source of conversion factors used in this report have been explained in the corresponding places (where applicable).

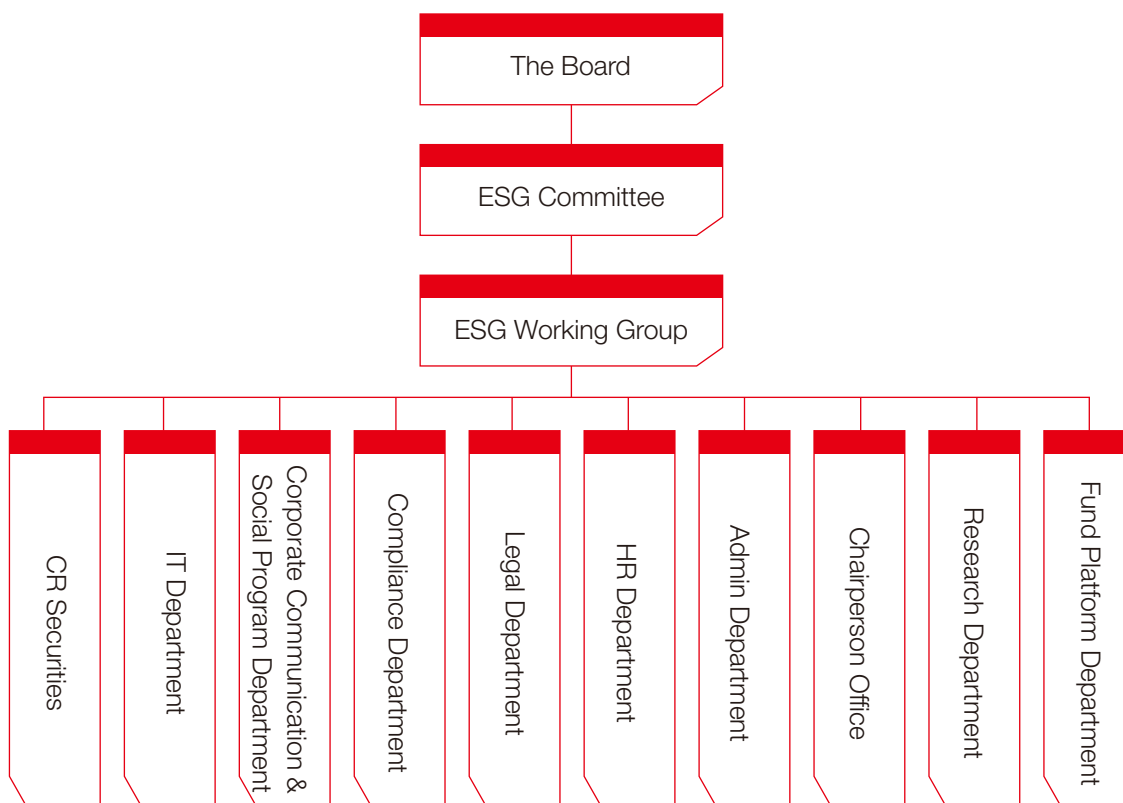
Balance: This report gives an objective picture of the positive and negative information to ensure that the contents herein will present the ESG performance of the Company during the reporting period on an impartial basis.

Consistency: The key performance indicators and statistics methods disclosed in the ESG report for the current year are consistent with those in the report for the last year. Any changes that may affect its meaningful comparison with the previous reports have been explained in the corresponding places.

2. STATEMENT OF THE BOARD

The Board of China Renaissance is responsible for comprehensively monitoring the ESG management and disclosure of the Company and holds at least one ESG communication meeting to discuss important ESG matters. To effectively manage and undertake the ESG responsibilities, the Company has constantly improved the ESG management system. The Board has established the ESG Committee, which is responsible for assisting the Board in guiding and supervising the development and the implementation of the ESG work of the Company and its subsidiaries.

For the detailed contents of the duties and responsibilities of the ESG Committee, please refer to the “Terms of Reference of the Environmental, Social and Governance Committee” of the Company. In addition, several functional departments of the Company are formed as an ESG working group to be responsible for carrying out the specific ESG tasks.



3. ESG CONCEPT AND GOVERNANCE

While creating economic values for the shareholders and society, China Renaissance has actively shouldered social responsibilities since its establishment. Based on its core values, the Company adheres to high standards of corporate governance and integrates environmental, social and governance concepts into its corporate culture. It also explores a long-term path to sustainable development, creates greater values for stakeholders, and contributes more to the social development.



4. STAKEHOLDER ENGAGEMENT

China Renaissance has identified key stakeholders based on its business and management operation features, understood their main ESG issues of concerns through various communication channels, and actively listened and responded to their concerns and expectations. The key stakeholders identified by the Company, their issues of concern and the main communication channels in 2025 are listed in the table below:

Key stakeholders	Main ESG issues of concern	Main communication channels
Shareholders and investors	• Anti-corruption and anti-money laundering • Customer services • Information security • Employment • Climate change	• Shareholders' meetings • Annual reports and interim reports • Announcements and circulars • Official website • Non-deal road-show
Government and regulators	• Anti-corruption and anti-money laundering • Information security • Employment • Community investment • Climate change	• Policy consultations • Incident reporting • Information disclosure • Email and telephone • Participation in meetings of government agency
Clients	• Anti-corruption and anti-money laundering • Customer services • Information security • Intellectual property management • Employment	• Customer visits • Social media • Information disclosures • Email or hotline • Company website
Employees	• Staff development • Employment • Health and safety • Labour standards	• Employee activities • Employee training • Communication meetings • Social media
Suppliers	• Anti-corruption and anti-money laundering • Information security • Management of suppliers • Use of resources • Emissions	• Supplier inspections • Communication meetings
News media	• Customer services • Information security • Employment • Intellectual property management • Use of resources	• Social media • Official website • Press conferences • Communication meetings
Community and the public	• Community investment • Use of resources • Climate change • Emissions • Environment and natural resources	• Charity activities, • Community interaction • Social media • Community investment-related projects

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

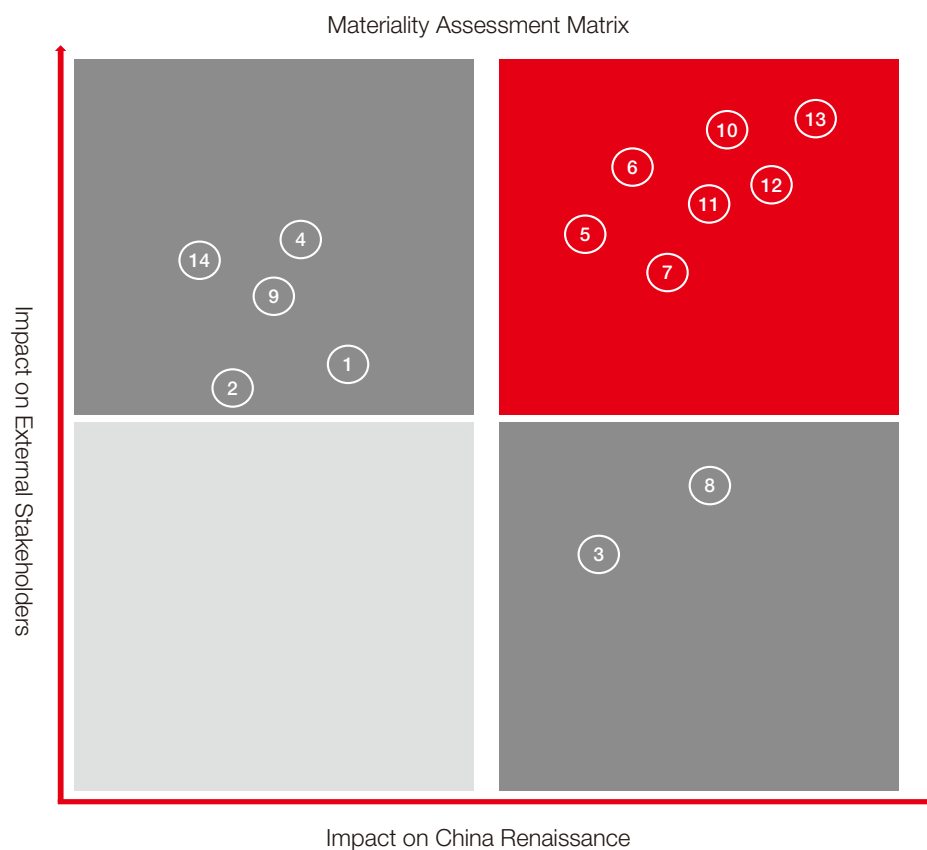
5. MATERIALITY ASSESSMENT

In accordance with the 12 levels of ESG issues involved in the ESG Reporting Guide, the Company has identified the following 14 key ESG issues which have a significant impact on the Company's business and its stakeholders and will serve as a reference for its ESG practices and reporting in 2025:

ESG aspects	Number	Key environmental, social and governance issues
A. Environmental	1.	Emissions
	2.	Environment and Natural Resources
	3.	Use of Resources
	4.	Climate Change
B. Social	5.	Employment
	6.	Health and Safety
	7.	Staff Development
	8.	Labour Standards
	9.	Management of Suppliers
	10.	Customer Services
	11.	Information Security
	12.	Intellectual Property Management
	13.	Anti-corruption and Anti-money Laundering
	14.	Community Investment

In 2025, through continuous communication with stakeholders, the Company prioritized all key environmental, social, and governance issues based on the results of the materiality assessment. The Group takes into account the materiality to key stakeholders and materiality to business that are important to the business development as the materiality analysis shown below. The key environmental, social and governance issues that fall within the top right-hand part are of the highest importance. The Company will discuss each of these issues individually in this report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)



6. OPTIMIZE SERVICE AND PURSUE EXCELLENCE

Adhering to the business principle of “creating value for clients”, the Company strives to support the development of the global economy by fostering an innovative economy and providing the world’s best-in-class capital for excellent businesses globally. To achieve this goal, the Company has established an advanced service concept and a strict compliance operation mechanism to provide customers with innovative services based on their practical needs. The Company has also strengthened its information management and protection of intellectual property rights, creating a long-term and stable cooperative relationship with customers in pursuit of sustainable development.

6.1 Compliant Business Operations

The Company has business offices in mainland China, Hong Kong, and the United States, and as the Company continues to grow, it adheres to ethical guidelines, and proactively identifies and strictly abides by relevant local laws and regulations. In Mainland China, the Company strictly abides by laws and regulations including the *Securities Investment Fund Law of the People’s Republic of China*, the *Securities Law of the People’s Republic of China*, the *Guidelines for the Internal Controls of the Investment Banking Business of Securities Companies*, and the *Regulation on the Supervision and Administration of Private Investment Funds*, as well as regulatory rules such as the *Measures for the Compliance Management of Securities Companies and Securities Investment Fund Management Companies* of China Securities Regulatory Commission, the *Interim Measures for the Supervision and Administration of Private Investment Funds*, the *Registration and Filing Measures of Private Investment Funds*, the *Measures for the Administration of Fundraising Activities of Private Equity Funds*, and the *Implementation Rules for Integrity Practice of the Fund Operating Agencies and their Working Staff* of the Asset Management Association of China. To address the practical operational needs of domestic business, the Company has further developed operational-level compliance guidelines including the *Guidelines for Information Segregation between Investment Banking and Fund Teams* and the *Compliance Guidelines for Share Reduction by Private Investment Funds*. In Hong Kong and the United States, the Company has established policies such as the *Code of Business Conduct and Ethics*, the *Policies for Anti-Money Laundering and Counter-Terrorist Financing*, and the *Information Barrier Procedures* with reference to the SFO, the *Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission*, the *Fit and Proper Guidelines* and the *Guideline on Anti-Money Laundering and Counter-Financing of Terrorism (For Licensed Corporations)* of Hong Kong and rules of U.S. Securities and Exchange Commission and self-governance regulations of the U.S. Financial Industry Regulatory Agency and other local laws and regulations. Local compliance teams have developed their own compliance policies, procedures or guidelines, based on their specific business scope and contents in accordance with the Company’s uniform policy and local laws and regulations. To address the cross-regional and cross-sectoral nature of certain businesses, the Company has tailored guidelines including the *Compliance Guidelines for Cross-Licensed/Non-Licensed Institution Projects of China Renaissance* and the *Cross-Border Private Equity Transaction Compliance Guidelines of China Renaissance*.

Pursuant to the requirements of regulators including China Securities Regulatory Commission and Securities Association of China and self-regulatory organizations, CR Securities has continued to refine its comprehensive compliance management system based on the *Compliance Management System of China Renaissance Securities (China) Co., Ltd.* and supported by over 30 management systems such as the *Compliance Inspection Management Measures of China Renaissance Securities (China) Co., Ltd.* and the *Compliance Accountability Management Measures of China Renaissance Securities (China) Co., Ltd.*, which stipulate the requirements on organization structure for compliance management and responsibilities thereof, and compliance review, inspection, reporting and assessment and other procedures. Meanwhile, it conducts compliance effectiveness assessments every year and submits compliance management reports to regulators on a regular basis.

In 2025, CR Securities revised and published a number of compliance management systems, including the *Compliance Management System of China Renaissance Securities (China) Co., Ltd.*, the *Code of Conduct for Employees of China Renaissance Securities (China) Co., Ltd.*, the *Compliance Assessment Management Measures of China Renaissance Securities (China) Co., Ltd.*, the *Compliance Accountability Management Measures of China Renaissance Securities (China) Co., Ltd.*, and the *Full-time and Part-time Compliance Personnel Management Measures of China Renaissance Securities (China) Co., Ltd.*

In 2025, the Company continued to promote the construction of information technologies for business compliance, continuously optimizing its largely computerization compliance process online to effectively enhance the efficiency of the approval process, and centralized the control of the compliant businesses of the Company as a whole by connecting all local compliance management systems.

In addition, to enhance employees' awareness of compliance and ensure the compliance of the Company's business operations, China Renaissance holds relevant training activities on a regular basis every year and issues the latest compliance information in a timely manner. During the Reporting Period, the Company released 22 issues of compliance information and held 15 compliance training sessions, comprehensively enhancing employees' compliance awareness.

6.2 Quality Service Guarantee

China Renaissance always adheres to its "customer-centric" concept and the cultural values of "pursuing excellence", and strives to provide clients with high-quality, multi-stage financial services throughout the entire lifecycle. China Renaissance has gradually developed a multi-dimensional and all-round business portfolio covering private financing, mergers and acquisitions, securities underwriting and issuance, securities research, securities sales and trading, private equity investment and brokerage asset management. In the process of continuous business expansion and deepening, the Company focuses on identifying the market positioning of clients while ensuring service quality. The Company provides customized and detailed quality services across different industries and sub-markets,

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

leveraging its rich experience and the market base in innovative economy to collaborate with clients on identification, exploration, analysis and value creation, thereby effectively supporting their business development.

The Company continues to strengthen asset allocation, focuses on enhancing key capabilities in such aspects as product design, channel, investment and research, expands the scale of investment management business, effectively promotes the scale construction in asset management and enhances the effect of economies of scale. The Company continues to increase investment in technology and ecosystems, actively leverages China Renaissance's innovative economy platform, data-driven sustainability platform and expertise in the field of the innovative economy to efficiently and accurately identify outstanding entrepreneurs and projects, and enhances the efficiency and success rate of capital matching. The Company has also established a platform system that integrated the risk appetite and business needs of investors to provide high-quality opportunities for resource matching on a global scale. By leveraging its digital services, the Company has built a consultant team that offers professional and detailed services tailored to the specific development stages of clients' businesses throughout the entire business development cycle. In the future, the Company will proactively embrace technological transformation, leverage advanced technologies such as artificial intelligence, big data and cloud services, and enhance its ability of resource identification and pricing in the innovation economy sector to further improve its competitiveness and customer services. During the year, the Company continued to maintain its leading position in private placement, and facilitated connections between the innovative economy companies and the market to effectively support the business development of its clients.

China Renaissance Holdings Limited's Key Awards Received in 2025

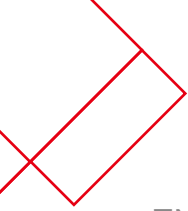
Awarded by	Name of Award
Shanghai Municipal People's Government (上海市政府)	Top 10 Outstanding Global Investment Promotion Partners of Shanghai (上海十大優秀全球招商合作夥伴)
TMTPost (鈦媒體)	2025 H1 Top 1 FA (Financing) Pioneer (2025年H1 FA (融資)先鋒TOP 1)
TMTPost (鈦媒體)	2025 H1 Top 10 Private Equity Institutions for Exit Pioneer (2025年H1退出先鋒私募投資機構TOP 10)
TMTPost (鈦媒體)	2025 Top 10 Private Equity Institutions for Exit Pioneer (2025年度退出先鋒私募投資機構TOP 10)
Qimingpian (企名片)	Top 1 Financial Advisor in New Energy Sector in 2025 Mid-Year List (2025年中榜單新能源領域財務顧問TOP 1)
Qimingpian (企名片)	Top 1 Financial Advisor in Artificial Intelligence Sector in 2025 Mid-Year List (2025年中榜單人工智能領域財務顧問TOP 1)
Qimingpian (企名片)	Top 1 Most Active Financial Advisor in 2025 Mid-Year List (2025年中榜單最佳財務顧問活躍榜單TOP 1)
GuruClub (格隆匯)	Annual Brand Value Award (年度品牌價值獎)
GuruClub (格隆匯)	Annual Transformation Pioneer Award (年度轉型先鋒獎)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Awarded by	Name of Award
Zhitongcaijing (智通財經)	Most Investment Potential Company Award (最具投資潛力公司獎)
Jazzyyear (甲子光年)	2025 Best Technology Industry Service Institution (2025年度最佳科技產業服務機構)
IPOzaozhidao (IPO早知道)	2025 TOP 22 Best IPO Investment Institutions (2025年度IPO最佳投資機構TOP 22)
Top 100 Hong Kong Listed Company Research Centre & Meta Era (港股100強研究中心& Meta Era)	Best Digital Asset Strategic Layout Award (最佳數字資產戰略佈局獎)
People's Government of Hongkou District, Shanghai (上海市虹口區人民政府)	2025 Honorary Award for East-West Cooperation and Pairing Assistance Work (2025年度東西部協作和對口支援工作榮譽獎)
Hongkou District Representative Office of Shanghai Charity Foundation (上海市慈善基金會虹口區代表處)	Hongkou District Charity Star Advanced Collective (虹口區慈善之星先進集體)
SSE Golden Wealth (上證鷹•金理財)	Rising Star Wealth Management Institution Award to CR Securities (華興證券新銳財富管理機構獎)
CNABS Annual Asset Securitization Summit (CNABS資產證券化年度峰會)	Market-leading ABS Investment Institution Award (Senior Tranche) to CR Securities (華興證券市場領先ABS投資機構獎(優先級))
CNABS Annual Asset Securitization Summit (CNABS資產證券化年度峰會)	Market-leading ABS Investment Institution Award (Subordinate Tranche) to CR Securities (華興證券獲市場領先ABS投資機構獎(次級))
Jing Chao Awards of 2025 (2025鯨潮獎)	Annual Influential Brand to CR Securities (華興證券獲年度影響力品牌)
China Securities Journal (中國證券報)	CR Securities Multi-Strategy FOF Products CS Golden Bull "3-Year FOF Golden Bull Asset Management Plan" Award for consecutive years (華興證券多策略FOF產品蟬聯中證金牛「三年期FOF型金牛資管計劃」獎)
Securities Times (證券時報)	CR Securities Multi-Strategy FOF Products China Securities Jun Ding Award — Quantitative Asset Management Plan Jun Ding Award for consecutive years (華興證券多策略FOF產品蟬聯中國證券業君鼎獎-量化資管計劃君鼎獎)

6.3 Customer Complaint Management

To maintain close contact with clients and ensure the quality of products and services, in the spirit of serving customers first, the Company has established a comprehensive customer complaint handling process and management mechanism. This enables rapid response and resolution of customer complaints, earning trust and recognition for the Company.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

To facilitate communication channels and actively gather feedback from clients, China Renaissance has established channels of customer feedback for securities business in its places of operations, so as to collect and receive various opinions, suggestions, complaints and feedback from external customers. In accordance with relevant laws or regulatory requirements, including the *Securities Law*, the *Securities Investment Fund Law*, and the *Guidelines for Handling Complaints from Investors of Securities, Funds and Futures Institutions*, CR Securities has formulated the *Measures for Management of Customer Complaints of China Renaissance Securities (China) Co., Ltd.*, the *Measures for Management of Complaints and Reports of China Renaissance Securities (China) Co., Ltd.* and other internal management measures to improve customer complaint management mechanism, and clearly define the classification of complaints, complaint acceptance, complaint handling and tracking, training and assessment, documentation and rectification. The performance in accepting, tracking, handling, and providing feedback on customer complaints is included in the performance evaluation of customer service personnel. In 2025, the Company continued to deepen the refined management of customer complaints, attached great importance to the demands of various customers, and required the complaint handling department to respond quickly and intervene in investigations and verifications at the first instance to eliminate delays and buck-passing. Adhering to the principles of “prioritizing customers’ interests and proactively taking responsibility”, the Company proactively communicated with investors to apologized for poor service experience and operational oversights and soothed their sentiments, and formulated customized solutions based on actual conditions to fully resolve conflicts and disputes. Going forward, the Company will review complaint cases, identify root causes, continuously optimize internal management processes and service quality, so as to continuously improve investors’ service experience, and earnestly fulfill the social responsibilities of a financial institution.

In 2025, CR Securities received a total of 105 valid investor complaints. Among them, complaints arising from the opening of trading software and investment advisory products accounted for a relatively large proportion, at 70.48% and 15.24% respectively. The Company attached great importance to the above complaints and required the complaint handling department to promptly intervene and actively conduct investigations and handling. Upholding the core principles of accountability and putting customers’ interests first, the Company patiently communicated with investors to verify the situation, proactively apologized and soothed investors for poor service experience, and issued targeted solutions based on actual conditions to effectively resolve conflicts and disputes. The settlement rate of completed complaints throughout the year reached 91.04%.

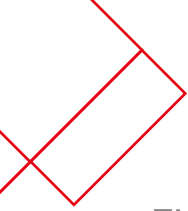
In addition, in 2025, the Company’s licensed entity in Hong Kong received three complaints. The Company conducted internal investigations into all complaints to obtain detailed content and background and to ensure that all relevant information was recorded. The Company reported the cases to the Hong Kong Police Force and the Securities and Futures Commission, and also fed back the investigation results to the complainants to ensure that they were informed of the Company’s handling process and outcomes.

Going forward, the Company will conduct in-depth reviews of complaint cases, identify root causes, and continuously optimize internal management processes and service quality to enhance investor service experience. Furthermore, there were no other complaint incidents. The Company's business does not involve the assurance or recall of physical products.

6.4 Information Security and Protection

In strict compliance with the *Cybersecurity Law of the People's Republic of China*, the *Rules for Governance of Securities Companies* and other relevant laws and regulations and relevant regulatory requirements and in light of its business features, the Company has implemented the *Information Technology Security Management Rules*, the *Internet Security Access Management Measures* and other internal management rules, to focus on information security protection. Adhering to the information security management strategy of "focusing on prevention and continuously enhance", the Company actively identifies and controls the risk of information leakage. To strengthen employees' confidentiality consciousness and ensure their safe-keeping of customer information, the Company has also developed internal rules and regulations, such as the *Code of Business Conduct and Ethics*, which clearly stipulate that employees shall not provide customer information to any entity or individual, and set out punishment and accountability measures for violation of confidentiality requirements and illegal disclosure of customer information to keep improving the system for managing customer privacy information and data confidentiality. In accordance with the *Personal Information Protection Law*, the *Data Security Law* and other regulations for personal information protection and data security, the Company has refined its internal systems and improved the legal compliance of information collection, use and storage. The Company has established an information security defense system and a customer privacy protection framework that meet the high standards of the securities industry; therefore, no technological innovation was carried out at the technical level. However, in 2025, the Company completed regular vulnerability scanning and penetration testing on all business systems.

In the daily operation, the Company has gradually enhanced the information protection awareness at all levels, reasonably set departments and functions, promoted the IT monitoring measures, and established a comprehensive division system. All agreements between the Company and its customers, investors, partners and staff cover confidentiality-related terms. During the course of business involving customers' information, the Company communicates with them as required by laws and rules for confirmation, ensuring the use of customers' information shall be in compliance with the requirements of laws and rules. In 2025, the Company invited all Hong Kong-based employees to attend mandatory IT security training. The training covered methods to strengthen information security, such as password management, phishing prevention, wireless network security and security awareness.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

In light of the business strategy and deployment, CR Securities has further strengthened the security and protection work for the information in the full life cycle of the self-developed retail business application. In the course of research and development of applications, CR Securities has formulated the *User Service Agreement* and the *Privacy Strategy* designed for this application in accordance with laws and rules, such as the *Personal Information Protection Law of the People's Republic of China* and the *Technical Specifications for the Protection of Personal Financial Information*, to meet the requirements of the regulators for the storage, treatment and use of customers' information. In the course of designing, developing and testing the application, CR Securities has implemented the necessary isolation of the development, testing and production environments in accordance with the regulatory requirements of the *Measures for Management of the Information Technologies of Securities and Fund Operating Agencies*, the *Measures for the Management of Network and Information Security in Securities and Futures Industries* and the *Basic Requirements for the Grade-based Security Protection of the Information Systems of Securities and Futures Industries*, desensitized the information to be tested, and conducted the code security checks before launching to prevent the leakage of customers' information to the greatest extent. Meanwhile, CR Securities has conducted the vulnerability scanning and penetration testing on the application server as well as the security enhancement for end users, so as to effectively prevent the application from the risk of being attacked, decoded and decompiled.

In 2025, the two applications of "CR Securities' Duoduojin" and "Huaxing Tonghuashun" passed the security testing and certification for APPs in the securities and futures industry, meeting the industry standards requirements of the *Security Specification for Mobile Internet Applications in the Securities and Futures Industry* (JR/T 0192-2020) and the *Security Testing Specification for Mobile Internet Applications in the Securities and Futures Industry* (JR/T 0240-2021). Passing the security certification for APPs in the securities and futures industry indicates that the security capabilities of the CR Securities' Duoduojin APP and Huaxing Tonghuashun APP have met the requirements of industry certification standards and are at an industry-leading level in terms of APP terminal security, network communication security, development security, data security and personal information protection.

6.5 Protection of Intellectual Property Rights

China Renaissance strictly follows relevant laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, the *Advertisement Law of the People's Republic of China*, and the *Trademark Law of the People's Republic of China*, and formulates the *Measures for the Administration of Trademarks* to regulate the use and external promotion of brand image and protect its own legitimate rights and interests.

The Company continues to carry out maintenance for its trademarks and other intellectual property rights after classifying and integrating its existing intellectual property rights so as to further improve the intellectual property structure of the Company. In the course of business cooperation, the Company strictly reviews the relevant terms of trademarks and brands, and stringently controls the use of its trademarks and brands. The Company continues to regularly conduct the work for protecting its trademarks and brands, proactively monitors the market, and promptly identifies and handles any infringement of trademarks or other intellectual property rights to provide comprehensive and accentuated protection for the legitimate rights and interests regarding trademarks and brands. For any act of infringement, the Company will report them in accordance with relevant laws and regulations and provide evidence to safeguard intellectual property rights and brand image.

7. WORKING TOGETHER WITH EMPLOYEES FOR MUTUAL DEVELOPMENT

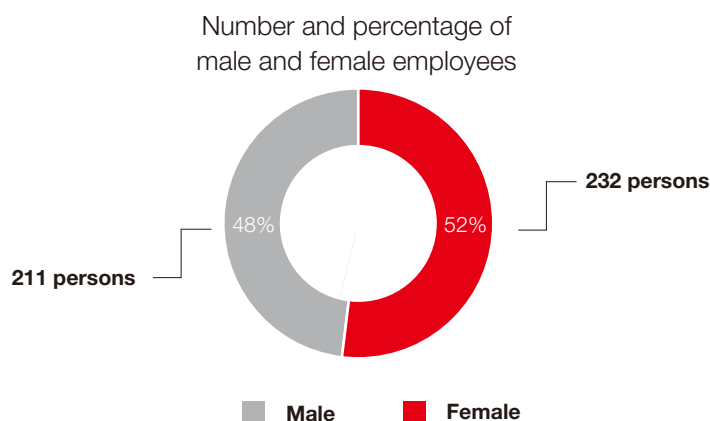
China Renaissance regards its employees as the core competitiveness and valuable asset for the development of the Company, and is dedicated to providing a career development platform for exceptional talents who are entrepreneurial, strive for excellence, embrace challenges and contribute to an innovative economy. The Company takes earnest measures to safeguard the legitimate rights and benefits of the employees, attaches importance to talent cultivation and development, values the trust and loyalty employees place in the Company, and strives to foster an equal and vibrant work environment, growing and achieving mutual success with its employees.

7.1 Work at China Renaissance

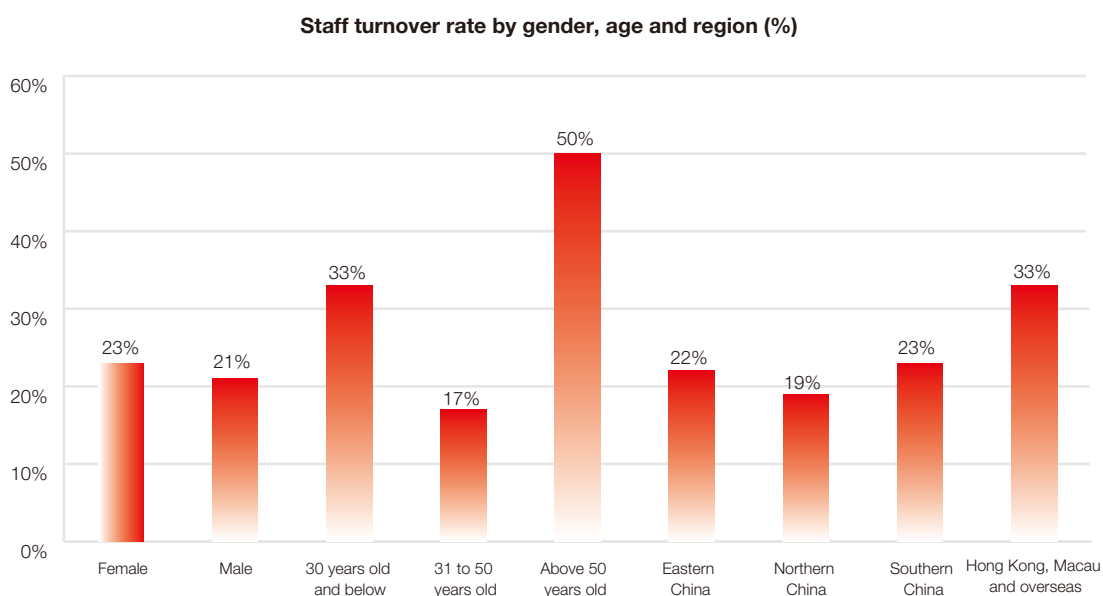
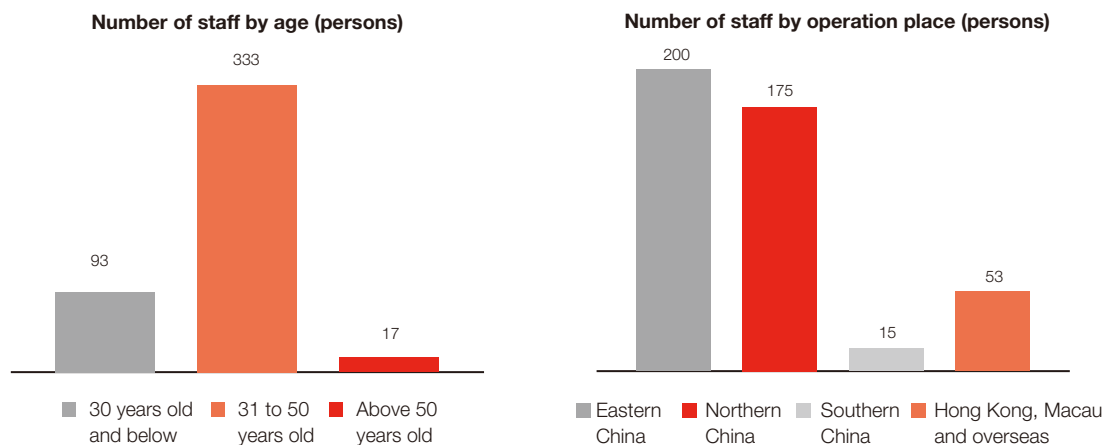
The Company strictly complies with the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Provisions on the Prohibition of Using Child Labour*, the *Regulation on Work-Related Injury Insurance* and the *Special Rules on the Labour Protection of Female Employees*, the *Employment Ordinance* of Hong Kong and other relevant laws and regulations, and develops internal management rules such as the *Recruitment Management Rules*, and the *Employee Manual*, which define standardized procedures for matters such as employment and dismissal, working time, vacation management, compensation and benefits, and promotion and development, whereby effectively protecting the legitimate interests of the staff.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

The Company is committed to establishing a legal, compliant, equal and harmonious labour relationship with its employees by adhering to the principle of fairness and mutual respect. In the recruitment process, the Company strictly follows the relevant procedural regulations. It emphasizes employee diversity and treats all candidates equally without any discrimination based on gender, race, religion, or any other aspect. All forms of insult or discriminatory behaviors are rejected. The Company strictly verifies candidates' information and completes employment formalities in accordance with laws and regulations. It also strengthens training for recruitment personnel and manages related systems and processes to resolutely prevent the employment of child labor and forced labor. If a child and compulsory labour is spotted, the Company will promptly suspend his or her work, check his or her identity information, conduct physical examination and escort him or her back to his or her residence. Meanwhile, the Company will carry out internal investigation and punish the non-compliances. In addition, the Company will develop rectification measures, improve the relevant internal system and workflow, and intensify the training for relevant personnel. In 2025, there was no child or forced labour event occurred within the Company. As of the end of the Reporting Period, there were a total of 443 full-time employees and no part-time employees in the Company.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)



Notes:

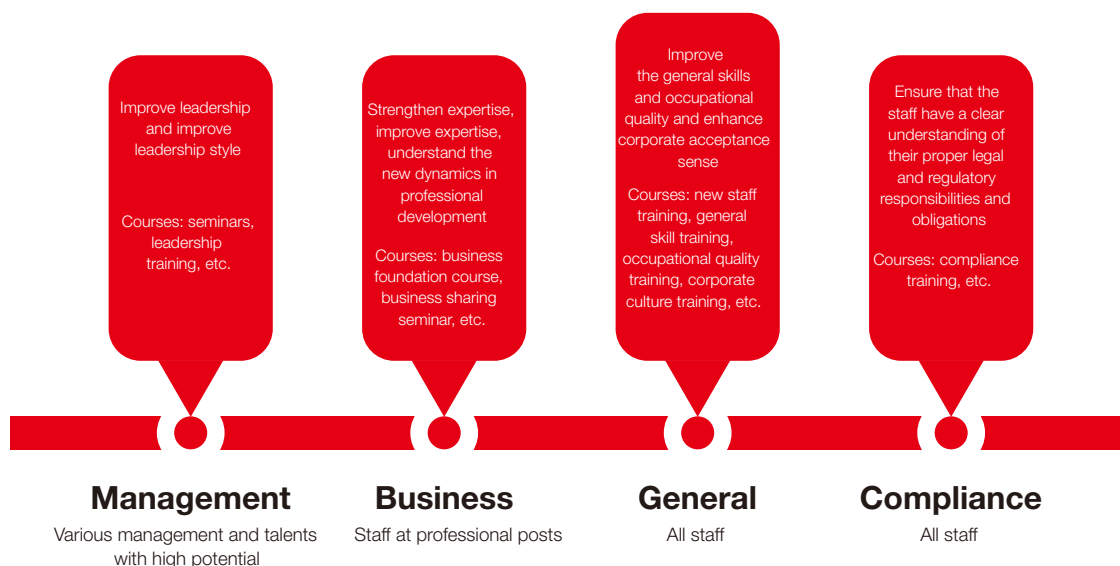
1. The number of staff and staff turnover rate information covers China Renaissance and CR Securities.
2. The statistical caliber of staff turnover rate was the voluntary turnover rate of staff.

7.2 Growth in China Renaissance

China Renaissance has always emphasized long-term development and sustainable cultivation of its employees. With the corporate vision and strategic development goals in mind, while focusing on taking advantage of its staff's knowledge, skills and talents, the Company has been creating growth and learning opportunities for employees in an effective, pertinent and co-creative manner following the people-oriented and business-based principle featuring common growth of the Company and employees.

The Company has formulated the *Measures for Position Management* and other management systems to clearly define the employee grade promotion system and career development pathways. These systems ensure fair competition opportunities and clear development directions for employees. By continuously optimizing the grade system, the Company has tailored differentiated career development paths to the unique characteristics of each business line. This approach provides a broad platform and ample opportunities for employee career development, encouraging diverse growth trajectories.

To foster employee growth, the Company has formulated the *Training Management System*, establishing a systematic training management system that integrates training organizations, trainees, courses and implementation. The Company continuously enhances the comprehensive, multi-level training system, offering diverse and targeted training programs for employees. This initiative encourages employees to continually improve their professional skills and business capabilities, thereby creating individual value.

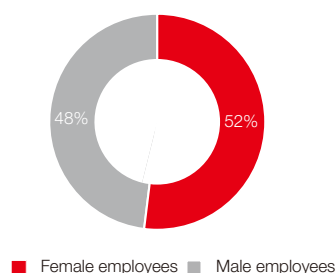


ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

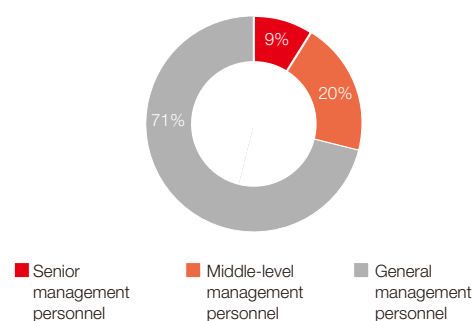
To meet the increasingly diverse training needs, the Company has developed an online learning platform that includes modules in mission completion, content co-creation and knowledge sharing, enabling employees to learn independently anytime and anywhere. Furthermore, the Company has designed various activities for training purposes such as “Fuel Station”, “Masters Talk”, “Big Lecture”, “Journey of Elite Qualities+”, “Journey of Fit In for New Employees”, “Journey of Leadership”, and “China Renaissance Youth Leader Training Camp”. These initiatives focus on the trainees, creating learning modes that are scenario-based, game-like, socially-networked and systematic, making the training methods more varied and engaging.

To keep employees informed about the latest business developments, in 2025, the Company regularly organized courses on regulatory trends and completes the follow-up education and training required by the Securities Association of China and the Asset Management Association of China on time yearly. Employees are also encouraged to actively participate in the Party building, business, internal control and industry culture trainings organized by such industrial associations, various regulators and peer companies. Furthermore, to expand employees’ business understanding and strengthen interdepartmental communication, the Company organizes internal training and sharing seminars involving multiple business departments. These events encourage employees to discuss successful project cases and experience, future development directions and collaboration models of different departments, fostering confidence in their professional growth.

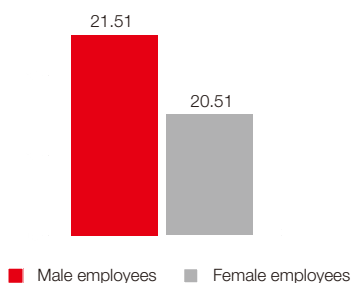
Percentage of employees receiving training by gender (%)



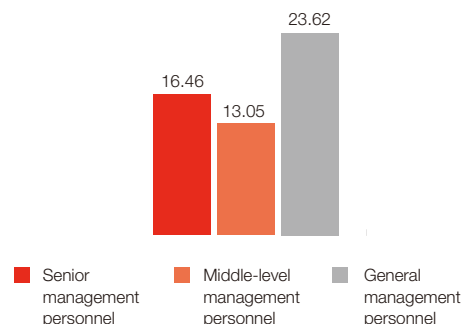
Percentage of employees receiving training by employee type (%)



Average training time by gender (hours/person)



Average training time by employee type (hours/person)



Case: Cultural Building Training of CR Securities – “Deep Integration of Cultural Building with Operation Management, Employee Cultivation and Social Responsibility”

From August to September 2025, in response to the cultural building requirements of the securities industry, CR Securities centered on the financial culture with Chinese characteristics, and deeply integrated cultural building with operation management, employee cultivation and social responsibility. Through a series of diversified and distinctive activities and improved implementation mechanisms, the Company promoted the industry culture to be deeply rooted in the mind and heart of all employees.

(1) Cultural Communication Model of “Executive Leadership + Full Participation”

CR Securities held executive interviews on industry cultural building. The Company’s management interpreted the connotation and implementation requirements of financial culture in conjunction with business practices, and played an exemplary and leading role in cultural building. Meanwhile, the Company took mass activities such as the Culture Meme Conference and “Culture Bazaar” as platforms to encourage employees to actively participate in the creation and dissemination of cultural content, forming a cultural building atmosphere of “top-down guidance and bottom-up response”.

(2) Cultural Education Form of “Full + Scenario”

Abandoning the traditional theoretical indoctrination, CR Securities integrated financial culture concepts into interesting activity scenarios. In the Culture Meme Conference, employees were guided to interpret the key points of compliance using internet hot topics. In the “Culture Bazaar”, interactive booths featuring cultural quizzes and case studies were set up, with customized content designed according to risk points of different business positions, enabling employees to intuitively understand cultural concepts through participation, and improving the targeting and effectiveness of cultural education.

(3) Integration Path of “Social Responsibility + Cultural Practice”

The Company took social responsibility practice as an important carrier of cultural development, and integrated the philosophy of “balancing justice and benefits” into employment support for the disabled, rural revitalization, public welfare donations and other concrete actions. Through participating in public welfare activities, employees gained a practical understanding of the social value of financial culture, realizing the transformation of cultural concepts from “cognition” to “practice”.

CR Securities organized an industry culture test to survey employees’ understanding and recognition of cultural concepts. Results showed that 94.6% of employees identified with the Company’s and the industry’s culture and were willing to actively participate in related cultural activities. The above data indicates a high level of employee recognition, reflecting a sound environment where cultural development is valued, participated in and practiced by all employees.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)



Case: China Renaissance held Mergers and Acquisitions Valuation Modeling Training for New Employees

A growing number of companies face challenges with quantitative analysis in the process of mergers and acquisitions. Beyond qualitative analysis and planning covering laws and regulations, market layout, and organizational structure, scientific quantitative analysis is essential in designing financing structures and building valuation models. This is not only a solid foundation to provide data support for qualitative analysis decision-making, but also underpins detailed execution plans for the implementation of the operation of mergers and acquisitions. The methodology and quality of quantitative analysis serve as a credible benchmark for evaluating mergers and acquisitions success from internal, external, short-term, and long-term perspectives.

To equip new employees with these above issues, the mergers and acquisitions and strategic transactions team of China Renaissance conducted a two-day Mergers and Acquisitions Valuation Modeling Training for new employees.

The trainees were satisfied with the trainings, and noted that they gained many practical skills and methodologies, which will enhance work efficiency in their future work. The training addressed the following problems: (1) how to determine reasonable price ranges and financing structures; (2) how to analyze the impact of transaction pricing and structures on the acquirer's EPS, including accretion/dilution effects; (3) what are the various accounting treatments for business merges and how to prepare consolidated financial statements; and (4) how to build complex LBO models to deal with the debt repayment for different debt instruments, and how to analyze the returns and risks of diverse capital contributors.



Case: China Renaissance's Shanghai Party Branch and CR Securities' s Party Branch Jointly Visited the Community to Deliver Festive Greetings

In January 2025, the secretary of China Renaissance's Shanghai Party Branch, the deputy to the Hongkou District People's Congress and the director of government and public affairs visited the Changzhi Residential Committee in North Bund Street, Hongkou District, Shanghai. The delegation presented "Zhen Zi Wei" New Year gift boxes from Wenshan Prefecture, Yunnan Province, to frontline community workers and underprivileged households, extending warm Spring Festival greetings and best wishes.

Respecting and caring for the elderly are a cherished virtue of traditional Chinese culture. The joint visit by the Shanghai Party Branch of China Renaissance and CR Securities embodied the practice of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. In the course of the visit, through close communication and exchange with the local community, the Party members gained an in-depth understanding of community work and residents' living conditions, deepening Party members' understanding of the spirit of serving the people and selfless dedication. Looking ahead, the two Party branches will uphold their founding mission and continue to strive forward, and consistently leverage the vanguard and leading role of Party organizations, further stimulating the sense of mission and responsibility among Party members, enhancing the cohesion, appeal, and inspiration of Party organizations in all aspects, and contributing more to community development and the well-being of the public.



7.3 Health in China Renaissance

China Renaissance attaches high importance to the physical and mental health and safety of employees. In strict compliance with the *Labour Law of the People's Republic of China*, the *Regulation on Work-Related Injury Insurance*, the *Fire Protection Law of the People's Republic of China* and other relevant laws and regulations and industrial standards, China Renaissance has established the *Rules on the Fire Safety Management* and other internal regulations and rules according to relevant laws and regulations and developed a comprehensive health and safety management system to ensure the health and safety of employees.

The Company has been committed to safeguarding the health and safety of its employees by inspecting fire equipment on a regular basis and enhancing safety protection measures. The Company arranges experts from the fire protection institution to offer fire control knowledge and safety training to all employees every year and actively organizes its employees to take part in fire drills organized by the property company to enhance their capabilities to respond to emergencies.

Every year, the Company provides free annual physical examination and supplementary medical insurance, on top of basic social insurance for all employees. The Company has equipped the office with a medical emergency kit and actively educated employees about first-aid knowledge to improve their ability to respond to sudden personal injuries and accidents. The Company has introduced the special "CR Welfare" zone to provide the staff with TCM diagnosis and treatment service and thus to solve their health concerns. In addition, the Company has conducted health-related seminars from time to time to enrich the health knowledge of employees.

Case: Fire Safety Knowledge Training of China Renaissance

On November 6, 2025, in response to the request of the fire department, a variety of fire safety promotional and education activities were organized at the office buildings to enhance public awareness of fire safety and maintain consistent stability of fire situations. China Renaissance actively participated in the fire drill organized by Pacific Century Place. The administrative department also arranged for a fire safety knowledge training session conducted by a professional fire safety training organization for all staff in the afternoon.

On November 6, 2025, the commercial building (Pacific Century Place) where China Renaissance is located organized a fire drill for all tenants. The Company actively participated in this year's fire drill and earnestly studied relevant fire safety knowledge. For example, firefighters demonstrated the configuration and proper use of on-site fire protection facilities, including the correct use and annual inspection procedures for fire hydrants, as well as the proper use of fire extinguishing blankets. Participants also experienced hands-on simulated fire-extinguishing exercises in a real fire scenario, which enhanced everyone's fire safety awareness.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

The fire drill and safety training covered basic fire safety knowledge, an introduction to fire safety laws and regulations, self-rescue and escape methods in fire incidents, and key precautions for fire evacuation. During the training, the person in charge of the Fire Safety Promotion Center combined the actual conditions of the shopping mall and office building of Raffles City North Bund with actual cases to deliver detailed explanations of the relevant fire knowledge.

At the same time, real-life fire cases in recent years were shared to highlight the critical importance and necessity of fire safety through blood and tears. Following the training, the person in charge of the Fire Safety Promotion Center demonstrated the correct use of fire extinguishers through on-site interaction, which effectively improved employees' practical firefighting skills.

During the training, the instructor focused on the introduction of firefighting equipment and facilities in buildings, characteristics and causes of high-rise building fires, tenant fire safety management, and key points for on-site evacuation during fires. The employees of the Company significantly strengthened their fire safety awareness and acquired fire-related skills, providing strong safety assurance for production and life. The fire drill further enhanced the Company's employees' prevention awareness and self-rescue capabilities, and helped them to understand and master how to identify dangers and take necessary emergency responses in a prompt, orderly, timely and effective manner in accidents.



2025 Employee Health and Safety-related Performance Indicators

Name of Indicator	2025	2024	2023
Number of work-related fatalities (persons)	0	0	0
Ratio of work-related fatalities (%)	0	0	0
Lost days due to work-related injuries (days)	0	0	0

Note: The health and safety information of employees covers China Renaissance and CR Securities.

7.4 Happiness in China Renaissance

The Company pays attention to achieving a work-life balance for employees by organizing many employee care activities to jointly create a harmonious and happy working and living atmosphere, enhance collective cohesion, and make employees feel the warmth from the big family of China Renaissance.

In daily operations, the Company provides employees with a variety of heart-warming services and other basic facilities. For example, employees are supplied with fruits every day as afternoon tea, ice creams in hot summer and overtime snacks, demonstrating the Company's care for its employees. In addition, the Company has specially equipped baby care rooms to provide working mothers with a favorable environment, aiding in the career development of female employees. The Company is committed to creating an environment that is conducive to the overall development of employees.

Through initiatives such as "China Renaissance Sharing" and "China Renaissance Applaud", CR Securities strives to create a fair, just, and transparent development environment. This provides a development space of multi-dimensions and a broad platform for employees and fosters an open, inclusive and aspirational cultural atmosphere, encouraging employees to actively contribute ideas and suggestions for the Company's development.

8. INTEGRITY AND SELF-DISCIPLINE AND ADHERING TO MORAL PRINCIPLES

Attaching great importance to integrity and compliant operations, the Company actively carries out preventive measures against anti-money laundering and anti-corruption risks, continuously maintains a clean and fair corporate culture, and adheres to its business ethics.

8.1 Preventing Money Laundering Risk

As a financial enterprise, China Renaissance actively fulfills the anti-money laundering obligations for financial enterprises. In China, Hong Kong and the United States, the Company identifies and strictly complies with relevant laws and regulations, including the *Anti-Money Laundering Law* and the *Guidelines on Risk Self-assessment of Money Laundering and Terrorism Financing of Corporate Financial Institutions* of the People's Republic of China, the *Anti-Money Laundering and Counter-Terrorist Financing Ordinance* of Hong Kong, the *Bank Secrecy Act* and the *USA Patriot Act* of the United States, and the *Anti-Money Laundering Regulations* of the Cayman Islands and the relevant laws and regulations. In addition, the Company formulated the *Policies for Anti-Money Laundering and Counter-Terrorist Financing of the Group*, the *Management Measures on Anti-Money Laundering and Counter-Terrorist Financing for RMB Private Investment Funds, USD Funds — Anti-Money Laundering Compliance Manual, Anti-Money Laundering Manual* for regulated companies in Hong Kong and the United States and other anti-money laundering regulations and rules, refined the anti-money laundering policies by constantly revising relevant policies, procedures or guidelines, and put them into practice.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

The Company pays close attention to and strictly complies with the enactment and updating of relevant laws and regulations. The Company also regularly updates its internal *Anti-Money Laundering Manual* and related procedures in accordance with the *Anti-Money Laundering and Counter-Terrorist Financing Ordinance* by the Hong Kong Securities and Futures Commission. It also revised its risk profiles for different jurisdictions, business money laundering risks, and corresponding jurisdictions. The Company also continues to carry out the publicity and training of anti-money laundering to ensure that its employees have sufficient anti-money laundering knowledge and skills, and that the anti-money laundering risk management culture is fully promoted. Moreover, the Company actively cooperated with the regulatory authorities in anti-money laundering compliance inspections to ensure that its relevant procedures comply with laws and regulations.

As an important work in compliance management and comprehensive risk management, the Company highly values the prevention of money laundering risks, and has established the internal control system for anti-money laundering based on the *Money Laundering Risk Management Measures of China Renaissance Securities (China) Co., Ltd.* as the overall requirements and the *Management Rules for Anti-money Laundering Work of China Renaissance Securities (China) Co., Ltd.* as the framework, supplemented by three implementation rules and a work guideline. In accordance with the regulatory requirements and practical needs, the Company newly formulated the *Rules of Procedure for the Anti-Money Laundering Leading Group of China Renaissance Securities (China) Co., Ltd. (Trial)*, and revised and issued the *Anti-Money Laundering Risk Management Measures of China Renaissance Securities (China) Co., Ltd.* in 2025.

To ensure that its employees can have a full picture of the latest policies of anti-money laundering and comprehensively enhance their attention and skills in anti-money laundering work, the Company carries out a variety of anti-money laundering training for each business line. In addition to anti-money laundering, annual training and evaluation tests on anti-fraud and anti-corruption for all directors and employees were held. The Company also held the annual anti-money laundering training for fund business, and carried out basic compliance trainings with contents related to anti-money laundering for new employees.

In 2025, the Company earnestly implemented a risk-based working philosophy and strived to improve the effectiveness of anti-money laundering efforts through system construction, self-inspection and rectification, improvement of internal mechanisms, and anti-money laundering publicity and training. Key work included: conducting self-inspections in response to the *Circular on Typical Issues Related to Money Laundering Risks and Anti-Money Laundering Performance of Securities Companies* and special self-inspections on special anti-money laundering preventive measures, and promoting rectification of identified issues. To improve the Company's anti-money laundering system management and further enhance senior management's attention to anti-money laundering work, the Company formulated and issued the *Rules of Procedure for the Anti-Money Laundering Leading Group of China Renaissance Securities (China) Co., Ltd.* and increased the frequency of meetings of the anti-money laundering leading group; strictly reviewing and verifying suspicious transaction alerts from systems and suspicious customer clues identified in the course of daily due diligence, and promptly submitted suspicious transaction reports to the Anti-Money Laundering Monitoring Center. Meanwhile, the Company carried out approximately 23 anti-money laundering publicity activities through various channels, including the Company's Official Website — Investor Corner — Anti-money Laundering Column, the official WeChat account of "CR Securities' Duoduojin", and on-site investor education activities. It also organized various internal anti-money laundering training and promotion and publicity, fostering a sound anti-money laundering culture atmosphere.

8.2 Sticking to the Moral Bottom Line

China Renaissance attaches great importance to integrity. Strictly abiding by the *Anti-Unfair Competition Law of the People's Republic of China*, the *Interim Provisions on Prohibiting Commercial Bribery* and other laws and regulations, the Company prohibits any form of bribery, acceptance of bribes and other commercial offences as well as any form of commercial fraud. The Company has formulated the *Commercial Integrity and Code of Ethics*, *Administrative Measures for Financial Reimbursement*, the *Integrity Practice System for Funds* and other systems to prevent its employees from involvement in any commercial bribery and unfair competition in business, bidding or procurement. The *Employee Manual* clearly required all the employees to know and always abide by the Company's business behaviors and code of ethics and observe anti-commercial bribery provisions, and explicitly provided the procedures for handling misconduct of its employees. The Company also formulated rules and regulations such as the *Measures for Reporting Management* to specify the reporting channels, reporting investigation and duties and whistle-blower protection, etc.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

In addition, in order to ensure that personal transactions of any employees are not subject to potential conflict of interests and material non-public information, the Company formulated the *Policies for Investment of Personal Accounts*, *Policies for Interests of External Businesses* and *Information Barrier Procedures*, which provided its employees with the guidelines and standards for handling personal transactions involving material non-public information, ensured the confidentiality of relevant information and lowered the risks of corruption committed by its employees by virtue of the non-public material information.

All employees are required to sign the *Employment Declaration and Guarantee* and abide by the provisions on integrity and self-discipline. For integrity related issues identified in daily work, employees can report them on site, or via letters, phones, emails or the “feedback zone” on portal site. The Company has also formulated various rules and systems, such as the *Management Measures for Whistleblowing* which clearly define the whistleblowing channels, the investigation and reporting responsibilities for whistleblowing, and the protection of whistleblowers. The Company will keep the clues of reporting confidential and take necessary measures to protect whistle-blowers, and prohibit retaliating or instigating others to retaliate against real-name whistle-blowers. If a reported issue is proved to be true, the Company will require the relevant party to take rectification measures after seeking the approval of the CEO or the Executive Committee, and if a crime is committed, the issue shall be referred to the judicial authorities immediately.

In addition, the Company conducts publicity events and trainings on anti-fraud and anticorruption from time to time to raise employees’ awareness of integrity. In 2025, the Company included reimbursement of reasonable and compliant expenses and prohibition of corruption, bribery, malpractice and related matters in the financial training and compliance training regularly held for its employees.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

In accordance with the latest regulatory requirements on integrity practice management, including the *Provisions on Integrity Practice for Securities and Futures Business Institutions and Their Employees*, the *Opinions on Strengthening the Regulation of Business Integrity of Intermediaries under the Registration System*, the *Opinions on Strengthening the Prevention and Control of Integrity Risks in the Engagement of Third Parties by Securities Companies in Investment Banking Business*, and the *Implementation Rules for Integrity Practice for Securities Business Institutions and Their Employees*, combined with its actual operation and on top of the corporate system, the Company has formulated the systems and measures such as the *Integrity Practice System of China Renaissance Securities (China) Co., Ltd.*, the *Implementation Rules for Integrity Practice of China Renaissance Securities (China) Co., Ltd. and its Employees*, and the *Management Measure for Operating Expenses of China Renaissance Securities (China) Co., Ltd.* In addition, the Company has formulated the *Compliance Assessment Management Measures of China Renaissance Securities (China) Co., Ltd.*, and the *Compliance Accountability Management Measures of China Renaissance Securities (China) Co., Ltd.*, which integrate the management of integrity practice into the compliance assessment and accountability system. The Company has also formulated the *Compliance Management Measures of Investment Banking Business of China Renaissance Securities (China) Co., Ltd.*, which includes dedicated chapters on integrity practice and third-party engagement in investment banking business, together with the *Compliance Review Form for Third-Party Engagement in Investment Banking Business*, specifying the procedures and requirements for compliance review in third-party engagement in investment banking business. In 2025, the Company revised and issued the *Integrity Practice System of China Renaissance Securities (China) Co., Ltd.* in light of the business development.

On pre-event end, the Company has clarified integrity requirements for investment banking, asset management, brokerage, customers marketing and other business and processes. It conducts regular training, cultural promotion, periodic signing of commitment letters, and internal audit reminders for all employees to strengthen the concept of integrity practice and emphasize the disciplines of the exhibition industry. On mid-event monitoring and control end, it has defined the service standards for various business activities to restrain any misconduct. On post-event investigation end, it has conducted regular inspections and internal audits on integrity-related areas to mitigate fraud risks.

In 2025, CR Securities conducted more than 20 trainings or promotion campaigns under the theme of anti-corruption, including the themed training for all staff, the training for new staff, the training for full-time or part-time compliance staff, email communication for all staff and warning education.

During the Reporting Period, there were no concluded legal cases regarding corrupt practices brought against the Company or its employees.

9. IMPLEMENTATION OF LOW-CARBON AND GREEN OPERATION

The impacts of the business of the Company on the environment mainly arise from the consumption of water resources, electricity and office supplies during its office operations. In strict compliance with laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Energy Conservation Law of the People's Republic of China*, China Renaissance has formulated the internal management systems such as the *Rules for Use of Office*, and effectuates energy-saving and emission reduction by various means during its daily operation to advocate green office among employees and reduce adverse impacts on the environment.

9.1 Advocating Green Office

China Renaissance promotes green office and reduces the consumption of energy and resources to practice the concept of sustainable development. In the selection of workplace, the Company prioritises buildings with authoritative green building certification, adopts scientific and reasonable power consumption management systems and measures in office areas, sets the air-conditioning temperature in office areas at a fixed reasonable value, and establishes the application system of air-conditioning usage in non-working hours. Instead of ordinary light bulbs, energy-saving lamps or rechargeable light tubes are used in offices, and some lighting fixtures are turned off during daylight hours. Employees are reminded to turn off lights when they leave the office or their workplace. The Company also arranges meeting service personnel and security personnel to patrol the offices in the working and non-working hours and timely turn off air-conditioners and unnecessary lights. The Company sets automatic switch time for air purifiers so as to enable them to be turned off and to reduce consumption of power.

China Renaissance advocates paperless and systematic office procedure. To save paper and reduce the use of stamping ink, the Company sets printers to print in black and white on both sides by default, and advocates paper recycling. The Company has adjusted the paper express model for its offices in Beijing, Shanghai and Hong Kong and places multiple documents to be sent to the same office into the special envelopes of the Company, which will be collected by a designated person in one express envelop, thus reducing redundant resource consumption. The Company encourages employees to minimize the use of disposable items, promote recycling and prevent waste.

China Renaissance also places high importance on greenness and environmental protection in equipment procurement, strives to reduce the consumption of resources from the source and actively fulfills its environmental responsibilities. The Company selectively purchases water saving instruments such as sensor faucets and temperature-controlled equipment such as water-cooled non-fluorine air conditioners as well as high-density super-converged servers, power saving and environmentally-friendly lamps and other power saving and consumption-reduced infrastructures.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

During the year, China Renaissance didn't update the environmental goal, but the Company will continuously monitor the progress and take corresponding initiatives and measures actively.

Classification of environmental goal	Environment-related goal	Achievement of environmental goal
Goal of energy use/ goal of emission volume	- The lighting equipment in the current offices and the future newly-leased offices of the Company are all power saving and environmentally-friendly lamps, which can reduce the emission of greenhouse gases by reducing power electricity. - The proportion of business class travel for business trips between Beijing and Shanghai does not exceed 10% annually.	- All lighting equipment in offices has been replaced with LED energy-saving and environmentally friendly lights. Any newly leased office spaces will also be equipped with energy-saving and environmentally friendly lighting fixtures. The Company will continue to implement energy use management based on this standard. - In 2025, the proportion of business class travel for business trips between Beijing and Shanghai was 0%.
Goal of waste reduction	<i>Non-hazardous wastes:</i> - The Company's offices in Beijing and Shanghai comprehensively implement waste classification and recycling. - The Company's offices have comprehensively used biodegradable garbage bags to replace plastic garbage bags. <i>Hazardous wastes:</i> - The hazardous wastes produced from IT operation are 100% delivered by the Company to product suppliers or qualified recyclers for recycling and treatment.	<i>Non-hazardous wastes:</i> - The Company has comprehensively implemented waste classification and recycling, and used biodegradable garbage bags to replace plastic garbage bags. <i>Hazardous wastes:</i> - All hazardous wastes produced from IT operation have been delivered by the Company to product suppliers or qualified recyclers for recycling and treatment. China Renaissance will continue to implement waste management to pursue this goal. The office will continue to use biodegradable garbage bags to replace plastic garbage bags.
Goal of water use efficiency	The water facilities and volume for the offices and toilets of the Company are supplied and managed by property management companies. As the water volume is insignificant to the Company, the Company has no difficulty in sourcing water. As such, the Company has not set the goal of water use efficiency. Despite this, it is committed to advocating the water saving in daily operation.	- During company events, the use of bottled water is strictly controlled. - In 2025, the annual procurement of bottled water for the office was less than 1,400 liters. - In 2026, the Company will continue to advocate for water saving in daily operation.

9.2 Tackling Climate Change

China Renaissance highly values the climate change-related matters. Since the Company included the climate change risks in the *Risk Management System* in 2021, it has always been committed to implementing related provisions for the identification and analysis of and the response to climate change risks. The Company rated and sorted the climate change risks identified, and formulated a list of material risks, based on the impact of the climate change risks on the Company, the possibility of occurrence, the adoptive capability and the restorability of the Company and other factors; it then submitted the relevant analysis results to the management and the Board for step-to-step review; the Board will review the relevant environmental goals in response to the climate change risks with reference to the analysis results of the climate change risks, and make decisions on the relevant solution, which will be used for guiding the Company in conducting relevant work to withstand the climate change risks.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

As the Company is well aware that climate change may have potential impacts on the Company's services and operations, and further affect its financial performance. To proactively tackle the climate change, the Company has identified the risks and opportunities related to climate change and considered developing relevant countermeasures.

Identification of risks and opportunities related to climate change		Potential financial impact	Countermeasures
Transition risks	Requirements related to replacement of existing products and services with low-emission options	Fixed assets, internet technology (IT) equipment, etc. need to be repurchased/renewed, resulting in increased procurement costs	Try to choose products with low energy consumption and low emissions at the time of first purchase
	Stakeholders' growing concern over issues related to climate change	The Company's customers, especially potential fund limited partners (LPs), are increasingly concerned about climate change issues, which may have a certain impact on developing customers and fund raising, etc.	Make an active response to stakeholders' concern about climate change issues, reply to limited partners of funds as to the ESG-related issues in the course of due diligence by them, and develop an ESG system for the funds
	Failure to effectively identify climate change risks of invested enterprises in investment business	Potential investment loss due to climate change risks of invested enterprises	Integrate climate change risks into the risk evaluation process at the management level of China Renaissance Group
Physical risks	Changes in average temperature and frequent extreme weather	Increased energy consumption in workplace and damaged fixed assets lead to higher daily office costs	Use energy-and water-saving equipment to control daily electricity and water-consumption; raise employees' awareness of energy conservation; and preferably choose energy-saving and environmentally friendly buildings in selecting the workplace

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Identification of risks and opportunities related to climate change		Potential financial impact	Countermeasures
Opportunities	Develop new products and markets	Increase operating income	Pay close attention to the opportunities in investment banks/ investment projects in the clean energy industry, selectively launch ESG/green securities index, green bonds, etc., increase the ESG scores of the listed companies in the research reports since June 2022, and set up a special team to research and develop ESG-related products
	Falling within new economy and healthcare industry, most of the Company's invested enterprises are less affected by climate change, have a greater competitive advantage than traditional enterprises and may achieve better performance	Improve investment return	Consider the potential impact and risks on the invested enterprises from climate change in making decisions on fund investment

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

9.3 Environmental Performance Indicators Emissions

Indicator	Data for 2025
Total GHG emissions (tons)	1,011.28
Total GHG emissions per floor area (tons per square meter)	0.120
Hazardous waste (tons)	0.02
Hazardous waste per employee (tons per employee)	0.00004
Non-hazardous waste (tons)	0
Non-hazardous waste per employee (tons per employee)	0

Notes:

1. The scope of environmental data in the table includes: Beijing Office, Shanghai Office and Hong Kong Office of China Renaissance as well as Beijing Office, Shanghai Office, Shenzhen Office and Guangzhou Office of CR Securities.
2. Based on the operational features, the Company maintains a small number of vehicles, thus the emission of nitrogen oxides, oxysulfides and direct greenhouse gases (scope 1) produced by us is insignificant. Under the materiality principle, the Company did not include the information of the above emissions in its statistics.
3. Due to its business nature, the major GHG emissions of the Company arise from the use of electricity and business air travel (i.e. indirect GHG emissions (Scope 2) and other indirect emissions (Scope 3). Calculation for GHG mainly includes carbon dioxide, methane and nitrous oxide. GHG is presented in carbon dioxide equivalence and calculated based on the *2023 Carbon Dioxide Emission Factors for Electricity* issued by Ministry of Ecology and Environment of the People's Republic of China.
4. Hazardous wastes arising from the operation of the Company mainly include used toner cartridges, ink boxes, etc. All waste toner cartridges, ink boxes and other hazardous wastes are recycled and disposal of by product suppliers or qualified recyclers.
5. Non-hazardous waste arising from operation of the Company mainly includes displaced electronic equipment. The displaced electronic equipment is recycled by qualified recyclers upon approval for disposal. In 2025, the Company did not have any displaced electronic equipment.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Energy and Resource Consumption

Indicator	Data for 2025
Total energy consumption (MWh)	9,008.26
Energy consumption per floor area (MWh per square meter)	1.071
Paper consumption (tons)	1.78
Paper consumption per employee (tons per employee)	0.0040
Municipal water consumption (tons)	283.45
Municipal water consumption per employee (tons per employee)	0.64

Notes:

1. The scope of environmental data in the table includes: Beijing Office, Shanghai Office and Hong Kong Office of China Renaissance as well as Beijing Office, Shanghai Office, Shenzhen Office and Guangzhou Office of CR Securities.
2. Due to its business nature, the major energy consumption of the Company arises from the use of electricity and business air travel.
3. Energy consumption data is calculated based on the consumption of electricity and fuel, using the relevant conversion factors provided in the *General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020)*.
4. The Company has no problems in seeking suitable water sources. The municipal water consumption arises from water consumed by offices in Beijing. As water fees incurred in other areas are included in the property fees, the corresponding water consumption cannot be separately calculated. Such water consumption will be calculated timely based on the actual situation in future.
5. The packaging data is not applicable to the Company.

10. PRACTICE OF RESPONSIBLE SUPPLY MANAGEMENT

The Company's procurement mainly focuses on IT software and hardware, office supplies and services from suppliers with lower environmental and social risks. Nevertheless, through full life-cycle management and supplier enablement, the Company can still exert a positive influence on the sustainable development of its value chain. Adhering to the concept of responsible procurement and the principle of "fair, just and open", China Renaissance has formulated the *Measures for Bidding Management*, the *Measures for Procurement Management*, the *Measures for Supplier Management* and other internal regulations to regulate the Company's supplier management, ensure procurement quality, and improve procurement efficiency. In 2025, the Company completed an important revision of the *Measures for Procurement Management*, adding new control measures in the inspection and acceptance section and extending procurement management to full-process control, which has formed a closed-loop of full-process control from admission, execution to performance evaluation. The Company will develop a sustainable supply chain with the suppliers.

10.1 Admission and Review Management

The Company has established the procurement principle of “Application before Execution” based on the *Measures for Procurement Management* and the *Measures for Bidding Management*, defined the organizations related to the procurement and their duties and responsibilities, clarified the classification of and special provisions on procurement methods, and realized the regulated management of the procurement application, invitation for bids, assessment of tenders, contracts, inspection and acceptance, payment and other procedures.

The Company implements the principle of centralized procurement, with the procurement execution department serving as the centralized management unit responsible for consolidating the procurement needs of various departments. For different types of procurement needs, certain business lines have established their own procurement-related policies. Subject to and in alignment with the overall framework and policies of the Company, the respective departments can implement their specific procurement policies to ensure the compliance and efficient procurement operations.

China Renaissance conducts ongoing monitoring, tracking and screening of the suppliers via quality tests, performance acceptance and annual assessments during procurement management process. The Company carries out annual review evaluation for suppliers whose cumulative procurement amount or frequency accounts for more than 80% in each department of the Company as key assessment targets. In 2025, a total of 26 key suppliers were included in the review scope, accounting for more than 36% of the Company’s total procurement amounts. In order to fulfill the ESG green development concept together with its suppliers, the Company has added the ESG-related assessment item when conducting annual audit and assessment on suppliers under the *Supplier Management Measures*, and gives full marks for such indicator for suppliers who are the first to construct an ESG system, have proactively fulfilled the ESG green development concept to achieve their own sustainable development and have no negative ESG-related remarks. Meanwhile, suppliers who hold ESG-related qualifications are given extra marks to encourage them to proactively respond to the ESG policy. In addition, the Company focuses on investigating the punishments against or negative news of its suppliers in environmental protection and safety aspects. If any of suppliers of the Company is identified having relevant negative news, the Company will establish the internal investigation mechanism at the first instance to assess potential loss to the Company and identify alternative solutions to manage risks in advance, and lower the ranking or terminate its cooperation according to the specific circumstances and remove such supplier from its supplier information database. Furthermore, regular internal training sessions are conducted to continuously enhance procurement personnel’s professional capabilities in sustainable procurement standards and ESG risks identification, so as to secure the effective implementation of evaluation and review work.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

China Renaissance considers sustainability factors when selecting partners, and conducts background checks or factory inspections on suppliers based on relevant preset requirements. For major projects, suppliers that do not pass sustainability certification cannot be considered qualified suppliers. Through ethical sourcing practices, the Company avoids partnering with entities that cause significant environmental or social harm. In addition to quality, cost and delivery, performance indicators of suppliers also include sustainability which is integrated into supplier performance assessments. The Company conducts sustainable management assessments in time, and the results of these assessments are applied in business decisions. For example, future business allocations are determined based on performance, with preference given to suppliers with strong sustainability management under equal performance conditions. The Company will promptly terminate the partnership with suppliers that breach its bottom line.

Number of suppliers by region in 2025

Indicator	Data for 2025
Total number of suppliers	1,553
Number of domestic suppliers	980
Number of Hong Kong and overseas suppliers	573

10.2 Environmental and Social Responsibility

The Company took into consideration the environmental, social and governance factors in the selection of suppliers and procurement to reduce its operational environmental footprint and safeguard employee health and safety. For example, the Company gives priority to the procurement of energy-saving servers, computers and other essential equipment. In renovations, the Company emphasizes environmental health and safety management, selects environmentally friendly materials and conducts strict inspections of raw materials, requiring all to have inspection reports and rejecting non-compliant materials. The Company also controls the formaldehyde level in base panels and conducts air quality testing and treatment upon completion of the project. In addition, the Company has established a dedicated digital procurement process, enabling full online management covering online bidding, tendering, price quotations, bid evaluation and awarding, bid notification and issuance, achieving paperless procurement and reducing excessive paper use.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Furthermore, the Company stipulates that compliance with all applicable laws is a baseline requirement for suppliers. When selecting and evaluating new and existing suppliers, the Company considers their economic criteria, environmental protection, human rights compliance, labour and social standards, as well as the development and implementation of anti-discrimination and anti-corruption policies. During the procurement process, the Company collaborates with suppliers to identify potential risk areas and explore best practices for risk prevention. The Company includes environmental and social factors in the measure of selecting suppliers and procurement work. For procurement projects related to environmental protection such as servers, computers and renovation materials, the Company includes green procurement standards in its supplier selection criteria and gives priority to the procurement of environmentally friendly products and projects.

In 2025, the Company included green procurement standards in its supplier selection criteria from environmental, social, and governance perspectives and gave priority to the procurement of environmentally friendly products and projects. Specific measures include:

Aspects	Standards
Environmental	• Comply with all relevant environmental, health, and safety regulations. • Utilize resources efficiently, adopt energy-saving and environmentally friendly technologies, and reduce pollutant emissions into the environment. • Protect the safety and health of employees and the public involved in product processes and inherent risks.
Social	• Support human rights protection, strictly adhering to the minimum wages and working hours prescribed by laws. • Prohibit the use of child labour and discrimination in the workplace.
Governance	• Comply with national and international anti-monopoly and trade control regulations. • Anti-corruption, including anti-bribery, ensuring that personal relationships do not influence business activities. • Anti-money laundering activities.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

In addition, the Company strictly controls procurement integrity risks by establishing a strict approver system, clarifying relevant responsibilities, and implementing post-based execution and review. The internal audit department regularly conducts independent supervision and inspection of procurement activities according to the system. The Company provides integrity procurement-related training to persons in charge of procurement in each department to minimize the risk of corruption and bribery. In addition, the Company organizes internal training to enhance the procurement personnel's understanding of sustainable procurement.

In 2025, the Company further strengthened the compliance due diligence on suppliers to facilitate risk identification at an early stage. In addition, prospective suppliers are required to sign the *Fair Trade Commitment* (公平交易承諾書), which includes anti-corruption and anti-unfair competition commitments, clearly and accurately setting out the compliance requirement of suppliers.

11. CREATING VALUES WITH CHARITY INITIATIVES

Over the years, while developing its business, China Renaissance has actively embraced the concept of social responsibility and strived to create social value. The Company has formulated and implemented the Community Involvement System, under which it fulfils its corporate citizenship responsibilities through sharing its expertise and resources with society, participating in community charity construction, and engaging in rural revitalization efforts. This continuous commitment demonstrates its dedication to positive social impact.

11.1 Serving High-value Companies in the New Economy Sector

China Renaissance actively leveraged its resources and advantages in the capital market to introduce quality investments and complete early stage financing for startups with high social value. In 2025, China Renaissance continued to advance the new technological revolution, contributing to human health and building an ESG innovation ecosystem to create social value. The Company actively invests in industries that are closely aligned with ESG principles, focusing on services and investment targets related to sustainable development themes such as clean energy, environmental protection, new materials and new energy, in an effort to benefit human health and create social value. The Company also emphasizes investments in green bonds and carbon-neutral bonds.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)



In August 2025, Sany Hydrogen Energy completed the A round of financing of hundreds of millions of RMB, with China Renaissance acting as the exclusive financial advisor. As an emerging energy industry strongly promoted by the state, hydrogen energy is also the direction that Sany Group has been focusing on in recent years. Sany Group launched its strategic layout in December 2021 and officially established Sany Hydrogen Energy in August 2022. During the two years since its establishment, Sany Hydrogen Energy has developed rapidly and has completed the launching of a number of industry benchmark products, winning the bid for the world's largest green-hydrogen integration project so far and successfully completing the on-site delivery of the equipment and attracting attention in the industry as a latecomer.



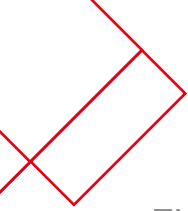
In 2025, Volant Aerotech successfully completed the B and B+ rounds of financing of hundreds of millions of RMB, with China Renaissance acting as the exclusive financial advisor. As the long-term exclusive financial advisor, China Renaissance provides assistance to Volant, a high-tech company specializing in the development of Electric Vertical Take-Off and Landing (eVTOL) aircraft, and helps the company to create safe, green and efficient new energy aircraft for the world with the power of capital.



In January 2025, SuperPanther Technology, a new energy heavy truck startup, completed B round of financing of hundreds of millions of RMB. Long-term optimistic about the new energy commercial vehicle sector, China Renaissance has accompanied SuperPanther Technology's growth as its financial and strategic advisor, supporting its continued rapid development amid the trend toward new energy transformation in logistics and transportation. Founded in 2022, SuperPanther Technology is a new energy commercial vehicle manufacturer founded by Tsinghua University's Department of Automotive Engineering and Continental AG's executive team, and is committed to unlocking new energy transportation scenarios with a full stack of self-developed world-leading technologies.



In January 2025, China Renaissance, as one of the first batch of alliance director enterprises of the Carbon Neutral Initiative launched by the Shanghai Energy Exchange, received a letter of appreciation from the Shanghai Energy Exchange for its contribution to the carbon neutral economy.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

In addition to the above layout in the new energy industry, China Renaissance further incorporated the ESG philosophy into technology innovation industry layout in 2025, and continued to cultivate cutting-edge technology fields such as AI, embodied intelligence, advanced manufacturing, and biotechnology. The Company actively partnered with startups with technological potential and a strong sense of social responsibility. It not only provided financing service support but also delivered in-depth empowerment in strategic planning, industrial chain connectivity and commercialization, helping them explore feasible technology implementation paths and industrial integration foundations. Through these efforts, China Renaissance is committed to promoting tech for good and the sustainable development of innovation capabilities. It joins hands with all sectors of society to advance technological progress and applied innovation, contributing value to inclusive growth and sustainable development in the digital economy era.

In 2025, the Company actively participated in the “CUHK Innovation Day in Shanghai” event. Qin Chuan, the business partner of the investment banking division of the Company, was invited to deliver a keynote speech on “Capital Market Observations on Generative AI and Startup Financing Strategies”, supporting the translation and commercialization of scientific research results at The Chinese University of Hong Kong. Furthermore, the Company joined the “HKU Super Angel Network” and was invited to judge the Hong Kong semi-finals of the “2025 HKU International Techno-Entrepreneurship Challenge”, helping select high-quality projects with strong market prospects, investment value and social responsibility from a professional perspective. Meanwhile, the Company took part in the “2025 Shanghai-Hong Kong Innovation Project Selection” hosted by the Hong Kong Chamber of Commerce in Shanghai. Zhang Yan, the executive director of China Renaissance New Economy Fund, was invited as a jury member to comprehensively assess biomedical projects from the dimensions of technological foresight, commercialization potential and implementation capability, facilitating the translation and commercialization of innovative projects from the perspective of the judging panel.

In 2025, the Company continued to serve as a partner organization of the 2025 Future Science Prize. Leveraging its long-term resources and strengths, it actively promoted basic scientific research and development, supported the inheritance and development of the spirit of science, actively expanded the influence of science in the society, and facilitated the implementation of scientific research achievements. Established in 2016 by the Hong Kong Future Science Awards Foundation Limited and jointly initiated by scientists and entrepreneurs, the Future Science Prize focuses on original basic scientific research and honors scientists (regardless of nationality) who have achieved outstanding scientific breakthroughs in Mainland China, Hong Kong, Macao and Taiwan of China.

11.2 Gathering the Power of Love

China Renaissance is dedicated to making a positive social impact by continuously investing in charity initiatives. The Company donates essential supplies to surrounding communities, charitable organizations, employees and their families, promoting a corporate culture of kindness and care.

- In February 2026, CR Securities held a charity auction. A total of 11 exquisite works of art, voluntarily donated by employees, were successfully auctioned off during the auction. The proceeds will be donated to the Jiangxi Hejun Education Foundation to support the high-quality development of vocational education and the growth of students, thereby upholding CR Securities' original philanthropic mission of "Finance for Good."



- In 2025, CR Securities partnered with Hejun College in the revolutionary base area of Ganzhou, Jiangxi, to launch a series of public welfare initiatives integrating Party-building efforts, including book donations, public financial education, and revolutionary history study tours, providing students in the base area with intellectual enrichment and a broader financial perspective.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

- In the Spring Festival of the Year of the Snake in 2025, CR Securities visited the Changzhi community in North Bund Street, Shanghai for compassion.



11.3 Supporting Rural Revitalization

Since 2018, CR Securities has established a paired assistance relationship with Maguan County, Qiubei County, Funing County and Xichou County under the jurisdiction of Wenshan Prefecture in Yunnan Province, and has successively helped Wenshan Prefecture win the battle against poverty through various forms of consumption poverty alleviation, education poverty alleviation, governance poverty alleviation, etc. In 2025, CR Securities consistently contributed to rural revitalization through the following means of consumption support, organizational support and charity initiatives.

- CR Securities promoted production by purchasing specialty agricultural products from Wenshan Prefecture in batches, contributing a total of RMB400,000 to aid in the sale and upgrade of local products.
- Made targeted donations of RMB160,000 through the Wenshan Charity Association (文山州慈善總會) to provide charity support.
- On the eve of the New Year every year, CR Securities visits the communities in which it works and brings gift boxes of agricultural and sideline products from Wenshan Prefecture to people in need, organically combining consumption poverty alleviation with community assistance.

The Company actively participates in charity activities within and outside the industry in response to the calls of the Securities Association of China to fulfill social responsibility of the securities industry and support rural revitalization, fostering a positive philanthropic atmosphere within the Company.

11.4 Giving Back to Hong Kong

As a Hong Kong listed company with deep roots in Hong Kong for many years, China Renaissance understands that enterprises and communities closely bound and coexist and thrive together. In November 2025, a sudden fire broke out at Wang Fuk Court in Tai Po, Hong Kong. China Renaissance acted promptly by donating HK\$1 million to the Support Fund for Wang Fuk Court in Tai Po for the emergency resettlement of affected residents and post-disaster reconstruction, walking shoulder to shoulder with those affected to overcome the difficulties. Meanwhile, China Renaissance also donated HK\$1 million to the M.E.L.T Centre of the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB), which was specifically designed to support education development programs for ethnic minority children in Hong Kong, aiming to provide them with better quality educational resources and promote social integration and long-term development.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE — INDEX

General Disclosure and Key Performance Indicator	Description	Chapter
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	9. Implementation of Low-Carbon and Green Operation, 9.1 Advocating Green Office
KPI A1.1	The types of emissions and respective emissions data.	9.3 Environmental Performance Indicators
KPI A1.2	Direct (Scope 1) , energy indirect (Scope 2) and other indirect (Scope 3) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	9.3 Environmental Performance Indicators
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	9.3 Environmental Performance Indicators
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	9.3 Environmental Performance Indicators
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	9.1 Advocating Green Office
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	9.1 Advocating Green Office
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	9. Implementation of Low-Carbon and Green Operation, 9.1 Advocating Green Office
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	9.3 Environmental Performance Indicators
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	9.3 Environmental Performance Indicators

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

General Disclosure and Key Performance Indicator		
Indicator	Description	Chapter
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	9.1 Advocating Green Office
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	9.1 Advocating Green Office
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	9.3 Environmental Performance Indicators
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	9. Implementation of Low-Carbon and Green Operation, 9.1 Advocating Green Office
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	9. Implementation of Low-Carbon and Green Operation, 9.1 Advocating Green Office
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	9.2 Tackling Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	9.2 Tackling Climate Change
B. Social		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	7.1 Work at China Renaissance, 7.4 Happiness in China Renaissance

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

General Disclosure and Key Performance Indicator		
Indicator	Description	Chapter
KPI B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	7.1 Work at China Renaissance
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	7.1 Work at China Renaissance
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	7.3 Health in China Renaissance
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	7.3 Health in China Renaissance
KPI B2.2	Lost days due to work injury.	7.3 Health in China Renaissance
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	7.3 Health in China Renaissance
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	7.2 Growth in China Renaissance
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	7.2 Growth in China Renaissance
KPI B3.2	The average training hours completed per employee by gender and employee category.	7.2 Growth in China Renaissance
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	7.1 Work at China Renaissance
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	7.1 Work at China Renaissance
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	7.1 Work at China Renaissance

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

General Disclosure and Key Performance Indicator	Description	Chapter
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	10. Practice of Responsible Supply Chain Management, 10.1 Admission and Review Management
KPI B5.1	Number of suppliers by geographical region.	10.1 Admission and Review Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	10.1 Admission and Review Management, 10.2 Environmental and Social Responsibility
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	10.1 Admission and Review Management, 10.2 Environmental and Social Responsibility
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	10.1 Admission and Review Management, 10.2 Environmental and Social Responsibility
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	6.1 Compliant Business Operations, 6.2 Quality Service Guarantee
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	6.3 Customer Complaint Management
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	6.3 Customer Complaint Management
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	6.5 Protection of Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	6.3 Customer Complaint Management
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	6.4 Information Security and Protection

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

General Disclosure and Key Performance Indicator				Description		Chapter	
Aspect B7: Anticorruption							
General Disclosure		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.			8.1	Preventing Money Laundering Risk,	
					8.2	Sticking to the Moral Bottom Line	
KPI B7.1		Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.			8.2	Sticking to the Moral Bottom Line	
KPI B7.2		Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.			8.1	Preventing Money Laundering Risk,	
					8.2	Sticking to the Moral Bottom Line	
KPI B7.3		Description of anti-corruption training provided to directors and staff.			8.1	Preventing Money Laundering Risk,	
					8.2	Sticking to the Moral Bottom Line	
Community							
Aspect B8: Community Investment							
General Disclosure		Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.			11.1	Serving the Innovative Economy,	
					11.2	Gathering the Power of Love,	
					11.3	Supporting Rural Revitalization	
KPI B8.1		Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).			11.2	Gathering the Power of Love,	
					11.3	Supporting Rural Revitalization	
KPI B8.2		Resources contributed (e.g. money or time) to the focus area.			11.2	Gathering the Power of Love,	
					11.3	Supporting Rural Revitalization	

OTHER INFORMATION

DIRECTORS' 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 and short positions of our Directors or chief executives of our Company in the Shares, underlying Shares and debentures of our Company or its associated corporation (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as contained in Appendix C3 to the Listing Rules were as follows:

(i) Long positions in Shares and underlying Shares

Name of Director	Capacity	Number of ordinary shares	Approximate percentage of holding ⁽¹⁾
Ms. Hui Yin Ching ⁽²⁾	Interest in a controlled corporation	12,240,000	2.14%
	Beneficiary of a trust	6,000,000	1.05%
	Interest of spouse	260,508,563	45.44%
Mr. Wang Lixing ⁽³⁾	Beneficial owner	2,721,092	0.47%
	Beneficiary of a trust	2,580,131	0.45%
Mr. Du Yongbo ⁽⁴⁾	Beneficial owner	380,000	0.07%
	Beneficiary of a trust	1,619,299	0.28%

Notes:

- The calculation is based on the total number of 573,347,776 Shares in issue as at December 31, 2025.
- Under the SFO, Ms. Hui Yin Ching is deemed to be interested in the 12,240,000 Shares held by Best Fellowship Limited. Pursuant to the RSU Plan of the Company, Ms. Hui Yin Ching is a beneficiary of 6,000,000 Shares held by Go Perfect Development Limited, a trust under the RSU Plan. As Mr. Bao's spouse, she is also deemed to be interested in the 260,508,563 share interests of Mr. Bao.
- Mr. Wang Lixing is entitled to receive 2,721,092 Shares upon exercise of his options granted under the ESOP and 2,070,131 Shares pursuant to restricted shares granted to him under the RSU Plan. Separately, Mr. Wang Lixing also has an indirect interest in a long position of 510,000 Shares.
- Mr. Du Yongbo is entitled to receive 380,000 Shares upon exercise of his options granted under the ESOP of the Company. Separately, pursuant to the RSU Plan of the Company, Mr. Du Yongbo is a beneficiary of 1,619,299 Shares held by Go Perfect Development Limited, a trust under the RSU Plan.

OTHER INFORMATION (CONTINUED)

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS (CONTINUED)

(ii) Interest in associated corporations

Name of Director	Name of member of the Group	Capacity/Nature of interest	Amount of registered capital (RMB)	Approximate percentage of holding
Mr. Du Yongbo	Dazi Huashi Industry Co., Ltd.	Nominee shareholder whose shareholder's rights are subject to contractual arrangements	500,000	50%
	Shanghai Quanyuan Investment Co., Ltd.	Nominee shareholder whose shareholder's rights are subject to contractual arrangements	50,000,000	50%
	Ningbo Meishan Bonded Port Huaxing Xinshou Capital Management Center L.P.	Interests held as a limited partner	20,000,000	18.18%
	Shanghai Huasheng Xinhang Capital Management Center, L.P.	Interests held as a limited partner	38,727,980	20%
	Huaxing Associates II, L.P.	Interest held as a limited partner through controlled corporation ⁽¹⁾	Not applicable	Not applicable
	Huaxing Associates III, L.P.	Interest held as a limited partner through controlled corporation ⁽¹⁾	Not applicable ⁽²⁾	Not applicable ⁽²⁾

Notes:

1. Mr. Du Yongbo holds limited partnership interest through Ever Perfect Investments Limited, a special purpose vehicle controlled by Mr. Du.
2. In Huaxing Associates III, L.P., the capital commitment of Ever Perfect Investments Limited (being a special purpose vehicle controlled by Mr. Du Yongbo) is US\$1,000,000, which accounts for 4.96% of the total capital commitment of partners of Huaxing Associates III, L.P.

Save as disclosed above, as at December 31, 2025, so far as is known to any Director or the chief executive of the Company, none of the Directors nor the chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO (including the interests and short positions which the Director is taken or deemed to have under such provisions of the SFO; or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

OTHER INFORMATION (CONTINUED)

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

As at December 31, 2025, so far as the Directors are aware, the following persons (other than our Directors or chief executives of our Company) had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Interest in shares of the Company

Name of Shareholder	Capacity	Nature of interest	Number of ordinary shares	Approximate percentage of holding ⁽¹⁾
Mr. Bao ⁽²⁾	Interest in a controlled corporation	Long position	218,127,332	38.04%
	Settlor of a trust who can influence how the trustee exercises the voting power of its shares	Long position	24,119,301	4.21%
	Beneficial owner	Long position	5,052,600	0.88%
	Beneficiary of a trust	Long position	3,002,579	0.52%
	Interest of Spouse	Long position	18,240,000	3.18%
	Other	Long position	10,206,751	1.78%
CR Partners ⁽²⁾	Beneficial owner	Long position	218,127,332	38.04%
FBH Partners ⁽²⁾	Interest in a controlled corporation	Long position	218,127,332	38.04%
Mr. Li Shujun ⁽³⁾	Interest in a controlled corporation	Long position	35,390,872	6.17%

Notes:

- The calculation is based on the total number of 573,347,776 Shares in issue as at December 31, 2025.
- FBH Partners owns 81.73% equity interest in CR Partners. Mr. Bao owns 79% of the equity interest in FBH Partners, and as a result of a voting proxy granted by Ms. Hui Yin Ching, Mr. Bao's spouse, the 21% owner of FBH Partners, over all her equity interests in FBH Partners, Mr. Bao controls 100% of the voting power at the general meetings of FBH Partners. Under the SFO, Mr. Bao is deemed to be interested in the 218,127,332 Shares held by CR Partners and he is also deemed to be interested in the 18,240,000 share interests of Ms. Hui Yin Ching. Separately, as Mr. Bao is the settlor of Sky Allies Trust Scheme who can influence how Infiniti Trust (Hong Kong) Limited exercises the voting of its 24,119,301 Shares held through Sky Allies Development Limited for the trust. Under the SFO, Mr. Bao is also deemed to be interested in the 24,119,301 Shares held by Sky Allies Development Limited. Separately, Mr. Bao directly holds 4,972,600 Shares and is entitled to receive 80,000 Shares pursuant to the exercise of his options granted under the ESOP. Accordingly, Mr. Bao is the beneficial owner of an aggregate interest in 5,052,600 Shares. Additionally, pursuant to the RSU Plan, Mr. Bao is a beneficiary of 3,002,579 Shares held by Go Perfect Development Limited, a trust under the RSU Plan. Separately, Mr. Bao is entitled to exercise the voting rights in respect of 10,206,751 Shares held by Go Perfect Development Limited in accordance with the terms of the RSU Plan.
- Greenhouse CR Holdings Co., Ltd. is wholly-owned by Trustbridge Partners IV, L.P., whose general partner is TB Partners GP4, L.P.. The general partner of TB Partners GP4, L.P. is TB Partners GP Limited, whose sole shareholder is Mr. Li Shujun. Greenhouse CR Holdings II Co., Ltd. is wholly-owned by Trustbridge Partners V, L.P., whose general partner is TB Partners GP5, L.P.. The general partner of TB Partners GP5, L.P. is TB Partners GP5 Limited, whose sole shareholder is Mr. Li Shujun. Under the SFO, Mr. Li Shujun is deemed to be interested in the 19,869,350 Shares held by Greenhouse CR Holdings Co., Ltd. and the 15,521,522 Shares held by Greenhouse CR Holdings II Co., Ltd. in the capacity of holders of interests in controlled corporations as opposed to beneficial owners.

OTHER INFORMATION (CONTINUED)

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (CONTINUED)

Interest in shares of the Company (Continued)

Save as disclosed above, so far as is known to any Director or the chief executive of the Company, as at December 31, 2025, no other persons (other than our Directors or chief executives of our Company) had any interests or short positions in the Shares or underlying Shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept under section 336 of the SFO.

SHARE INCENTIVE SCHEMES

The Company has three existing share incentive schemes, namely the (Pre-IPO) ESOP, the RSU Plan and the Share Award Scheme. From January 1, 2023, the Company will, where applicable, rely on the transitional arrangements provided for the existing share incentive schemes and will comply with the new Chapter 17 of the Listing Rules accordingly (effective from January 1, 2023).

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

1. Employee's Share Option Plan

Purpose

The purpose of the ESOP is to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentives to selected employees, directors and consultants and to promote the success of the Company's business by offering these individuals an opportunity to acquire a proprietary interest in the success of the Company or to increase this interest, by issuing them Shares or by permitting them to purchase Shares.

Eligible participants

Persons eligible to participate in the ESOP include employees, consultants and all members of the Board, as determined, authorized and approved by the Board, an officer or a committee appointed by the Board to administer the ESOP (the "**Administrator**").

Maximum number of new Shares available for issue under ESOP

No further option may be granted under the ESOP after the Listing. Given that no further option would be granted under the ESOP, the outstanding number of options would be equivalent to the maximum number of new Shares available for issue under the ESOP. As at December 31, 2025, outstanding options representing 10,336,592 underlying Shares, being approximately 1.8% of the issued share capital of the Company, were granted to eligible participants pursuant to the ESOP.

SHARE INCENTIVE SCHEMES (CONTINUED)

1. Employee's Share Option Plan (Continued)

Maximum entitlement for each participant

Under the ESOP, there is no specific limit on the maximum number of options which may be granted to a single eligible participant.

Vesting period

The vesting criteria and conditions, and the vesting date are specified in an award agreement between the Company and the ESOP participant. Details of the vesting period of individual grants are stated in the table below.

Period for exercise of option

The term of each option shall be the term stated in the award agreement, which shall not exceed 15 years from the date of grant.

Exercise price

Exercise price of options granted under the ESOP is specified in the award agreement. The exercise price of an option may be determined either based on the value of the Company's net assets on the date of grant, or by the Administrator in its sole discretion, whether or not the exercise price is lower than the fair market value.

Further details of the ESOP are set out in the section headed "Statutory and General Information" on Appendix IV to the Prospectus and Note 40 to the consolidated financial statements for the year ended December 31, 2025.

OTHER INFORMATION (CONTINUED)

SHARE INCENTIVE SCHEMES (CONTINUED)

1. Employee's Share Option Plan (Continued)

Outstanding options granted under the ESOP

As at December 31, 2025, (a) our Directors were holding unexercised options under the ESOP to subscribe for a total of 3,101,092 Shares, representing 0.54% of the issued share capital of our Company, and (b) other grantees were holding unexercised options under the ESOP to subscribe for a total of 7,235,500 Shares, representing approximately 1.26% of the issued share capital of our Company, details of which are as follows:

					Number of options				
Name or category of grantee	Date of grant	Vesting period	The period during which options are exercisable	Exercise price	Outstanding as at December 31, 2024	Exercised during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at December 31, 2025	Weighted average closing price per Shares immediately before the exercise date
Director									
Wang Lixing	January 1, 2015	5 years from the date of grant	15 years from the date of grant	US\$0.25	350,000	—	—	350,000	N/A
	January 1, 2016	5 years from the date of grant	15 years from the date of grant	US\$0.625	771,092	—	—	771,092	N/A
	April 1, 2017	5 years from the date of grant	15 years from the date of grant	US\$0.625	700,000	—	—	700,000	N/A
	April 1, 2018	5 years from the date of grant	15 years from the date of grant	US\$0.75	900,000	—	—	900,000	N/A
Du Yongbo	April 1, 2018	5 years from the date of grant	15 years from the date of grant	US\$0.75	380,000	—	—	380,000	N/A
Other grantees									
In aggregate	Between November 5, 2012 and April 1, 2018	Up to 5 years from the date of grant or specific date	15 years from the date of grant	Between US\$0.25 and US\$0.75	10,678,688	1,150,000	2,293,188	7,235,500	US\$0.48
Total					13,779,780	1,150,000	2,293,188	10,336,592	US\$0.48

OTHER INFORMATION (CONTINUED)

SHARE INCENTIVE SCHEMES (CONTINUED)

1. Employee's Share Option Plan (Continued)

Details of the movements during the year ended December 31, 2025 of the options granted under the ESOP are as follows:

Date of grant	Number of share options					Exercise price	Weighted average closing price per Shares immediately before the exercise date	Exercise period
	As at Dec 31, 2024	Granted during the Reporting Period	Exercised during the year ended Dec 31 2025	Lapse during the Reporting Period	As at December 31, 2025			
11/5/2012	440,000	—	—	—	440,000	US\$0.25	N/A	2025
1/1/2014	526,000	—	450,000	—	76,000	US\$0.25	US\$0.48	2025
1/1/2015	1,282,000	—	500,000	—	782,000	US\$0.25	US\$0.48	2025
10/1/2015	62,500	—	—	—	62,500	US\$0.25	N/A	2025
1/1/2016	1,249,092	—	—	—	1,249,092	US\$0.625	N/A	2025
1/1/2016	200,000	—	200,000	—	0	US\$0.25	US\$0.48	2025
7/1/2016	470,000	—	—	130,000	340,000	US\$0.625	N/A	2025
4/1/2017	3,251,000	—	—	350,000	2,901,000	US\$0.625	N/A	2025
10/1/2017	320,000	—	—	—	320,000	US\$0.625	N/A	2025
4/1/2018	5,979,188	—	—	1,813,188	4,166,000	US\$0.75	N/A	2025

No option may be granted under the ESOP after the Listing and no options under the ESOP were granted in the year ended December 31, 2025. During the year ended December 31, 2025, 1,150,000 options under the ESOP were exercised and 2,293,188 options under the ESOP were cancelled.

2. RSU Plan

Purpose

The RSU Plan was approved by the Board on June 15, 2018. The purpose of the RSU Plan is to enable the officers, employees or directors of, and consultants of the Group to share in the success of the Company, in order to assure a closer identification of the interests of such persons with those of the Group and stimulate the efforts of such persons on the Group's behalf.

Eligible participants

Any person who is a full or part-time officer, employee or director of, or a consultant to, the Company or any subsidiary of the Company at the time of the grant to whom awards of RSUs may from time to time be granted.

OTHER INFORMATION (CONTINUED)

SHARE INCENTIVE SCHEMES (CONTINUED)

2. RSU Plan (Continued)

Restricted Share Units

An award represents a grant of RSUs to the grantee. Each RSU shall represent the right to receive one Share (subject to any adjustment in accordance with the terms of the RSU Plan due to changes of share capital of the Company) upon vesting. The number of Shares that are subject to outstanding awards under the RSU Plan at any time shall not exceed the aggregate number of RSUs that then remain available for distribution under the RSU Plan.

Administration of the RSU Plan

The RSU Plan shall be administered by a committee as designated by the Board (the “Committee”). Any decision of the Committee shall be approved by the majority of the Committee. Subject to compliance with any applicable legal requirements relating to the administration of the RSU Plan and the grant of any award, the Committee shall have the power and authority to grant awards of RSUs in accordance with the terms of the RSU Plan.

Grant of RSUs

The Committee at the time of grant shall specify the date or dates and/or any vesting or other terms and conditions (which may include continuing employment (or other service relationship), achievement of pre-established performance goals and objectives and/or such other conditions that the Committee deems appropriate in its sole discretion) on which RSUs under an award of RSUs shall become vested.

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.

Maximum number of Shares underlying RSUs which can be satisfied by issue of new Shares

As of December 31, 2025, no further new Share may be issued under any advanced mandate approved for distribution of Shares corresponding to RSUs. To the extent that new Shares are to be issued for RSUs utilizing general mandate granted by Shareholders of the Company to the Board, the Company will rely on the transitional arrangements provided for the existing share incentive schemes and will comply with the new Chapter 17 of the Listing Rules accordingly (effective from January 1, 2023).

Consideration and purchase price

Pursuant to the RSU Plan, there is no amount payable on application or acceptance of any award and no purchase price of RSUs awarded.

Maximum entitlement of a grantee

There is no maximum entitlement of a grantee under the RSU Plan. The grant of awards to eligible persons of the RSU Plan will be made in accordance with the rules of the RSU Plan and the requirements of the Listing Rules.

OTHER INFORMATION (CONTINUED)

SHARE INCENTIVE SCHEMES (CONTINUED)

2. RSU Plan (Continued)

Duration of the RSU Plan

The RSU Plan was approved by the Board on June 15, 2018 and the term of the RSU Plan shall be ten (10) years from the date of approval and adoption of the RSU Plan by the Board.

Outstanding RSUs granted under the RSU Plan

During the year ended December 31, 2025, the Company granted an aggregate of 11,026,000 RSUs to 38 grantees, among whom 8 grantees are connected persons of the Company, in accordance with the terms of the RSU Plan. All such grants of RSUs, during the Reporting Period involved existing Shares only.

Details of movements of RSUs granted under the RSU Plan during the Reporting Period are set out below:

Name of Director	Date of grant	Vesting Period	Outstanding as at Dec 31, 2024	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled/ Lapsed during the Reporting Period	Outstanding as at December 31, 2025	Closing price of the Company's shares immediately before the grant date	Weighted average closing price of the shares immediately before the dates on which the RSUs were vested	Fair value of RSUs at the grant date
Ms. Hui Yin Ching	April 1, 2025	April 1, 2025–April 1, 2026	–	6,000,000	–	–	6,000,000	US\$0.42	N/A	US\$0.43
Mr. Wang Lixing	April 1, 2022	April 1, 2022–April 1, 2025	54,095	–	54,095	–	–	N/A	US\$0.42	N/A
	July 1, 2022	July 1, 2022–April 1, 2025	9,872	–	9,872	–	–	N/A	US\$0.42	N/A
	April 1, 2025	Fully vested on April 1, 2025	–	6,000	6,000	–	–	US\$0.42	US\$0.42	US\$0.43
	April 1, 2025	April 1, 2025–April 1, 2026	–	1,000,000	–	–	1,000,000	US\$0.42	N/A	US\$0.43
Mr. Du Yongbo	April 1, 2025	April 1, 2025–April 1, 2026	–	1,000,000	–	–	1,000,000	US\$0.42	N/A	US\$0.43
Subtotal			63,967	8,006,000	69,967	–	8,000,000	US\$0.42	US\$0.42	US\$0.43

OTHER INFORMATION (CONTINUED)

SHARE INCENTIVE SCHEMES (CONTINUED)

2. RSU Plan (Continued)

Outstanding RSUs granted under the RSU Plan (Continued)

Name of Director	Date of grant	Vesting Period	Outstanding as at Dec 31, 2024	Granted during the Reporting Period	Vested during the Reporting Period	Cancelled/ Lapsed during the Reporting Period	Outstanding as at December 31, 2025	Closing price of the Company's shares immediately before the grant date	Weighted average closing price of the shares immediately before the dates on which the RSUs were vested	Fair value of RSUs at the grant date
Other grantees (in aggregate)	April 1, 2022	April 1, 2022–April 1, 2025	1,566,964	—	1,338,541	228,423	—	N/A	US\$0.42	N/A
	July 1, 2022	July 1, 2022–April 1, 2025	2,843	—	2,370	473	—	N/A	US\$0.42	N/A
	September 1, 2022	September 1, 2022–September 25, 2025	3,250,000	—	1,650,000	1,600,000	—	N/A	US\$0.94	N/A
	July 1, 2023	July 1, 2023–July 1, 2026	1,567,381	—	746,063	267,079	554,239	N/A	US\$0.63	N/A
	April 1, 2025	Fully vested on April 1, 2025	—	10,000	10,000	—	—	US\$0.42	US\$0.42	US\$0.43
	April 1, 2025	April 1, 2025–April 1, 2026	—	2,770,000	—	260,000	2,510,000	US\$0.42	N/A	US\$0.43
	July 1, 2025	April 1, 2025–April 1, 2026	—	240,000	40,000	—	200,000	US\$0.63	US\$0.77	US\$0.63
Subtotal			6,387,188	3,020,000	3,786,974	2,355,975	3,264,239	US\$0.44	US\$0.69	US\$0.45
Total			6,451,155	11,026,000	3,856,941	2,355,975	11,264,239	US\$0.42	US\$0.69	US\$0.43

SHARE INCENTIVE SCHEMES (CONTINUED)**3. Share Award Scheme*****Purpose***

The Share Award Scheme was adopted by the Company on May 27, 2022 pursuant to a resolution of the Board. The purposes of the Scheme are to align the interests of eligible persons of the Scheme with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares and to encourage and enable eligible persons, upon whose judgment, initiative and efforts the Group largely depends for the successful conduct of its business, to make contributions to the long-term growth and profits of the Group and share in the success of the Group.

Eligible Persons

Any person, being an employee, a Director (including executive Directors, non-executive Directors and independent non-executive Directors), officer, consultant, of any member of the Group (including nominees and/or trustees of any employee benefit trust established for them) whom the Board or its delegate considers, in their sole discretion, to have contributed or will contribute to the Group; provided however, no such person who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such person, shall be entitled to participate in the Scheme and such person shall therefore be excluded from the term Eligible Person (as defined under the Scheme Rules).

Administration and Operation

The Board shall be responsible for administering the Scheme in accordance with the Scheme Rules. Subject to the Scheme Rules, the Board may, from time to time, select any eligible person to be a selected participant (“**Selected Participant**”) and grant an Award to such Selected Participant during the duration of the Scheme. Each grant of an Award to any Director shall be subject to the prior approval of the Remuneration Committee (excluding any member who is a proposed recipient of the Award) and the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the Award). The underlying Award Shares to satisfy the Awards (including potential Awards) may be purchased on-market at prevailing market prices from funds provided by the Company or issued and allotted as new Shares by the Company on terms and at issue prices (including at par value) as shall be determined by the Board and from funds provided by the Company. The Company may appoint a trustee to acquire and hold such Award Shares and related income on trust for, and to distribute such Award Shares and related income to Selected Participants, and the trustee shall hold the Award Shares and related income on trust for the Selected Participants in accordance with the Scheme Rules and pursuant to the trust deed or such other governing documents of such trust arrangements.

Subject to the Scheme Rules and terms of the Award, as soon as practicable following the vesting of the Award Shares, the Board shall direct or procure the transfer of the relevant vested Award Shares and related income, or, as the case may be, pay the actual selling price of the relevant vested Award Shares and related income to, the Selected Participant.

OTHER INFORMATION (CONTINUED)

SHARE INCENTIVE SCHEMES (CONTINUED)

3. Share Award Scheme (Continued)

Vesting period

The vesting criteria and conditions, and the vesting date are specified in an award agreement between the Company and the Selected Participant.

Maximum number of new Shares available for issue

Unless altered by the Board pursuant to the Scheme Rules and subject to applicable laws (including the Listing Rules), the Company shall not issue or allot more than 18,000,000 Shares (representing approximately 3.14% of the total number of issued Shares as of December 31, 2025) for the purpose of satisfying the vesting of Award Shares underlying all Awards granted pursuant to the Scheme (the “**New Share Limit**”). By ordinary resolutions approved by the Shareholders of the Company on July 27, 2022, a specific mandate was granted to the Board to issue, allot, procure the transfer of and otherwise deal with up to 18,000,000 new Shares that may be awarded pursuant to the Share Award Scheme.

As the Scheme was adopted prior to the new Chapter 17 of the Listing Rules (effective from January 1, 2023), the Company will rely on the transitional arrangements provided for the existing share incentive schemes and will comply with the new Chapter 17 of the Listing Rules accordingly (effective from January 1, 2023) for any change or refreshment of the New Share Limit.

Consideration and purchase price

Pursuant to the Scheme Rules, there is no amount payable on application or acceptance of any Award and no purchase price for an Award.

Maximum entitlement of a grantee

There is no maximum entitlement of a grantee under the Scheme Rules. The grant of Awards to Selected Participants will be made in accordance with the Scheme Rules and the requirements of the Listing Rules.

Duration

Unless terminated by the Board, the Scheme shall be valid and effective for a period of 10 years commencing on May 27, 2022, the adoption date of the Scheme, and thereafter for so long as there are any non-vested Award Shares relating to Awards granted prior to the expiration of the Scheme.

Outstanding Awards granted under the Share Award Scheme

As of December 31, 2025, no Award has been granted to Selected Participants pursuant to the Scheme.

SHARE INCENTIVE SCHEMES (CONTINUED)

3. Share Award Scheme (Continued)

Number of Shares that may be issued under all schemes

During the Reporting Period, (i) no further option may be granted under the ESOP; (ii) no further new Share may be issued under any advanced mandate approved for distribution of Shares corresponding to RSUs that may be granted, and (iii) up to the maximum number of 18,000,000 Shares may be issued under the Share Award Scheme (representing approximately 3.14% of the weighted average number of Shares in issue), of which no Award has been granted under the Share Award Scheme during the period.

Further details of the ESOP and the RSU Plan are set out in the section headed “Statutory and General Information” on Appendix IV of the Prospectus and Note 40 to the consolidated financial statements for the year ended December 31, 2025. For further details of the Share Award Scheme, please refer to the Company’s announcements dated May 27, 2022, July 5, 2022 and the circular to Shareholders dated July 12, 2022.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the year ended December 31, 2025.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

We have established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code as set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system (including risk management) of the Group, review and approve connected transactions and provide advice and comments to the Board. The Audit Committee consists of four members, namely Ms. Chan Ka Lai Vanessa, Mr. Alex Liang, Mr. Zhao Yue and Mr. FU Frank Kan. Ms. Chan Ka Lai Vanessa is the chairman of the Audit Committee.

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

The Annual Report of the Group for the year ended December 31, 2025 has been reviewed by the Audit Committee.

OTHER BOARD COMMITTEES

In addition to the Audit Committee, the Company has also established a Nomination Committee, a Remuneration Committee, an Executive Committee and an Environmental, Social and Governance Committee.

OTHER INFORMATION (CONTINUED)

THE COMPANY'S VIEWS ON AUDITOR'S QUALIFIED OPINION

Terms defined in Note 48 to the consolidated financial statements for the year ended December 31, 2025 shall have the same meanings when used below.

The Board and the Audit Committee have noted the qualified opinion of the independent auditors in relation to the Group's audited consolidated financial statements for the year ended December 31, 2025 that arose due to uncertainties in relation to the outcomes of the Incidents and the recoverability of the Restricted Amounts. The Board and the Audit Committee, having considered the following factors, considered that the accounting treatment of the Restricted Amounts and the absence of provision in relation to the Incidents in the Group's audited consolidated financial statements to be appropriate:

- (a) the qualification arose due to uncertainties in relation to the Matter, the conduct and/or resolution of which are not within the control of the Group and, the Company has not been able to access information that would enable it to make an informed assessment of the Incidents;
- (b) as a result of the situation of (a) above, the Company has not been able to formulate specific actions to resolve the audit qualification other than to continue closely monitoring any developments regarding the Incidents, including (i) making enquiries of Mr. Bao and his legal adviser since August 2025, when he became contactable, for updates on the status of the Incidents; and (ii) obtaining updated legal advice in relation to the Incidents based on updated searches and enquiries;
- (c) the Company has been advised that, based on the updated searches and enquiries, there has been no new substantive information that would indicate any change in the legal status of the Incidents or the legal nature of the Restricted Amounts. It remains that (i) the Group may be required by the relevant PRC authority to pay amounts such as the Restricted Amounts on the basis that they may be considered by the relevant authority to constitute property associated with a case under investigation, (ii) such payment itself does not constitute any judgment under PRC law as to the existence of unlawful proceeds or the culpability of the Group, which is for a court of competent jurisdiction to determine, (iii) such payments do not constitute fines under the relevant law, and (iv) some or all of the amounts paid may be refunded or confiscated, or that the Group may be required to pay additional amounts. Given the foregoing, the Group has no present basis to claim the recovery of the Restricted Amounts; and
- (d) in view of the above, the management of the Company (i) has not been able to determine the possible outcomes of the Incidents and their related impact, let alone making available evidence to the Company's auditors to allow a revision of their assessment of the Incidents; and (ii) having considered the possibility of full impairment of the Restricted Amounts and/or means of recovering equivalent sums, but understands such steps are unlikely in themselves to lead to the removal of the modified audit opinion, as the proper characterisation of and basis for the Restricted Amounts remains necessary.

IMPORTANT EVENTS AFTER THE REPORTING DATE

Save as disclosed in Note 52 to the consolidated financial statements, no important events affecting the Company occurred since December 31, 2025 and up to the Latest Practicable Date.

INDEPENDENT AUDITOR'S REPORT



**TO THE SHAREHOLDERS OF
CHINA RENAISSANCE HOLDINGS LIMITED**
(Incorporated in the Cayman Islands with limited liability)

QUALIFIED OPINION

We have audited the consolidated financial statements of China Renaissance Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 152 to 291, which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, 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 issued by the International Accounting Standards Board (the “**IASB**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR QUALIFIED OPINION

Due to the uncertainties in relation to the outcomes of the Incidents as disclosed in note 48 to the consolidated financial statements, we were unable to obtain sufficient appropriate audit evidence to assess the recoverability of the Restricted Amounts of approximately RMB77,108,000 (2024: RMB78,768,000) as at December 31, 2025 included in the accounts and other receivables of the Group’s consolidated statements of financial position, and whether any provision in relation to the Incidents should be provided for the years ended December 31, 2025 and 2024.

We were unable to determine whether any adjustment to the figure as described above was necessary which might have a consequential effect on the Group’s financial performance and its cash flows for the years ended December 31, 2025 and 2024 and the financial position of the Group as at December 31, 2025 and 2024, and the related disclosures thereof in the consolidated financial statements.

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter(s) described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Fair value of level 3 financial assets As at December 31, 2025, the carrying amount of the Group's financial assets measured at fair value that are classified as level 3 totaled RMB2,725 million. Among the level 3 financial assets, approximately RMB2,441 million are unlisted investment funds at fair value, unlisted debt security investments, unlisted equity security investments and investments in funds accounted for as associates measured at fair value while the remaining RMB284 million is the call option for obtaining non-controlling interest of a subsidiary of the Group. Details are included in note 46.6 to the consolidated financial statements. The valuation of these financial assets is based on a combination of valuation techniques and key unobservable inputs. Estimates of unobservable inputs that need to be developed can involve significant management and external valuation specialist's judgment. We identified assessing the fair value of level 3 financial assets as a key audit matter because of the degree of complexity involved in valuing these financial assets and because of the significant degree of judgment exercised by management and external valuation specialist in determining the valuation techniques and inputs used.	Our audit procedures in relation to assessing the fair value of level 3 financial assets included the following: • understanding the process of monitoring and reviewing the fair value of these level 3 financial assets implemented by management; • reading the agreements for these financial assets entered into during the current year to understand the relevant terms and evaluate any conditions that might affect the valuation of these financial assets; • reviewing and challenging the appropriateness of valuation model and key inputs used by the Group on a sample basis for its unlisted investment funds at fair value, unlisted debt security investments, unlisted equity security investments, investments in funds accounted for as associates measured at fair value and the call option for obtaining non-controlling interest of a subsidiary of the Group; • reviewing and checking the sensitivity analysis on the key inputs used in the valuation; ensuring proper disclosures of these sensitivity analysis; and • assessing the disclosure in the consolidated financial statements in relation to the fair value of level 3 financial assets with reference to the requirements of the prevailing accounting standards.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Key audit matter

How our audit addressed the key audit matter

Consolidation of structured entities managed by the Group

The Group acquires or retains an ownership interest in, or act as a general partner or manager of, structured entities. Structured entities are generally created to achieve narrow and well-defined objectives with restrictions around their ongoing activities.

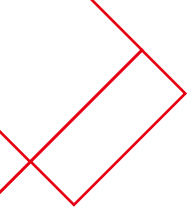
As at December 31, 2025, the aggregated net assets of structured entities that were consolidated totaled RMB1,706 million. Details of the structured entities are included in note 44 to the consolidated financial statements.

In determining whether a structured entity should be consolidated by the Group, management is required to consider the power that the Group is able to exercise over the entity, the Group's exposures to variable returns from its involvement with the entity and its ability to affect those returns through its power over the entity. In making these assessments, management needs to consider both qualitative and quantitative factors.

We identified the consolidation of structured entities managed by the Group as a key audit matter as it involves significant management judgment in determining whether these entities should be consolidated and the impact of consolidating these entities could be significant.

Our audit procedures in relation to assessing the consolidation of structured entities managed by the Group included the following:

- understanding and assessing management process relating to the consolidation of structured entities;
- inspecting documents prepared by management relating to the judgment process over whether a structured entity should be consolidated or not;
- selecting significant structured entities and performing the following procedures for each entity selected:
 - inspecting the related contracts and establishment documents to understand the purpose of the establishment of the structured entity and the involvement the Group has with the structured entity and assessing management's judgment over whether the Group has the ability to exercise power over the structured entity;
 - reviewing the risk and reward structure of the structured entity and assessing management's judgment as to the exposure or rights to the variable returns from the Group's involvement in such entity;
 - reviewing management's analysis of the structured entity including qualitative analysis and calculations of the magnitude and variability associated with the Group's economic interests in the structured entity and assessing management's judgment over the Group's ability to influence its own returns from the structured entity; and
 - evaluating management's judgment over whether the structured entity should be consolidated or not;
- assessing the disclosures in the consolidated financial statements in relation to structured entities with reference to the requirements of the prevailing accounting standards.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

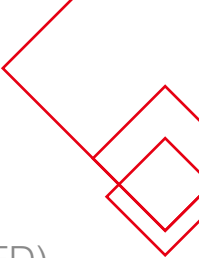
Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

RESPONSIBILITIES OF DIRECTORS 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 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.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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

A further description of our responsibilities for the audit of the consolidated financial statements is located at the HKICPA's website at:

<https://www.hkicpa.org.hk/en/Standards-setting/Standards/Our-views/auditre>

This description forms part of our auditor's report.

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Pang Hon Chung

Audit Engagement Director

Practising Certificate Number P05988

Hong Kong, March 30, 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2025

	Notes	Year ended December 31, 2025 RMB'000	2024 RMB'000
Revenue			
Transaction and advisory fees		293,784	330,164
Management fees		205,833	298,108
Interest income		42,424	44,105
Income from carried interest		524,100	104,727
Total revenue	5	1,066,141	777,104
Net investment gains	6	131,956	62,537
Total revenue and net investment gains		1,198,097	839,641
Compensation and benefit expenses		(435,074)	(485,798)
Carried interest to management team and other parties		(368,674)	(76,068)
Investment losses attributable to interest holders of consolidated structured entities		5,774	27,581
Other operating expenses	7	(304,817)	(354,035)
Finance costs	8	(11,494)	(16,083)
Net reversal of impairment losses under expected credit loss model	9	49,264	23,122
Total operating expenses		(1,065,021)	(881,281)
Operating profit/(loss)		133,076	(41,640)
Other income, gains or losses	10	1,736	(44,891)
Investment gain/(loss) arising from certain incidental and ancillary investments	11	25,285	(76,528)
Share of results of associates		—	486
Change in fair value of call option	23	1,803	—
Profit/(loss) before tax		161,900	(162,573)
Income tax expense	12	(69,599)	(48,086)
Profit/(loss) for the year	13	92,301	(210,659)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the year ended December 31, 2025

	Notes	Year ended December 31, 2025 RMB'000	2024 RMB'000
Other comprehensive income/(expense)	14		
<i>Items that will not be reclassified to profit or loss:</i>			
Exchange differences on translation from functional currency to presentation currency		(31,013)	17,019
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		(39,843)	21,996
Fair value gain or loss, net of expected credit losses on:			
— debt instruments measured at fair value through other comprehensive income, net of tax		1,895	(712)
Other comprehensive (expense)/income for the year, net of tax		(68,961)	38,303
Total comprehensive income/(expense) for the year		23,340	(172,356)
Profit/(loss) for the year attributable to:			
— Owners of the Company		101,372	(179,017)
— Non-controlling interests		(9,071)	(31,642)
		92,301	(210,659)
Total comprehensive income/(expense) attributable to:			
— Owners of the Company		32,372	(140,999)
— Non-controlling interests		(9,032)	(31,357)
		23,340	(172,356)
Earnings/(loss) per share			
Basic	16	RMB0.19	RMB(0.35)
Diluted	16	RMB0.19	RMB(0.35)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2025

	Notes	At December 31, 2025 RMB'000	2024 RMB'000
Non-current assets			
Property and equipment	18	41,834	57,098
Intangible assets	19	57,194	73,558
Deferred tax assets	20	57,670	92,105
Investments in associates	21	1,036,847	1,057,810
Investment in a joint venture	22	40,773	41,803
Financial assets at fair value through profit or loss	23	2,262,430	2,214,369
Rental deposits		13,073	34,056
		3,509,821	3,570,799
Current assets			
Accounts and other receivables	27	538,594	759,806
Financial assets purchased under resale agreements	28	—	19,000
Amounts due from related parties	43	199,694	223,203
Financial assets at fair value through profit or loss	23	3,104,278	3,008,496
Financial assets at fair value through other comprehensive income	24	—	48,688
Loans to third parties	25	—	68,834
Digital assets	26	150,475	—
Cash held on behalf of brokerage clients	29	771,639	1,563,370
Cash and cash equivalents	29	1,355,426	1,298,383
		6,120,106	6,989,780
TOTAL ASSETS		9,629,927	10,560,579

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At December 31, 2025

	Notes	At December 31, 2025 RMB'000	2024 RMB'000
Current liabilities			
Accounts and other payables	30	878,372	773,192
Financial assets sold under repurchase agreements	31	180,021	594,095
Short-term debt instrument issued	32	212,539	—
Payable to brokerage clients	33	771,639	1,563,370
Payables to interest holders of consolidated structured entities	34	326,266	410,955
Amounts due to related parties	43	2,311	1,700
Contract liabilities	35	21,927	13,720
Lease liabilities	36	20,774	20,673
Income tax payables		62,000	73,857
		2,475,849	3,451,562
Net current assets		3,644,257	3,538,218
TOTAL ASSETS LESS CURRENT LIABILITIES		7,154,078	7,109,017
Non-current liabilities			
Lease liabilities	36	11,808	21,768
Contract liabilities	35	848	1,036
Deferred tax liabilities	20	38,095	37,461
		50,751	60,265
NET ASSETS		7,103,327	7,048,752
Capital and reserves			
Share capital	38	94	94
Reserves		6,109,211	6,043,481
Equity attributable to owners of the Company		6,109,305	6,043,575
Non-controlling interests	39	994,022	1,005,177
		7,103,327	7,048,752

The consolidated financial statements on pages 152 to 291 were approved and authorized for issue by the board of directors on March 30, 2026 and are signed on its behalf by:

Hui Yin Ching
Executive Director

Wang LiXing
Executive Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2025

		Attributable to owners of the Company								
Note	Share capital RMB'000	Treasury stock RMB'000	Share premium RMB'000	Other reserves RMB'000 (note)	Surplus reserve RMB'000	(Accumulated losses)/	Reserves sub-total RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
						retained profits				
						RMB'000				
At January 1, 2025	94	(8)	6,256,580	(236,082)	45,159	(22,168)	6,043,481	6,043,575	1,005,177	7,048,752
Profit/(loss) for the year	—	—	—	—	—	101,372	101,372	101,372	(9,071)	92,301
Other comprehensive (expense)/ income for the year	—	—	—	(69,000)	—	—	(69,000)	(69,000)	39	(68,961)
Total comprehensive (expense)/ income for the year	—	—	—	(69,000)	—	101,372	32,372	32,372	(9,032)	23,340
Appropriation to statutory surplus reserve	—	—	—	—	6,101	(6,101)	—	—	—	—
Recognition of equity-settled share-based payment expense	40	—	—	31,443	—	—	31,443	31,443	—	31,443
Share options exercised	—	—	21,001	(19,086)	—	—	1,915	1,915	—	1,915
Restricted shares units vested	—	—	42,816	(42,816)	—	—	—	—	—	—
Dividends to non-controlling shareholders	—	—	—	—	—	—	—	—	(2,123)	(2,123)
At December 31, 2025	94	(8)	6,320,397	(335,541)	51,260	73,103	6,109,211	6,109,305	994,022	7,103,327

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the year ended December 31, 2025

	Note	Attributable to owners of the Company							Non-controlling interests	Total equity	
		Share capital	Treasury stock	Share premium	Other reserves	Surplus reserve	Retained profits	Reserves sub-total			
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000			
		(note)									
At January 1, 2024		93	(8)	6,165,026	(227,710)	42,656	159,352	6,139,316	6,139,409	1,037,534	7,176,943
Loss for the year		—	—	—	—	—	(179,017)	(179,017)	(179,017)	(31,642)	(210,659)
Other comprehensive income for the year		—	—	—	38,018	—	—	38,018	38,018	285	38,303
Total comprehensive income/(expense) for the year		—	—	—	38,018	—	(179,017)	(140,999)	(140,999)	(31,357)	(172,356)
Appropriation to statutory surplus reserve		—	—	—	—	2,503	(2,503)	—	—	—	—
Recognition of equity-settled share-based payment expense	40	—	—	—	38,789	—	—	38,789	38,789	—	38,789
Share options exercised	1	—	—	50,840	(44,465)	—	—	6,375	6,376	—	6,376
Restricted shares units vested		—	—	40,714	(40,714)	—	—	—	—	—	—
Dividends to non-controlling shareholders		—	—	—	—	—	—	—	—	(1,000)	(1,000)
At December 31, 2024		94	(8)	6,256,580	(236,082)	45,159	(22,168)	6,043,481	6,043,575	1,005,177	7,048,752

Note: Other reserves include (1) translation reserve; (2) investment revaluation reserve and expected credit losses for financial assets at fair value through other comprehensive income; (3) equity-settled share-based payment reserve; (4) share repurchase reserve; and (5) reserve of acquisition of equity interest from non-controlling shareholders.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31, 2025

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Cash flows from operating activities		
Profit/(loss) before tax	161,900	(162,573)
Adjustments for:		
Depreciation of property and equipment	31,508	51,025
Amortization of intangible assets	23,333	28,092
Gain on disposal of property and equipment	(1)	(4)
Loss on disposal of intangible assets	56	—
Interest income	(42,424)	(44,105)
Finance costs	11,494	16,083
Change in fair value of call option	(1,803)	—
Net investment gains	(131,956)	(62,537)
Investment losses attributable to interest holders of consolidated structured entities	(5,774)	(27,581)
Other gains or losses	15,410	(1,261)
Investment (gain)/loss arising from certain incidental and ancillary investments	(25,285)	76,528
Net reversal of impairment losses under expected credit loss model	(49,264)	(23,122)
Impairment loss on intangible assets	—	4,701
Impairment loss on investment in a joint venture	—	58,819
Loss on disposal of investment in an associate	—	7,682
Share of results of associates	—	(486)
Share-based payment expense	31,443	38,789
Operating cash flows before movements in working capital	18,637	(39,950)
Decrease in accounts and other receivables	214,179	127,032
Decrease/(increase) in financial assets purchased under resale agreements	19,269	(18,465)
Decrease/(increase) in amounts due from related parties	23,103	(117,717)
Increase in amounts due to related parties	610	428
Decrease/(increase) in cash held on behalf of brokerage clients	791,731	(1,290,445)
Decrease in financial assets at fair value through profit or loss	8,877	158,975
(Decrease)/increase in financial assets sold under repurchase agreements	(420,348)	99,024
Increase/(decrease) in accounts and other payables	105,179	(131,731)
(Decrease)/increase in payable to brokerage clients	(791,731)	1,290,445
Increase/(decrease) in contract liabilities	8,019	(2,251)
Cash (used in)/generated from operations	(22,475)	75,345
Interest received	41,861	41,784
Income taxes paid	(47,019)	(74,172)
Net cash (used in)/generated from operating activities	(27,633)	42,957

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended December 31, 2025

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Cash flows from investing activities		
Interest received	—	1,360
Purchases of property and equipment	(2,851)	(16,052)
Proceeds from disposal of property and equipment	4,470	10,613
Payments for right-of-use assets	(2,573)	(2,327)
Payments for rental deposits	(292)	(27,401)
Refund of rental deposits	21,463	13,658
Purchases of intangible assets	(7,046)	(6,103)
Proceeds from disposal of intangible assets	—	2,603
Purchases of financial assets at fair value through profit or loss	(170,697)	(309,548)
Proceeds from disposal of financial assets at fair value through profit or loss	163,308	323,089
Proceeds from disposal of financial assets at fair value through other comprehensive income	45,759	—
Acquisition of investments in associates	(106,284)	(12,106)
Acquisition of investments in joint ventures	—	(100,000)
Investment returns received from associates	147,290	86,506
Advance to related parties	(707)	(675)
Repayment from related parties	307	2,679
Placement of term deposits	(1,370,894)	(56,058)
Proceeds from term deposits	1,370,894	56,058
Repayment from loan receivables	126,402	—
Purchases of digital assets	(147,902)	—
Net cash generated from/(used in) investing activities	70,647	(33,704)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the year ended December 31, 2025

	Note	Year ended December 31,	
		2025	2024
		RMB'000	RMB'000
Cash flows from financing activities			
Proceeds from issuance of ordinary shares for share option exercised		1,915	6,376
Interest paid	37	(2,685)	(3,590)
Repayments of lease liabilities	37	(25,301)	(44,468)
Proceeds from issuance of structured notes	37	210,000	—
Redemption of structured notes	37	—	(93,806)
Distribution to non-controlling shareholders		(2,123)	(1,000)
Cash injection by third-party holders to consolidated structured entities	37	50,833	286,105
Cash repayment to third-party holders to consolidated structured entities	37	(146,273)	(12,742)
Net cash generated from financing activities		86,366	136,875
Net increase in cash and cash equivalents		129,380	146,128
Cash and cash equivalents at January 1		1,298,383	1,110,150
Effect of foreign exchange rate changes		(72,337)	42,105
Cash and cash equivalents at December 31		1,355,426	1,298,383

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2025

1. GENERAL INFORMATION

China Renaissance Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands on July 13, 2011 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its ultimate controlling party is Mr. Bao Fan, who was also the previous chairman and executive director of the Company (resigned on February 2, 2024). The address of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The shares of the Company have been listed on the Stock Exchange with effect from September 27, 2018.

The principal activities of the Company and its subsidiaries (the “**Group**”) are the provision of investment banking and investment management services.

The consolidated financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

2. ADOPTION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

In the current year, the Group has adopted all the new and revised IFRS Accounting Standards issued by the International Accounting Standards Board (the “**IASB**”) that are relevant to its operations and effective for its accounting year beginning on January 1, 2025. IFRS Accounting Standards comprise International Financial Reporting Standards (“**IFRS**”); International Accounting Standards (“**IAS**”); and Interpretations. The adoption of these new and revised IFRS Accounting Standards did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current year and prior years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

2. ADOPTION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS (CONTINUED)

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

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

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

2. Effective for annual/reporting periods beginning on or after 1 January 2027

3. No mandatory effective date yet determined but available for adoption

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

2. ADOPTION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS (CONTINUED)

IFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10 “Consolidated Financial Statements”, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with IFRS Accounting Standards. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply IFRS 19. Some of the Company’s subsidiaries are considering the application of IFRS 19 in their specified financial statements.

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

Amendments to IFRS 9 and IFRS 7 *Contracts Referencing Nature-dependent Electricity* only apply to contracts that reference nature-dependent electricity and clarify the application of the ‘own-use’ requirements for in-scope contracts. The amendments to IFRS 9 will now allow an entity designating a contract referencing nature-dependent electricity as the hedging instrument in a hedge of forecast electricity transactions, to designate a variable nominal amount of forecast electricity transactions as the hedged item. IFRS 7 has been amended to require disclosures relating to contracts that have been excluded from the scope of IFRS 9 as a result of the amendments. In such cases, an entity must disclose in a single note:

- Information about the contractual features that expose the entity to variability in an underlying amount of electricity and the risk that the entity would be required to buy electricity during a delivery interval where it cannot use it.
- Information about unrecognised contractual commitments arising from such contracts.
- Qualitative and quantitative information about the effects on the entity’s financial performance for the reporting period interval where it cannot use it.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

2. ADOPTION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS (CONTINUED)

The IFRS 7 disclosure amendments must be applied when the IFRS 9 amendments are applied. The clarifications regarding the 'own use' requirements must be applied retrospectively without using hindsight, but the guidance permits hedge accounting to be applied prospectively to new hedging relationships designated on or after the date of initial application. The amendments are not expected to have any significant impact on the Group's financial statements.

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

2. ADOPTION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS (CONTINUED)

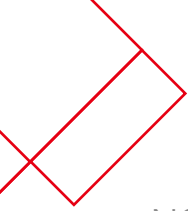
- IFRS 9 *Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 of IFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of IFRS 9 and Appendix A of IFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- IFRS 10 Consolidated Financial Statements: The amendments clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of IFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- IAS 7 Statement of Cash Flows: The amendments replace the term "cost method" with "at cost" in paragraph 37 of IAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

3. MATERIAL ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards issued by the IASB and the applicable disclosures required by the Rules Governing the Listing of Securities on Stock Exchange (the "**Listing Rules**") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial instruments and digital assets which are carried at fair value/fair value less costs to sell.

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain key assumptions and estimates. It also requires the directors to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

The material accounting policies applied in the preparation of the consolidated financial statements are set out below.

Consolidation

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

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

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

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

When the Group is an investor of a fund in which the Group also acts as a fund manager, the Group will determine whether it is a principal or an agent for the purpose of assessing whether the Group controls the relevant fund.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Consolidation (Continued)

An agent is a party primarily engaged to act on behalf and for the benefit of another party or parties (the principal(s)) and therefore does not control the investee when it exercises its decision-making authority. In determining whether the Group is an agent to the fund, the Group would assess:

- the scope of its decision-making authority over the investee;
- the rights held by other parties;
- the remuneration to which it is entitled in accordance with the remuneration agreements; and
- the decision maker's exposure to variability of returns from other interests that it holds in the investee.

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

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Changes in the Group's interests in existing subsidiaries

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

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

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

Structured entities

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. A structured entity often has restricted activities and a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity.

Associates and joint ventures

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

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





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Associates and joint ventures (Continued)

The Group has invested in certain investment funds that it manages. As the fund manager, the Group may contribute capital in the funds that it manages. Where the Group has an interest in the funds that give the Group significant influence, but not control, the Group records such investments as investments in associates. The Group has applied the measurement exemption within IAS 28 Investments in Associates and Joint Ventures, when an investment in an associate is held by, or is held indirectly through, an entity that is a venture capital organization, or a mutual fund, unit trust and similar entities including investment-linked insurance funds, the entity elects to measure investments in those associates at fair value since the Company decides such funds have the following characteristics of a venture capital organization:

- The investments are held for the short to medium-term rather than for the long-term;
- the most appropriate point for exit is actively monitored; and
- investments form part of a portfolio, which is monitored and managed without distinguishing between investments that qualify as associates and those that do not.

The results and assets and liabilities of associates and joint ventures other than those held through venture capital organization are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is or the portion so classified is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and discontinued Operations*. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. Appropriate adjustments have been made to conform the associate's and the joint venture's accounting policies to those of the Group. Under the equity method, an investment in an associate or a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate or a joint venture. Changes in net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Associates and joint ventures (Continued)

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

The Group assesses whether there is objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognized in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of IFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Associates and joint ventures (Continued)

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

Revenue from contracts with customers

The Group recognizes revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognized at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with IFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

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

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Revenue from contracts with customers (Continued)

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

Output method

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

Variable consideration

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using either (a) the expected value method or (b) the most likely amount, depending on which method better predicts the amount of consideration to which the Group will be entitled.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognizes revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Revenue from contracts with customers (Continued)

Principal versus agent (Continued)

In particular, revenue is recognized as follows:

(a) Transaction and advisory fees

Transaction and advisory revenue represent underwriting fees and financial advisory fees associated with private placement transactions, public capital raising transactions and mergers and acquisitions. Such transaction revenues are recognized at a point in time when the services for the transactions are completed under the terms of each engagement and the revenue can be measured reliably, since only by that time the Group has a present right to payment from the customers for the service performed.

(b) Management fee

(i) Management service for the funds

Management fee represents fees associated with the management services for the funds at a fixed percentage of commitment under management. Management fee is recognized over time (i.e. the fund life) based on contractual terms specified in the underlying investment management agreements, since the customer (i.e. the managed fund) simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs and the fee rate and the capital contribution of the fund which are used to determine the management fee can be reliably measured.

(ii) Wealth management services

Management fee represents fees associated with the value-added wealth management services provided to high-net-worth individuals and other high net worth groups at a fixed percentage of assets under each investment management account. Management fee is recognized over time based on contractual terms specified in the wealth management service agreements, since the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs and the fee rate and the assets under each investment management account which are used to determine the management fee can be reliably measured.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Revenue from contracts with customers (Continued)

Principal versus agent (Continued)

(c) Income from Carried Interest

Income from carried interest earned based on the performance of the managed funds (“**Carried Interest**”) is a form of variable consideration in their contracts with customers to provide investment management services. Carried Interest is earned based on fund performance during the period, subject to the achievement of minimum return levels, in accordance with the respective terms set out in each fund’s governing agreements. Income from Carried Interest will not be recognized as revenue until (i) it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur, or (ii) the uncertainty associated with the variable consideration is subsequently resolved. Income from Carried Interest is typically recognized as revenue at the later stage of the fund life.

(d) Interest income (under IFRS 9)

Interest income from a financial asset is accrued on a time basis using the effective interest method, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

Leases

Definition of 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.

For contracts entered into or modified on or after the date of initial application or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed. As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the consolidated financial statements would not differ materially from individual leases within the portfolio.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Non-lease components are separated from lease component and are accounted for by applying other applicable standards.

Short-term leases

The Group applies the short-term lease recognition exemption to leases of properties that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

The Group as a lessee (Continued)

Right-of-use assets (Continued)

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets in “property and equipment”, the same line item within which the corresponding underlying assets would be presented if they were owned.

Refundable rental deposits

Refundable rental deposits paid are accounted under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognizes and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable; and
- variable lease payments that depend on an index or a rate.

Variable lease payments that reflect changes in market rental rates are initially measured using the market rental rates as at the commencement date. Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets, and are recognized as expense in the period on which the event or condition that triggers the payment occurs.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

The Group as a lessee (Continued)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset.

When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Foreign currencies

The consolidated financial statements are presented in RMB, which is different from the Company's functional currency of United States Dollars ("US\$"). The directors of the Company adopted RMB as presentation currency, considering that (a) the Company's primary subsidiaries were incorporated in the People's Republic of China (the "PRC") and their transactions are denominated and settled in RMB; and (b) to reduce the impact of any fluctuations in the exchange rate of US\$ against RMB on the Group's consolidated financial statements.

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognized at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. When a fair value gain or loss on a non-monetary item is recognized in profit or loss, any exchange component of that gain or loss is also recognized in profit or loss. When a fair value gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is also recognized in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (Continued)

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

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity under the heading of other reserve.

Borrowing costs

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

Government grants

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

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

Employee benefits

Retirement benefits costs

Payments to defined contribution retirement benefits plans are recognized as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

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

A liability is recognized for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Share-based payments

Equity-settled share-based payment transactions

Share options and restricted shares granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 40.

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

When share options are exercised or restricted shares are vested, the amount previously recognized in other reserves will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognized in other reserves will continue to be held in other reserves.

Restricted shares granted to non-employees

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair values of the goods or services received are recognized as expenses (unless the goods or services qualify for recognition as assets).

Modification to the terms and conditions of the share-based payment arrangements

When the terms and conditions of an equity-settled share-based payment arrangement are modified, the Group recognizes, as a minimum, the services received measured at the grant date fair value of the equity instruments granted, unless those equity instruments do not vest because of failure to satisfy a vesting condition (other than a market condition) that was specified at grant date. In addition, if the Group modifies the vesting conditions (other than a market condition) in a manner that is beneficial to the employees, for example, by reducing the vesting period, the Group takes the modified vesting conditions into consideration over the remaining vesting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Share-based payments (Continued)

Equity-settled share-based payment transactions (Continued)

Modification to the terms and conditions of the share-based payment arrangements (Continued)

The incremental fair value granted, if any, is the difference between the fair value of the modified equity instruments and that of the original equity instruments, both estimated as at the date of modification.

If the modification occurs during the vesting period, the incremental fair value granted is included in the measurement of the amount recognized for services received over the period from modification date until the date when the modified equity instruments are vested, in addition to the amount based on the grant date fair value of the original equity instruments, which is recognized over the remainder of the original vesting period. If the modification occurs after vesting period, the incremental fair value granted is recognized immediately, or over the vesting period if additional period of service is required before the modified equity instruments are vested.

If the modification reduces the total fair value of the share-based arrangement, or is not otherwise beneficial to the employee, the Group continues to account for the original equity instruments granted as if that modification had not occurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

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

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

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

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

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

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 Income Taxes requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognized in profit or loss, except when it relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be use by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

Property and equipment

Property and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

The useful lives, estimated residual value rates and annual depreciation rates of each class of property and equipment other than construction in progress are as follows:

Category	Useful lives	Residual value rates	Annual depreciation rates
Furniture and fixtures	3–5 years	0–10%	20.00%–33.33%
Electronic equipment	3 years	0–10%	33.33%
Motor vehicles	4 years	0–4%	25.00%
Leasehold improvements	shorter of lease term or expected useful life	0%	N/A
Leased properties	lease term	0%	N/A

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Intangible assets

Intangible assets acquired separately

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

The intangible assets with finite useful lives are amortized on a straight-line basis at the following rates per annum:

Domain name	10%
Office software	20%

The domain names registered by the Group are estimated to have a useful life of 10 years. The management of the Group also estimated that the office software has a useful life of 5 years after considering the operating benefits provided by utilizing such office software and the upgrading and developing period in the market.

Internally-generated intangible assets — research and development expenditure

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

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Intangible assets (Continued)

Internally-generated intangible assets — research and development expenditure (Continued)

- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

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

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

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

Impairment losses of property and equipment and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its property and equipment and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

The recoverable amount of property and equipment and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Impairment losses of property and equipment and intangible assets (Continued)

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognized immediately in profit or loss.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

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

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

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

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Financial instruments

Financial assets and financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the timeframe established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for accounts receivable arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

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

Interest income which are derived from the Group's ordinary course of business are presented as revenue.

Financial assets

Classification and subsequent measurement of financial assets

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

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

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition, it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

(a) Amortized cost and interest income

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

(b) Debt instruments classified as at FVTOCI

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI as a result of interest income calculated using the effective interest method are recognized in profit or loss. All other changes in the carrying amount of these debt instruments are recognized in OCI and accumulated under the heading of other reserve. Impairment allowances are recognized in profit or loss with corresponding adjustment to OCI without reducing the carrying amounts of these debt instruments. When these debt instruments are derecognized, the cumulative gains or losses previously recognized in other comprehensive income are reclassified to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(c) Financial assets at FVTPL

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the “net investment gains” or “investment (loss) income arising from certain incidental and ancillary investments” line items.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss (“**ECL**”) model on financial assets (including cash and cash equivalents, cash held on behalf of brokerage clients, term deposits, accounts and other receivables, financial assets purchased under resale agreements, rental deposits, amounts due from related parties, loans to third parties, other financial assets and debt instruments at FVTOCI) which are subject to impairment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

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

The Group always recognizes lifetime ECL for accounts receivables and amounts due from related parties of trade nature.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(a) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(a) Significant increase in credit risk (Continued)

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

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(b) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group). Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(c) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (i) significant financial difficulty of the issuer or the borrower;
- (ii) a breach of contract, such as a default or past due event;
- (iii) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (iv) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- (v) the disappearance of an active market for that financial asset because of financial difficulties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(d) Write-off policy

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

(e) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on accounts receivables and amounts due from related parties of trade nature using a provision matrix taking into consideration historical credit loss experience, adjusted for forward looking information that is available without undue cost or effort.

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

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(e) Measurement and recognition of ECL (Continued)

Except for investments in debt instruments that are measured at FVTOCI, the Group recognizes an impairment gain or loss in profit or loss for all financial instruments through a loss allowance account. For investments in debt instruments that are measured at FVTOCI, the loss allowance is recognized in OCI and accumulated in other reserves without reducing the carrying amount of these debt instruments.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

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

On derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in other reserves is reclassified to profit or loss.

Financial liabilities and equity

Classification as debt or equity

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

Equity instruments

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities

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

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which IFRS 3 applies, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

For financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to accumulated losses upon derecognition of the financial liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at amortized cost

Financial liabilities including bank borrowings, accounts and other payables, amounts due to related parties, financial assets sold under repurchase agreements, short-term debt instrument issued and payable to brokerage clients are subsequently measured at amortized cost, using the effective interest method.

Derecognition of financial liabilities

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

Derivative financial instruments

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

Embedded derivatives

Derivatives embedded in hybrid contracts that contain financial asset hosts within the scope of IFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured in its entirety as either amortized cost or fair value as appropriate.

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of IFRS 9 are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Generally, multiple embedded derivatives in a single instrument that are separated from the host contracts are treated as a single compound embedded derivative unless those derivatives relate to different risk exposures and are readily separable and independent of each other.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Digital assets

Digital assets are held mainly for the purposes of trading in the ordinary course of the Group's business. Digital assets were mainly held in the third parties' digital assets trading platforms.

The Group's digital assets mainly comprise cryptocurrencies and stablecoins whose measurement are as follows:

- Since the Group trades cryptocurrencies, purchasing them with a view to their resale in the near future, and generating a profit from fluctuations in the price, the Group applies the guidance in IAS 2 "Inventories" for commodity broker-traders and measures the digital assets at fair value less costs to sell. The Group considers there are no significant "costs to sell" digital assets and hence measurement of digital assets is based on their fair values with changes in fair value recognized in profit or loss in the period of the changes.
- The Group has assessed the terms and conditions attached to stablecoins to determine whether they meet the definition of financial instruments. Certain stablecoins that are classified as financial instruments are measured at fair values with changes in fair value recognized in profit or loss in the period of the changes.

See Note 46.6 for estimation of fair value in respect of the digital assets.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Critical judgments in applying accounting policies

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

Consolidation of structured entities

Management needs to make significant judgment on whether a structured entity is under the Group's control and shall be consolidated. Such judgment may affect accounting methods as well as the financial position and operating results of the Group.

When assessing control, the Group considers: (a) power over the investee, (b) exposure, or rights, to variable returns from involvement with the investee; and (c) the ability to use power over the investee to affect the amount of the investor's returns.

When judging the level of the control over the structured entities, the Group considers the following four elements:

- (a) The decisions the Group applied when setting up the structured entities and the involvement in those entities;
- (b) The related agreement arrangements;
- (c) The Group will only take specific actions under certain conditions or incidents; and
- (d) The commitments made by the Group to the structured entities.

When assessing whether there is control over the structured entities, the Group also considers whether the decisions it makes are as a principal or as an agent. Aspects of considerations normally include the decision-making scope over the structured entities, substantive rights of third parties, rewards of the Group, and the risks of undertaking variable returns from owning other benefits of the structured entities.

The Group reassesses whether or not it controls a structured entity if facts and circumstances indicate that there are changes to one or more of the three elements of control listed in note 3. The judgments the Group used in determining whether or not it has control over the structured entities are detailed in note 44.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Critical judgments in applying accounting policies (Continued)

Accounting for digital assets

IFRS Accounting Standards do not specifically address accounting for digital assets. Accordingly, for the preparation of the Group's consolidated financial statements, management needs to apply judgement in determining appropriate accounting policies based on the existing accounting framework and the facts and circumstances of the Group's digital assets business.

The Group's digital assets portfolio held for trading mainly comprises cryptocurrencies and stablecoins. According to the business model of the Group's activities and the characteristics of each of the relevant digital assets, the Group's digital assets are accounted for either as inventories measured at fair value less costs to sell, or financial instruments measured at fair value.

Furthermore, in determining fair values, management needs to apply judgement to identify the relevant available markets, and to consider accessibility to and activity within those markets in order to identify the principal digital asset markets for the Group.

Key sources of estimation uncertainty

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

Deferred taxation

As at December 31, 2025, a deferred tax asset of RMB22,060,000 (2024: RMB50,966,000) in relation to unused tax losses has been recognized in the Group's consolidated statement of financial position. No deferred tax asset has been recognized on the tax losses of RMB1,648,840,000 (2024: RMB1,689,166,000) due to the unpredictability of future profit streams. The realizability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary difference will be available in the future. In cases where the actual taxable profits generated are less or more than expected, or changes in facts and circumstances which result in revision of future taxable profits estimation, a material reversal or future recognition of deferred tax assets may arise, which would be recognized in profit or loss for the period in which such a reversal or future recognition takes place.

No deferred tax liability in connection with dividend was recognized since no distribution from operations in the PRC is expected by the management of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (Continued)

Fair value measurements and valuation process of financial instruments

Certain of the Group's financial assets, such as unlisted investment funds at fair value, unlisted debt security investments, unlisted equity security investments and investments in funds accounted for as associates are measured at fair values with fair values being determined based on unobserved inputs using valuation techniques. Judgment and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could affect the reported fair values of these instruments. Further disclosures are detailed in note 46.6.

Provision of ECL for accounts receivable and amounts due from related parties of trade nature and loans to third parties

The Group uses provision matrix to calculate ECL for the accounts receivables and amounts due from related parties of trade nature. The provision rates are based on internal credit ratings as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At each reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. In addition, accounts receivable amounts due from related parties of trade nature with significant balances and credit-impaired are assessed for ECL individually.

The Group develops and maintains the Group's loans to third parties credit risk grading to categorize exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and the Group's own trading records to rate its debtors, taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's accounts receivable and amounts due from related parties of trade nature and loans to third parties are disclosed in notes 25, 27, 43 and 46.3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

5. REVENUE AND SEGMENT INFORMATION

For the purposes of resources allocation and assessment of segment performance, the executive directors of the Company, being the chief operating decision maker (“**CODM**”), regularly review types of services delivered or provided by focusing on different business models. No operating segments have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group’s reportable segments under IFRS 8 Segment are as follows:

- (a) The investment banking is a segment of the Group’s operations whereby the Group provides early to late stage financial advisory, merger & acquisition advisory inside and outside mainland China, equity underwriting, sales, trading, and brokerage, and research in Hong Kong and the United States of America (the “**USA**”);
- (b) The investment management is a segment of the Group’s operations whereby the Group provides fund and asset management for individual and institutional clients, and manages its own investment in funds to obtain investment returns;
- (c) CR Securities comprises the Group’s investment banking and asset management businesses in mainland China, which overlap with the other two segments in nature but are otherwise separately operated and focuses on regulated securities market in mainland China and has an independent risk control framework; and
- (d) Others mainly comprise of wealth management business, and investment and management of its own funds. Wealth management business provides value-added wealth management services for high-net-worth individuals and other high net worth groups represented by new-economy entrepreneurs, and this business also helps the Group integrate and enhance investment and management of its own funds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment:

	Year ended December 31, 2025				
	Investment banking RMB'000	Investment management RMB'000	CR Securities RMB'000	Others RMB'000	Total consolidated RMB'000
Transaction and advisory fees	128,913	—	164,871	—	293,784
Management fees	—	205,049	—	784	205,833
Interest income	—	—	10,132	32,292	42,424
Income from Carried Interest (note)	—	524,100	—	—	524,100
Total revenue	128,913	729,149	175,003	33,076	1,066,141
Net investment gains	—	3,447	118,930	9,579	131,956
Total revenue and net investment gains	128,913	732,596	293,933	42,655	1,198,097
Compensation and benefit expenses	(138,978)	(68,770)	(168,462)	(58,864)	(435,074)
Carried interest to management team and other parties (note)	—	(368,674)	—	—	(368,674)
Investment losses/(gains) attributable to interest holders of consolidated structured entities	—	7,723	(1,949)	—	5,774
Other operating expenses	(63,376)	(59,380)	(157,847)	(24,214)	(304,817)
Finance costs	—	—	(9,979)	(1,515)	(11,494)
Net (provision)/reversal of impairment losses under expected credit loss model	(188)	50,709	(1,218)	(39)	49,264
Operating (loss)/profit	(73,629)	294,204	(45,522)	(41,977)	133,076
Other income, gains or losses					1,736
Investment gain arising from certain incidental and ancillary investments					25,285
Change in fair value of call option					1,803
Profit before tax					161,900
Income tax expense					(69,599)
Profit for the year					92,301

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment revenue and results (Continued)

The following is an analysis of the Group's revenue and results by reportable and operating segment: (Continued)

	Year ended December 31, 2024				Total consolidated RMB'000
	Investment banking RMB'000	Investment management RMB'000	CR Securities RMB'000	Others RMB'000	
Transaction and advisory fees	224,453	—	105,711	—	330,164
Management fees	—	288,580	—	9,528	298,108
Interest income	—	—	9,925	34,180	44,105
Income from Carried Interest (note)	—	104,727	—	—	104,727
Total revenue	224,453	393,307	115,636	43,708	777,104
Net investment (losses)/gains	—	(76,971)	132,083	7,425	62,537
Total revenue and net investment gains or losses	224,453	316,336	247,719	51,133	839,641
Compensation and benefit expenses	(169,865)	(85,386)	(176,651)	(53,896)	(485,798)
Carried interest to management team and other parties (note)	—	(76,068)	—	—	(76,068)
Investment losses attributable to interest holders of consolidated structured entities	—	27,581	—	—	27,581
Other operating expenses	(89,426)	(80,641)	(150,833)	(33,135)	(354,035)
Finance costs	—	—	(14,493)	(1,590)	(16,083)
Net reversal/(provision) of impairment losses under expected credit loss model	1	24,128	9	(1,016)	23,122
Operating (loss)/profit	(34,837)	125,950	(94,249)	(38,504)	(41,640)
Other income, gains or losses					(44,891)
Investment loss arising from certain incidental and ancillary investments					(76,528)
Share of results of associates					486
Loss before tax					(162,573)
Income tax expense					(48,086)
Loss for the year					(210,659)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment revenue and results (Continued)

Segment profit or loss represents the results of each segment without allocation of corporate items including other income, gains or losses, investment gain/(loss) arising from certain incidental and ancillary investments, share of results of associates, change in fair value of call option and income tax expense. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Note:

The segment results of investment management reported to the CODM also include the unrealized income from Carried Interest calculated below on an as-if liquidation basis in the segment information as it is a key measure of value creation, a benchmark of the Group's performance and a major factor in the Group's decision making of resource deployment. There is a reversal of unrealized income from Carried Interest of RMB722,876,000 for the year ended December 31, 2025 (2024: a reversal of unrealized income from Carried Interest of RMB550,501,000), which are based on the underlying fair value change of the respective funds managed by the Group. The associated expense of the proportion of unrealized Carried Interest is a reversal of carried interest to management team and other parties of RMB481,050,000 for the year ended December 31, 2025 (2024: a reversal of carried interest to management team and other parties of RMB389,892,000), that would be payable to fund management teams and other third parties. The unrealized income from Carried Interest is allocated to the general partners based on the cumulative fund performance to date, subject to the achievement of minimum return levels to limited partners on an as-if liquidation basis. At the end of each reporting period, the general partners calculate the income from Carried Interest that would be due to the general partners for each fund, pursuant to the fund agreements, as if the fair value of the underlying investments were realized as of such date, irrespective of whether such amounts have been realized.

As the fair value of underlying investments vary among reporting periods, it is necessary to make adjustments to amounts presented as income from Carried Interest to reflect either (a) positive performance in the period resulting in an increase in the Carried Interest allocated to the general partners or (b) negative performance in the period that would cause the amounts due to the general partners to be less than the amounts previously presented as revenue, resulting in a negative adjustment to the Carried Interest allocated to the general partners. The proportion of Carried Interest recognized that is allocated to fund management teams and other parties (and only payable as a proportion of any Carried Interest received) is included, on a basis consistent with such income from Carried Interest, as an expense in the investment management segment.

However, during the year ended December 31, 2025, except for RMB524,100,000 (2024: RMB104,727,000) of Carried Interest realized for certain funds, no income from Carried Interest for other funds was recognized as revenue and it will not be recognized as revenue until (a) it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur, or (b) the uncertainty associated with the variable consideration is subsequently resolved. All allocations of Carried Interest as an expense are recognized only when the amounts that will be eventually be paid out can be reliably measured, which is generally at the later stage of the applicable commitment period when the amounts are contractually payable, or "crystallized".

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities

Information of segment assets and liabilities that are available for reportable and operating segments are not provided to the CODM for their review. Therefore, no analysis of the Group's assets and liabilities by reportable and operating segments are presented.

Geographical information

The Company is domiciled in the Cayman Islands while the Group mainly operates its businesses in the mainland China and Hong Kong. The geographical information of the total revenues and non-current assets is as follows:

	Revenue from external customers Year ended December 31,		Non-current assets (note) At December 31,	
	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000
Mainland China	1,013,119	646,831	82,422	141,873
Hong Kong	48,312	118,027	15,990	6,940
USA	4,710	12,246	616	1,626
	1,066,141	777,104	99,028	150,439

Note: Non-current assets excluded the investment in a joint venture, deferred tax assets and financial instruments.

Timing of revenue recognition for revenue from contract of customers

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
A point of time	817,884	434,891
Over time	205,833	298,108
	1,023,717	732,999

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Transaction price allocated to remaining performance obligation for contract with customers

The Group receives management fees associated with the management services for the funds that it manages, at a fixed percentage of the commitment under management. The Group also receives management fees associated with the value-added wealth management services provided to high-net-worth individuals and other high net worth groups, at a fixed percentage of assets under each investment management account. The transaction price allocated to the performance obligations in relation to the management fees that were unsatisfied as at December 31, 2025 and 2024 will be recognized as revenue on a straight-line basis over the subscription period as follows:

	At December 31, 2025 RMB'000	2024 RMB'000
Within one year	21,573	10,180
More than one year but not more than two years	848	1,036
	22,421	11,216

The transaction price allocated to the remaining performance obligations in relation to transaction and advisory fees that were unsatisfied as at December 31, 2025 and 2024 and expected timing of recognizing revenue are as follows:

	At December 31, 2025 RMB'000	2024 RMB'000
Within one year	354	3,540

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Other segment information

Year ended December 31, 2025					
	Investment banking RMB'000	Investment management RMB'000	CR Securities RMB'000	Others RMB'000	Total RMB'000
Amounts included in the measure of segment profit or loss:					
Depreciation and amortization	16,320	5,717	30,446	2,358	54,841
Gains on disposal of property and equipment	1	—	—	—	1
Year ended December 31, 2024					
	Investment banking RMB'000	Investment management RMB'000	CR Securities RMB'000	Others RMB'000	Total RMB'000
Amounts included in the measure of segment profit or loss:					
Depreciation and amortization	28,167	11,203	35,531	4,216	79,117
Gains on disposal of property and equipment	4	—	—	—	4

Information about major customers

Customers that contribute over 10% of the total revenue of the Group are as follows:

		Year ended December 31,	
		2025	2024
		RMB'000	RMB'000
Customer A	Investment management	382,986	N/A
Customer B	Investment management	N/A	81,801

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

6. NET INVESTMENT GAINS

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Net realized and unrealized gains or losses from financial assets at FVTPL		
— Wealth management related products	7,179	2,550
— Asset management schemes	81,687	136,471
— Structured finance related products	2,635	20
— Financial bonds	6,629	(19,760)
— Listed equity security investments	(113)	(2,845)
— Convertible notes (note)	—	45,168
— Unlisted investment funds at fair value	6,463	33,634
Net realized losses from financial assets at FVTOCI		
— Financial bonds	(5,559)	—
Net realized and unrealized gains from digital assets		
— Digital assets	2,573	—
Gross gains from consolidated structured entities		
— Asset management schemes	5,279	101
Gross gains/(losses) from investments in associates measured at fair value		
— Investment in funds	23,820	(135,319)
Dividend income from		
— Wealth management related products	1,363	2,517
	131,956	62,537

Note:

The Group invested in convertible notes with terms of within one year, which may be extended by the investee pursuant to its terms. The Group had conversion right to convert notes into equity shares of investee before the maturity date. On February 13, 2023, the final repayment date was extended by the investee to April 11, 2024 pursuant to its terms. In 2024, the Group and other lenders of the syndicated convertible note facility entered into a standstill agreement with the investee for a period ended October 11, 2024, whereby the lenders agreed not to make any claim, enforcement action or proceeding against the investee, whilst the investee explored other refinancing opportunities. The Group had the right to terminate the standstill agreement early.

On September 25, 2024 and September 30, 2024, convertible notes with an aggregate principal amount and carrying amount of USD25 million and USD8.7 million, respectively, were disposed at an aggregate consideration of USD15 million. The aggregate gain on disposal of convertible notes of USD6.3 million (equivalent to approximately RMB45,168,000) is recorded in the net investment gains in the consolidated statement of profit or loss and other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

7. OTHER OPERATING EXPENSES

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Professional service fees	58,234	80,968
Project related and business development expenses	100,925	91,067
Short-term lease expense	66	712
Office expenses	18,849	21,094
Technology expenses	36,331	39,886
Depreciation and amortization	54,841	79,117
Auditor's remuneration	4,981	7,934
Others	30,590	33,257
	304,817	354,035

8. FINANCE COSTS

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Interest on lease liabilities	1,784	1,408
Interest on financial assets sold under repurchase agreements	6,274	12,493
Interest on structured notes	3,436	2,182
	11,494	16,083

9. NET REVERSAL OF IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Impairment loss reversed/(recognized) on:		
Accounts receivables	(53)	2,414
Other receivables	(805)	(1,173)
Loans to third parties (note 25)	57,568	—
Amounts due from related parties	(7,449)	21,872
Financial assets at FVTOCI	3	9
	49,264	23,122

Details of impairment assessment are set out in note 46.3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

10. OTHER INCOME, GAINS OR LOSSES

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Government grants (note a)	13,560	24,261
Net exchange gain/(loss)	4,499	(1,208)
Impairment loss on investment in a joint venture (note 22)	—	(58,819)
Loss on disposal of investment in an associate	—	(7,682)
Impairment loss of intangible asset (note 19)	—	(4,701)
Gains on disposal of property and equipment	1	4
Loss on disposal of intangible asset	(56)	—
Others (note b)	(16,268)	3,254
	1,736	(44,891)

Notes:

- (a) The government grants were mainly incentives provided by local government authorities, which primarily included tax incentive awards, industry support funds granted by local government authorities in Shanghai, the PRC, based on the Group's contribution to the development of the local financial sector.
- (b) Others mainly included:
- An aggregated amount of RMB15,410,000 investment gains attributable to other interest holders of consolidated structured entities holding incidental and ancillary investments of the Group for the year ended December 31, 2025 (investment losses attributable to other interest holders of consolidated structured entities holding incidental and ancillary investments of the Group for the year ended December 31, 2024: RMB1,261,000).
 - An aggregated amount of RMB1,976,000 charitable donations were made by the Group during the year ended December 31, 2025 (2024: RMB160,000).

11. INVESTMENT GAIN/(LOSS) ARISING FROM CERTAIN INCIDENTAL AND ANCILLARY INVESTMENTS

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Investment gain/(loss) from		
— Unlisted debt and equity security investments	8,174	(76,528)
— Listed equity security investments	17,111	—
	25,285	(76,528)

Investment gain/(loss) arising from certain incidental and ancillary investments represents certain investments made from time to time, the primary type of which include investments in the form of preferred shares of other companies, and other equity holdings in non-associate companies and derivatives.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

12. INCOME TAX EXPENSE

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Current tax:		
Mainland China	31,756	40,534
Hong Kong	3,406	—
	35,162	40,534
Deferred tax (note 20):		
Current year	34,437	7,552
Total income tax expense	69,599	48,086

Mainland China

The applicable tax rate of group entities incorporated in the mainland China is 25%. Certain group entities incorporated in Hainan Region are subject to a tax rate of 15%, according to the local preferential tax policy.

Hong Kong

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first Hong Kong dollars (“HK\$”) 2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

USA

The group entity incorporated in the USA is subject to the federal tax rate at 21% and state income tax rate at 6.5% for both years.

Singapore

The group entity incorporated in Singapore is subject to a tax rate of 17% on taxable income.

Cayman Islands and British Virgin Islands (“BVI”)

The Company and other group entities incorporated in Cayman Islands are not subject to income or capital gains tax under the law of Cayman Islands. In addition, dividend payments are not subject to withholding tax in the Cayman Islands.

The group entities established in BVI are not subject to income tax or capital gains tax under the law of BVI.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

12. INCOME TAX EXPENSE (CONTINUED)

The income tax expense for the year can be reconciled to the profit/(loss) before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Profit/(loss) before tax	161,900	(162,573)
Income tax expense calculated at 25%	40,475	(40,643)
Effect of expenses that are not deductible	70,103	53,897
Effect of share of results of associates	—	(122)
Effect of income that are not taxable	(93,824)	(35,521)
Effect of tax losses not recognized	57,024	36,607
Utilization of tax losses previously not recognized	(368)	(2,700)
Effect of different tax rates of subsidiaries	(3,811)	36,568
Income tax expense	69,599	48,086

13. PROFIT/(LOSS) FOR THE YEAR

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

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Directors' remuneration:		
— Fees	1,379	2,620
— Salaries and other benefits	10,345	13,779
— Performance related bonus	9,963	1,137
— Retirement benefit scheme contributions	376	410
— Equity-settled share-based payments expenses	18,498	3,183
Other staff costs:		
— Salaries, bonus and other allowances	352,078	398,982
— Retirement benefit scheme contributions	29,490	30,081
— Equity-settled share-based payments expenses	12,945	35,606
Total staff costs	435,074	485,798
Depreciation of property and equipment	31,508	51,025
Amortization of intangible assets	23,333	28,092
Gains on disposal of property and equipment	(1)	(4)
Loss on disposal of intangible assets	56	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

14. OTHER COMPREHENSIVE INCOME

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Other comprehensive income/(expense) includes:		
Item that will not be reclassified to profit or loss:		
Exchange differences on translation from functional currency to presentation currency	(31,013)	17,019
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	(39,843)	21,996
Debt instruments measured at FVTOCI		
Fair value gains/(losses) during the year	2,530	(941)
Reversal of impairment loss for debt instruments at FVTOCI included in profit or loss	(3)	(9)
Income tax (credit)/expense that may be reclassified subsequently to profit or loss	(632)	238
	1,895	(712)
Other comprehensive (expense)/income, net of income tax	(68,961)	38,303



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

14. OTHER COMPREHENSIVE INCOME (CONTINUED)

Income tax effect relating to other comprehensive income/(expense):

	Year ended December 31, 2025			Year ended December 31, 2024		
	Before-tax amount RMB'000	Tax (expense)/ credit RMB'000	Net-of- income tax amount RMB'000	Before-tax amount RMB'000	Tax credit RMB'000	Net-of- income tax amount RMB'000
<i>Item that will not be reclassified to profit or loss:</i>						
Exchange differences on translation from functional currency to presentation currency	(31,013)	—	(31,013)	17,019	—	17,019
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Exchange differences on translation of foreign operations	(39,843)	—	(39,843)	21,996	—	21,996
Fair value gain or loss on: — debt instruments measured at FVTOCI	2,530	(633)	1,897	(941)	236	(705)
Reversal of impairment loss for debt instruments at FVTOCI included in profit or loss	(3)	1	(2)	(9)	2	(7)
	(68,329)	(632)	(68,961)	38,065	238	38,303

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

15. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

Details of remunerations paid to directors and the chief executive officer of the Company are as follows:

For the year ended December 31, 2025:

	Fees RMB'000	Salaries and other allowances RMB'000	Performance related bonuses RMB'000	Retirement benefit scheme contributions RMB'000	Equity-settled share-based payments expenses RMB'000	Total RMB'000
Executive directors						
Hui Yin Ching (note vi)	—	3,856	6,976	189	13,825	24,846
Wang Lixing	—	3,237	1,509	103	2,304	7,153
Du Yongbo (note iv)	—	3,252	1,478	84	2,369	7,183
	—	10,345	9,963	376	18,498	39,182
Non-executive director						
Lin Ning David	—	—	—	—	—	—
	—	—	—	—	—	—
Independent non-executive directors						
Chan Ka Lai Vanessa (note x)	94	—	—	—	—	94
Zhao Yue	459	—	—	—	—	459
Alex Liang (note viii)	459	—	—	—	—	459
FU Frank Kan (note x)	141	—	—	—	—	141
Yao Jue (note ix)	226	—	—	—	—	226
	1,379	—	—	—	—	1,379
	1,379	10,345	9,963	376	18,498	40,561

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

15. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (CONTINUED)

Details of remunerations paid to directors and the chief executive officer of the Company are as follows: (Continued)

For the year ended December 31, 2024:

	Fees RMB'000	Salaries and other allowances RMB'000	Performance related bonuses RMB'000	Retirement benefit scheme contributions RMB'000	Equity-settled share-based payments expenses RMB'000	Total RMB'000
Executive directors						
Wang Lixing	—	3,274	—	—	456	3,730
Du Yongbo (note iv)	—	3,399	812	115	73	4,399
Hui Yin Ching (note vi)	—	876	—	44	—	920
Bao Fan (note i)	—	287	—	14	508	809
Xie Yi Jing (note ii)	—	2,769	325	114	569	3,777
Lam Ka Cheong Jason (note iii)	—	2,599	—	123	1,577	4,299
	—	13,204	1,137	410	3,183	17,934
Non-executive directors						
Lin Ning David	—	—	—	—	—	—
Sun Chin Hung (note v)	—	575	—	—	—	575
Hui Yin Ching (note vi)	—	—	—	—	—	—
	—	575	—	—	—	575
Independent non-executive directors						
Yao Jue (note ix)	456	—	—	—	—	456
Ye Junying (note vii)	1,602	—	—	—	—	1,602
Zhao Yue	456	—	—	—	—	456
Alex Liang (note viii)	106	—	—	—	—	106
	2,620	—	—	—	—	2,620
	2,620	13,779	1,137	410	3,183	21,129

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

15. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (CONTINUED)

Notes:

- (i) Appointed as chairman of the board of directors on July 13, 2011, Mr. Bao Fan was also the chief executive officer of the Company and his remunerations disclosed above include those for services rendered by him as the chief executive officer. The Company announced on February 2, 2024 that, with effect from that day, Mr. Bao Fan resigned as an executive director, the chairman of the board of directors and the chief executive officer of the Company (see announcement dated February 2, 2024 for details).
- (ii) Resigned as executive director on November 29, 2024.
- (iii) Appointed as executive director on February 2, 2024 and resigned as executive director on October 8, 2024.
- (iv) Appointed as executive director on February 2, 2024.
- (v) Appointed as non-executive director on February 2, 2024 and resigned as non-executive director on September 6, 2024.
- (vi) Appointed as non-executive director on September 6, 2024 and redesignated as executive director on October 9, 2024.
- (vii) Retired as independent non-executive director on October 9, 2024.
- (viii) Appointed as independent non-executive director on October 9, 2024.
- (ix) Retired as independent non-executive director on June 26, 2025.
- (x) Appointed as independent non-executive director on June 26, 2025.

The executive directors' and non-executive director's remunerations disclosed above were for their services in connection with the management and other affairs of the Company and the Group.

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

During the year, certain directors were granted restricted shares, in respect of their services to the Group under the restricted share scheme of the Company. Details of the restricted share scheme are set out in note 40.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

15. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (CONTINUED)

The five highest paid individuals of the Group during the year included three (2024: one) director, details of whose remuneration are set out as above. Details of the remuneration for the year of the remaining two (2024: four) highest paid employees who are neither director nor chief executive of the Company are as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Salaries and other benefits	5,923	13,498
Performance related bonus	660	5,320
Equity-settled share-based payments expenses	1,365	1,811
Retirement benefit scheme contributions	235	543
	8,183	21,172

The number of the highest paid employees who are not directors nor chief executive of the Company whose remunerations fell within the following bands is as follows:

	Number of employees	
	2025	2024
HK\$4,000,001 to HK\$4,500,000	1	—
HK\$4,500,001 to HK\$5,000,000	—	1
HK\$5,000,001 to HK\$5,500,000	1	—
HK\$6,000,001 to HK\$6,500,000	—	3
	2	4

During the year, certain non-director and non-chief executive highest paid employees were granted restricted shares, in respect of their services to the Group under the restricted share scheme of the Company. Details of the restricted share scheme are set out in note 40.

No remuneration was paid by the Group to the directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any remuneration during the year ended December 31, 2025.

Ye Junying, the independent non-executive director who was entitled to a cash compensation of HK\$500,000 per annum, has waived any such cash compensation since April 1, 2021 to December 31, 2023. During the year ended December 31, 2024, Ye Junying has withdrawn such waiver and the Company had paid total remuneration of HK\$1,762,000 to Ye Junying.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

16. EARNINGS/(LOSS) PER SHARE

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

	Year ended December 31,	
	2025	2024
Earnings/(loss) for the purpose of calculating basic and diluted earnings/(loss) per share:		
Profit/(loss) for the year attributable to owners of the Company (RMB'000)	101,372	(179,017)
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share	523,763,736	511,715,351
Effect of dilutive potential ordinary shares arising from incremental shares of dilutive options	1,221,760	—
Effect of dilutive potential ordinary shares arising from incremental shares of RSU of the Group	8,793,394	—
Weighted average number of ordinary shares for the purpose of calculating diluted earnings/(loss) per share	533,778,890	511,715,351
Basic earnings/(loss) per share (RMB)	0.19	(0.35)
Diluted earnings/(loss) per share (RMB)	0.19	(0.35)

The computation of diluted loss per share for the year ended December 31, 2024 has not considered the effect of share options and restricted share units given that the effects are anti-dilutive.

17. DIVIDENDS

No dividend has been paid or declared by the Company during the years ended December 31, 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

18. PROPERTY AND EQUIPMENT

	Furniture and fixtures RMB'000	Electronic equipment RMB'000	Leasehold improvements RMB'000	Leased properties RMB'000	Motor vehicles RMB'000	Total RMB'000
COST						
At January 1, 2024	5,292	57,732	83,816	303,311	1,087	451,238
Additions	223	833	14,996	32,978	—	49,030
Disposal	(415)	(5,543)	(19,324)	(157,109)	—	(182,391)
Exchange adjustments	60	207	247	1,910	—	2,424
At December 31, 2024	5,160	53,229	79,735	181,090	1,087	320,301
Additions	17	786	2,048	18,160	—	21,011
Disposal	(28)	(104)	(5,669)	(419)	—	(6,220)
Exchange adjustments	(79)	(228)	(196)	(2,343)	—	(2,846)
At December 31, 2025	5,070	53,683	75,918	196,488	1,087	332,246
DEPRECIATION						
At January 1, 2024	(4,427)	(51,113)	(77,106)	(248,295)	(804)	(381,745)
Provided for the year	(31)	(3,555)	(3,454)	(43,746)	(239)	(51,025)
Eliminated on disposal	385	5,404	12,540	153,453	—	171,782
Exchange adjustments	(59)	(195)	(146)	(1,815)	—	(2,215)
At December 31, 2024	(4,132)	(49,459)	(68,166)	(140,403)	(1,043)	(263,203)
Provided for the year	(63)	(1,451)	(4,502)	(25,492)	—	(31,508)
Eliminated on disposal	27	97	1,315	312	—	1,751
Exchange adjustments	77	216	88	2,167	—	2,548
At December 31, 2025	(4,091)	(50,597)	(71,265)	(163,416)	(1,043)	(290,412)
NET BOOK VALUES						
At December 31, 2025	979	3,086	4,653	33,072	44	41,834
At December 31, 2024	1,028	3,770	11,569	40,687	44	57,098

The Group as lessee

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Expense relating to short-term leases with lease terms	66	712
Total cash outflow for leases	27,151	46,588

For both years, the Group leases various offices for its operations. Lease contracts are entered into for fixed term of 2 to 5 years (2024: 2 to 5 years).

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

19. INTANGIBLE ASSETS

	Domain name RMB'000	Office software RMB'000	Licenses RMB'000	Construction in progress RMB'000	Total RMB'000
COST					
At January 1, 2024	432	183,393	9,020	4,986	197,831
Additions	—	—	—	6,103	6,103
Disposals	—	—	(456)	(2,147)	(2,603)
Transfers from construction in progress	—	5,361	—	(5,361)	—
Exchange adjustments	—	18	3	—	21
At December 31, 2024	432	188,772	8,567	3,581	201,352
Additions	—	623	—	6,423	7,046
Disposals	—	(882)	—	—	(882)
Transfers from construction in progress	—	4,888	—	(4,888)	—
Exchange adjustments	—	(29)	—	—	(29)
At December 31, 2025	432	193,372	8,567	5,116	207,487
ACCUMULATED AMORTIZATION AND IMPAIRMENT					
At January 1, 2024	(432)	(94,564)	—	—	(94,996)
Provided for the year	—	(28,092)	—	—	(28,092)
Impairment	—	(4,701)	—	—	(4,701)
Exchange adjustments	—	(5)	—	—	(5)
At December 31, 2024	(432)	(127,362)	—	—	(127,794)
Provided for the year	—	(23,333)	—	—	(23,333)
Disposals	—	826	—	—	826
Exchange adjustments	—	8	—	—	8
At December 31, 2025	(432)	(149,861)	—	—	(150,293)
NET BOOK VALUES					
At December 31, 2025	—	43,511	8,567	5,116	57,194
At December 31, 2024	—	61,410	8,567	3,581	73,558

Licenses are the trading rights of the group entities. The Group assessed them with indefinite useful life as there is no foreseeable limit to the period over which the asset is expected to generate net cash flows to the Group. As a result, the licenses are considered by the management of the Group as having an indefinite useful life because it is expected to contribute to net cash inflows indefinitely. The license will not be amortized until its useful life is determined to be finite. Instead, it will be tested for impairment annually and whenever there is an indication that it may be impaired. During the years ended December 31, 2025 and 2024, there was no impairment of licenses recognized. Reasonably possible changes in key assumptions would not lead to impairment of licenses as of December 31, 2025 and 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

20. DEFERRED TAX ASSETS/LIABILITIES

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	At December 31, 2025 RMB'000	2024 RMB'000
Deferred tax assets	57,670	92,105
Deferred tax liabilities	(38,095)	(37,461)
	19,575	54,644

The following are the major deferred tax assets and liabilities recognized and movements thereon during the current and prior years:

	Impairment losses on assets RMB'000	Changes in fair value of financial instruments RMB'000	Tax loss RMB'000	Accrued bonus RMB'000	Temporary differences relating to right-of- use assets and lease liabilities RMB'000	Subtotal RMB'000	Changes in fair value of financial instruments RMB'000	Total RMB'000
At January 1, 2024	35,459	6,924	40,187	38,793	1,050	122,413	(60,455)	61,958
(Charge)/credit to profit or loss	(20,699)	319	10,779	(20,374)	(333)	(30,308)	22,756	(7,552)
Credit to other comprehensive income	—	—	—	—	—	—	238	238
At December 31, 2024	14,760	7,243	50,966	18,419	717	92,105	(37,461)	54,644
(Charge)/credit to profit or loss	27	56	(28,906)	(5,732)	120	(34,435)	(2)	(34,437)
Charge to other comprehensive income	—	—	—	—	—	—	(632)	(632)
At December 31, 2025	14,787	7,299	22,060	12,687	837	57,670	(38,095)	19,575

No deferred tax liability on withholding tax in connection with dividend was recognized since no distribution from operations in the PRC is expected by the management of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

20. DEFERRED TAX ASSETS/LIABILITIES (CONTINUED)

As at December 31, 2025, the Group had unused tax losses amounting to RMB1,371,502,000 (2024: RMB1,893,030,000), available for offset against future profits. As at December 31, 2025, deferred tax assets have been recognized in respect of tax losses of RMB88,240,000 (2024: RMB203,864,000). As at December 31, 2025, no deferred tax asset has been recognized for the remaining tax losses of RMB1,283,262,000 (2024: RMB1,689,166,000), due to the unpredictability of future profit streams. Unrecognized tax losses of RMB675,758,000 (2024: RMB1,032,793,000) will expire from 2026 to 2030, respectively, and the remaining tax losses will be carried forward indefinitely.

21. INVESTMENTS IN ASSOCIATES

	At December 31, 2025 RMB'000	2024 RMB'000
Investments in funds	1,036,847	1,057,810

Investments in funds

The Group invested in associates that are investment funds it manages, and the Group elected to measure investments in these associates at fair value. Details of such investment funds are summarized as follows:

	At December 31, 2025 RMB'000	2024 RMB'000
Cost of investments in funds	777,906	809,162
Fair value change in funds (note)	199,682	177,917
Exchange adjustments	59,259	70,731
	1,036,847	1,057,810

Note: The changes in fair value of funds of each period were recorded in net investment gains in the consolidated statement of profit or loss and other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

21. INVESTMENTS IN ASSOCIATES (CONTINUED)

Investments in funds (Continued)

		Ownership interest held At December 31,	
	Place of incorporation	2025	2024
<i>Material Funds</i>			
寧波梅山保稅港區華興領運股權投資合夥企業 (有限合夥) (“ Ningbo Meishan Bonded Port Area Huaxing Lingyun Equity Investment Partnership (Limited Partnership) ”) (“NBHXLJ”)	Ningbo, PRC	1.73%	1.73%
無錫江陰錫興領傑股權投資合夥企業(有限合夥) (“ Wuxi Jiangyin Huaxing Lingjie Equity Investment Partnership (Limited Partnership) ”) (“WXHXLJ”)	Wuxi, PRC	8.58%	4.38%
Huaxing Capital Partners, II L.P.	Cayman Islands	3.17%	3.17%
Huaxing Capital Partners, III L.P.	Cayman Islands	3.45%	3.45%
Huaxing Growth Capital IV, L.P.	Cayman Islands	4.80%	4.20%
北京瑞智醫療股權投資合夥企業(有限合夥) (“ Beijing Ruizhi Medical Equity Investment Partnership (Limited Partnership) ”) (“BJRZ Medical”)	Beijing, PRC	8.12%	8.12%

The Group is able to exercise significant influence over the above funds’ operating and financial policies because it manages the funds’ day to day investment and disposition activities on behalf of the funds under the constitutional document of the above funds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

21. INVESTMENTS IN ASSOCIATES (CONTINUED)

Investments in funds (Continued)

Summarized financial information of material fund investments

	At December 31,	
	2025	2024
	RMB'000	RMB'000
<i>Material Funds</i>		
NBHXLY		
Net asset value	4,832,305	5,433,748
Total comprehensive expense for the year	(404,593)	(108,268)
WXHXLJ		
Net asset value	1,078,367	1,040,204
Total comprehensive income/(expense) for the year	38,163	(59,368)
Huaxing Capital Partners, II L.P.		
Net asset value	319,831	425,190
Total comprehensive expense for the year	(66,038)	(225,984)
Huaxing Capital Partners, III L.P.		
Net asset value	3,444,389	4,317,565
Total comprehensive expense for the year	(485,080)	(183,901)
Huaxing Growth Capital IV, L.P.		
Net asset value	1,809,095	2,295,796
Total comprehensive expense for the year	(117,735)	(218,281)
BJRZ Medical		
Net asset value	2,460,289	2,219,580
Total comprehensive income/(expense) for the year	269,333	(935,162)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

21. INVESTMENTS IN ASSOCIATES (CONTINUED)

Investments in funds (Continued)

Aggregate information of fund investments that are not individually material

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
The Group's share of fair value change in funds for the year	19,851	(39,676)
Aggregated carrying amount of the Group's investments in funds	445,142	479,157

22. INVESTMENT IN A JOINT VENTURE

Details of the Group's investment in a joint venture are as follows:

	At December 31	
	2025	2024
	RMB'000	RMB'000
Cost of unlisted investments in a joint venture	100,000	100,000
Less: Impairment losses	(58,819)	(58,819)
Exchange adjustment	(408)	622
	40,773	41,803

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

Name of entity	Place of registration	Principal place of business	Proportion of ownership interest held by the Group		Principal activity
			At December 31, 2025	2024	
無錫群興股權投資管理有限公司 ("Wuxi Qunxing") (note i)	Wuxi, PRC	PRC	40.82%	40.82%	Investment Holding

Note:

- (i) The Group and another shareholder held 40.82% and 59.18% equity interests in Wuxi Qunxing, respectively. Unanimous consent from both shareholders is required to approve for decision on directing the relevant activities of Wuxi Qunxing, and hence the Group's interest in Wuxi Qunxing is accounted for as a joint venture.

The principal activity of Wuxi Qunxing is the investment holding of 3.49% in CR Securities. The carrying amount of the investment in Wuxi Qunxing is tested for impairment in accordance with IAS 36 by comparing its recoverable amount with its carrying amount. The investment in Wuxi Qunxing was impaired by RMB58,819,000 as at December 31, 2025 (2024: RMB58,819,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets mandatorily measured at FVTPL:

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Current		
Unlisted cash management products (note a)	734,257	290,130
Money market funds (note b)	178,142	264,412
Listed financial bonds (note c)	1,941,267	2,453,954
Trust products (note d)	250,612	—
	3,104,278	3,008,496
Non-current		
Unlisted investment funds at fair value (note f)	518,850	604,134
Unlisted debt security investments (note g)	848,296	1,272,048
Unlisted equity security investments (note h)	37,387	56,155
Listed equity security investments (note i)	196,565	—
Call option for obtaining non-controlling interests (note j)	283,835	282,032
Distressed assets portfolio (note e)	377,497	—
	2,262,430	2,214,369

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Notes:

- (a) The Group purchased cash management products with expected rates of return per annum ranging from 1.30% to 3.80% as at December 31, 2025 (2024: 1.10% to 5.43%). The fair values are based on cash flow discounted using the expected rate of return based on management judgment.
- (b) The Group invested in money market funds through its consolidated asset management schemes. As these money market funds held by the Group were managed within a business model whose objective is to sell these investments and the contractual terms do not give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding, they were subsequently measured at FVTPL.
- (c) The Group invested in financial bonds with fixed interest rates ranging from 0.10% to 4.90% as at December 31, 2025 (2024: 2.16% to 5.08%) and can be traded in the public bonds market at any time and settled at the prevailing market prices. As these financial bonds held by the Group were managed within a business model whose objective is to sell the debt instruments, they were subsequently measured at FVTPL.
- (d) The Group invested in trust products with expected return rate ranging from 5.2% to 5.25% per annum as at December 31, 2025 (December 31, 2024: nil). As trust products held by the Group were managed within a business model whose objective is to sell the investment and the contractual terms do not give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding, they were subsequently measured at FVTPL.
- (e) On December 31, 2025, the Group invested in portfolios of distressed assets, comprising non-performing personal consumption debts due from individual debtors and all corresponding rights, claims and interests held by the relevant vendors as creditors in relation to such debts. These investments represent investments in the distressed assets portfolios, and subsequent fair value change of the investments are recorded in the net investment gains in the consolidated statement of profit or loss and other comprehensive income.
- (f) The fair values of the unlisted investment funds are based on the net asset values of the investment funds reported to the limited partners by the general partners at the end of the reporting period. The fair value changes are recorded in the net investment gains in the consolidated statement of profit or loss and other comprehensive income.
- (g) These investments represent investments in the preferred shares of unlisted companies, and subsequent fair value change of the investments are recorded in the investment gain arising from certain incidental and ancillary investments in the consolidated statement of profit or loss and other comprehensive income.
- (h) These investments represent equity investments in the unlisted companies, and subsequent fair value change of the investments are recorded in the investment gain arising from certain incidental and ancillary investments in the consolidated statement of profit or loss and other comprehensive income.
- (i) These investments represent equity investments in listed companies, and subsequent fair value change of the investments are recorded in the investment gain arising from certain incidental and ancillary investments in the consolidated statement of profit or loss and other comprehensive income.
- (j) The Group holds a call option to obtain any non-controlling interests from the non-controlling shareholders of a subsidiary of the Group, 華興證券有限公司 (“**China Renaissance Securities (China) Co., Ltd.**”) (“**CR Securities**”), at the book value of the non-controlling interests exercisable at any time after its establishment. The fair value of call option as at December 31, 2025 amounted to RMB283,835,000 (2024: RMB282,032,000). The call option is not traded in an active market and the respective fair value is determined by using valuation technique. The fair value has been determined in accordance with Black Scholes model based on fair value of underlying net assets of CR Securities and the estimate of the exercise time of the call option.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

24. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	At December 31, 2025 RMB'000	2024 RMB'000
Listed financial bonds	—	48,688

The total cost of the financial bonds as of December 31, 2025 was RMB nil (2024: RMB50,000,000) and the fair value as of December 31, 2025 was RMB nil (2024: RMB48,688,000), and with changes in fair value recorded in other comprehensive income/(expense) in the consolidated statement of profit or loss and other comprehensive income. The expected credit losses of financial bonds amounting to RMB nil as of December 31, 2025 (2024: RMB3,000) was recognized in other reserves.

25. LOANS TO THIRD PARTIES

	At December 31, 2025 RMB'000	2024 RMB'000
Wallaby Medical Holding, Inc. ("Wallaby") (note a)	—	212,978
Less: Impairment loss allowance	—	(144,144)
	—	68,834

Note:

- (a) In March 2022, the Group entered into agreement with Wallaby, a third party. A loan amounting to US\$24,935,000 (equivalent to approximately RMB173,662,000) as at December 31, 2022 was made to Wallaby. The loan shall be repaid on the second anniversary of the loan origination, which could be extended for 12 months by Wallaby pursuant to its terms. The interest rates from first year to third year were 8%, 8.5% and 9.5% per annum, respectively, plus 7% compound interest per annum. In February 2024, the maturity date of the loan was extended by Wallaby for 12 months to April 2025 pursuant to its terms. The loan was settled during the year ended December 31, 2025.

Details of impairment assessment of loans to third parties for the year ended December 31, 2025 are set out in note 46.3.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

26. DIGITAL ASSETS

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Digital assets (note a)	100,109	—
Investment in digital assets portfolios (note b)	50,366	—
	150,475	—

Notes:

- (a) The digital assets totaling approximately RMB100,109,000 (December 31, 2024: RMB nil) held on the third parties' digital assets trading platforms are measured on fair value basis. The majority of the Group's digital assets include stablecoins, which are asset-backed with fair value of approximately US\$1 per unit, and cryptocurrencies exchangeable for certain stablecoins on 1:1 basis.
- (b) As at December 31, 2025, the Group's investment in digital asset portfolios amounted to approximately RMB50,366,000 (December 31, 2024: RMB nil). The investments are held on third-party digital asset trading platforms and managed by independent investment managers, who has full discretion to execute trades and determine investment strategies in response to market conditions.

Change in fair value and trading gains or losses in digital assets of approximately RMB2,573,000 (2024: RMB nil) is recorded in net investment gains in the consolidated statement of profit or loss and other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

27. ACCOUNTS AND OTHER RECEIVABLES

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Accounts receivables		
— Accounts receivable (note a)	67,191	55,424
— Open trade receivable (note b)	176,691	380,416
Advance to suppliers	13,470	11,517
Other receivables		
— Refundable deposits (note c)	157,214	187,765
— Restricted Amounts (note 48)	77,108	78,768
— Staff loans	18,169	27,348
— Value-added tax recoverable	8,366	4,505
Others	22,576	15,388
	540,785	761,131
Less: Impairment loss allowance	(2,191)	(1,325)
	538,594	759,806

Notes:

- (a) The Group allows an average credit period of 180 days for its customers. The following is an aging analysis of accounts receivables based on invoice dates (net of impairment loss allowance) at the end of the reporting periods:

	At December 31,	
	2025	2024
	RMB'000	RMB'000
0–30 days	52,668	47,214
31–60 days	3,350	366
61–90 days	53	876
91–180 days	158	2,033
181–360 days	6,377	4,676
Over 1 year	4,521	249
	67,127	55,414

Details of impairment assessment of accounts and other receivables for the years ended December 31, 2025 and 2024 are set out in note 46.3.

- (b) Open trade receivable arose from the Group's brokerage business in respect of securities trading. As the Group currently does not have an enforceable right to offset these receivables with corresponding payables to counterparties, the two balances are presented separately.
- (c) Refundable deposits mainly represent deposits in stock exchanges.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

28. FINANCIAL ASSETS PURCHASED UNDER RESALE AGREEMENTS

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Analyzed by collateral type:		
— Debt securities	—	19,000
Analyzed by market:		
— Stock exchanges	—	19,000

As at December 31, 2025, the fair value of the collateral was RMB nil (2024: RMB19,000,000).

29. CASH AND CASH EQUIVALENTS AND CASH HELD ON BEHALF OF BROKERAGE CLIENTS

Cash and cash equivalents comprise cash and bank balances held by the Group with original maturity within three months and accrued interest at prevailing market interest rates ranging from 0.01% to 3.98% (2024: 0.01% to 4.75%) per annum as at December 31, 2025.

The Group maintains segregated deposit account to hold cash on behalf of brokerage clients arising from its brokerage business, amounting to RMB771,639,000 as at December 31, 2025 (2024: RMB1,563,370,000). The Group has recognized the corresponding amount in payable to brokerage clients as set out in note 33.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

30. ACCOUNTS AND OTHER PAYABLES

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Salaries, bonus and other benefit payables	70,428	38,183
Open trade payable (note a)	277,669	499,537
Other payables (note b)	367,798	59,230
Consultancy fee payables	44,858	44,590
Carried interests to management team and other parties	98,813	113,801
Other tax payables	10,948	6,014
Accrued expenses	7,858	11,837
	878,372	773,192

Notes:

- (a) No aging analysis is disclosed. In the opinion of the directors of the Company, the aging analysis does not give additional value to the readers of these consolidated financial statements in view of the nature of the business.
- (b) Other payables mainly included the consideration payables of an aggregated amount of RMB308,319,000 for the acquisition of distressed assets portfolio for the year ended December 31, 2025 (2024: RMB nil).

31. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Analyzed by collateral type:		
— Debt securities	180,000	592,521
Add: Interest payable	21	1,574
	180,021	594,095
Analyzed by market:		
— Stock exchanges	180,021	594,095

Sales and repurchase agreements are transactions in which the Group sells a security and simultaneously agrees to repurchase it (or an asset that is substantially the same) at the agreed date and price. The repurchase prices are fixed and the Group is still exposed to substantially all the credit risks, market risks and rewards of those securities transferred. These securities are not derecognized from the consolidated financial statements but regarded as “collateral” for the liabilities because the Group retains substantially all the risks and rewards of these securities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

31. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS (CONTINUED)

The proceeds from selling such securities are presented as financial assets sold under repurchase agreements. Since the Group transfers contractual rights to receive the cash flows of the securities, it does not have the ability to sell or repledge these transferred securities during the term of these arrangements. Financial assets sold under repurchase agreements bear effective interest from 1.10% to 3.38% (2024: 1.67% to 2.03%) per annum.

The following tables provide a summary of carrying amounts and fair values related to the transferred financial assets that are not derecognized in their entirety and the associated liabilities:

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Carrying amount of transferred assets		
— Financial assets at FVTPL	537,607	1,146,324
— Financial assets at FVTOCI	—	48,688
Carrying amount of associated liabilities	(180,021)	(594,095)
Net position	357,586	600,917

32. SHORT-TERM DEBT INSTRUMENT ISSUED

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Structured notes	212,539	—

As at December 31, 2025, the interest rates of structured notes range from 2.40% to 2.90% per annum (2024: nil).

33. PAYABLE TO BROKERAGE CLIENTS

The majority of the payable balance is repayable on demand except where certain balances represent margin deposits and cash collateral received from clients for their trading activities under normal course of business. Only the excess amounts over the required margin deposits and cash collateral stipulated are repayable on demand.

Payable to brokerage clients mainly include cash held on behalf of clients at the banks and at the clearing houses by the Group, and are interest-bearing at the prevailing market interest rate.

As at December 31, 2025, the cash received from clients for securities lending and margin financing arrangement as collaterals, included in the Group's accounts payable to brokerage clients amounted to were approximately RMB771,639,000 (2024: RMB1,563,370,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

34. PAYABLES TO INTEREST HOLDERS OF CONSOLIDATED STRUCTURED ENTITIES

Payables to interest holders of consolidated structured entities consist of third-party holders' interests in these consolidated structured entities which are recognized as a liability since the Group has the obligation to pay other investors or limited partners upon the maturity dates of the structured entities based on the net asset value and related terms of those consolidated structured entities.

35. CONTRACT LIABILITIES

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Prepaid management fees	354	1,193
Advance from related parties (note 43)	—	2,347
Advance from customers	22,421	11,216
	22,775	14,756
Less: Non-current portion	(848)	(1,036)
	21,927	13,720

The following table shows how much of the revenue recognized in the current year relates to carried-forward contract liabilities.

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Revenue recognized that was included in the contract liabilities balance at the beginning of the year	14,333	15,470

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

36. LEASE LIABILITIES

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Lease liabilities payable:		
Within one year	20,774	20,673
Within a period of more than one year but not more than two years	11,808	15,388
Within a period of more than two years but not more than five years	—	6,380
	32,582	42,441
Less: Amount due for settlement with 12 months shown under current liabilities	(20,774)	(20,673)
Amount due for settlement after 12 months shown under non-current liabilities	11,808	21,768

The weighted average incremental borrowing rates applied to lease liabilities is 3.03% (2024: 2.50%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

37. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Lease liabilities RMB'000	Structured notes RMB'000	Payables to interest holders of consolidated structured entities RMB'000	Total RMB'000
At January 1, 2025	42,441	—	410,955	453,396
Financing cash flows	(27,085)	209,103	(95,440)	86,578
Non-cash changes:				
Accrued interest expense	1,784	3,436	—	5,220
New leases entered	15,587	—	—	15,587
Investment losses attributable to interest holders of consolidated structured entities	—	—	(5,774)	(5,774)
Other loss arising from incidental and ancillary investments	—	—	15,410	15,410
Effect of exchange rate change	(145)	—	1,115	970
At December 31, 2025	32,582	212,539	326,266	571,387

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

37. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONTINUED)

	Lease liabilities RMB'000	Structured notes RMB'000	Payables to interest holders of consolidated structured entities RMB'000	Total RMB'000
At January 1, 2024	53,024	93,806	169,933	316,763
Financing cash flows	(45,876)	(95,988)	273,363	131,499
Non-cash changes:				
Accrued interest expense	1,408	2,182	—	3,590
New leases entered	30,651	—	—	30,651
Investment losses attributable to interest holders of consolidated structured entities	—	—	(27,581)	(27,581)
Other loss arising from incidental and ancillary investments	—	—	(1,261)	(1,261)
Effect of exchange rate change	3,234	—	(3,499)	(265)
At December 31, 2024	42,441	—	410,955	453,396

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

38. SHARE CAPITAL

	Number of shares	Nominal value per share US\$	Share capital US\$	Amount shown in the financial statement RMB
Authorized				
At January 1, 2024, December 31, 2024 and December 31, 2025	2,000,000,000	0.000025	50,000	
Issued				
At January 1, 2024	568,397,776		14,210	93,194
Share options exercised	3,800,000	0.000025	95	640
At December 31, 2024 and January 1, 2025	572,197,776		14,305	93,834
Share options exercised	1,150,000	0.000025	29	205
At December 31, 2025	573,347,776		14,334	94,039
At December 31,				
			2025	2024
			RMB'000	RMB'000
Presented as			94	94

39. NON-CONTROLLING INTERESTS

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Balance at beginning of the year	1,005,177	1,037,534
Total comprehensive expense for the year	(9,032)	(31,357)
Dividend distribution	(2,123)	(1,000)
Balance at end of the year	994,022	1,005,177

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS

(a) Details of the employee share option scheme of the Company

The employee share option scheme of the Company (the “**Scheme**”) was adopted pursuant to a resolution passed on August 24, 2012 for the primary purpose of providing incentives to eligible employees. The maximum number of shares that may be issued under the Scheme shall be 18,750,000 ordinary shares. Subsequently in 2015, the maximum number was approved to be expanded to 22,826,087 ordinary shares. After the share subdivision on August 10, 2018, the maximum number was adjusted to 91,304,348 ordinary shares.

Details of specific categories of options are as follows:

Date of grant	Number of shares	Exercise price
2012.11.05	275,000	US\$1.0
2013.01.01	300,000	US\$1.0
2013.03.29	150,000	US\$1.0
2013.05.13	750,000	US\$1.0
2014.01.01	1,375,000	US\$1.0
	2,850,000	US\$1.0 (note)
2015.01.01	7,475,000	US\$1.0
2015.10.01	50,000	US\$1.0
2016.01.01	125,000	US\$1.0
2016.01.01	1,450,000	US\$2.5
2016.07.01	2,550,000	US\$2.5
2017.01.01	800,000	US\$2.5
2017.04.01	7,780,000	US\$2.5
2017.10.01	200,000	US\$2.5
2018.04.01	3,195,000	US\$3.0

All of these number of shares are before the share subdivision.

Note: As at January 1, 2015, the Company modified the exercise price of 2,850,000 share options that had been issued up to December 31, 2014 from US\$1.50 per share to US\$1.00 per share. The incremental fair value of US\$448,000 (equivalent to approximately RMB2,797,000) was recognized immediately for the vested share options in the consolidated statement of profit or loss and other comprehensive income, and the incremental fair value of US\$293,000 (equivalent to approximately RMB1,829,000) would be recognized over the remaining vesting period for the unvested share options.

The share options shall be subject to a five-year vesting schedule and shall vest twenty percent on each anniversary from the vesting commencement date and on the same day in subsequent year, subject to the participant continuing to be an employee through each vesting date. The contractual life of the share options is 10 years. The Company’s share option contract was adjusted to 15 years on March 30, 2022.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS (CONTINUED)

(a) Details of the employee share option scheme of the Company (Continued)

The following tables disclose details of the share options held by existing employees and directors of the Group and movements in such holdings:

Date of grant	Exercise price per share before share subdivision US\$	Exercise price per share after share subdivision US\$	Number of share options					Outstanding at December 31, 2025
			Outstanding at January 1, 2025	Granted during 2025	Exercised during 2025	Forfeited during 2025	Cancelled during 2025	
Employees:								
2012.11.05	1	0.25	440,000	—	—	—	—	440,000
2014.01.01	1	0.25	526,000	—	(450,000)	—	—	76,000
Executive director:								
Wang Lixing	1	0.25	350,000	—	—	—	—	350,000
			350,000	—	—	—	—	350,000
Employees:	1	0.25	932,000	—	(500,000)	—	—	432,000
2015.01.01	1	0.25	1,282,000	—	(500,000)	—	—	782,000
2015.10.01	1	0.25	62,500	—	—	—	—	62,500
2016.01.01	1	0.25	200,000	—	(200,000)	—	—	—
Executive director:								
Wang Lixing	2.5	0.625	771,092	—	—	—	—	771,092
			771,092	—	—	—	—	771,092
Employees:	2.5	0.625	478,000	—	—	—	—	478,000
2016.01.01	2.5	0.625	1,249,092	—	—	—	—	1,249,092
2016.07.01	2.5	0.625	470,000	—	—	—	(130,000)	340,000
Executive directors:								
Wang Lixing	2.5	0.625	700,000	—	—	—	—	700,000
			700,000	—	—	—	—	700,000
Employees:	2.5	0.625	2,551,000	—	—	—	(350,000)	2,201,000
2017.04.01	2.5	0.625	3,251,000	—	—	—	(350,000)	2,901,000
Employees:								
2017.10.01	2.5	0.625	320,000	—	—	—	—	320,000
Executive directors:								
Du Yongbo	3	0.75	380,000	—	—	—	—	380,000
Wang Lixing	3	0.75	900,000	—	—	—	—	900,000
			1,280,000	—	—	—	—	1,280,000
Employees:	3	0.75	4,699,188	—	—	—	(1,813,188)	2,886,000
2018.04.01	3	0.75	5,979,188	—	—	—	(1,813,188)	4,166,000
			13,779,780	—	(1,150,000)	—	(2,293,188)	10,336,592
Exercisable at the end of the year			13,779,780					10,336,592
Weighted average exercise price			US\$0.61	—	US\$0.25	—	—	US\$0.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS (CONTINUED)

(a) Details of the employee share option scheme of the Company (Continued)

The following tables disclose details of the share options held by existing employees and directors of the Group and movements in such holdings:

Date of grant	Exercise price per share before share subdivision US\$	Exercise price per share after share subdivision US\$	Number of share options					
			Outstanding at January 1, 2024	Granted during 2024	Exercised during 2024	Forfeited during 2024	Cancelled during 2024	Outstanding at December 31, 2024
Employees:								
2012.11.05	1	0.25	440,000	—	—	—	—	440,000
Executive director:								
Lam Ka Cheong	1	0.25	300,000	—	(300,000)	—	—	—
			300,000	—	(300,000)	—	—	—
2013.05.13	1	0.25	300,000	—	(300,000)	—	—	—
Executive director:								
Lam Ka Cheong	1	0.25	100,000	—	(100,000)	—	—	—
			100,000	—	(100,000)	—	—	—
Employees:	1	0.25	526,000	—	—	—	—	526,000
2014.01.01	1	0.25	626,000	—	(100,000)	—	—	526,000
Executive director:								
Wang Lixing	1	0.25	350,000	—	—	—	—	350,000
Lam Ka Cheong	1	0.25	3,400,000	—	(3,400,000)	—	—	—
			3,750,000	—	(3,400,000)	—	—	350,000
Employees:	1	0.25	932,000	—	—	—	—	932,000
2015.01.01	1	0.25	4,682,000	—	(3,400,000)	—	—	1,282,000
2015.10.01	1	0.25	62,500	—	—	—	—	62,500
2016.01.01	1	0.25	200,000	—	—	—	—	200,000
Executive director:								
Wang Lixing	2.5	0.625	771,092	—	—	—	—	771,092
			771,092	—	—	—	—	771,092
Employees:	2.5	0.625	478,000	—	—	—	—	478,000
2016.01.01	2.5	0.625	1,249,092	—	—	—	—	1,249,092
2016.07.01	2.5	0.625	470,000	—	—	—	—	470,000
Executive directors:								
Wang Lixing	2.5	0.625	700,000	—	—	—	—	700,000
			700,000	—	—	—	—	700,000
Employees:	2.5	0.625	2,551,000	—	—	—	—	2,551,000
2017.04.01	2.5	0.625	3,251,000	—	—	—	—	3,251,000
Employees:								
2017.10.01	2.5	0.625	320,000	—	—	—	—	320,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS (CONTINUED)

(a) Details of the employee share option scheme of the Company (Continued)

Date of grant	Exercise price per share before share subdivision US\$	Exercise price per share after share subdivision US\$	Number of share options					Outstanding at December 31, 2024
			Outstanding at January 1, 2024	Granted during 2024	Exercised during 2024	Forfeited during 2024	Cancelled during 2024	
Executive directors:								
Bao Fan	3	0.75	80,000	—	—	—	—	80,000
Du Yongbo	3	0.75	380,000	—	—	—	—	380,000
Lam Ka Cheong	3	0.75	400,000	—	—	—	—	400,000
Xie Yi Jing	3	0.75	400,000	—	—	—	—	400,000
Wang Lixing	3	0.75	900,000	—	—	—	—	900,000
			2,160,000	—	—	—	—	2,160,000
Employees:	3	0.75	3,819,188	—	—	—	—	3,819,188
2018.04.01	3	0.75	5,979,188	—	—	—	—	5,979,188
			17,579,780	—	(3,800,000)	—	—	13,779,780
Exercisable at the end of the year			17,579,780					13,779,780
Weighted average exercise price			US\$0.53	—	US\$0.25	—	—	US\$0.61

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS (CONTINUED)

(b) Fair value of share options granted

The valuation of the share option was performed by an independent qualified professional valuer not connected with the Group. Options were priced using a binomial option pricing model. The main inputs used in the model include fair value of the Company's share as of the grant date, exercise price, expected volatility, expected life, risk-free interest rate and the expected dividend yield.

The inputs used in the model are as follows:

	2013.03.29 and											
Date of grant	2018.04.01	2017.10.01	2017.04.01	2017.01.01	2016.07.01	2016.01.01	2015.10.01	2015.01.01	2014.01.01	2013.05.13	2013.01.01	2012.11.05
Grant date share price before												
Share Subdivision	US\$8.49	US\$5.82	US\$5.25	US\$5.17	US\$4.54	US\$4.67	US\$4.67	US\$2.76	US\$2.76	US\$2.76	US\$2.76	US\$2.76
Exercise price before Share Subdivision	US\$3.00	US\$2.50	US\$2.50	US\$2.50	US\$2.50	US\$2.50	US\$1.00	US\$1.00	US\$1.00	US\$1.00	US\$1.00	US\$1.00
Expected volatility	39.00%	37.00%	38.00%	38.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%
Expected life (years)	10	10	10	10	10	10	10	10	10	10	10	10
Risk-free interest rate	1.91%	3.04%	3.15%	3.21%	2.12%	2.94%	2.79%	2.49%	2.49%	2.49%	2.49%	2.49%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

The weighted average remaining contractual life of share options outstanding as at December 31, 2025 was 5.11 years (2024: 6.83 years).

A share-based compensation expenses of RMB nil for share options has been recognized in profit or loss for the year ended December 31, 2025 (2024: RMB nil).

(c) Details of the employee restricted share scheme of the Company

The 2018 Restricted Share Unit ("RSU") Plan of the Company was adopted pursuant to a resolution passed on June 15, 2018 for the primary purpose of providing incentives to eligible employees, directors and consultants. 10,000,000 shares (adjusted as 40,000,000 after share subdivision) have been issued to Honor Equity Limited and Sky Allies Development Limited (the "Trusts") for distribution of shares corresponding to RSUs. The Company has control over the Trusts and waived the consideration for shares issued.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS (CONTINUED)

(c) Details of the employee restricted share scheme of the Company (Continued)

The Trusts purchase the Company's shares in the open market using cash contributed by the Company to satisfy awards made under the share award scheme.

(i) Time-based RSU

Details of specific categories of time-based RSU are as follows:

Date of grant	Grantee	Number of shares	Grant date share price	Vesting period	Discount for lack of marketability ("DLOM")
2019.04.01	Employees and non-employees	4,118,619	HK\$21.60	Yearly over four years with yearly instalments after April 1, 2019	13.66% (note a)
2019.04.01	Employees	508,290	HK\$21.60	Yearly over four years with yearly instalments after April 1, 2019	N/A (note b)
2019.10.01	Employees	500,000	HK\$15.14	Yearly over four years with yearly instalments after October 1, 2019	13.32% (note a)
2019.10.01	Employees	100,000	HK\$15.14	50% will be vested on October 1, 2021 and 50% will be vested yearly over two years with yearly instalments after October 1, 2021	13.83% (note a)
2020.04.01	Employees	4,693,616	HK\$11.86	Yearly over three years with yearly instalments after April 1, 2020	N/A
2021.04.01	Employees	2,509,112	HK\$30.65	Yearly over three years with yearly instalments after April 1, 2021	N/A
2021.07.01	Employees	25,016	HK\$23.50	Yearly over three years with yearly instalments after April 1, 2021	N/A
2021.10.01	Employees	10,000	HK\$19.42	Fully vested on October 1, 2021	N/A
2022.04.01	Employees	7,174,935	HK\$9.43	Yearly over three years with yearly instalments after April 1, 2022	N/A
2022.04.01	Employees	300,000	HK\$9.43	Yearly over two years with yearly instalments after April 1, 2022	N/A
2022.07.01	Employees	75,314	HK\$9.84	Yearly over three years with yearly instalments after July 1, 2022	N/A
2022.09.01	Employees	1,105,000	HK\$8.88	Yearly over three years with yearly instalments after September 1, 2022	N/A
2023.07.01	Employees	2,792,152	HK\$7.27	Yearly over three years with yearly instalments after July 1, 2023	N/A
2024.10.31	Employees	1,000,000	HK\$3.39	100% will be vested on December 31, 2024	N/A
2025.04.01	Employees	16,000	HK\$3.35	100% will be vested on April 1, 2025	N/A
2025.04.01	Employees	10,770,000	HK\$3.35	100% will be vested on April 1, 2026	N/A
2025.07.01	Employees	240,000	HK\$4.93	100% will be vested on April 1, 2026	N/A



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS (CONTINUED)

(c) Details of the employee restricted share scheme of the Company (Continued)

(i) *Time-based RSU (Continued)*

Notes:

- (a) 40%, 30% and 10% of vested shares cannot be disposed of during the lockup period of three years from vested date.
- (b) On September 1, 2022, the lockup period of 508,290 time-based RSU granted on April 1, 2019 was removed and the incremental fair value of RMB531,000 would be recognized in the consolidated statement of profit or loss and other comprehensive income over the remaining vesting period.

On 1 April 2025, the Company have granted 16,000 RSUs that vested immediately and 10,770,000 RSUs that will vest on 1 April 2026.

On July 1, 2025, the Company have granted 240,000 RSUs with no lock-up period, which will be vesting on April 1, 2026. In addition, pursuant to the terms and condition of the RSUs' award agreement, 40,000 units of these RSUs will vest immediately when the stock price of the Group reaches HK\$6. During the year ended 31 December 2025, the Group's stock price reached HK\$6, the vesting condition has been met.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS (CONTINUED)

(c) Details of the employee restricted share scheme of the Company (Continued)

(i) Time-based RSU (Continued)

A summary of the time-based RSU activities is as follows:

	Date of grant	Vesting period	Outstanding as at January 1, 2025	Granted during 2025	Vested during 2025	Cancelled/ Lapsed during 2025	Outstanding as at December 31, 2025
Executive director:							
Wang Lixing	April 1, 2022	April 1, 2022 – March 31, 2025	54,095	–	(54,095)	–	–
Employees	April 1, 2022	April 1, 2022 – March 31, 2025	1,566,964	–	(1,338,541)	(228,423)	–
	April 1, 2022	April 1, 2022 – March 31, 2025	1,621,059	–	(1,392,636)	(228,423)	–
Executive director:							
Wang Lixing	July 1, 2022	July 1, 2022 – April 1, 2025	9,872	–	(9,872)	–	–
Employees	July 1, 2022	July 1, 2022 – April 1, 2025	2,843	–	(2,370)	(473)	–
	July 1, 2022	July 1, 2022 – April 1, 2025	12,715	–	(12,242)	(473)	–
	September 1, 2022	September 1, 2022 – August 31, 2025	1,105,000	–	(561,000)	(544,000)	–
	July 1, 2023	July 1, 2023 – June 30, 2026	1,567,381	–	(746,063)	(267,079)	554,239
Executive director:							
Wang Lixing	April 1, 2025	Fully vested on April 1, 2025	–	6,000	(6,000)	–	–
Employees	April 1, 2025	Fully vested on April 1, 2025	–	10,000	(10,000)	–	–
	April 1, 2025	Fully vested on April 1, 2025	–	16,000	(16,000)	–	–
Executive director:							
Hui Yin Ching	April 1, 2025	April 1, 2025 – April 1, 2026	–	6,000,000	–	–	6,000,000
Wang Lixing	April 1, 2025	April 1, 2025 – April 1, 2026	–	1,000,000	–	–	1,000,000
Du Yongbo	April 1, 2025	April 1, 2025 – April 1, 2026	–	1,000,000	–	–	1,000,000
Employees	April 1, 2025	April 1, 2025 – April 1, 2026	–	8,000,000	–	–	8,000,000
	April 1, 2025	April 1, 2025 – April 1, 2026	–	2,770,000	–	(260,000)	2,510,000
	April 1, 2025	April 1, 2025 – April 1, 2026	–	10,770,000	–	(260,000)	10,510,000
	July 1, 2025	July 1, 2025 – April 1, 2026	–	240,000	(40,000)	–	200,000
Total time-based RSU			4,306,155	11,026,000	(2,767,941)	(1,299,975)	11,264,239

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS (CONTINUED)

(c) Details of the employee restricted share scheme of the Company (Continued)

(i) Time-based RSU (Continued)

A summary of the time-based RSU activities is as follows:

	Date of grant	Vesting period	Outstanding as at January 1, 2024	Granted during 2024	Vested during 2024	Cancelled/ Lapsed during 2024	Outstanding as at December 31, 2024
Executive director:							
Bao Fan	April 1, 2019	April 1, 2019 – March 31, 2023	127,073	–	(127,073)	–	–
Xie Yi Jing	April 1, 2019	April 1, 2019 – March 31, 2023	30,498	–	(30,498)	–	–
Wang Lixing	April 1, 2019	April 1, 2019 – March 31, 2023	77,730	–	(77,730)	–	–
Lam Ka Cheong Jason	April 1, 2019	April 1, 2019 – March 31, 2023	51,820	–	(51,820)	–	–
Du Yongbo	April 1, 2019	April 1, 2019 – March 31, 2023	85,774	–	(85,774)	–	–
			372,895	–	(372,895)	–	–
Employees							
	April 1, 2019	April 1, 2019 – March 31, 2023	602,620	–	(582,551)	(20,069)	–
	April 1, 2019	April 1, 2019 – March 31, 2023	975,515	–	(955,446)	(20,069)	–
	October 1, 2019	October 1, 2019 – September 30, 2023	125,000	–	(125,000)	–	–
	October 1, 2019	October 1, 2019 – September 30, 2023	12,500	–	(12,500)	–	–
Executive director:							
Bao Fan	April 1, 2020	April 1, 2020 – March 31, 2023	168,927	–	(168,927)	–	–
Xie Yi Jing	April 1, 2020	April 1, 2020 – March 31, 2023	45,047	–	(45,047)	–	–
Wang Lixing	April 1, 2020	April 1, 2020 – March 31, 2023	88,242	–	(88,242)	–	–
Lam Ka Cheong Jason	April 1, 2020	April 1, 2020 – March 31, 2023	36,038	–	(36,038)	–	–
Du Yongbo	April 1, 2020	April 1, 2020 – March 31, 2023	159,938	–	(159,938)	–	–
			498,192	–	(498,192)	–	–
Employees							
	April 1, 2020	April 1, 2020 – March 31, 2023	590,153	–	(590,153)	–	–
			1,088,345	–	(1,088,345)	–	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS (CONTINUED)

(c) Details of the employee restricted share scheme of the Company (Continued)

(i) Time-based RSU (Continued)

	Date of grant	Vesting period	Outstanding as at January 1, 2024	Granted during 2024	Vested during 2024	Cancelled/ Lapsed during 2024	Outstanding as at December 31, 2024
Executive director:							
Bao Fan	April 1, 2021	April 1, 2021 – March 31, 2024	425,594	–	(425,594)	–	–
Xie Yi Jing	April 1, 2021	April 1, 2021 – March 31, 2024	52,140	–	(52,140)	–	–
Wang Lixing	April 1, 2021	April 1, 2021 – March 31, 2024	124,987	–	(124,987)	–	–
Lam Ka Cheong Jason	April 1, 2021	April 1, 2021 – March 31, 2024	150,696	–	(150,696)	–	–
Du Yongbo	April 1, 2021	April 1, 2021 – March 31, 2024	54,060	–	(54,060)	–	–
			807,477	–	(807,477)	–	–
Employees							
	April 1, 2021	April 1, 2021 – March 31, 2024	654,965	–	(650,971)	(3,994)	–
			1,462,442	–	(1,458,448)	(3,994)	–
Executive director:							
Xie Yi Jing	July 1, 2021	July 1, 2021 – April 1, 2024	5,620	–	(5,620)	–	–
Lam Ka Cheong Jason	July 1, 2021	July 1, 2021 – April 1, 2024	851	–	(851)	–	–
			6,471	–	(6,471)	–	–
Employees							
	July 1, 2021	July 1, 2021 – April 1, 2024	7,150	–	(7,150)	–	–
			13,621	–	(13,621)	–	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS (CONTINUED)

(c) Details of the employee restricted share scheme of the Company (Continued)

(i) Time-based RSU (Continued)

A summary of the time-based RSU activities is as follows:

	Date of grant	Vesting period	Outstanding as at January 1, 2024	Granted during 2024	Vested during 2024	Cancelled/ Lapsed during 2024	Outstanding as at December 31, 2024
Executive director:							
Bao Fan	April 1, 2022	April 1, 2022 – March 31, 2025	1,395,428	–	(934,936)	–	460,492
Xie Yi Jing	April 1, 2022	April 1, 2022 – March 31, 2025	396,174	–	(265,436)	–	130,738
Wang Lixing	April 1, 2022	April 1, 2022 – March 31, 2025	163,922	–	(109,827)	–	54,095
Lam Ka Cheong Jason	April 1, 2022	April 1, 2022 – March 31, 2025	1,330,183	–	(891,222)	(438,961)	–
			3,285,707	–	(2,201,421)	(438,961)	645,325
Employees							
	April 1, 2022	April 1, 2022 – March 31, 2025	3,565,939	–	(2,457,578)	(132,627)	975,734
			6,851,646	–	(4,658,999)	(571,588)	1,621,059
Executive director:							
Wang Lixing	July 1, 2022	July 1, 2022 – April 1, 2025	29,913	–	(20,041)	–	9,872
Employees							
	July 1, 2022	July 1, 2022 – April 1, 2025	8,611	–	(5,768)	–	2,843
			38,524	–	(25,809)	–	12,715
	September 1, 2022	September 1, 2022 – August 31, 2025	1,105,000	–	–	–	1,105,000
	July 1, 2023	July 1, 2023 – June 30, 2026	2,757,382	–	(937,490)	(252,511)	1,567,381
	October 31, 2024	Fully vested on December 31, 2024	–	1,000,000	(1,000,000)	–	–
Total time-based RSU			14,429,975	1,000,000	(10,275,658)	(848,162)	4,306,155

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS (CONTINUED)

(c) Details of the employee restricted share scheme of the Company (Continued)

(ii) Performance-based RSU

On April 1, 2019, the Company granted 1,429,879 performance-based RSU to employees, and will be vested on the date that is four years following the vesting commencement date of July 1, 2019 only if the performance conditions of the Company's average share price have been satisfied. 40%, 30% and 10% of vested shares cannot be disposed of during the lockup period of three years from vested date.

On April 1, 2021, the Company granted 1,832,535 performance-based RSU to employees, and will be vested on the date that is three years following the vesting commencement date of April 1, 2021 only if the performance conditions of the Company's average share price have been satisfied. 60% and 30% of vested shares cannot be disposed of during the lockup period of two years from vested date.

On April 1, 2022, the Company modified the performance condition of 3,262,414 performance-based RSUs that have been issued up to March 31, 2022 by reducing the Company's average share price to be achieved. The incremental fair value of RMB3,571,000 would be recognized in the consolidated statement of profit or loss and other comprehensive income over the remaining vesting period.

On September 1, 2022, the lockup period of 254,145 performance-based RSU granted on April 1, 2019 and 255,949 performance-based RSU granted on April 1, 2021 was removed and the incremental fair value of RMB23,000 would be recognized in the consolidated statement of profit or loss and other comprehensive income over the remaining vesting period.

On September 1, 2022, the Company granted 1,072,500 performance-based RSU to employees, and will be vested on the date that is three years following the vesting commencement date of July 1, 2022 only if the performance conditions of the Company's average share price have been satisfied.

On September 1, 2022, the Company granted 1,072,500 performance-based RSU to employees, which will be vested on the date that is three years following the vesting commencement date of April 1, 2022 only if the employees remain continuously employed by the Group through the vesting date and the employees' performance has been satisfied. The Group shall have the discretion to determine whether the RSU shall vest and to determine the number of RSU become vested on the vesting date.

On August 31, 2025, the Company modified the performance condition of 544,500 performance-based RSU granted on September 1, 2022 by removing the average share price target and the incremental fair value of RMB4,101,000 was recognized in the consolidated statement of profit or loss and other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

40. SHARE-BASED PAYMENTS (CONTINUED)

(c) Details of the employee restricted share scheme of the Company (Continued)

(ii) Performance-based RSU (Continued)

The valuation of the performance-based RSU was performed by an independent qualified professional valuation firm. Performance-based RSU were priced using binomial option-pricing and Black Scholes model. The main inputs used in the model include grant date share price, performance target share price, expected life, expected volatility, risk-free interest rate, expected dividend yield and DLOM.

	April 1, 2019	April 1, 2021	September 1, 2022
Grant date share price	HK\$21.60	HK\$30.65	HK\$8.88
Performance target share price	HK\$20.00	HK\$20.00	HK\$20.00
Expected life	4.3 years	3 years	3 years
Expected volatility	36.00%	41.00%	51.00%
Risk-free interest rate	1.40%	2.82%	3.20%
Expected dividend yield	0.00%	0.00%	3.00%
DLOM	6.00%/0.00%	7.00%/0.00%	0.00%

1,056,000 shares of performance-based RSU forfeited during the year ended December 31, 2025 (2024: 35,095), 1,089,000 shares of performance-based RSU was vested during the year ended December 31, 2025 (2024: 1,512,995), and no share of performance-based RSU was outstanding as at December 31, 2025 (2024: 2,145,000).

Share-based compensation expenses of RMB31,443,000 for restricted shares has been recognized in profit or loss for the year ended December 31, 2025 (2024: RMB38,789,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

41. RETIREMENT BENEFITS SCHEMES

The Group operates a Mandatory Provident Fund Scheme (“**MPF Scheme**”) for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. Both the Group and the employees contribute a fixed percentage of the relevant payroll to the MPF Scheme.

The employees of the Group in mainland China are members of a state-managed retirement benefit scheme operated by the PRC government. The Group is required to contribute a specified percentage of payroll costs as determined by respective local government authorities to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions under the scheme.

The Group maintains a retirement plan in the USA, pursuant to Section 401(k) of the Internal Revenue Code, for eligible participants to make voluntary contributions of a portion of their annual compensation to the retirement plan, on a deferred basis, subject to limitations provided by the Internal Revenue Code.

The amounts of contributions made by the Group in respect of such retirement benefit schemes are disclosed in note 13.

42. MAJOR NON-CASH TRANSACTIONS

- (a) During the year ended December 31, 2025, the Group entered into a new lease agreement for the use of leased properties for 3 years (2024: 2 to 3 years). On the lease commencement, the Group recognized RMB18,160,000 of leased properties and RMB15,587,000 of lease liabilities (2024: RMB32,978,000 leased properties and RMB30,651,000 lease liabilities).
- (b) On 31 December 2025, the Group entered into transfer agreements with certain vendors in relation to the acquisition of distressed assets portfolio at a consideration of approximately RMB277.1 million and RMB31.2 million, respectively. The consideration payables were settled in January 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

43. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties of the Group include major shareholders of the Group and entities/partnerships under their control, associates of the Group, entities/partnerships controlled by members of the board of directors and close family members of such individuals.

(a) Amounts due from related parties

Amounts due from related parties — trade nature

	Note	At December 31, 2025 RMB'000	2024 RMB'000
上海華晟領飛股權投資合夥企業(有限合夥) ("Shanghai Huasheng Lingfei Equity Investment Partnership (Limited Partnership)") ("SHHSLF")	i	84,136	1,651
WXHXLJ	i	42,146	31,991
天津華傑海河醫療投資合夥企業(有限合夥) ("Tianjin Huajie Haihe Health Investment Partnership (Limited Partnership)") ("TJHJHH")	i	25,609	25,608
Huaxing Capital Partners II, L.P.	i	21,183	16,478
NBHXY	i	10,005	12,375
Huaxing Yihui LLC	i	9,364	7,672
深圳華晟領翔股權投資合夥企業(有限合夥) ("Shenzhen Huasheng Lingxiang Equity Investment Partnership (Limited Partnership)") ("SZHSLX")	i	5,800	38,935
Huaxing Capital Partners, L.P.	i	3,957	2,960
Huaxing Yichong LLC	i	1,511	1,236
寧波梅山保稅港區華興領鴻股權投資合 夥企業(有限合夥) ("Ningbo Meishan Bonded Port Area Huaxing Linghong Equity Investment Partnership (Limited Partnership)") ("NBHXLH")	i	1,356	2,134
廈門鉅興豐耘創業投資合夥企業(有限 合夥) ("Xiamen Xuaxing Fengyun Venture Capital Partnership (Limited Partnership)")	i	104	—
CR Life Star Fund LLC	i	68	80
Rosy Vigor Asia L.P.	i	38	—
天津華鴻諮詢合夥企業(有限合夥) ("Tianjin Huahong Consulting Partnership (Limited Partnership)") ("TJHH")	i	2	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

43. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(a) Amounts due from related parties (Continued)

Amounts due from related parties — trade nature (Continued)

	Note	At December 31, 2025 RMB'000	2024 RMB'000
華傑(天津)醫療投資合夥企業(有限合夥) ("Tianjin Huajie Medical Investment Partnership (Limited Partnership)") ("HJTJ Medical")	i	—	59,794
艾睿思(天津)醫療投資合夥企業(有限合夥) ("Iris (Tianjin) Medical Investment Partnership (Limited Partnership)") ("IRIS")	i	—	9,236
廈門鐸興志賢創業投資合夥企業(有限合夥) ("Xiamen Huaxing Zhixian Venture Capital Partnership (Limited Partnership)")	i	—	6,145
Golden Development Asia Limited	i	—	2,495
廈門鐸興志曠創業投資合夥企業(有限合夥) ("Xiamen Huaxing Zhikuang Venture Capital Partnership (Limited Partnership)")	i	—	2,258
HX Premium Selection Limited	i	—	575
CR HB XI Venture Feeder, LP	i	—	453
蘇州華恒創業投資中心(有限合夥)("Suzhou Huaheng Venture Capital Center (Limited Partnership)")("SZHH")	i	—	390
Less: Impairment loss allowance		(10,176)	(3,603)
		195,103	218,863

The trade balance represents the fee and carried interest receivable in relation to the fund management service provided by the Group, which is non-interest bearing.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

43. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(a) Amounts due from related parties (Continued)

Amounts due from related parties — trade nature (Continued)

The Group generally grants a credit period of 180 days to its related parties. Aging of amounts due from related parties — trade nature, based on invoice dates (net of impairment loss allowance), are as follows:

	At December 31, 2025 RMB'000	2024 RMB'000
0–30 days	94,577	152,726
31–60 days	2,297	4,144
61–90 days	2,351	3,171
91–180 days	7,022	7,554
181–360 days	13,407	22,568
Over 1 year	75,449	28,700
	195,103	218,863

Amounts due from related parties — non-trade nature

	Notes	At December 31, 2025 RMB'000	2024 RMB'000
達孜縣崇鐸企業管理有限公司 ("Dazi Chonghua Enterprise Management Co., Ltd.")	ii	2,796	2,796
Huaxing Yihui LLC	i	872	695
Huaxing Growth Capital Medley Platform, L.P.	i	111	452
廈門鐸展祺創創業投資合夥企業(有限合夥) ("Xiamen Huazhan Qige Venture Capital Partnership (Limited Partnership)")	i	25	—
Other funds managed by the Group	i	2,073	1,535
Less: Impairment loss allowance		(1,286)	(1,138)
		4,591	4,340

The balances are unsecured, interest free and repayable on demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

43. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(b) Amounts due to related parties

	Notes	At December 31, 2025 RMB'000	2024 RMB'000
天津華興豐帆創業投資合夥企業(有限合夥) ("Tianjin Huaxing Fengfan Venture Capital Partnership (Limited Partnership)") ("TJHXFF")	i	1,233	46
天津華興豐澤創業投資合夥企業(有限合夥) ("Tianjin Huaxing Fengze Venture Capital Partnership (Limited Partnership)") ("TJHXFZ")	i	1,000	1,000
SZHH	i	70	320
Huaxing Growth Capital IV, L.P.	i	8	4
蘇州華朔創業投資中心(有限合夥) ("Suzhou Huashuo Venture Capital Center (Limited Partnership)")	i	—	330
		2,311	1,700

The trade payable represents the fee payable in relation to the fund-raising services, consulting services and research and development services provided by related parties to the Group, which is non-interest bearing.

The credit period granted by the related parties ranges from 30 to 360 days. Aging of amounts due to related parties — trade nature are as follows:

	At December 31, 2025 RMB'000	2024 RMB'000
0-30 days	1,265	700
Over 1 year	1,046	1,000
	2,311	1,700

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

43. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(b) Amounts due to related parties (Continued)

Payable to brokerage clients

	Notes	At December 31, 2025 RMB'000	2024 RMB'000
Huaxing Growth Capital III L.P.	i	513	40
Bao Fan	iii	374	384
FBH Partners Limited ("FBH")	iii	—	987
		887	1,411

The balances represent payable to brokerage clients' entities in respect of dealing in securities, which are kept in segregated accounts.

Contract liabilities

	Note	At December 31, 2025 RMB'000	2024 RMB'000
BJRZ Medical	i	—	1,509
天津華興合利一號醫療股權投資合夥企業 (有限合夥) ("Tianjin Huaxing Heli No.1 Medical Equity Investment Partnership (Limited Partnership)") ("TJHXHL1")	i	—	685
TJHJHH	i	—	148
TJHH	i	—	4
HX Advanced Selection Limited	i	—	1
		—	2,347

The balances represent advance payment of management fee from related parties in relation to the fund management services provided by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

43. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(c) Transactions conducted with related parties during the year

	Note	Year ended December 31,	
		2025	2024
		RMB'000	RMB'000
Fund raising commission to:			
TJHXFF	i	—	141
Consulting service to:			
TJHXFF	i	1,186	—
Huaxing Growth Capital IV, L.P.	i	24	28
		1,210	28
Realized carried interest income from:			
SHHSLF	i	382,986	—
深圳華晟領富股權投資合夥企業(有限合夥) (“Shenzhen Huasheng Lingfu Equity Investment Partnership (Limited Partnership)”)	i	57,117	—
SZHSLX	i	45,774	4,368
HJTJ Medical	i	31,355	57,329
Huaxing Capital Partners II, L.P.	i	5,777	10,107
Huaxing Capital Partners, L.P.	i	1,091	7,311
IRIS	i	—	7,553
TJHJHH	i	—	18,059
		524,100	104,727

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

43. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(c) Transactions conducted with related parties during the year (Continued)

	Notes	Year ended December 31,	
		2025	2024
		RMB'000	RMB'000
<i>Accrued carried interest to:</i>			
FBH	iii	817	2,700
Ever Perfect Investments Limited	ii	420	825
High Fortune Investments Limited	ii	186	567
		1,423	4,092
<i>Management fees from:</i>			
NBHXLY	i	65,285	81,801
Huaxing Growth Capital III, L.P.	i	37,094	46,820
Huaxing Growth Capital IV, L.P.	i	31,465	37,104
BJRZ Medical	i	21,603	22,077
WXHXLJ	i	18,071	17,856
NBHXLH	i	12,646	15,513
Huaxing Capital Partners II, L.P.	i	5,497	5,642
CR Life Star Fund LLC	i	4,349	4,158
Huaxing Yihui LLC	i	1,891	1,886
TJHXHL1	i	1,423	2,664
Huaxing Capital Partners L.P.	i	1,230	1,506
TJHJHH	i	677	1,835
CR HB XI Venture Feeder, L.P.	i	599	598
Huaxing Yichong LLC	i	307	306
天津華興志凱創業投資合夥企業(有限合夥)			
("Tianjin Huaxing Zhikai Venture Capital Partnership (Limited Partnership)")	i	208	208
SHHSLF	i	—	38,737
HJTJ Medical	i	—	2,772
SHHSLJ	i	—	52
TJHXFZ	i	—	24
		202,345	281,559

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

43. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(d) Compensation of key management personnel

The remunerations of the key management during the year were as follows:

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Salaries, bonus and other allowance	15,573	21,607
Performance related bonus	10,798	1,137
Retirement benefit scheme contributions	557	518
Equity-settled share-based payments expenses	20,352	6,192
	47,280	29,454

The remunerations of the key management are determined by the remuneration committee having regard to the performance of individuals and market trends.

Notes:

- (i) Funds managed by the Group in which the Group has significant influence.
- (ii) Entities controlled by shareholders of the Company.
- (iii) Mr. Bao Fan and FBH are controlling shareholders of the Group.

44. STRUCTURED ENTITIES

(a) Consolidated structured entities

The consolidated structured entities of the Group mainly included general partners of investment funds, funds managed by the Group and asset management plans where the Group involves as manager. As at December 31, 2025, the aggregated net assets of the consolidated structured entities amounted to RMB1,706,277,000 (2024: RMB1,437,564,000).

Being the general partner and manager of these structured entities, the Group considered the power to exercise over the activities of such structured entities and its exposure to and ability to influence its own returns from such structured entities and concluded that it has control over such structured entities and should consolidate them.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

44. STRUCTURED ENTITIES (CONTINUED)

(b) Unconsolidated structured entities

(i) *Structured entities managed by third party institutions in which the Group holds interests*

The Group holds interests in these structured entities managed by third party institutions through investments in the beneficial rights or products issued relating to these structured entities. The Group does not consolidate these structured entities as the Group does not have power over them. Such structured entities include unlisted cash management products, trust products, money market funds and the unlisted investment funds at fair value.

The following tables set out an analysis of the carrying amounts of interests held by the Group as at December 31, 2025 and 2024 in the structured entities managed by third party institutions.

	At December 31, 2025		
	Financial assets at FVTPL	Maximum risk exposure	Type of income
	RMB'000	(note) RMB'000	
Unlisted cash management products	608,205	608,205	Net investment gains
Money market funds	178,142	178,142	Net investment gains
Unlisted investment funds at fair value	518,850	518,850	Net investment gains
Trust products	250,612	250,612	Net investment gains
	1,555,809	1,555,809	

	At December 31, 2024		
	Financial assets at FVTPL	Maximum risk exposure	Type of income
	RMB'000	(note) RMB'000	
Unlisted cash management products	285,148	285,148	Net investment gains
Money market funds	264,412	264,412	Net investment gains
Unlisted investment funds at fair value	604,134	604,134	Net investment gains
	1,153,694	1,153,694	

Note: All of these unconsolidated structured entities are recorded in financial assets at fair value through profit or loss. The maximum exposures to loss in the above investments are the carrying amounts of the assets held by the Group at the end of each reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

44. STRUCTURED ENTITIES (CONTINUED)

(b) Unconsolidated structured entities (Continued)

(ii) Structured entities managed by the Group

The types of unconsolidated structured entities managed by the Group include funds and assets management schemes where it acts as the general partner. The purpose of managing these structured entities is to generate fees and carried interest from managing assets on behalf of the funds and assets management schemes. Interest held by the Group includes fees and carried interest charged by providing management services to these structured entities and net investment gains from these structured entities.

For the year ended December 31, 2025, the management fee recognized amounting to RMB205,833,000 (2024: RMB298,108,000).

For the year ended December 31, 2025, the carried interest recognized amounting to RMB524,100,000 (2024: RMB104,727,000).

For the year ended December 31, 2025, the net investment gains recognized amounting to RMB32,030,000 (2024: the net investment losses recognized amounting to RMB135,319,000).

As at December 31, 2025, the Group's interests in these structured entities related to funds amounted to RMB1,036,847,000 (2024: RMB1,057,810,000).

As at December 31, 2025, the Group's interests in these structured entities related to assets management schemes amounted to RMB126,052,000 (2024: RMB4,982,000).

As at December 31, 2025, the amount of assets held by the funds managed by the Group amounted to RMB28,379 million (2024: RMB31,974 million).

45. CAPITAL COMMITMENTS

As at December 31, 2025, the Group had commitments for future minimum investments in funds invested by the Group amounted to RMB15,216,000 (2024: RMB21,447,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT

46.1 Categories of financial instruments

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Financial assets		
Financial assets at amortized cost	2,860,548	3,950,631
Financial assets at FVTPL	5,367,959	5,222,865
Financial assets at FVTOCI	—	48,688
Financial liabilities		
Financial liabilities at amortized cost	1,084,403	1,208,411
Financial liabilities at FVTPL	326,266	410,955

46.2 Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, financial assets at FVTOCI, cash and cash equivalents, cash held on behalf of brokerage clients, rental deposits, accounts and other receivables, financial assets purchased under resale agreements, loans to third parties, amounts due from related parties, accounts and other payables, amounts due to related parties, lease liabilities, payable to interest holders of consolidated structured entities, financial assets sold under repurchase agreements, short-term debt instrument issued and payable to brokerage clients. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

46.3 Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial loss to the Group. The Group's credit risk exposures are primarily attributable to cash and cash equivalents, cash held on behalf of brokerage clients, accounts receivables, financial assets purchased under resale agreements, amounts due from related parties, rental deposit, other receivables, loans to third parties, financial assets at FVTPL and debt instruments at FVTOCI.

The carrying amount of the Group's financial assets at FVTPL as disclosed in note 23 best represents their respective maximum exposure to credit risk. The Group holds no collateral over any of these balances.

Except for financial assets at FVTPL, the Group performed impairment assessment for financial assets and other items under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarized as below:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.3 Credit risk and impairment assessment (continued)

The Group invests in debt instruments at FVTOCI with low credit risk. The Group's debt instruments at FVTOCI comprise listed bonds that are graded in the top investment grade as per globally understood definitions and therefore are considered to be low credit risk investments.

In order to minimize credit risk, the Group has tasked its credit management team to develop and maintain the Group's cash and cash equivalents, cash held on behalf of brokerage clients, other receivables, financial assets purchased under resale agreements, rental deposits, amounts due from related parties of non-trade nature and loans to third parties credit risk grading to categorize exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the credit management team uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group's current credit risk grading framework in respect of other receivables, rental deposits, amounts due from related parties of non-trade nature, other financial assets and loans to third parties and related parties comprises the following categories:

Internal credit rating	Description	Basis for recognizing ECL
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12m ECL
Doubtful	There has been a significant increase in credit risk since initial recognition	Lifetime ECL — not credit-impaired
In default	There is evidence indicating the asset is credit-impaired	Lifetime ECL — credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.3 Credit risk and impairment assessment (Continued)

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

	Notes	External credit rating	Internal credit rating	12m or lifetime ECL	2025 Gross carrying amount RMB'000	2024 Gross carrying amount RMB'000
Debt instruments at FVTOCI						
Investments in listed bonds	24	A+ (Standard & Poor's Ratings)	N/A	12m ECL	—	48,688
Financial assets at amortized costs						
Rental deposits	N/A	N/A	Performing	12m ECL	13,076	34,066
Loans to third parties	25	N/A	N/A	N/A	—	212,978
Accounts receivables	27	N/A	(Note)	Lifetime ECL (provision matrix)	243,882	435,840
Other receivables	27	N/A	Performing	12m ECL	279,025	309,269
Financial assets purchased under resale agreements	28	N/A	Performing	12m ECL	—	19,000
Cash held on behalf of brokerage clients	29	N/A	Performing	12m ECL	771,639	1,563,370
Cash and cash equivalents	29	N/A	Performing	12m ECL	1,355,426	1,298,383
Amounts due from related parties of non-trade nature	43	N/A	Performing	12m ECL	5,877	5,478
Amounts due from related parties of trade nature	43	N/A	(Note)	Lifetime ECL (provision matrix)	205,279	221,891
			In default	Credit-impaired	—	575

Note:

For accounts receivables and amounts due from related parties of trade nature, the Group has applied the simplified approach to measure the loss allowance at lifetime ECL. The Group determines the ECL on these items by using a provision matrix, estimated based on historical credit loss experience based on the past default experience of the debtor, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.3 Credit risk and impairment assessment (Continued)

The following tables detail the risk profile of accounts receivables and amounts due from related parties of trade nature based on the Group's provision matrix within lifetime ECL (not credit-impaired). As the Group's historical credit loss experience show significantly different loss patterns for different customer portfolio (including higher risk, normal risk and lower risk type), the provision for loss allowance based on past due status is further distinguished between the Group's customer portfolio of different risk type. Debtors with credit-impaired with gross carrying amounts of RMBnil as at December 31, 2025 (2024: RMB575,000) were assessed individually. Reversal of impairment allowance of RMB575,000 were made on credit-impaired debtors as of December 31, 2025 (2024: provision for impairment allowance of RMB575,000).

	Accounts receivables and amounts due from related parties of trade nature			
	0-180 days	181-360 days	Over 360 days	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2025				
<i>Low risk type customers</i>				
Total gross carrying amount at default	339,221	20,689	89,251	449,161
Lifetime ECL	(54)	(905)	(9,281)	(10,240)
	339,167	19,784	79,970	438,921
	Accounts receivables and amounts due from related parties of trade nature			
	0-180 days	181-360 days	Over 360 days	Total
	RMB'000	RMB'000	RMB'000	RMB'000
At December 31, 2024				
<i>Low risk type customers</i>				
Total gross carrying amount at default	598,500	28,083	31,148	657,731
Lifetime ECL	—	(839)	(2,199)	(3,038)
	598,500	27,244	28,949	654,693

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.3 Credit risk and impairment assessment (Continued)

Allowance for impairment

The movement in the ECL during the current period was as follows:

	Accounts receivables and amounts due from related parties of trade nature		Loans to third parties		Other receivables, rental deposits and amounts due from related parties of non-trade nature		Financial assets at FVTOCI	Total
	Lifetime	Lifetime	Lifetime	Lifetime	Lifetime			
	ECL (not	ECL	ECL (not	ECL	ECL			
	credit- impaired)	(credit- impaired)	credit- impaired)	(credit- impaired)	(credit- impaired)	12m ECL	12m ECL	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2024	989	117,780	—	—	142,024	493	—	261,298
Impairment losses recognized	2,049	575	—	—	—	1,970	—	4,594
Impairment losses reversal	—	(27,707)	—	—	—	—	—	(27,716)
Write-offs	—	(90,073)	—	—	—	—	—	(90,073)
Exchange adjustments	—	—	—	—	2,120	—	—	2,120
At December 31, 2024	3,038	575	—	—	144,144	2,463	—	150,223
Impairment losses recognized	7,202	—	—	—	—	953	—	8,155
Impairment losses reversal	—	(575)	—	—	(57,568)	—	—	(58,146)
Write-offs	—	—	—	—	(86,576)	—	—	(86,576)
At December 31, 2025	10,240	—	—	—	—	3,416	—	13,656

Note: The changes in loss allowance are mainly due to financial instruments originated or derecognized during the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.4 Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors of the Company, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk mainly by maintaining adequate cash and cash equivalents and continuously monitoring forecast and actual cash flows on a regular basis.

The following tables detail the Group's remaining contractual maturity for its financial liabilities which are included in the maturity analysis for the purpose of managing liquidity risk. The tables reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group is required to pay in accordance with agreed repayment terms.

	Weighted average effective interest rate %	On demand or within one year RMB'000	One to five years RMB'000	More than five years RMB'000	Total undiscounted cash flows RMB'000	Total carrying amount RMB'000
At December 31, 2025						
Accounts and other payables	—	689,532	—	—	689,532	705,306
Financial assets sold under repurchase agreements	1.62%	180,050	—	—	180,050	180,021
Payable to brokerage clients	—	771,639	—	—	771,639	771,639
Amounts due to related parties	—	2,311	—	—	2,311	2,311
Short-term debt instrument issued	2.80%	215,502	—	—	215,502	212,539
Lease liabilities	3.03%	21,670	12,403	—	34,073	32,582
Payables to interest holders of consolidated structured entities	—	326,266	—	—	326,266	326,266
		2,203,978	12,403	—	2,216,381	2,230,664

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.4 Liquidity risk (Continued)

	Weighted average effective interest rate %	On demand or within one year RMB'000	One to five years RMB'000	More than five years RMB'000	Total undiscounted cash flows RMB'000	Total carrying amount RMB'000
At December 31, 2024						
Accounts and other payables	—	612,616	—	—	612,616	612,616
Financial assets sold under repurchase agreements	1.94%	594,499	—	—	594,499	594,095
Payable to brokerage clients	—	1,563,370	—	—	1,563,370	1,563,370
Amounts due to related parties	—	1,700	—	—	1,700	1,700
Lease liabilities	2.50%	21,665	22,746	—	44,411	42,441
Payables to interest holders of consolidated structured entities	—	410,955	—	—	410,955	410,955
		3,204,805	22,746	—	3,227,551	3,225,177

46.5 Market risk

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to loans to third parties (see note 25), fixed-rate financial assets sold under repurchase agreements (see note 31) and lease liabilities (see note 36). The Group cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances. The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. 50 basis point (2024: 50 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. Bank balances are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.5 Market risk (Continued)

Currency risk

The Group's exposure to foreign currency risk related primarily to cash and cash equivalents, accounts and other receivables and payable to brokerage clients that are denominated in HK\$ and US\$.

The carrying amounts of the Group's foreign currencies denominated monetary assets and liabilities at the end of the reporting period are as follows:

	Assets		Liabilities	
	At December 31, 2025	2024	At December 31, 2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000
HK\$	14,578	13,953	1,885	3,144
US\$	175,217	279,345	—	—
EUR	12	—	197	180

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to foreign currency rates and includes only outstanding foreign currency denominated monetary assets and liabilities at year end for a 5% change in foreign currency rates. A 5% increase or decrease is used when reporting foreign currency rate risk internally to key management and represents management's assessment of the reasonably possible change in foreign currency.

If a 5% appreciation and depreciation in RMB against HK\$ and US\$, and all other variables were held constant, the Group's profit (2024: loss) after income tax for the year ended December 31, 2025 would decrease/increase (2024: increase/decrease) by RMB7,040,000 (2024: RMB10,874,000).

Other price risk

The Group is exposed to price risk through its investments in money market funds, financial bonds and listed equity security investments measured at FVTPL and FVTOCI. The price risk of these financial assets may arise due to changes in market price. The change may be caused by factors relating to the financial instrument itself or the issuer, and it may also be caused by market factors. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group has designated a team to monitor the price risk and will consider hedging the risk exposure should the need arises. The Group is also exposed to price risk in respect of payables to interest holders of consolidated assets management schemes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.5 Market risk (Continued)

Other price risk (Continued)

Sensitivity analysis

If the prices of the respective listed financial instruments had increased/decreased by 5%, the loss after income tax for the year ended December 31, 2025 would decrease/increase by approximately RMB79,478,000 (2024: RMB101,939,000) as a result of the changes in fair value of investments at FVTPL and the other comprehensive income would increase/decrease by RMBnil (2024: RMB1,826,000) as a result of the changes in fair value of investments at FVTOCI.

46.6 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.6 Fair value measurement (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

This note provides information about how the Group determines fair value of the following financial instruments that are measured at fair value on a recurring basis.

	Fair value at December 31,		Fair value	Valuation technique	Significant
	2025	2024	hierarchy	and key input(s)	unobservable
	RMB'000	RMB'000			input(s)
Financial assets					
Unlisted investment funds at fair value	518,850	604,134	Level 3	Note a	Note a
Unlisted debt security investments	—	837,349	Level 2	Recent transaction price	N/A
Unlisted debt security investments	848,296	434,699	Level 3	Note b	Note b
Call option for obtaining non-controlling interests	283,835	282,032	Level 3	Note c	Note c
Listed financial bonds	1,941,267	2,502,642	Level 1	Open market transaction price	N/A
Money market funds	178,142	264,412	Level 2	Quoted price from a financial institution	N/A
Unlisted cash management products	734,257	290,130	Level 2	Quoted price from a financial institution	N/A
Unlisted equity security investments	37,387	56,155	Level 3	Note d	Note d
Listed equity security investments	196,565	—	Level 1	Open market transaction price	N/A
Digital assets	85,789	—	Level 1	Open market transaction price	N/A
Digital assets	64,686	—	Level 2	Quoted price from a digital asset trading platform	N/A
Investment in distressed assets portfolios	377,497	—	Level 2	Recent transaction price	N/A
Trust products	250,612	—	Level 2	Quoted price from a financial institution	N/A
Associates measured at fair value	1,036,847	1,057,810	Level 3	Note e	Note e
Financial liabilities					
Payables to interest holders of consolidated structured entities in which the Group is the general partner of the investment funds	326,266	410,955	Level 3	Note f	Note f

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.6 Fair value measurement (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Certain unlisted debt security investments were transferred from level 2 to level 3 during the year. The fair value of these investments as at December 31, 2025 amount to RMB729,169,000 (2024: certain unlisted debt security investments were transferred from level 2 to level 3. The fair value of these investments as at December 31, 2024 amount to RMB95,305,000). Since there are no recent transaction prices available for these investments as at December 31, 2025, the fair value was measured using a valuation technique with significant unobservable inputs and hence was classified as level 3 of the fair value hierarchy. Except for the aforesaid transfer, there were no transfers among level 1, 2 and 3 during the year.

Notes:

- (a) The Group's investments in unlisted investment funds which were classified as financial assets at FVTPL under level 3 hierarchy amounted to RMB518,850,000 as at December 31, 2025 (2024: RMB604,134,000). The significant unobservable input is the net assets value of the underlying investments made by the funds. The higher the net assets value of the underlying investments, the higher the fair value of the financial assets at FVTPL will be. A 5% increase/decrease in the net assets value of the underlying investments, holding all other variables constant, would increase/decrease the carrying amounts of these investments by RMB25,943,000 as at December 31, 2025 (2024: RMB30,207,000).
- (b) The Group's investments in unlisted debt security investments which were classified as financial assets at FVTPL under level 3 hierarchy amounted to RMB848,296,000 as at December 31, 2025 (2024: RMB434,699,000). The fair value was determined by market approach with a combination of observable and unobservable inputs. The significant unobservable input is DLOM. The higher the DLOM, the lower the fair value of the financial assets at FVTPL will be. A 5% increase in the DLOM, holding all other variables constant, would decrease the carrying amounts of these investments by RMB7,908,000 as at December 31, 2025 (2024: RMB1,857,000) and a 5% decrease in the DLOM, holding all other variables constant, would increase the carrying amounts of these investments by RMB8,028,000 as at December 31, 2025 (2024: RMB1,962,000).
- (c) The Group's call option to obtain non-controlling interests amounting to RMB283,835,000 as at December 31, 2025 (2024: RMB282,032,000) is under level 3 hierarchy. The fair value was determined by Black Scholes model based on the fair value and book value of the underlying net assets of CR Securities as well as estimate of the exercise time of the option.

For the year ended December 31, 2025, the fair value of underlying net assets of CR Securities was determined by market approach (2024: market approach) with a combination of observable and unobservable inputs as the Company considers that the use of market approach also aligns with the market practice. The fair value of the call option as at 31 December 2025 is most significantly affected by volatility. The higher the volatility, the higher the fair value of the call option will be. A 5% increase/decrease in the volatility, holding all other variables constant, would increase/decrease the carrying amount of the call option by RMB7,265,000 as at December 31, 2025 (2024: RMB8,094,000), respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.6 Fair value measurement (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Notes: (Continued)

- (d) The Group's investments in unlisted equity security investment which were classified as financial assets at FVTPL under level 3 hierarchy amounted to RMB37,387,000 as at December 31, 2025 (2024: RMB56,155,000). The fair value was determined by market approach with a combination of observable and unobservable inputs. The significant unobservable input is volatility (2024: volatility). The higher the volatility, the higher the fair value of the financial assets at FVTPL will be (2024: The higher the volatility, the higher the fair value of the financial assets at FVTPL will be). A 5% increase in the volatility, holding all other variables constant, would increase the carrying amounts of these investments by RMB3,525,000 as at December 31, 2025 and a 5% decrease in the volatility, holding all other variables constant, would decrease the carrying amounts of these investments by RMB3,694,000 as at December 31, 2025 (2024: A 5% increase in the volatility, holding all other variables constant, would increase the carrying amounts of these investments by RMB5,294,000 and a 5% decrease in the volatility, holding all other variables constant, would decrease the carrying amounts of these investments by RMB5,549,000).
- (e) The Group's associates measured at fair value amounting to RMB1,036,847,000 as at December 31, 2025 (2024: RMB1,057,810,000) are under level 3 hierarchy. The significant unobservable input is the net assets value of the underlying investments made by the funds managed by the Group. The higher the net assets value of the underlying investments, the higher the fair value of the investments in associates will be. A 5% increase/decrease in the net assets value of the underlying investments, holding all other variables constant, would increase/decrease the carrying amount of the investments in associates by RMB51,842,000 as at December 31, 2025 (2024: RMB52,891,000).
- (f) The Group's payables to interest holders of consolidated structured entities in which the Group is the general partner of the investment funds amounting to RMB326,266,000 as at December 31, 2025 (2024: RMB410,955,000) are under level 3 hierarchy. The significant unobservable input is the net assets value of the investment funds managed by the Group. The higher the net assets value of the investment funds managed, the higher the fair value of payables to interest holders of consolidated structured entities will be. A 5% increase/decrease in the net assets value of the investment funds managed, holding all other variables constant, would increase/decrease the carrying amount of payables to interest holders of consolidated structured entities by RMB16,313,000 as at December 31, 2025 (2024: RMB20,548,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.6 Fair value measurement (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Reconciliation of level 3 fair value measurements

	At December 31, 2025 RMB'000	2024 RMB'000
<i>Unlisted investment funds at fair value</i>		
At January 1	604,134	680,854
Addition	59,930	2,036
Disposal	(78,476)	(29,839)
Changes in fair value [#]	(58,527)	(55,538)
Effect of exchange rate change	(8,211)	6,621
At December 31	518,850	604,134
[#] Include gains or losses for assets held at the end of reporting period	(43,671)	(46,107)
<i>Unlisted debt securities investment</i>		
At January 1	434,699	350,159
Addition	—	232,833
Disposal	(99,772)	(200,000)
Transfer from level 2 to level 3	729,169	75,548
Transfer from unlisted debt security investment to listed equity security investments	(179,809)	—
Changes in fair value [#]	1,273	(24,828)
Effect of exchange rate change	(37,264)	987
At December 31	848,296	434,699
[#] Include gains or losses for assets held at the end of reporting period	58,849	(24,828)
<i>Call option for obtaining non-controlling interests</i>		
At January 1	282,032	282,032
Changes in fair value [#]	1,803	—
At December 31	283,835	282,032
[#] Include gains or losses for assets held at the end of reporting period	1,803	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.6 Fair value measurement (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Reconciliation of level 3 fair value measurements (Continued)

	At December 31, 2025 RMB'000	2024 RMB'000
<i>Unlisted equity securities investment</i>		
At January 1	56,155	66,022
Changes in fair value [#]	(16,578)	(10,016)
Effect of exchange rate change	(2,190)	149
At December 31	37,387	56,155
# Include gains or losses for assets held at the end of reporting period	(16,578)	(10,016)
<i>Investments in funds accounted for as associates measured at fair value</i>		
At January 1	1,057,810	1,276,689
Addition	115,900	12,106
Disposal	(149,159)	(86,506)
Changes in fair value [#]	21,329	(152,012)
Effect of exchange rate change	(9,033)	7,533
At December 31	1,036,847	1,057,810
# Include gains or losses for assets held at the end of reporting period	20,667	(141,357)
<i>Payables to interest holders of consolidated structured entities in which the Group is the general partner of the investment funds</i>		
At January 1	410,955	169,933
Addition	50,833	286,105
Distribution	(14,108)	(12,742)
Disposal	(132,165)	—
Changes in fair value [#]	9,636	(29,278)
Effect of exchange rate change	1,115	(3,063)
At December 31	326,266	410,955
# Include gains or losses for liabilities held at the end of reporting period	(7,723)	(27,581)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

46. FINANCIAL RISK MANAGEMENT (CONTINUED)

46.6 Fair value measurement (Continued)

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The management of the Group considers that the carrying amounts of financial assets and financial liabilities measured at amortized cost in the consolidated financial statements approximated their fair values at the end of each reporting period.

47. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The directors of the Company review the capital structure of the Group on a timely basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital and take appropriate actions to balance its capital structure.

48. CONTINGENT LIABILITIES

As disclosed in the Company's announcements dated February 16, 2023, February 26, 2023, August 9, 2023, the board of directors of the Company noted that Mr. Bao Fan, the controlling shareholder of the Company, previous chairman of the board of directors, executive director and chief executive officer of the Company was in cooperation with an investigation by the relevant authority in the PRC (the "**Matter**"). The Company also announced on February 2, 2024 that, with effect from that date, Mr. Bao Fan resigned as an executive director, the chairman of the board of directors and the chief executive officer of the Company (see announcement dated February 2, 2024 for details). In the last quarter of 2023, as per notification received, the Group paid certain restricted amounts of approximately RMB77,108,000 (2024: RMB78,768,000, the change in the balance was solely due to the change in the prevailing exchange rates adopted in translating the balance as at year end date) in relation to the Matter (the "**Restricted Amounts**"). All of these events are collectively referred to as the "Incidents".

Due to the uncertainties in relation to the Incidents, the directors of the Company are of the view that it is premature to determine the possible outcome and their related impact. Accordingly, no provision has been provided for the Incidents for the year ended December 31, 2025 and 2024.

Save as disclosed above and elsewhere in these consolidated financial statements, the directors of the Company are not aware of any other significant impact on the business operation of the Group arising from the Incidents. Should the Company become aware of any changes with respect to this assessment, it would make further announcements as and when appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the subsidiaries directly and indirectly held by the Company at the end of reporting period are set out below:

Name of subsidiary	Place of incorporation/ registration/ operation	Kind of legal entity	Issued/ registered capital	Proportion of ownership interest/ voting power held by the Company		Principal activities
				At December 31, 2025	2024	
Directly held						
China Renaissance Capital Limited	Hong Kong, PRC	Limited liability company	HK\$1	100%	100%	Investment holding
China Renaissance Securities (Hong Kong) Limited	Hong Kong, PRC	Limited liability company	HK\$2,165,820,000	100%	100%	Provision of financial advisory, equity underwriting, sale, trading brokerage, and research services
China Renaissance Securities (US) Inc.	USA	Limited liability company	US\$27,500,000	100%	100%	Provision of financial advisory, equity underwriting, sale, trading brokerage, and research services
CR Investments Corporation	BVI	Limited liability company	US\$50,000	100%	100%	Investment holding
China Renaissance Wealth and Asset Management Limited	Hong Kong, PRC	Limited liability company	HK\$35,500,000	100%	100%	Provision of asset management services
CR HOLDINGS Investments Limited	BVI	Limited liability company	US\$1	100%	100%	Investment holding
China Renaissance (Singapore) Pte. Ltd.	Singapore	Limited liability company	SGD9,650,000	100%	100%	Provision of sales and research services

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Name of subsidiary	Place of incorporation/ registration/ operation	Kind of legal entity	Issued/ registered capital	Proportion of ownership interest/ voting power held by the Company At December 31,		Principal activities
				2025	2024	
Indirectly held						
Huaxing Capital Management LLC	Cayman Islands	Limited liability company	US\$10	60%	60%	Provision of management services for private equity funds
Huaxing Associate GP LLC	Cayman Islands	Limited liability company	US\$1	70%	70%	General partner of a subsidiary
Huaxing Associate GP II LLC	Cayman Islands	Limited liability company	US\$1	60%	60%	General partner of a subsidiary
CR Investments (HK) Limited	Hong Kong, PRC	Limited liability company	HK\$1	100%	100%	Investment holding
Helix Capital Partners	Cayman Islands	Limited liability company	US\$50,000	51%	51%	General partner of a private equity fund
Huaxing Associate L.P.	Cayman Islands	Limited partnership	US\$1,750,000	70%	70%	General partner of a private equity fund
華興泛亞投資顧問(北京)有限公司 (“CRP-Fanya Investment Consultants (Beijing) Limited”)	Beijing, PRC	Wholly foreign owned enterprise	US\$2,352,941	100%	100%	Provision of financial advisory services
上海慧嘉投資顧問有限公司 (“Shanghai Huijia Investment Consulting Limited”)	Shanghai, PRC	Limited liability company	RMB1,000,000	100%	100%	Provision of financial advisory services
達孜鐮石實業有限公司 (“Dazi Huashi Industrial Limited”)	Tibet, PRC	Limited liability company	RMB1,000,000	100%	100%	General partner of private equity funds
上海全源投資有限公司 (“Shanghai Quanyuan Investment Limited”)	Shanghai, PRC	Limited liability company	RMB100,000,000	100%	100%	Investment holding

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Name of subsidiary	Place of incorporation/ registration/ operation	Kind of legal entity	Issued/ registered capital	Proportion of ownership interest/ voting power held by the Company At December 31,		Principal activities
				2025	2024	
China Renaissance HB XI Venture GP, LLC	Cayman Islands	Limited liability company	US\$1	100%	100%	General partner of a private equity fund
Huaxing Associate II L.P.	Cayman Islands	Limited partnership	US\$3,000,000	37.5%	37.5%	General partner of a private equity fund
China Renaissance Broking Services (Hong Kong) Limited	Hong Kong, PRC	Limited liability company	HK\$2,364,920,000	100%	100%	Provision of trading and brokerage services
達孜鐸峰投資顧問有限公司 (“Dazi Huafeng Investment Consultants Limited”)	Tibet, PRC	Limited liability company	RMB10,000,000	100%	100%	General partner of a subsidiary
達孜鐸峰創業投資合夥企業(有限合夥) (“Dazi Huafeng Venture Capital Partnership (Limited Partnership)”)	Tibet, PRC	Limited partnership	RMB311,500,000	99.2%	99.2%	General partner of private equity funds
上海華晟股權投資管理有限公司 (“Shanghai Huasheng Equity Investment Management Limited”)	Shanghai, PRC	Limited liability company	RMB1,000,000	50%	50%	Provision of management services for a private equity fund
上海華晟信選企業管理合夥企業(有限合夥) (“Shanghai Huasheng Xinxuan Enterprise Management Partnership (Limited Partnership)”)	Shanghai, PRC	Limited partnership	RMB17,893,005	30%	30%	General partner of a private equity fund
上海華晟優格股權投資管理有限公司 (“Shanghai Huasheng Youge Equity Investment Management Limited”)	Shanghai, PRC	Limited liability company	RMB100,000,000	100%	100%	Provision of management services for private equity funds

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Name of subsidiary	Place of incorporation/ registration/ operation	Kind of legal entity	Issued/ registered capital	Proportion of ownership interest/ voting power held by the Company At December 31,		Principal activities
				2025	2024	
上海華晟信航股權投資管理中心(有限合夥) (“Shanghai Huasheng Xinhang Equity Investment Management Center (Limited Partnership)”)	Shanghai, PRC	Limited partnership	RMB193,639,900	25%	25%	General partner of a private equity fund
天津鐸峰資產管理合夥企業(有限合夥) (“Tianjin Huafeng Asset Management Partnership (Limited Partnership)”)	Tianjin, PRC	Limited partnership	RMB2,000,000	60%	60%	General partner of a private equity fund
CR Securities	Shanghai, PRC	Foreign invested enterprise	RMB3,024,000,000	63.83%	63.83%	Provision of securities brokerage securities underwriting and sponsorship, securities asset management, securities investment consultancy services
達孜鐸領投資顧問有限公司 (“Dazi HuaLing Investment Consultants Limited”)	Tibet, PRC	Limited liability company	RMB360,000,000	100%	100%	General partner of a subsidiary
上海微宏投資有限公司 (“Shanghai Weihong Investment Limited”)	Shanghai, PRC	Limited liability company	RMB10,000,000	100%	100%	Investment holding
鐸淦(上海)商務諮詢有限公司 (“Huagan (Shanghai) Business Consulting Limited”)	Shanghai, PRC	Wholly foreign owned enterprise	US\$10,000,000	100%	100%	Investment holding

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Name of subsidiary	Place of incorporation/ registration/ operation	Kind of legal entity	Issued/ registered capital	Proportion of ownership interest/ voting power held by the Company At December 31,		Principal activities
				2025	2024	
寧波梅山保稅港區榕錦投資有限責任公司 ("Ningbo Meishan Bonded Port Area Rongjin Investment Limited")	Ningbo, PRC	Limited liability company	RMB250,000	51%	51%	General partner of a subsidiary
寧波梅山保稅港區鐔傑股權投資管理有限 公司 ("Ningbo Meishan Bonded Port Area Huajie Investment Management Limited")	Ningbo, PRC	Limited liability company	RMB2,500,000	51%	51%	Management services for private equity funds
寧波梅山保稅港區瓚晟投資管理有限 公司 ("Ningbo Meishan Bonded Port Area Lingsheng Investment Management Limited")	Ningbo, PRC	Limited liability company	RMB10,000,000	100%	100%	Investment management
寧波梅山保稅港區鐔清股權投資管理有限 公司 ("Ningbo Meishan Bonded Port Area Huaqing Equity Investment Management Limited")	Ningbo, PRC	Limited liability company	RMB30,000,000	100%	100%	General partner of a subsidiary
寧波梅山保稅港區華興信守股權投資管理 中心(有限合夥) ("Ningbo Meishan Bonded Port Area Huaxing Xinshou Equity Investment Management Center (Limited Partnership)")	Ningbo, PRC	Limited partnership	RMB100,000,000	60%	59.55%	General partner of private equity funds

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Name of subsidiary	Place of incorporation/ registration/ operation	Kind of legal entity	Issued/ registered capital	Proportion of ownership interest/ voting power held by the Company At December 31,		Principal activities
				2025	2024	
天津華清企業管理諮詢有限公司 (“ Tianjin Huaqing Enterprise Management Consulting Limited ”)	Tianjin, PRC	Limited liability company	RMB30,000,000	51%	51%	General partner of subsidiaries
天津華傑企業管理諮詢合夥企業 (有限合夥) (“ Tianjin Huajie Enterprise Management Consulting Partnership (Limited Partnership) ”)	Tianjin, PRC	Limited partnership	RMB22,052,612	77.33%	77.33%	General partner of private equity funds
Grand Eternity Limited	BVI	Limited liability company	US\$8,252.15	100%	100%	General partner of private equity funds
天津鐸煌企業管理諮詢合夥企業 (有限合夥) (“ Tianjin Huahuang Enterprise Management Consulting Partnership (Limited Partnership) ”)	Tianjin, PRC	Limited partnership	RMB15,000,000	73.32%	73.32%	General partner of private equity funds
天津鐸宇諮詢有限公司 (“ Tianjin Huayu Consultants Limited ”)	Tianjin, PRC	Wholly foreign owned enterprise	RMB1,000,000	100%	100%	Provision of financial advisory services
北京華興合利企業管理合夥企業 (有限合夥) (“ Beijing Huaxing Heli Enterprise Management Partnership (Limited Partnership) ”)	Beijing, PRC	Limited partnership	RMB30,087,965	60.68%	60.68%	General partner of a private equity fund

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Name of subsidiary	Place of incorporation/ registration/ operation	Kind of legal entity	Issued/ registered capital	Proportion of ownership interest/ voting power held by the Company At December 31,		Principal activities
				2025	2024	
天津瑞致企業管理合夥企業(有限合夥) (“ Tianjin Ruizhi Enterprise Management Partnership (Limited Partnership) ”)	Tianjin, PRC	Limited partnership	RMB5,502,500	44.91%	44.91%	General partner of a private equity fund
Huaxing Associates GP III, Ltd.	Cayman Islands	Limited liability company	US\$0.01	100%	100%	General partner of a private equity fund
Huaxing Associates III L.P.	Cayman Islands	Limited partnership	US\$20,000,000	79.37%	79.37%	General partner of a private equity fund
Huaxing Growth Capital Management, Ltd	Cayman Islands	Limited liability company	US\$0.01	100%	100%	Provision of advisory services for a private equity fund
寧波梅山保稅港區榕嘉投資管理合夥企業(有限合夥) (“ Ningbo Meishan Bonded Port Area Rongjia Investment Management Partnership (Limited Partnership) ”)	Ningbo, PRC	Limited partnership	RMB9,000,000	41.33%	37.25%	General partner of a private equity fund
天津華興慧創諮詢合夥企業(有限合夥) (“ Tianjin Huaxing Huichuang Consulting Partnership (Limited Partnership) ”)	Tianjin, PRC	Limited partnership	RMB50,000,000	60%	60%	Provision of management, financial advisory and technical services

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Name of subsidiary	Place of incorporation/ registration/ operation	Kind of legal entity	Issued/ registered capital	Proportion of ownership interest/ voting power held by the Company At December 31,		Principal activities
				2025	2024	
天津華匯企業管理諮詢合夥企業(有限合夥) ("Tianjin Huahui Enterprise Management Consulting Partnership (Limited Partnership)")	Tianjin, PRC	Limited partnership	RMB10,000,000	37.25%	37.25%	General partner of a private equity fund
天津智清企業管理諮詢合夥企業(有限合夥) ("Tianjin Zhiqing Enterprise Management Consulting Partnership (Limited Partnership)")	Tianjin, PRC	Limited partnership	RMB15,000,000	100%	100%	General partner of a private equity fund
Huaxing Growth Capital Partners Feeder, L.P.	Cayman Islands	Limited partnership	US\$1	75.02%	75.02%	General partner of a private equity fund
天津鐔峰企業管理諮詢有限公司 ("Tianjin Huafeng Enterprise Management Consulting Co., Ltd.")	Tianjin, PRC	Limited liability company	RMB10,000,000	100%	100%	Provision of management service for a private equity fund
天津華興豐瑜企業管理顧問合夥(有限合夥) ("Tianjin Huaxing Fengyu Enterprise Management Consulting Partnership Enterprise (Limited Partnership)")	Tianjin, PRC	Limited partnership	RMB80,000,000	100%	100%	Provision of financial advisory services

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Name of subsidiary	Place of incorporation/ registration/ operation	Kind of legal entity	Issued/ registered capital	Proportion of ownership interest/ voting power held by the Company At December 31,		Principal activities
				2025	2024	
天津華興豐嘩企業管理 顧問合夥（有限合夥） ("Tianjin Huaxing Fengye Enterprise Management Consulting Partnership Enterprise (Limited Partnership)")	Tianjin, PRC	Limited partnership	RMB1,000,000,000	100%	100%	Provision of financial advisory services
寧波慧興自有資金投資 合夥企業（有限合夥） ("Ningbo Huixing Self- Funded Investment Partnership (Limited Partnership)")	Ningbo, PRC	Limited partnership	RMB69,187,502	100%	N/A	Investment management
寧波瑤興自有資金投資 合夥企業（有限合夥） ("Ningbo Rongxing Self-Funded Investment Partnership (Limited Partnership)")	Ningbo, PRC	Limited partnership	RMB91,010,000	100%	N/A	Investment management
麗水朗興自有資金投資合夥 企業（有限合夥）("Lishui Langxing Self-Funded Investment Partnership (Limited Partnership)")	Lishui, PRC	Limited partnership	RMB350,010,000	100%	N/A	Investment management
麗水湛興自有資金投資合夥 企業（有限合夥）("Lishui Zhanxing Self-Funded Investment Partnership (Limited Partnership)")	Lishui, PRC	Limited partnership	RMB250,010,000	100%	N/A	Investment management

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Name of subsidiary	Place of incorporation/ registration/ operation	Kind of legal entity	Issued/ registered capital	Proportion of ownership interest/ voting power held by the Company At December 31,		Principal activities
				2025	2024	
麗水曜興自有資金投資合夥 企業(有限合夥) ("Lishui Yaoxing Self-Funded Investment Partnership (Limited Partnership)")	Lishui, PRC	Limited partnership	RMB5,010,000	100%	N/A	Investment management
廈門鐸興領沛創業投資 合夥企業(有限合夥) ("Xiamen Huaxing Lingpei Venture Capital Partnership Enterprise (Limited Partnership)")	Xiamen, PRC	Limited partnership	RMB150,561,868	48.08%	48.08%	Investment management

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length. None of the subsidiaries had issued any debt securities at the end of the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

50. DETAILS OF NON-WHOLLY-OWNED SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Total comprehensive expense allocated to non-controlling interests		Accumulated non-controlling interests	
		At December 31,		Year ended December 31,		At December 31,	
		2025	2024	2025	2024	2025	2024
				RMB'000	RMB'000	RMB'000	RMB'000
CR Securities	Shanghai, PRC	36.17%	36.17%	(16,266)	(32,998)	852,498	868,764
Individually immaterial subsidiaries with non-controlling interests						141,524	136,413
						994,022	1,005,177

Summarized financial information in respect of the Group's subsidiary that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

50. DETAILS OF NON-WHOLLY-OWNED SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS (CONTINUED)

CR Securities:

	At December 31,	
	2025	2024
	RMB'000	RMB'000
Current assets	3,591,130	3,565,869
Non-current assets	41,663	119,402
Current liabilities	1,275,884	1,284,377
Non-current liabilities	—	—
Equity attributable to owners of the Company	1,504,411	1,532,130
Non-controlling interests	852,498	868,764
	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Revenue and other gains	288,323	247,719
Expenses	(329,308)	(341,969)
Total comprehensive expense for the year	(44,975)	(91,236)
Total comprehensive expense attributable to owners of the Company	(28,709)	(58,238)
Total comprehensive expense attributable to non-controlling interests	(16,266)	(32,998)
	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Net cash (outflow)/inflow from operating activities	(128,770)	522,502
Net cash outflow from investing activities	(7,839)	(56,565)
Net cash inflow/(outflow) from financing activities	308,235	(105,418)
Net cash inflow	171,626	360,519

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

51. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	At December 31,	
	2025	2024
	RMB'000	RMB'000
NON-CURRENT ASSETS		
Investments in subsidiaries	2,090,739	2,077,199
Investments in associates	6,772	10,857
Financial assets at fair value through profit or loss	11,315	11,572
	2,108,826	2,099,628
CURRENT ASSETS		
Accounts and other receivables	73,957	75,792
Financial assets at fair value through profit or loss	361,778	7,584
Amount due from subsidiaries	1,062,397	1,006,869
Cash and cash equivalents	216,962	302,521
	1,715,094	1,392,766
TOTAL ASSETS	3,823,920	3,492,394
CURRENT LIABILITIES		
Accounts and other payables	6,771	7,666
Amount due to subsidiaries	914,969	569,220
	921,740	576,886
NET CURRENT ASSETS	793,354	815,880
TOTAL ASSETS LESS CURRENT LIABILITIES	2,902,180	2,915,508
NET ASSETS	2,902,180	2,915,508
CAPITAL AND RESERVES		
Share capital	94	94
Reserves	2,902,086	2,915,414
	2,902,180	2,915,508

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31, 2025

51. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (CONTINUED)

Movement in the Company's reserves

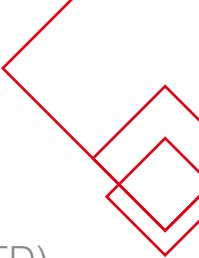
	Share premium RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000
At January 1, 2024	6,165,026	92,731	(3,348,707)	2,909,050
Total comprehensive income/(expense) for the year	—	13,236	(52,036)	(38,800)
Recognition of equity-settled share-based payment expense	—	38,789	—	38,789
Share options exercised	50,840	(44,465)	—	6,375
Restricted share units vested	40,714	(40,714)	—	—
At December 31, 2024	6,256,580	59,577	(3,400,743)	2,915,414
Total comprehensive expense for the year	—	(18,417)	(28,269)	(46,686)
Recognition of equity-settled share-based payment expense	—	31,443	—	31,443
Share options exercised	21,001	(19,086)	—	1,915
Restricted share units vested	42,816	(42,816)	—	—
At December 31, 2025	6,320,397	10,701	(3,429,012)	2,902,086

52. EVENT AFTER THE REPORTING PERIOD

Save as disclosed in these consolidated financial statements, the directors of the Company are not aware of any material subsequent event.

DEFINITIONS

“AI”	artificial intelligence
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Articles of Association”	the articles of association of our Company conditionally adopted on September 7, 2018 with effect from the Listing Date, as amended from time to time
“Audit Committee”	the Audit Committee of the Board
“Auditor”	ZHONGHUI ANDA CPA Limited
“AUM”	assets under management
“Award”	an award granted under the Scheme to selected participants being eligible persons under the Scheme or the actual selling price of the Award Shares in cash in accordance with the Scheme Rules
“Award Shares”	the Shares in an Award granted to selected participant being eligible person under the Scheme
“Board”	the board of directors of our Company
“CG Code”	the Corporate Governance Code set out in Appendix C1 of the Listing Rules
“China” or “PRC”	the People’s Republic of China, and for the purpose of this Annual Report only, except where the context requires otherwise, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“China Renaissance Securities (US)”	China Renaissance Securities (US) Inc., a limited liability company established in the State of New York, the USA on August 23, 2012, being a wholly-owned subsidiary of the Company
“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”, “China Renaissance”	China Renaissance Holdings Limited 華興資本控股有限公司, an exempted company with limited liability incorporated under the laws of the Cayman Islands on July 13, 2011
“Connected Transactions”	has the meaning ascribed to it under the Listing Rules
“Consolidated Affiliated Entities”	Shanghai Quanyuan, Dazi Hualing, Dazi Huafeng and Dazi Huashi

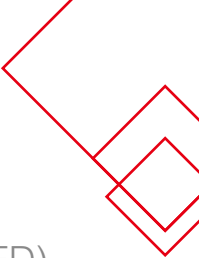


DEFINITIONS (CONTINUED)

“Contractual Arrangements”	the series of contractual arrangements entered into by, among others, Huagan Shanghai, our Consolidated Affiliated Entities and their shareholders, details of which are described in the section headed “Contractual Arrangements” in the Prospectus and “Connected Transactions — Continuing connected transactions — Non-exempt continuing connected transactions — Contractual Arrangements” in this annual report, as amended, restated and/or supplemented 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. Bao, FBH Partners, and CR Partners
“CR Partners”	CR Partners Limited, a company incorporated in the British Virgin Islands with limited liability on July 5, 2011 and one of our Controlling Shareholders
“CRSHK”	China Renaissance Securities (Hong Kong) Limited (華興證券(香港)有限公司), a company incorporated in Hong Kong with limited liability on June 18, 2012 and a directly wholly-owned subsidiary of the Company
“CR Securities”	China Renaissance Securities (China) Co., Ltd. (華興證券有限公司), a company incorporated in China, with limited liability on August 19, 2016 and an indirect subsidiary of the Company, formerly named as 華菁證券有限公司
“Cryptocurrency Assets Investment Plan”	has the meaning ascribed to it under the announcement of the Company dated June 26, 2025
“CSRC”	China Securities Regulatory Commission
“Dazi Huafeng”	Dazi Huafeng Investment Consultants Co., Ltd. (達孜鐸峰投資顧問有限公司), a company incorporated with limited liability in China on August 28, 2015, and one of our Consolidated Affiliated Entities
“Dazi Hualing”	Dazi Hualing Investment Consultants Co., Ltd. (達孜鐸領投資顧問有限公司), a company incorporated with limited liability in China on December 30, 2015, and one of our Consolidated Affiliated Entities
“Dazi Huashi”	Dazi Huashi Entrepreneurship Investment Management Co., Ltd. (達孜鐸石創業投資管理有限公司), a company incorporated with limited liability in China on October 20, 2014, and one of our Consolidated Affiliated Entities
“Director(s)”	the director(s) of our Company

DEFINITIONS (CONTINUED)

“DPI”	distribution to paid-in capital
“ESG”	environmental, social and governance
“ESG Committee”	the Environmental, Social and Governance Committee
“ESOP”	the employees’ share option plan of the Company as approved by the Board on August 24, 2012, which was amended and restated on March 1, 2013, April 27, 2015, and June 5, 2018
“FBH Partners”	FBH Partners Limited, our Controlling Shareholder, a company incorporated in the British Virgin Islands with limited liability on March 12, 2004 as an investment vehicle controlled by Mr. Bao, a founder of our Group
“FVTPL”	Fair value through profit or loss
“Go Perfect”	Go Perfect Development Limited, a shareholder of the Company which is a trust entity under the RSU Plan and being an associate of Mr. Bao
“Group”, “our Group”, “the Group”, “we”, “us” or “our”	the Company and its subsidiaries from time to time or, where the context so requires, 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
“Hong Kong” or “HK” or “HKSAR”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Huagan Shanghai”	Huagan (Shanghai) Business Consultants Co., Ltd. (鐸淦 (上海) 商務諮詢有限公司), a wholly foreign-owned enterprise incorporated with limited liability in China on May 27, 2017 and an indirectly wholly-owned subsidiary of the Company
“IFRS”	IFRS Accounting Standards, as issued from time to time by the International Accounting Standards Board
“IRR”	internal rate of return
“IT”	internet technology
“Latest Practicable Date”	April 24, 2026, being the latest practicable date prior to the printing of this annual report for the purpose of ascertaining certain information contained herein
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange



DEFINITIONS (CONTINUED)

“Listing Date”	September 27, 2018 the date on which the Shares are listed and on which dealings in the Shares are first permitted to take place 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
“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
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
“Mr. Bao”	Mr. Bao Fan (包凡), our former Chairman and Chief Executive Officer (resigned February 2, 2024) who is our Controlling Shareholder as of the date of this annual report
“Nomination Committee”	the nomination committee of the Board
“PE”	Private equity
“Prospectus”	the prospectus of the Company dated September 14, 2018
“RMB” or “Renminbi”	Renminbi, the lawful currency of PRC
“Remuneration Committee”	the remuneration committee of the Board
“Reporting Period”	the year ended December 31, 2025
“RSU Plan”	the China Renaissance Holdings Limited 2018 Restricted Share Unit Plan as approved by Board on June 15, 2018
“RSUs”	restricted share units
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Scheme Rules”	the rules governing the Share Award Scheme
“Shanghai Quanyuan”	Shanghai Quanyuan Investment Co., Ltd. (上海全源投资有限公司), a company incorporated with limited liability in China on October 28, 2014, and one of our Consolidated Affiliated Entities

DEFINITIONS (CONTINUED)

“Share(s)”	ordinary share(s) in the share capital of our Company, currently with a par value of US\$0.000025 each
“Shareholder(s)”	holder(s) of the Share(s)
“Share Award Scheme” or the “Scheme”	the share award scheme adopted by the Company on May 27, 2022 pursuant to a resolution of the Board
“Sky Allies”	Sky Allies Development Limited, a shareholder of the Company, and controlled by a trustee that is accustomed to take instructions from Mr. Bao Fan and therefore a core connected person of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary” or “Subsidiaries”	has the meaning ascribed to it thereto in section 15 of the Companies Ordinance
“substantial shareholder”	has the meaning ascribed to it in the Listing Rules
“United States” or “US” or “U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US dollars”, “U.S. dollars”, “US\$” or “USD”	United States dollars, the lawful currency of the United States
“YZi Labs”	YZILabs Management Ltd, an investment vehicle with a strategic focus on Web3, artificial intelligence, and biotechnology, being a third party independent of and not connected with the Company and its connected persons
“%”	per cent

Note: Unless otherwise defined in this Annual Report, capitalised terms used herein bear the same meanings as defined in the Prospectus.



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