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HI SUN TECHNOLOGY (CHINA) LIMITED

高陽科技(中國)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 818)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

	2025 HK\$'000	2024 HK\$'000	Change + / (-)
RESULTS			
Revenue	2,118,473	2,340,040	-9%
Gross profit	821,022	908,802	-10%
Segmental EBITDA# (before unallocated items)	135,351	172,840	-22%
Operating (loss)/profit, before gains on disposals of subsidiaries, net	(249,604)	6,543	N/A
Operating (loss)/profit, after gains on disposals of subsidiaries, net	(245,361)	99,769	N/A
Share-based payments under share option schemes of subsidiaries	225,935	-	N/A
Share of results of associated companies	230,292	213,160	+8%
Adjusted net profit##	193,077	233,439	-17%
Share-based payments under share option schemes of subsidiaries	(225,935)	-	N/A
Impairment of investment in an associated company	(99,652)	(141,307)	N/A
Fair value losses on financial assets/liability at fair value through profit or loss ("FVPL"), net	(17,705)	(8,804)	N/A
Gains on disposals of subsidiaries, net	4,243	93,226	-95%
(Loss)/profit for the year	(145,972)	176,554	N/A
(Loss)/profit attributable to:			
– Owners of the Company	(121,548)	157,605	N/A
– Non-controlling interests	(24,424)	18,949	N/A
	(145,972)	176,554	

EBITDA is calculated by excluding interest expense, taxes, depreciation, amortisation, fair value losses on financial assets at FVPL, net and share-based payments under share option schemes of subsidiaries from segmental operating (loss)/profit

Excluding impairment of investment in an associated company, fair value losses on financial assets at FVPL, net, gains on disposals of subsidiaries, net and share-based payments under share option schemes of subsidiaries

* For identification purpose only

	2025	2024	Change
	<i>HK\$ per share</i>	<i>HK\$ per share</i>	+/(–)
(Loss)/earnings per share for (loss)/profit attributable to the owners of the Company:			
Basic	(0.045)	0.057	N/A
Diluted	(0.081)	0.021	N/A
	<u>(0.045)</u>	<u>0.057</u>	
	<u>(0.081)</u>	<u>0.021</u>	
As at 31 December			
	2025	2024	Change
	<i>HK\$'000</i>	<i>HK\$'000</i>	+/(–)
HIGHLIGHTS OF FINANCIAL POSITION			
Total equity	8,014,143	7,722,876	+4%
Net current assets	3,958,594	3,844,654	+3%
Total assets	14,431,942	11,858,778	+22%
	<u>14,431,942</u>	<u>11,858,778</u>	
	<u>14,431,942</u>	<u>11,858,778</u>	
	<i>HK\$ per share</i>	<i>HK\$ per share</i>	Change
			+/(–)
Net assets per share	2.886	2.781	+4%
	<u>2.886</u>	<u>2.781</u>	
	<u>2.886</u>	<u>2.781</u>	

The board of directors (the “Board”) of Hi Sun Technology (China) Limited (the “Company”) hereby announces the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025 together with the comparative figures for the year ended 31 December 2024. The annual results have been reviewed by the audit committee of the Company (the “Audit Committee”).

FINANCIAL REVIEW

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2025, the Group reported total assets of HK\$14,431.9 million (2024: HK\$11,858.8 million), which were financed by total liabilities of HK\$6,417.8 million (2024: HK\$4,135.9 million) and total equity of HK\$8,014.1 million (2024: HK\$7,722.9 million). The net asset value was HK\$8,014.1 million (2024: HK\$7,722.9 million). Net assets per share amounted to HK\$2.886 as compared to HK\$2.781 per share as at 31 December 2024.

As at 31 December 2025, the Group had restricted bank balances of HK\$4,211.0 million (2024: HK\$2,593.9 million), cash and cash equivalents of HK\$2,990.7 million (2024: HK\$3,011.3 million), time deposit of HK\$624.9 million (2024: HK\$442.5 million) and short-term bank borrowings of HK\$81.5 million (2024: HK\$82.1 million). The net cash position was HK\$3,534.1 million (2024: HK\$3,371.7 million). The gearing ratio is calculated as total debt divided by total capital, while total debt includes bank borrowings, lease liabilities of and asset-backed securities issued by the Group. The gearing ratio was 5.7% (2024: 1.5%). The gearing ratio is considered healthy and suitable for the continuing growth of the Group's business.

CAPITAL STRUCTURE AND DETAILS OF CHARGES

As at 31 December 2025, the Group had bank borrowings of HK\$81.5 million (2024: HK\$82.1 million) carrying fixed interest rates (2024: same) and banking facilities of approximately HK\$109.6 million (2024: HK\$213.8 million). As at 31 December 2025, no banking facility was secured by the Group's assets. As at 31 December 2024, no banking facility was secured by the Group's assets.

The Group's restricted bank balances and cash and cash equivalents were principally denominated in Renminbi, Hong Kong dollar, US dollar, Euro, Japanese Yen, British Pound, Singapore dollar and Canadian dollar in the respective amount of approximately HK\$4,614.1 million, HK\$755.8 million, HK\$1,712.5 million, HK\$78.0 million, HK\$15.2 million, HK\$12.8 million, HK\$8.4 million and HK\$0.4 million as at 31 December 2025.

Approximately HK\$3,916.2 million, HK\$654.0 million, HK\$983.3 million, HK\$34.0 million, HK\$5.2 million, HK\$5.0 million, HK\$3.2 million and HK\$2.8 million of the Group's restricted bank balances and cash and cash equivalents were principally denominated in Renminbi, Hong Kong dollar, US dollar, Euro, Japanese Yen, British Pound, Singapore dollar and Canadian dollar respectively as at 31 December 2024.

SIGNIFICANT INVESTMENT

Save as disclosed in note (E) under the section titled "Overall Financial Results and Position", the Group held no significant investment as at 31 December 2025.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group had no material acquisition or disposal of subsidiaries, associates and joint ventures during the year ended 31 December 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There was no specific plan for material investments or capital assets as at 31 December 2025.

EXCHANGE RATES EXPOSURE

During the year, the Group derived its revenue, makes purchases and incurs expenses denominated mainly in US dollar, Renminbi, Euro, British Pound, Japanese Yen, Singapore dollar, Canadian dollar and Hong Kong dollar. The Group has not entered into agreements or purchased instruments to hedge the majority of the Group's exchange rate risks. Any material fluctuation in the exchange rates of Hong Kong dollar or Renminbi may have an impact on the operating results of the Group.

EMPLOYEES

The total number of employees of the Group as at 31 December 2025 was 2,494. The breakdown of employees by division is as follows:

Payment and digital services	1,310
Fintech services	81
Platform operation solutions	539
Financial solutions	513
Others	12
Corporate office	39
	<hr/>
	2,494
	<hr/> <hr/>

The Group ensures that its employees' remuneration packages are comprehensive and competitive. Directors are entitled to a fixed director's fee, discretionary bonus and other benefits, which are determined with reference to the performance of the individual and the Company, market practice and conditions as well as the Group's corporate goals and objectives in accordance with the remuneration policy of the Company. Employees are remunerated with fixed monthly income plus annual performance related bonuses. The Group also operates share option schemes and share award scheme for the purpose of attracting, retaining, motivating and rewarding the employees. The Group also sponsors selected employees to attend external training courses that suit the needs of the Group's businesses.

Disclaimer:

Non-GAAP measures

Certain non-GAAP (generally accepted accounting principles) measures, such as EBITDA, are used for assessing the Group's performance. These non-GAAP measures are not expressly permitted measures under GAAP in Hong Kong and may not be comparable to similarly titled measures for other companies. Accordingly, such non-GAAP measures should not be considered as an alternative to operating income as an indicator of the operating performance of the Group or as an alternative to cash flows from operating activities as a measure of liquidity. The use of non-GAAP measures is provided solely to enhance the overall understanding of the Group's current financial performance. Additionally, as the Group has historically reported certain non-GAAP results to investors, the Group considers the inclusion of non-GAAP measures provides consistency in our financial reporting.

BUSINESS REVIEW

SEGMENT RESULTS ANALYSIS

	Note	Turnover		EBITDA [#]	
		2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Payment and digital services	1	1,653,815	1,749,898	82,222	190,297
Fintech services	2	111,020	91,458	39,307	(20,631)
Platform operation solutions	3	124,709	146,353	(22,094)	(3,970)
Financial solutions	4	273,436	285,043	35,916	14,891
Others	5	–	83,796	–	(7,747)
Segmental results		2,162,980	2,356,548	135,351	172,840
Less: Inter-segment turnover		(44,507)	(16,508)	–	–
Total		<u>2,118,473</u>	<u>2,340,040</u>	135,351	172,840
Depreciation				(53,779)	(66,878)
Amortisation				(8,441)	(352)
Fair value losses on financial assets at fair value through profit or loss (“FVPL”), net				(17,480)	(8,849)
Share-based payments under share option schemes of subsidiaries				(225,935)	–
Segmental operating (loss)/profit				(170,284)	96,761
Unallocated other income				22,729	23,094
Unallocated corporate expenses				(102,049)	(113,312)
Operating (loss)/profit, before gains on disposals of subsidiaries, net				<u>(249,604)</u>	<u>6,543</u>

[#] EBITDA is calculated by excluding interest expenses, taxes, depreciation, amortisation, fair value losses on financial assets at FVPL, net and share-based payments under share option schemes of subsidiaries from segmental operating (loss)/profit.

CONDENSED CONSOLIDATED INCOME STATEMENT

	<i>Note</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	<i>A</i>	2,118,473	2,340,040
Cost of sales	<i>C</i>	<u>(1,297,451)</u>	<u>(1,431,238)</u>
Gross profit		821,022	908,802
Other income	<i>B</i>	130,878	155,170
Other losses, net		(17,705)	(8,804)
Selling expenses	<i>C</i>	(178,634)	(166,100)
Administrative expenses	<i>C</i>	(784,270)	(832,887)
Share-based payments under share option schemes of subsidiaries	<i>C</i>	(225,935)	–
Reversal of credit impairment loss/(credit impairment loss), net	<i>C</i>	<u>5,040</u>	<u>(49,638)</u>
Operating (loss)/profit, before gains on disposals of subsidiaries, net		(249,604)	6,543
Gains on disposals of subsidiaries, net		<u>4,243</u>	<u>93,226</u>
Operating (loss)/profit, after gains on disposals of subsidiaries, net		(245,361)	99,769
Share of results of associated companies	<i>D</i>	230,292	213,160
Impairment of investment in an associated company	<i>E</i>	(99,652)	(141,307)
Gain on deemed acquisition and dilution of interest of an associated company		489	4,906
Finance costs		<u>(3,720)</u>	<u>(1,895)</u>
(Loss)/profit before income tax		(117,952)	174,633
Income tax (expense)/credit	<i>L</i>	<u>(28,020)</u>	<u>1,921</u>
(Loss)/profit for the year		<u>(145,972)</u>	<u>176,554</u>
(Loss)/profit attributable to:			
– Owners of the Company		(121,548)	157,605
– Non-controlling interests		<u>(24,424)</u>	<u>18,949</u>
		<u>(145,972)</u>	<u>176,554</u>
(Loss)/earnings per share for (loss)/profit attributable to the owners of the Company:		HK\$	HK\$
		per share	per share
Basic		<u>(0.045)</u>	<u>0.057</u>
Diluted		<u>(0.081)</u>	<u>0.021</u>

CONDENSED CONSOLIDATED BALANCE SHEET

		As at 31 December	
		2025	2024
	Note	HK\$'000	HK\$'000
ASSETS			
Investment properties and property, plant and equipment		38,464	45,176
Right-of-use assets		46,629	55,986
Intangible assets		63	8,304
Investments in associated companies	E	3,472,083	3,442,562
Financial assets at fair value through profit or loss	F	54,899	69,415
Inventories		5,113	872
Trade receivables	G	143,767	185,722
Other financial assets at amortised cost and other current assets	G	704,988	204,035
Loan receivables	H	2,126,864	1,785,138
Amounts due from associated companies		9,414	6,273
Current income tax recoverable		3,037	7,613
Time deposits	I	624,889	442,487
Restricted bank balances	I	4,211,030	2,593,913
Cash and cash equivalents	I	2,990,702	3,011,282
Total assets		14,431,942	11,858,778
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital		6,942	6,942
Reserves		7,386,264	7,124,249
		7,393,206	7,131,191
Non-controlling interests		620,937	591,685
Total equity		8,014,143	7,722,876
LIABILITIES			
Trade payables	J	304,845	427,433
Payables for payment and digital services business	J	4,612,792	2,623,537
Other payables and accruals	J	961,374	925,445
Amounts due to associated companies		7,710	4,160
Current income tax liabilities		46,372	37,327
Lease liabilities		30,181	35,870
Asset-backed securities	K	373,028	–
Bank borrowings		81,497	82,130
Total liabilities		6,417,799	4,135,902
Total equity and liabilities		14,431,942	11,858,778
		<i>HK\$ per share</i>	<i>HK\$ per share</i>
Net assets per share		2.886	2.781

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	For the year ended	
	31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net cash used in operating activities	(513,782)	(482,838)
Net cash generated from investing activities	91,106	73,375
Net cash generated from financing activities	311,370	314
Net decrease in cash and cash equivalents	(111,306)	(409,149)
Cash and cash equivalents at beginning of the year	3,011,282	3,482,016
Exchange gain/(loss) on cash and cash equivalents	90,726	(61,585)
Cash and cash equivalents at end of the year	<u>2,990,702</u>	<u>3,011,282</u>

FINANCIAL REVIEW

During the year ended 31 December 2025 (“YEAR 2025”), the consolidated turnover of the Group amounted to HK\$2,118.5 million, representing a decrease of 9% when compared with the year ended 31 December 2024 (“YEAR 2024”). Loss for the year totaled HK\$146.0 million as compared to a profit HK\$176.6 million in YEAR 2024.

With regard to the balance sheet, the total assets as at 31 December 2025 amounted to HK\$14,431.9 million, compared with HK\$11,858.8 million as at 31 December 2024. As at 31 December 2025, net current assets amounted to HK\$3,958.6 million, compared with HK\$3,844.7 million as at 31 December 2024.

SEGMENT PERFORMANCE REVIEW

(1) Payment and digital services

Key performance indicators

	2025	2024	Change
	HK\$'000	HK\$'000	+ / (-)
Turnover*	1,642,017	1,749,261	-6%
EBITDA#	82,222	190,297	-57%
Share-based payments under share option schemes of subsidiaries	(222,230)	–	N/A
Operating (loss)/profit	(187,459)	141,431	N/A

* Turnover from external customers

EBITDA is calculated by excluding interest expense, taxes, depreciation, amortisation and share-based payments under share option schemes of subsidiaries from segmental operating (loss)/profit

Segmental turnover amounted to HK\$1,642.0 million as compared to HK\$1,749.3 million in YEAR 2024. Segmental operating loss amounted to HK\$187.5 million as compared to segmental operating profit HK\$141.4 million YEAR 2024.

The decrease in segmental turnover and segmental operating profit was primarily attributable to (i) the non-cash share option expenses of approximately HK\$222.2 million under the payment and digital services segment for the share options granted by subsidiaries of the Company in March and December 2025 (Please refer to the circular and the announcements of the Company dated 7 March 2025 and 12 December 2025 for further details); and (ii) the further replacement of the traditional payment market by digital payments, and the additional resources allocated to the overseas and cross-border businesses. The Group firmly believes that this strategic adjustment will lay the cornerstone for more stable development in the long run.

(2) Fintech services

Key performance indicators

	2025 HK\$'000	2024 <i>HK\$'000</i>	Change +/(–)
Turnover*	91,118	87,799	+4%
EBITDA#	39,307	(20,631)	N/A
– including reversal of credit impairment loss loss/(credit impairment loss)	7,367	(46,512)	N/A
Operating profit/(loss)	33,704	(23,915)	N/A

* Turnover from external customers

EBITDA is calculated by excluding interest expense, taxes, depreciation, amortisation and fair value loss on a financial asset at FVPL from segmental operating profit/(loss)

In YEAR 2025, segmental turnover amounted to HK\$91.1 million as compared to HK\$87.8 million in YEAR 2024. Segmental operating profit amounted to HK\$33.7 million as compared to segmental operating loss HK\$23.9 million in YEAR 2024. The segmental operating profit was mainly contributed by a decrease in credit impairment loss incurred during the year.

(3) Platform operation solutions

Key performance indicators

	2025 HK\$'000	2024 <i>HK\$'000</i>	Change +/(–)
Turnover*	113,194	145,312	-22%
EBITDA#	(22,094)	(3,970)	N/A
Fair value loss on a financial asset at fair value through profit or loss	(17,476)	(11,415)	N/A
Operating loss	(43,293)	(20,928)	N/A

* Turnover from external customers

EBITDA is calculated by excluding interest expense, taxes, depreciation, amortisation and fair value loss on a financial asset at FVPL from segmental operating loss

In YEAR 2025, we continued to provide high-quality and efficient supporting services, such as product development, business operation and system maintenance, to China Mobile Fintech, the IVR Base of China Mobile and Animation Base of China Mobile. During the year, segmental turnover amounted to HK\$113.2 million as compared to HK\$145.3 million in YEAR 2024. Segmental operating loss amounted to HK\$43.3 million as compared to HK\$20.9 million in YEAR 2024, which was primarily attributable to the decline in segmental turnover and the fair value loss on a financial asset at fair value through profit or loss amounted to HK\$17.5 million in YEAR 2025 as compared to HK\$11.4 million in YEAR 2024.

(4) Financial solutions

Key performance indicators

	2025 HK\$'000	2024 <i>HK\$'000</i>	Change + / (-)
Turnover*	272,144	273,872	-1%
EBITDA [#]	35,916	14,891	+141%
Share-based payment under share option scheme of a subsidiary	(3,705)	–	N/A
Operating profit	26,764	9,174	+192%

* Turnover from external customers

EBITDA is calculated by excluding interest expense, taxes, depreciation, amortisation and share-based payment under share option scheme of a subsidiary from segmental operating profit

In YEAR 2025, segmental turnover amounted to HK\$272.1 million as compared to HK\$273.9 million in YEAR 2024. Segmental operating profit totalled HK\$26.8 million as compared to HK\$9.2 million in YEAR 2024. The improving segmental operating profit was mainly due to increase in profit margin from overseas markets.

(5) Others

Other business operations mainly included results of subsidiaries under our electronic power meters and solutions business, which were disposed in July and August 2024 respectively.

OVERALL FINANCIAL RESULTS AND POSITION

(A) Revenue

The consolidated turnover amounted to HK\$2,118.5 million, representing a decrease of 9% over YEAR 2024. Such decrease was mainly contributed by a decrease in segmental turnover of our payment and digital services segment. Please also refer to Notes (1) to (5) above on segmental performance.

(B) Other income

Other income mainly consisted of interest income and government grants in YEAR 2025.

(C) Cost of sales and operating expenses

In YEAR 2025, cost of sales decreased significantly mainly due to decline in total turnover particularly in payment and digital services segment.

Decrease in operating expenses was partially net off by the increase in additional resources allocated to the overseas and cross-border businesses in YEAR 2025.

Share option expenses of approximately HK\$225.9 million in YEAR 2025 mainly attributed to the share options granted by subsidiaries under the payment and digital services segment.

Reversal of credit impairment loss was primarily due to recovery of aged loan receivable balances under the fintech services segment which had been previously provided for.

(D) Share of results of associated companies

Amounts mainly represented share of the results of the associated companies of the Company, including PAX Global Technology Limited (“PAX Global”), the shares of which are listed on the Stock Exchange, as well as Megahunt Technologies Inc. (“Megahunt”).

(E) Investments in associated companies

Balance mainly represented the Group's interests in PAX Global and Megahunt. The Group is optimistic about their future prospects and will continue to demonstrate prudence and resilience in assessing its investment strategy towards the enhancement of shareholders' value.

The Group also held an investment in Cloopen Group Holding Limited ("Cloopen"). Despite the zero carrying value of the Group's interest in Cloopen as of 31 December 2025, Cloopen is noted for the recent proposal received by its board of directors which was announced in December 2025 as detailed below.

(i) PAX Global

As at 31 December 2025, the Group held 364,000,000 ordinary shares of PAX Global and the fair value of the Group's effective interest in approximately 34.3% of PAX Global was approximately HK\$1,838.2 million and was lower than its carrying value. An impairment test was performed to determine the recoverable amount of the investment. The recoverable amount, which was assessed by an independent valuer on a value-in-use basis using the discounted cash flow model, exceeds the carrying value as at 31 December 2025. The interest in PAX Global of HK\$3,229.9 million represented approximately 22.4% of the Group's audited total assets as at 31 December 2025 and the cost of investment as at 31 December 2025 was HK\$259.8 million.

PAX Global, together with its subsidiaries, is principally engaged in the development and sales of electronic payment point-of-sale terminals products and the provision of maintenance and installation and payment solution services.

PAX Global is one of the global leading suppliers of E-payment Terminals solutions business. The continuous progress in payment technology, coupled with the growing consumer preference for convenient and secure payment options, along with global cashless initiatives, has opened up new opportunities for PAX Global's products and solutions. Despite facing challenging macroeconomic conditions, PAX Global has showcased resilience to risks and adaptability to volatile environments. PAX Global remains at the forefront of market trends and actively drives the enhancement of payment terminal technology.

In YEAR 2025, the increase in the net profit of PAX Global was primarily due to the decline in selling and administrative expenses recorded.

Looking forward, the shift toward cashless and digital economies remains an irreversible trend. We are optimistic about PAX Global maintaining a positive outlook on the market demand for its payment terminals and being well-prepared to capitalise on the vast opportunities within the global payments industry.

(ii) Megahunt

As at 31 December 2025, the Group held approximately 45.73% of the issued shares of Megahunt. The recoverable amount of Megahunt based on the fair value less costs of disposal calculation was determined under a value-in-use basis using discounted cash flow model performed by an independent professional valuer. The recoverable amount of Megahunt is lower than its carrying amount. The total shortfall of HK\$99.7 million was recognised as a non-cash impairment loss of investment in an associated company in YEAR 2025. The recoverable amount had been determined based on the higher of the fair value less cost of disposal and value-in-use. The interest in Megahunt of HK\$210.6 million represented approximately 1.5% of the Group's audited total assets as at 31 December 2025.

In YEAR 2025, due to the impact of the global economic conditions and the tightened global semiconductor supply chain, the growth of the information security chip industry tended to slow down and competition became more intense. The information security chip market is generally expected to develop steadily in 2026, subject to changes due to the policy impact on the payment market. Other research and development projects are progressing smoothly and the cost reduction initiatives of various products are also rolling out in an orderly manner.

(iii) Cloopen

As at 31 December 2025, the Group was interested in 55,677,341 Class A ordinary shares of Cloopen. On 24 December 2025 (New York Time), Cloopen announced that its board of directors had received a preliminary non-binding proposal letter (the "Proposal") dated 22 December 2025 from certain parties, including its founder, proposing to acquire all of the outstanding Class A ordinary shares and Class B ordinary shares of Cloopen, including the ordinary shares represented by the American depositary shares, in a going private transaction (the "Proposed Transaction"). As at 31 December 2025, Cloopen had not further announced in respect of the Proposal and Proposed Transaction. The Proposed Transaction, if materialised, may constitute a notifiable transaction for the Company. The Company will make further announcement as and when required by the Listing Rules. The carrying value of the Company's shareholding interests in the Cloopen was recorded as zero in the Company's financial statements as at 31 December 2024 and 2025.

Further details may be referred to in the Company's announcement dated 28 December 2025.

(F) Financial assets at fair value through profit or loss

Amount mainly represented an unlisted investment fund outside Hong Kong.

(G) Trade receivables, other financial assets at amortised cost and other current assets

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables (<i>Note (i)</i>)	147,818	189,586
Less: provision for impairment of trade receivables	<u>(4,051)</u>	<u>(3,864)</u>
	143,767	185,722
Other financial assets at amortised cost and the other current assets (<i>Note (ii)</i>)	<u>704,988</u>	<u>204,035</u>
Total	<u>848,755</u>	<u>389,757</u>

Note (i):

The Group's credit terms to trade debtors normally range from 0 to 180 days. The ageing analysis of the trade receivables primarily based on the invoice dates is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current to 90 days	138,127	164,853
91 to 180 days	1,226	16,135
181 to 365 days	1,453	2,810
Over 365 days	<u>7,012</u>	<u>5,788</u>
	<u>147,818</u>	<u>189,586</u>

- Decrease in balances between aged current to 90 days and 91-180 days were mainly due to decrease of outstanding balances under platform operation solutions segment.

Note (ii):

The increase in balance was mainly due to increase in other receivables from cross-border payment businesses.

(H) Loan receivables

Loan receivables are amounts due from customers under the fintech services segment in the ordinary course of business and primarily denominated in RMB.

(I) Time deposits, restricted bank balances and cash and cash equivalents

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-current assets		
Long-term bank deposits	445,394	265,280
Current assets		
Short-term bank deposits	<u>179,495</u>	<u>177,207</u>
Total time deposits	<u>624,889</u>	<u>442,487</u>
Restricted bank balances (<i>Note</i>)	4,211,030	2,593,913
Cash and cash equivalents	<u>2,990,702</u>	<u>3,011,282</u>
Restricted bank balances and cash and cash equivalents	<u>7,201,732</u>	<u>5,605,195</u>

Note:

In accordance with the notice issued by the Payment and Settlement Department of the People's Bank of China ("PBOC"), from 14 January 2019, all customer reserve accounts held by third-party payment institutions should be cancelled and the customer reserves should be deposited in a dedicated deposit account maintained centrally by a designated agency. Since the transfer of fund of the dedicated deposit account is subject to measures imposed by PBOC, the customer reserves maintained therein are restricted in nature.

As at 31 December 2025, the amount comprised (i) the customer reserves deposited in the abovesaid dedicated deposit account which was denominated in RMB; and (ii) the funds deposited in designated bank accounts for the operation of the Group's cross-border payment business; and (iii) the funds maintained as reserved balances with designated bank accounts as performance guarantees, mainly in relation to financial solution services that the Group provides to banks.

(J) Trade payables, payables for payment and digital services segment and other payables and accruals

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables (<i>Note (i)</i>)	304,845	427,433
Payables for payment and digital services segment (<i>Note (ii)</i>)	4,612,792	2,623,537
Other payables and accruals (<i>Note (iii)</i>)	<u>961,374</u>	<u>925,445</u>
Total	<u>5,879,011</u>	<u>3,976,415</u>

Note (i):

The credit period granted by the suppliers ranges from 0 to 180 days. The ageing analysis of the trade payables primarily based on invoice date was as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current to 90 days	299,110	422,633
91 to 180 days	485	148
181 to 365 days	2,965	14
Over 365 days	2,285	4,638
	<u>304,845</u>	<u>427,433</u>

- Decrease in trade payables aged between current to 90 days was mainly due to decrease in outstanding balances under the payment and digital services segment.

Note (ii):

This balance represents payables to merchants for the payment and digital services segment.

Note (iii):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Accrued staff costs and pension obligations*	190,621	223,907
Deposits	33,458	33,667
Receipt in advance from customers**	52,559	27,382
Deposits from business channel partners**	488,230	445,864
Others***	196,506	194,625
	<u>961,374</u>	<u>925,445</u>

* Balance represented accrued staff costs, pension obligations and year-end bonus.

** Receipt in advance from customers and deposits from business channel partners represented advances and guarantees received from merchants and partners under the payment and digital services segment.

*** Balance mainly represented accrued subcontracting costs and other accrued handling fees payable under the payment and digital services segment.

(K) Asset-backed securities

Balance represents carrying amount of outstanding priority tranche of asset-backed securities (“ABS”) issued under the following ABS Schemes.

Issuance of asset-backed securities

(i) *Suixin Cloud Chain-E Credit Supply Chain Financial Asset-backed Special Scheme (the “E-Credit ABS Scheme”)*

Ronghui Zhida Factoring, accounted for as an 80.04% owned indirect subsidiary of the Company, approved the E-Credit ABS Scheme and the issuance of ABS thereunder. The ABS are backed by factoring loan receivables repaid via electronic debt instruments. Pursuant to the no-objection letter from the Shanghai Stock Exchange, the maximum issue size of the ABS Scheme is RMB2 billion, under which non-revolving ABS can be issued in multiple tranches within 24 months from the date of approval by 14 March 2027. The ABS are classified into priority and subordinated tranches according to their risks, earnings and duration. The priority tranche of the ABS is traded on the Shanghai Stock Exchange.

The E-Credit ABS Scheme – Phase 1 was established in April 2025 with a total issue size of RMB335 million, and the E-Credit ABS Scheme – Phase 2 was established in December 2025 with a total issue size of RMB151 million. The priority tranche is issued to qualified institutional investors in the PRC and the subordinated tranche is issued to Ronghui Zhida Factoring or its designated affiliates.

(ii) *Suixin Cloud Chain-Xingyao No.2 Credit Supply Chain Financial Asset-backed Special Scheme (the “Xingyao No. 2 ABS Scheme”)*

Ronghui Zhida Factoring approved the Xingyao No. 2 ABS Scheme and the issuance of ABS thereunder. The ABS are backed by the creditor’s rights and ancillary rights under specified loan trust, including but not limited to the right to principal, interests, liquidated damages and security interest. Pursuant to the no-objection letter from the Shanghai Stock Exchange, the maximum issue size of the Xingyao No. 2 ABS Scheme is RMB217 million, under which ABS can be issued within 12 months from the date of approval by 3 September 2026. The ABS are classified into priority and subordinated tranches according to their risks, earnings and duration. The priority tranche of the ABS is traded on the Shanghai Stock Exchange.

The Xingyao No. 2 ABS Scheme with an issue size of RMB217 million was established on 19 September 2025. The priority tranche is issued to qualified institutional investors in the PRC and the subordinated tranche is issued to Ronghui Zhida Factoring or its designated affiliates.

The proceeds from the issuance of the ABS under the E-Credit ABS Scheme and the Xingyao No. 2 ABS Scheme are principally used as general working capital of the fintech services segment. The issuance of the ABS will widen the fund-raising channels of the Group to access low-cost capital, which in turn will be used to improve the financing structure of the Company and promote its operating activities and investments.

Further details of the ABS Schemes are set out in the Company’s announcements dated 16 April 2025, 19 September 2025 and 16 December 2025.

(L) Income tax(expense)/credit

The income tax credit was mainly due to a subsidiary under payment and digital services segment being qualified as a Software and Integrated Circuit Enterprise (“SICE”) in YEAR 2024.

KEY INVESTING AND FINANCING ACTIVITIES

Grant of options under the VBill (Cayman) Share Options Scheme

On 7 March 2025, VBill Limited (“Vbill (Cayman)”, together with its subsidiaries the “Vbill (Cayman) Group”) granted options (the “VBill (Cayman) Options”) to 9 eligible participants (the “Grantees”) pursuant to the VBill (Cayman) Share Option Scheme (the “Grant”), pursuant to the Shareholders’ approval at the special general meeting of the Company held on 28 March 2025.

A total of 2,401 VBill (Cayman) Options, if exercised in full, representing approximately 29.998% of the issued share capital of VBill (Cayman) as at the adoption date of the VBill (Cayman) Share Options Scheme and also the date of Grant, were conditionally granted to the Grantees, including (i) Mr. Xu Wensheng, Mr. Li Wenjin, Mr. Xu Changjun and Ms. Hui Lok Yan, each an executive Director; (ii) Mr. Chen Dong, the senior vice president of the Company; and (iii) Mr. Shen Zheng, Mr. Li Bing, Mr. Xue Guanyu and Ms. Ge Xiaoxia (collectively the “Relevant Grantees”), being the directors and/or supervisors of members of VBill (Cayman) Group and/or the Group.

Each VBill (Cayman) Option shall entitle the Grantees to subscribe for one share of VBill (Cayman) at a subscription price (i.e. exercise price) of HK\$235,000, representing a premium of approximately 0.4% over the unaudited consolidated net asset value of VBill (Cayman) as at 30 September 2024 (excluding the amount attributable to the non-controlling interest in the VBill (Cayman) Group).

Approximately 40%, 30% and 30% of the VBill (Cayman) Options shall vest on the first, second and third anniversary of the date of grant respectively, and are exercisable immediately upon vesting and until 7 March 2034 in single or multiple tranches. Although there is no performance target attached to the VBill (Cayman) Options, the VBill (Cayman) Options (to the extent unvested or vested but not exercised) granted shall be subject to the clawback mechanism stipulated in the scheme rules, including but not limited to events such as fraud, misconduct and termination of employment of the Grantee.

The grant of options to each Grantee exceeding the 1% individual limit (as defined in the Listing Rules) and to the Grantees in aggregate exceeded the 10% scheme mandate limit (as defined in the Listing Rules) was also approved by the Shareholders at the aforesaid special general meeting.

Pursuant to the Listing Rules, options granted under a share scheme must be personal to the grantee and may not be transferred or assigned. To facilitate a compliant structure for the Relevant Grantees, all being PRC nationals, to exercise the options and subsequently hold the shares of VBill (Cayman), the Company has applied for and the Stock Exchange has granted a waiver pursuant to the note to Rule 17.03(17) of the Listing Rules in respect of the Relevant Grantees’ assignment of their VBill (Cayman) Options to their respective companies incorporated in the British Virgin Islands (the “BVI Cos”).

To uphold the integrity of the VBill (Cayman) Share Option Scheme and ensure that it continues to meet its purpose while allowing the aforesaid assignment such that the Relevant Grantees can obtain the benefits of their equity interest in VBill (Cayman), the Company has imposed and adopted the following special conditions and measures to safeguard the interest of the Shareholders, including without limitation, restricting the legal and beneficial ownership of the BVI Cos throughout the exercise period, requiring the Relevant Grantees to prove their legal and beneficial ownership, and issuing announcement to update the Shareholders in the event of change of legal and beneficial ownership of the BVI Cos.

Further details can be found in the Company’s announcement and circular both dated 7 March 2025.

Issuance of asset-backed securities under the E-Credit ABS Scheme and Xingyao No. 2 ABS Scheme

Ronghui Zhida Factoring approved the E-Credit ABS Scheme and the Xingyao No. 2 ABS Scheme and the issuance of ABS thereunder.

The ABS under the E-Credit ABS Scheme are backed by and the ABS under the Xingyao No. 2 ABS Scheme are backed by the creditor's rights and ancillary rights under specified loan trust, including but not limited to the right to principal, interests, liquidated damages and security interest.

The ABS are classified into priority and subordinated tranches according to their risks, earnings and duration. The priority tranche of the ABS is traded on the Shanghai Stock Exchange.

The E-Credit ABS Scheme - Phase 1 was established in April 2025 with a total issue size of RMB335 million, and the E-Credit ABS Scheme - Phase 2 was established in December 2025 with a total issue size of RMB151 million. The Xingyao No. 2 ABS Scheme with an issue size of RMB217 million was established in September 2025.

The proceeds from the issuance of the ABS under the E-Credit ABS Scheme and the Xingyao No. 2 ABS Scheme are principally used as general working capital of the fintech services segment. The issuance of the ABS will widen the fund-raising channels of the Group to access low-cost capital, which in turn will be used to improve the financing structure of the Company and promote its operating activities and investments.

Further details of the ABS Schemes may be referred to in note (K) above and are set out in the Company's announcements dated 16 April 2025, 19 September 2025 and 16 December 2025.

BUSINESS OUTLOOK

In 2025, despite the sluggish global economic recovery, frequent geopolitical conflicts and significant turbulence in the international trade and economic landscape, the Chinese economy continued to demonstrate strong resilience, achieving steady improvements in quality and a transformation and upgrade in growth momentum under pressure. Looking ahead to 2026, in the face of both external uncertainties and fluctuations in domestic demand, macroeconomic policies are expected to maintain their strength and consistency, while placing greater emphasis on targeted support and cross-cycle adjustments. The core of the policies will focus on striking a dynamic balance between "stability" and "progress", guiding the economy to shift from scale expansion to quality enhancement through high-quality policy supply.

Payment and Digital Services

During the year, the payment and digital services segment continued to uphold the core guiding principle of "payment for the people", focusing on service scenarios involving small-amount and high-frequency transactions, and further advancing the implementation of digitalization strategies. The scale of payment transactions recorded steady growth.

(I) *Rapid Growth in Cross-border Payment Business and Continuous Upgrade of Global Service Capabilities*

The cross-border payment business entered a period of rapid growth, with continued investment in the enhancement of overseas service capabilities to precisely meet the globalization needs of enterprises expanding abroad, providing end-to-end global capital services. The annual transaction volume of cross-border payment business increased by more than 200% year-on-year. In terms of regional deployment, emphasis was placed on building differentiated service capabilities in overseas regions such as South America, the Middle East and Southeast Asia. The Brazil market successfully achieved its annual growth target, becoming a core anchor market in the differentiated overseas layout. In respect of licensing qualifications gradually establishing a broad and well-structured global payment network. From the perspective of industry expansion, resources were further allocated to the service trade sector, driving a steady increase in the proportion of service trade business and continuously optimizing the business structure.

(II) *Deepening Efforts in Facilitating Inbound Payments and Achieving Industry Recognition through Product Innovation*

By actively participating in the special initiative led by the People's Bank of China to "significantly improve payment convenience for overseas visitors to China", the Group focused on optimizing inbound payment experiences and resolving payment bottlenecks, with particular emphasis on the core business segment of foreign card acceptance, strengthening cooperation and achieving breakthroughs in licensing qualifications. The Group continued to deepen cooperation with the three major international card organizations in the domestic acquiring sector, actively exploring innovative business models, and successfully obtained CNP (Card-Not-Present) business authorization from all three international card organizations. This enabled the Group, in its capacity as an acquirer, to comprehensively enhance the payment convenience for foreign nationals in China. At the same time, this capability empowered domestic e-commerce platforms to efficiently connect with overseas customer needs. In terms of product innovation, the Group independently developed a digital acceptance solution for overseas credit cards. With its significant innovative value and outstanding practical performance, the product won the "Best Innovative Product Award" from Mastercard during the year. The product is scheduled to be launched in 2026, which will effectively address the difficulties faced by merchants in accepting foreign cards and provide critical support for the comprehensive upgrade of inbound payment services.

(III) *Effective Rollout of Digital Operation Products and Initial Formation of Multi-industry Service Ecosystem*

Since its launch, the digital operation product for the catering industry has been positioned with a global layout, focusing on the cross-border operational service needs of chain restaurant customers. At present, the product has covered more than 30 countries and regions including China, North America, Europe and Southeast Asia, serving nearly 30,000 chain restaurant outlets. Leveraging the ecological advantages of the PaaS platform, the Group has jointly built service systems with partners, continuously expanding digital operation service scenarios across multiple industries, thereby empowering more industry customers to achieve digital transformation.

In 2026, we will continue to deepen our strategic cooperation with international banks and further enhance the global capital network layout. At the same time, we will place greater focus on ongoing research and development in frontier technology areas such as artificial intelligence, while iteratively optimizing intelligent risk control models to strengthen risk identification and prevention capabilities across all business scenarios. In addition, we will accelerate the deep integration of digital technologies with trade scenarios, building a more comprehensive, secure and efficient payment infrastructure system to drive the steady and sustainable development of cross-border payment business. Leveraging our core competitive advantages in acquiring services and cross-border payments, we are currently developing capital management infrastructure tailored to the globalization needs of Chinese customers, providing enterprises with full-cycle and integrated digital service support for their global operations through digital operation products.

FinTech Services

In 2025, the Fintech services segment focused on its core strategy and devoted full efforts to building a “dual-engine” capital supply system. The construction of this system has achieved significant interim results, with the service capability of core products making a leap forward, laying a solid foundation for sustainable profitability and effectively strengthening the Group’s core competitiveness in the field of industrial finance. In the area of asset securitization, the Group adhered to an innovation-driven development strategy. Leveraging long-standing technological advantages and industry experience, the Group deeply integrated the “1+N” and “N+N” dual business models, successfully establishing three core product matrices — “Galaxy Series”, “Moon Series” and “Cloud Series”. These products precisely address the diversified financing needs of customers at different levels, in particular efficiently injecting incremental funding into upstream and downstream SMEs along the industrial chain, thereby supporting the stability and optimization of the industrial and supply chain ecosystem. The scale of the related businesses recorded steady growth, with customer recognition continuing to improve.

In addition, we actively advanced strategic cooperation with traditional banking and financial institutions, successfully establishing a multi-level and comprehensive three-tier collaborative system. Breakthrough progress was achieved in bank-enterprise cooperation, with the number of partner banks reaching 46. Through resource sharing and complementary advantages, the Group effectively broadened capital supply channels and enhanced capital allocation efficiency, providing strong funding support for the efficient operation of the “dual-engine” capital supply system, while also fostering a sound financial ecosystem for future business expansion. Looking ahead, the Group will continue to focus on its principal business, deepen the “dual-engine” capital supply product system, further explore system efficiency and fully unleash its core value. We will increase investment in product innovation and enrich product offerings. With a commitment to serving the real economy and promoting high-quality industrial development, the Group will continue to inject a steady stream of financial vitality.

Platform Operation Solutions

In 2025, against the backdrop of cost reduction and efficiency enhancement across telecom operators, our business scale contracted to some extent. We continued to focus on projects with technological barriers, enhancing delivery capabilities and service standards to earn customer recognition and market acceptance. Breakthroughs were achieved in the fields of artificial intelligence and smart payment, laying a solid foundation for future business transformation. In 2026, we will continue to invest in technological research and development, optimizing basic platforms and software tools to ensure technological advancement and stability. Looking ahead to the next year, operators are expected to further compress costs. In response to this market trend, we will maintain a prudent operating strategy, continue to deepen our presence in existing markets, expand our customer base through multiple channels, and persistently refine products and improve service quality, striving to secure a certain market share and achieve business growth.

Financial Solutions

BJ ABS has been committed to providing system services for domestic financial institutions. In 2025, the demand scale for routine maintenance projects declined, while opportunities related to domestic substitution and RMB internationalization increased. Leveraging its strengths in business design and product development, BJ ABS team responded swiftly to market developments with rapid innovation and iterative enhancements, driving project implementation and supporting customer business expansion. In the field of IT application innovation, the Group continued to promote the nine major downward migration processes, assisting customers in achieving domestic substitution of databases and basic software (including scheduling and middleware), thereby realizing IT application innovation objectives. Together with customers and ecosystem partners, the Group successfully implemented the first case of a core system launched on Loongson servers. In the area of innovative businesses, the Group accelerated research and development, introducing new products such as smart fiscal solutions, cross-border payment products, new anti-money laundering solutions, the M-Bridge multi-currency payment system integration solution, and the CIPS connectivity solution, all of which have been successfully implemented.

For overseas business, Shenzhen Hi Sun has actively pursued market expansion and research and development of new product and new technology, building upon the continuous enhancement of its overseas service capabilities. In terms of strengthening overseas service capabilities, the Group continued to recruit local employees overseas to improve local service support capacity, while expanding overseas branches and establishing local offices in response to market demand. In respect of market expansion, during the period the Group signed contracts with seven new customers and entered two new national markets. In the area of new product and technology development, the Group divided its products and services into three directions for continuous enhancement. Banking core business system products: as the principal product, continuous R&D iterations were carried out; internet products: including e-banking, wallets and payment products, which were continuously optimized and upgraded from both technological and functional perspectives; mainframe migration: during the provision of PoC for certain customers, tools and processes for mainframe migration were continuously refined to meet different requirements. In addition, during project delivery and implementation, the Group experimented with the introduction of AI tools to assist development, thereby improving development efficiency and reducing implementation costs, and it is expected that more applications will be introduced in the future.

Consolidated Income Statement

	Note	For the year ended 31 December	
		2025 HK\$'000	2024 HK\$'000
Revenue	3,4	2,118,473	2,340,040
Cost of sales	5	(1,297,451)	(1,431,238)
Gross profit		821,022	908,802
Other income	3	130,878	155,170
Other losses, net	3	(17,705)	(8,804)
Selling expenses	5	(178,634)	(166,100)
Administrative expenses	5	(784,270)	(832,887)
Share-based payments under share option schemes of subsidiaries	5	(225,935)	–
Reversal of credit impairment loss/ (credit impairment loss), net	5	5,040	(49,638)
Operating (loss)/profit, before gains on disposals of subsidiaries, net		(249,604)	6,543
Gains on disposals of subsidiaries, net	13	4,243	93,226
Operating (loss)/profit, after gains on disposals of subsidiaries, net		(245,361)	99,769
Share of results of associated companies	10	230,292	213,160
Impairment of investment in an associated company	10	(99,652)	(141,307)
Gain on deemed acquisition and dilution of interest of an associated company	10	489	4,906
Finance costs		(3,720)	(1,895)
(Loss)/profit before income tax		(117,952)	174,633
Income tax (expense)/credit	6	(28,020)	1,921
(Loss)/profit for the year		(145,972)	176,554
(Loss)/profit attributable to:			
– Owners of the Company		(121,548)	157,605
– Non-controlling interests		(24,424)	18,949
		(145,972)	176,554
		HK\$ per share	HK\$ per share
(Loss)/earnings per share for (loss)/profit attributable to the owners of the Company:			
Basic	7	(0.045)	0.057
Diluted	7	(0.081)	0.021

Consolidated Statement of Comprehensive Income

	For the year ended 31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
(Loss)/profit for the year	(145,972)	176,554
Other comprehensive income/(loss), net of tax		
<i>Items that may be subsequently reclassified to profit or loss</i>		
Exchange differences on translation of foreign subsidiaries	144,976	(97,966)
Reclassification of exchange reserve upon the disposals of subsidiaries	131	(62,942)
Share of other comprehensive income/(loss) of associated companies	76,226	(78,498)
Release of reserve upon dilution of interest in an associated company	(155)	(1,426)
	<u>75,206</u>	<u>(64,278)</u>
Total comprehensive income/(loss) for the year, net of tax	<u>75,206</u>	<u>(64,278)</u>
Total comprehensive income/(loss) for the year attributable to:		
– Owners of the Company	71,185	(63,957)
– Non-controlling interests	4,021	(321)
	<u>75,206</u>	<u>(64,278)</u>

Consolidated Balance Sheet

	As at 31 December	
	2025	2024
Note	HK\$'000	HK\$'000
Assets		
Non-current assets		
Investment properties	172	352
Property, plant and equipment	38,292	44,824
Right-of-use assets	46,629	55,986
Intangible assets	63	8,304
Investments in associated companies	10 3,472,083	3,442,562
Financial asset at fair value through profit or loss	53,966	68,537
Other financial assets at amortised cost	12,528	8,050
Long-term bank deposits	445,394	265,280
Total non-current assets	4,069,127	3,893,895
Current assets		
Inventories	5,113	872
Other current assets	44,859	36,247
Other financial assets at amortised cost	647,601	159,738
Amounts due from associated companies	9,414	6,273
Loan receivables	9 2,126,864	1,785,138
Trade receivables	11 143,767	185,722
Financial assets at fair value through profit or loss	933	878
Current income tax recoverable	3,037	7,613
Short-term bank deposits	179,495	177,207
Restricted bank balances	4,211,030	2,593,913
Cash and cash equivalents	2,990,702	3,011,282
Total current assets	10,362,815	7,964,883
Total assets	14,431,942	11,858,778
Equity		
Capital and reserves attributable to owners of the Company		
Share capital	6,942	6,942
Reserves	7,386,264	7,124,249
	7,393,206	7,131,191
Non-controlling interests	620,937	591,685
Total equity	8,014,143	7,722,876

		As at 31 December	
		2025	2024
	<i>Note</i>	HK\$'000	HK\$'000
Liabilities			
Non-current liabilities			
Lease liabilities		11,462	14,982
Other payables	<i>12</i>	2,116	691
		<hr/>	<hr/>
Total non-current liabilities		13,578	15,673
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Current liabilities			
Trade payables	<i>12</i>	304,845	427,433
Payables for payment and digital services business	<i>12</i>	4,612,792	2,623,537
Other payables and accruals	<i>12</i>	959,258	924,754
Amounts due to associated companies		7,710	4,160
Asset-backed securities	<i>14</i>	373,028	–
Current income tax liabilities		46,372	37,327
Bank borrowings		81,497	82,130
Lease liabilities		18,719	20,888
		<hr/>	<hr/>
Total current liabilities		6,404,221	4,120,229
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Total liabilities		6,417,799	4,135,902
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Total equity and liabilities		14,431,942	11,858,778
		<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

1 GENERAL INFORMATION

Hi Sun Technology (China) Limited (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in the provision of payment and digital services, provision of fintech services, provision of platform operation solutions and provision of financial solutions.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company is listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These consolidated financial statements are presented in thousands of Hong Kong dollars (HK\$’000), unless otherwise stated.

Laws and regulations in the PRC have certain restrictions on foreign investment in value-added telecommunications business in the PRC. In order to comply with relevant local laws and regulations, the Company controls relevant subsidiaries in the PRC through certain contractual arrangements.

2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

2.1 Basis of preparation

(i) Compliance with HKFRS Accounting Standards and HKCO

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

HKFRS Accounting Standards comprise the following authoritative literature:

- Hong Kong Financial Reporting Standards,
- Hong Kong Accounting Standards, and
- Interpretations developed by the Hong Kong Institute of Certified Public Accountants.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (“FVPL”), which are measured at fair values.

(iii) Amended standards adopted by the Group

The Group has applied the following amendments for the first time for its annual reporting period commencing 1 January 2025:

- Amendments to HKAS 21 – Lack of Exchangeability;

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

(iv) *New and amended standards and interpretations not yet adopted*

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and amendments is set out below.

(a) *Amendments to the Classification and Measurement of Financial Instruments – Amendments to HKFRS 9 and HKFRS 7 (effective for annual periods beginning on or after 1 January 2026)*

The HKICPA issued targeted amendments to HKFRS 9 and HKFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities.

These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Group does not expect these amendments to have a material impact on its operations or financial statements.

(b) *Contracts Referencing Nature-dependent Electricity – Amendment to HKFRS 9 and HKFRS 7 (effective for annual periods beginning on or after 1 January 2026)*

The HKICPA issued targeted amendments to HKFRS 9 and HKFRS 7 to allow entities to better reflect Nature-dependent electricity contracts in the financial statements. The amendments:

- clarify the application of the 'own-use' criteria to nature-dependent electricity contracts;
- permit hedge accounting if these contracts are used as hedging instruments; and
- add new disclosure requirements to enable users of financial statements to better understand the effect of these contracts on an entity's financial performance and cash flows.

The Group does not expect these amendments to have a material impact on its operations or financial statements.

(c) *HKFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)*

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

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

- Although the adoption of HKFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the consolidated statement of comprehensive income into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following item might potentially impact operating profit:
 - Foreign exchange differences currently aggregated in the line item "administrative expenses" in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
- The line items presented on the primary financial statements might change as a result of the application of the concept of "useful structured summary" and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the consolidated balance sheet, the Group will disaggregate goodwill and other intangible assets and present them separately in the consolidated balance sheet.
- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
 - management-defined performance measures;
 - a break-down of the nature of expenses for line items presented by function in the operating category of the consolidated statement of comprehensive income – this break-down is only required for certain nature expenses; and
 - for the first annual period of application of HKFRS 18, a reconciliation for each line item in the consolidated statement of comprehensive income between the restated amounts presented by applying HKFRS 18 and the amounts previously presented applying HKAS 1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received will continue to be presented investing cash flows, which is a change from current presentation as part of operating cash flows.

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

3 REVENUE, OTHER INCOME AND OTHER LOSSES, NET

Revenue, other income and other losses, net recognised during the year are as follows:

	For the year ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
Revenue from contracts with customers		
<i>Recognised over time</i>		
Provision of services	2,034,028	2,185,634
<i>Recognised at a point in time</i>		
Sales of goods	12,846	83,796
	<u>2,046,874</u>	2,269,430
Revenue from other source		
Provision of fintech services (<i>Note i</i>)	71,599	70,610
	<u>2,118,473</u>	<u>2,340,040</u>
Other income		
Interest income	119,876	141,520
Government grants (<i>Note ii</i>)	8,990	11,708
Rental income	227	644
Others	1,785	1,298
	<u>130,878</u>	155,170
Other losses, net		
Fair values (losses)/gains on financial assets at FVPL		
– Unlisted investment fund	(17,476)	(11,415)
– Listed equity securities	(229)	45
– Other investments at FVPL	–	2,566
	<u>(17,705)</u>	<u>(8,804)</u>

Note i: Revenue from provision of fintech services represented interest income recognised and accrued using the effective interest method.

Note ii: Government grants represented value-added tax refund from local tax bureau and grant from government in relation to sales and research and development of self-developed software products in the PRC. There were no unfulfilled condition and other contingencies attached to the receipts of those grants.

4 SEGMENT INFORMATION

Material accounting policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors that make strategic decisions.

Description of segments and principal activities

Management has determined the operating segments based on the internal reports reviewed by the Board of Directors that are used to make strategic decisions.

The Board of Directors considers the business of the Group from a product perspective.

The Group is organised into four main operating segments in these internal reports:

- (a) Payment and digital services – principally engaged in provision of payment processing services and related digital products and solutions;
- (b) Fintech services – principally engaged in provision of supply chain financing, factoring business, credit assessment services and related products and solutions;
- (c) Platform operation solutions – principally engaged in the provision of telecommunication and mobile payment platform operation services and operation value-added services;
- (d) Financial solutions – principally engaged in the provision of information system consultancy, integration and operation services and sales of information technology products to financial institutions and banks.

The Board of Directors assesses the performance of the operating segments based on a measure of (loss)/earnings before interest expense, taxes, depreciation and amortisation (“EBITDA”), and segmental operating (loss)/profit. EBITDA is calculated by excluding interest expense, taxes, depreciation, amortisation, fair value gain/(loss) on financial assets at FVPL and share-based payments under share option schemes of subsidiaries from segmental operating (loss)/profit.

An analysis of the Group's revenue and results for the year by operating segment is as follows:

	Payment and digital services <i>HK\$'000</i>	Fintech services <i>HK\$'000</i>	Platform operation solutions <i>HK\$'000</i>	Financial solutions <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total Group <i>HK\$'000</i>
Year ended 31 December 2025						
Segment turnover	1,653,815	111,020	124,709	273,436	-	2,162,980
Inter-segment turnover	(11,798)	(19,902)	(11,515)	(1,292)	-	(44,507)
Turnover from external customers	<u>1,642,017</u>	<u>91,118</u>	<u>113,194</u>	<u>272,144</u>	<u>-</u>	<u>2,118,473</u>
Segmental EBITDA (excluding fair value loss on financial assets at FVPL and share- based payments under share option schemes of subsidiaries)	<u>82,222</u>	<u>39,307</u>	<u>(22,094)</u>	<u>35,916</u>	<u>-</u>	<u>135,351</u>
Depreciation	(39,010)	(5,599)	(3,723)	(5,447)	-	(53,779)
Amortisation	(8,441)	-	-	-	-	(8,441)
Fair value loss on financial assets at FVPL	-	(4)	(17,476)	-	-	(17,480)
Share-based payments under share option schemes of subsidiaries	<u>(222,230)</u>	<u>-</u>	<u>-</u>	<u>(3,705)</u>	<u>-</u>	<u>(225,935)</u>
Segmental operating (loss)/profit	<u>(187,459)</u>	<u>33,704</u>	<u>(43,293)</u>	<u>26,764</u>	<u>-</u>	<u>(170,284)</u>
Unallocated other income						22,729
Unallocated corporate expenses						<u>(102,049)</u>
Operating loss, before gain on disposal of a subsidiary						(249,604)
Gain on disposal of a subsidiary						<u>4,243</u>
Operating loss, after gain on disposal of a subsidiary						(245,361)
Share of results of associated companies						230,292
Impairment of investment in an associated company						(99,652)
Gain on deemed acquisition and dilution of interest of an associated company						489
Finance costs						<u>(3,720)</u>
Loss before income tax						(117,952)
Income tax expense						<u>(28,020)</u>
Loss for the year						<u><u>(145,972)</u></u>

	Payment and digital services <i>HK\$'000</i>	Fintech services <i>HK\$'000</i>	Platform operation solutions <i>HK\$'000</i>	Financial solutions <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total Group <i>HK\$'000</i>
Year ended 31 December 2024						
Segment turnover	1,749,898	91,458	146,353	285,043	83,796	2,356,548
Inter-segment turnover	(637)	(3,659)	(1,041)	(11,171)	–	(16,508)
Turnover from external customers	<u>1,749,261</u>	<u>87,799</u>	<u>145,312</u>	<u>273,872</u>	<u>83,796</u>	<u>2,340,040</u>
Segmental EBITDA (excluding fair value gain/(loss) on financial assets at FVPL)	<u>190,297</u>	<u>(20,631)</u>	<u>(3,970)</u>	<u>14,891</u>	<u>(7,747)</u>	<u>172,840</u>
Depreciation	(48,523)	(5,850)	(5,543)	(5,717)	(1,245)	(66,878)
Amortisation	(343)	–	–	–	(9)	(352)
Fair value gain/(loss) on financial assets at FVPL	–	2,566	(11,415)	–	–	(8,849)
Segmental operating profit/(loss)	<u>141,431</u>	<u>(23,915)</u>	<u>(20,928)</u>	<u>9,174</u>	<u>(9,001)</u>	<u>96,761</u>
Unallocated other income						23,094
Unallocated corporate expenses						(113,312)
Operating profit, before gain on disposals of subsidiaries, net						6,543
Gain on disposals of subsidiaries, net						93,226
Operating profit, after gain on disposals of subsidiaries, net						99,769
Share of results of associated companies						213,160
Impairment of investment in an associated company						(141,307)
Gain on deemed acquisition and dilution of interest of an associated company						4,906
Finance costs						(1,895)
Profit before income tax						174,633
Income tax credit						1,921
Profit for the year						<u>176,554</u>

The segment assets and liabilities as at 31 December 2025 and additions to non-current assets for the year ended 31 December 2025 are as follows:

	Payment and digital services <i>HK\$'000</i>	Fintech services <i>HK\$'000</i>	Platform operation solutions <i>HK\$'000</i>	Financial solutions <i>HK\$'000</i>	Others <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Total Group <i>HK\$'000</i>
As at 31 December 2025								
Segment assets	<u>8,201,844</u>	<u>2,849,506</u>	<u>739,041</u>	<u>469,822</u>	<u>–</u>	<u>5,395,991</u>	<u>(3,224,262)</u>	<u>14,431,942</u>
Segment liabilities	<u>(6,128,517)</u>	<u>(1,798,731)</u>	<u>(554,142)</u>	<u>(533,658)</u>	<u>–</u>	<u>(627,013)</u>	<u>3,224,262</u>	<u>(6,417,799)</u>
Year ended 31 December 2025								
Additions to non-current assets (excluding investments in associated companies, financial assets at FVPL, other financial assets at amortised cost and long-term bank deposits)	<u>31,969</u>	<u>24</u>	<u>5,544</u>	<u>7,081</u>	<u>–</u>	<u>10</u>	<u>–</u>	<u>44,628</u>

The segment assets and liabilities as at 31 December 2024 and additions to non-current assets for the year ended 31 December 2024 are as follows:

	Payment and digital services <i>HK\$'000</i>	Fintech services <i>HK\$'000</i>	Platform operation solutions <i>HK\$'000</i>	Financial solutions <i>HK\$'000</i>	Others <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Total Group <i>HK\$'000</i>
As at 31 December 2024								
Segment assets	<u>5,771,121</u>	<u>2,423,337</u>	<u>563,936</u>	<u>469,209</u>	<u>292,996</u>	<u>4,940,381</u>	<u>(2,602,202)</u>	<u>11,858,778</u>
Segment liabilities	<u>(3,984,151)</u>	<u>(1,239,640)</u>	<u>(334,301)</u>	<u>(589,867)</u>	<u>(107,744)</u>	<u>(482,401)</u>	<u>2,602,202</u>	<u>(4,135,902)</u>
Year ended 31 December 2024								
Additions to non-current assets (excluding investments in associated companies, financial assets at FVPL, other financial assets at amortised cost and long-term bank deposits)	<u>53,114</u>	<u>3,111</u>	<u>1,063</u>	<u>161</u>	<u>271</u>	<u>5,832</u>	<u>-</u>	<u>63,552</u>

During the year, additions to non-current assets mainly comprise additions to property, plant and equipment, right-of-use assets and intangible assets (2024: same).

Information provided to the Board of Directors is measured in a manner consistent with that of the consolidated financial statements. These assets and liabilities are allocated based on the operations of the segment.

Sales between segments are carried out at normal commercial terms. The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the consolidated income statement.

The Group is principally domiciled in Mainland China and Hong Kong (2024: same). The Group's turnover by geographical locations, which is determined by the locations in which the turnover are generated from, is as follows:

	For the year ended	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Mainland China	1,798,630	2,113,413
Hong Kong	307,553	222,146
Singapore	11,635	561
Others	655	3,920
	<u>2,118,473</u>	<u>2,340,040</u>

The Group's non-current assets (excluding investments in associated companies, other financial assets at amortised cost, financial assets at FVPL and long-term bank deposits) by geographical locations, which is determined by the geographical locations in which the asset is located, is as follows:

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Non-current assets		
Mainland China	80,820	103,472
Hong Kong	3,209	5,994
Others	1,127	–
	<u>85,156</u>	<u>109,466</u>

5 EXPENSES BY NATURE

Expenses included in cost of sales, selling expenses, administrative expenses and (reversal of credit impairment loss)/credit impairment loss, net are analysed as follows:

	For the year ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
Auditor's remuneration		
– audit services	4,284	4,007
– non-audit services	2,497	2,296
Commission and incentives paid/payable to business channel partners	897,355	978,024
Interest expenses on asset-backed securities	7,299	–
Depreciation of property, plant and equipment	28,197	42,263
Depreciation of right-of-use assets	30,043	29,374
Depreciation of investment properties	180	179
Amortisation of intangible assets	8,441	352
Employee benefit expenses (including directors' emoluments)	1,145,748	946,907
Costs of inventories sold	8,821	75,567
Short-term leases of office premises	7,518	13,890
Research and development costs (including staff cost)	332,008	345,677
Gains on disposals of property, plant and equipment	(2)	(208)
Write off of property, plant and equipment	20	88
(Reversal of credit impairment loss)/credit impairment loss, net		
– trade receivables	2,035	2,867
– loan receivables	(7,075)	46,771
Net foreign exchange gain	<u>(14,392)</u>	<u>(3,458)</u>

6 INCOME TAX (EXPENSE)/CREDIT

	For the year ended	
	31 December	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current income tax		
– Hong Kong profits tax (<i>Note (a)</i>)	(6,262)	(1,290)
– PRC corporate income tax (<i>Note (a)</i>)	(15,672)	(21,413)
– Withholding income tax	(8,345)	–
– Over-provision in prior year (<i>Note (b)</i>)	2,259	24,618
Deferred income tax	–	6
	<u>–</u>	<u>6</u>
Income tax (expense)/credit	<u>(28,020)</u>	<u>1,921</u>

Note (a)

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

Subsidiaries in the PRC are subject to corporate income tax (“CIT”) in accordance with the PRC CIT Law. According to the PRC CIT Law and the relevant regulations, the CIT tax rate applicable is 25% unless preferential rates are applicable in the cities where the subsidiaries are located. If a subsidiary is qualified as High and New Technology Enterprise (“HNTE”), the applicable CIT tax rate is 15% for three years. If a subsidiary is engaged in Encouraged Industries in the Western Region (“EIWR”), the applicable CIT tax rate is 15%. If a subsidiary is qualified as Software and Integrated Circuit Enterprise (“SICE”), the applicable CIT tax rate is 0% for the first two years of being qualified and 12.5% for the next three years.

Applicable corporate income tax rates of principal subsidiaries

Subsidiaries	Applicable corporate income tax rate	
	For the year ended	
	31 December 2025	2024
Beijing Hi Sun Advanced Business Solutions Information Technology Limited (“BJ ABS”)	15%	15%
隨行付支付有限公司 (“VBill OPCO”)	25%	25%
重慶鑫聯隨行科技有限公司 (“Chongqing Xinlian”)	15%	15%
北京結慧科技有限公司 (“Vintelligence Beijing”)	15%	15%
	<u>15%</u>	<u>15%</u>

Note (b)

The over-provision of current income tax in prior year during the year ended 31 December 2024 and 2025 is mainly attributable to Vintelligence Beijing.

Pursuant to Caishui Circular 49 of 2016 jointly released by the Ministry of Finance, the State Administration of Taxation, the National Development and Reform Commission and the Ministry of Industry and Information Technology of the PRC and the amendments of the relevant tax rules and requirements of the eligibility for the tax incentives, management performed self-assessment for Vintelligence Beijing on the eligibility of tax incentives.

In May 2023, Vintelligence Beijing was accredited as SICE with the first effective period being the year ended 31 December 2022 and is entitled to a preferential tax rate of 0% for the first two years of being qualified and 12.5% for the next three years.

In July 2023, the Chinese tax authority published the version 2.0 of the policy implementation guidelines for research and development (“R&D”) expenditures super deduction (“Guidelines 2.0”), which provided additional clarity on the different kinds of R&D expenses that are eligible for deductions, as well as more details on the types of activity that are deemed to be R&D. In view of the more stringent requirements and implementation measures in granting the preferential tax rate of SICE resulted from Guidelines 2.0, management applied the corporate income tax rate of 15% for the year ended 31 December 2023 when Vintelligence Beijing was qualified as HNTE.

In May 2024, Vintelligence Beijing continued to be accredited as SICE with the second effective period being the year ended 31 December 2023 and is entitled to a preferential tax rate of 0%. During the year ended 31 December 2024, Vintelligence Beijing received a tax refund in relation to corporate income tax paid during the year ended 31 December 2023 of HK\$20,524,000 and recognised an over-provision for income tax expense of HK\$23,004,000, which was calculated at the applicable tax rate of 15% when Vintelligence Beijing was qualified as HNTE during the year ended 31 December 2023, in the consolidated income statement for the year ended 31 December 2024.

In May 2025, Vintelligence Beijing continued to be accredited as SICE with the third effective period being the year ended 31 December 2024 and is entitled to a preferential tax rate of 12.5%. During the year ended 31 December 2025, Vintelligence Beijing recognised an over-provision for income tax expense of HK\$2,378,000, which represents the excess of corporate income tax calculated at the applicable tax rate of 15% when Vintelligence Beijing was qualified as HNTE during the year ended 31 December 2024 over the income tax required to be paid based on the relevant final tax assessment, in the consolidated income statement for the year ended 31 December 2025.

7 (LOSS)/EARNINGS PER SHARE

(a) Basic

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the year.

	For the year ended 31 December	
	2025	2024
(Loss)/profit attributable to the owners of the Company <i>(HK\$'000)</i>	<u>(121,548)</u>	<u>157,605</u>
Weighted average number of ordinary shares in issue less shares held for Share Award Scheme <i>(thousands shares)</i>	<u>2,720,920</u>	<u>2,753,405</u>
Basic (loss)/earnings per share attributable to the owners of the Company <i>(HK\$ per share)</i>	<u>(0.045)</u>	<u>0.057</u>

(b) Diluted

Diluted (loss)/earnings per share is calculated by adjusting the net profit and the weighted average number of ordinary shares outstanding to assume conversion of all potentially dilutive shares.

For the year ended 31 December 2025, the Group has five categories (2024: three) of potentially dilutive shares: share options issued by an associated company – PAX Global Technology Limited (“PAX Global”), share options issued by subsidiaries – VBill (Cayman), Shenzhen Hi Sun FinTech Global Limited (“Shenzhen Hi Sun”), Resto Limited (“Resto (Cayman)”) and CoGoLinks Limited (“CoGoLinks (Cayman)”) (2024: share options issued by PAX Global, share options issued by VBill OPCO and share options issued by Shenzhen Hi Sun).

For the year ended 31 December 2025, the exercise of the outstanding share options in PAX Global and Shenzhen Hi Sun (2024: PAX Global, VBill OPCO and Shenzhen Hi Sun) would have a dilutive effect. The exercise of the share options in PAX Global and Shenzhen Hi Sun (2024: PAX Global, VBill OPCO and Shenzhen Hi Sun) would be dilutive if the net (loss)/profit attributable to the owners of the Company will increase/decrease.

For the year ended 31 December 2025, the calculation of diluted (loss)/earnings per share does not assume the exercise of the outstanding share options issued by VBill (Cayman), CoGoLinks (Cayman) and Resto (Cayman) as they would have an anti-dilutive impact to the basic (loss)/earnings per share.

	For the year ended	
	31 December	
	2025	2024
(Loss)/profit attributable to the owners of the Company (<i>HK\$'000</i>)	(121,548)	157,605
Assuming exercise of all outstanding dilutive share options issued by PAX Global (<i>HK\$'000</i>)		
– Decrease in share of profit of an associated company	(3,934)	(3,402)
– Loss on dilution of an associated company	(93,459)	(95,706)
Assuming exercise of all outstanding dilutive share options issued by VBill OPCO (<i>HK\$'000</i>)		
– Decrease in profit attributable to the owners of the Company	–	(50)
Assuming exercise of all outstanding dilutive share options issued by Shenzhen Hi Sun (<i>HK\$'000</i>)		
– Decrease in profit attributable to the owners of the Company	(552)	(80)
Adjusted (loss)/profit attributable to the owners of the Company used to determine diluted (losses)/earnings per share (<i>HK\$'000</i>)	<u>(219,493)</u>	<u>58,367</u>
Weighted average number of ordinary shares in issue less shares held for Share Award Scheme for diluted (loss)/earnings per share (<i>thousands shares</i>)	<u>2,720,920</u>	<u>2,753,405</u>
Diluted (loss)/earnings per share attributable to the owners of the Company (<i>HK\$ per share</i>)	<u>(0.081)</u>	<u>0.021</u>

8 DIVIDENDS

No dividend has been paid or declared by the Company for the year ended 31 December 2025 (2024: Nil).

9 LOAN RECEIVABLES

Loan receivables are amounts due from customers in the ordinary course of the fintech services business and primarily denominated in RMB.

(a) Aging analysis of loan receivables

The aging analysis of loan receivables based on the payment due date is as follows:

	As at 31 December	
	2025 HK\$'000	2024 HK\$'000
Current	2,125,651	1,780,001
1 to 3 months past due	–	–
Over 3 months past due	149,934	152,868
	<u>2,275,585</u>	<u>1,932,869</u>
Loan receivables, gross	2,275,585	1,932,869
Less: provision for impairment of loan receivables	<u>(148,721)</u>	<u>(147,731)</u>
	<u><u>2,126,864</u></u>	<u><u>1,785,138</u></u>

The analysis of changes in the gross carrying amount and the corresponding provision for impairment of loan receivables in relation to loan receivables are as follows:

	As at 31 December 2025			
	Stage 1 HK\$'000	Stage 2 HK\$'000	Stage 3 HK\$'000	Total HK\$'000
Loan receivables	2,125,651	–	149,934	2,275,585
Less: Provision for impairment of loan receivables	<u>(9,000)</u>	<u>–</u>	<u>(139,721)</u>	<u>(148,721)</u>
Loan receivables, net	<u><u>2,116,651</u></u>	<u><u>–</u></u>	<u><u>10,213</u></u>	<u><u>2,126,864</u></u>
	As at 31 December 2024			
	Stage 1 HK\$'000	Stage 2 HK\$'000	Stage 3 HK\$'000	Total HK\$'000
Loan receivables	1,780,001	–	152,868	1,932,869
Less: Provision for impairment of loan receivables	<u>(8,247)</u>	<u>–</u>	<u>(139,484)</u>	<u>(147,731)</u>
Loan receivables, net	<u><u>1,771,754</u></u>	<u><u>–</u></u>	<u><u>13,384</u></u>	<u><u>1,785,138</u></u>

(b) Effective interest rates on loan receivables

As at 31 December 2025, the total number of borrowers of the fintech services business was 44,477 (2024: 20,830). The effective interest rates on the loan receivables are normally 4% to 24% per annum (2024: same). As at 31 December 2025, the gross amount of loan receivables was approximately HK\$2,275,585,000 (2024: HK\$1,932,869,000), comprising gross loan receivables of approximately HK\$36,649,000 (2024: HK\$52,458,000) and HK\$2,238,936,000 (2024: HK\$1,880,411,000) under the micro-lending business and the supply-chain financing business respectively. Among the gross amount of loan receivables, approximately HK\$57,203,000 (2024: HK\$88,973,000) was guaranteed. The gross amount of the loan receivables from the five largest borrowers, which were all from supply chain financing business, was approximately HK\$316,843,000 (2024: HK\$310,236,000), representing approximately 13.9% (2024: 16.1%) of the gross loan receivables and approximately 2.2% (2024: 2.6%) of the total assets of the Group as at 31 December 2025.

10 INVESTMENTS IN ASSOCIATED COMPANIES

The balance recognised in the consolidated balance sheet is as follows:

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Associated companies:		
– PAX Global (<i>Note (a)</i>)	3,229,902	3,090,237
– Megahunt Technologies Inc (“Megahunt”) (<i>Note (b)</i>)	210,638	322,878
– Beijing Zhongjin Yunchuang Software., Ltd (“Beijing Zhongjin”) (<i>Note (c)</i>)	24,882	23,746
– Others	6,661	5,701
	3,472,083	3,442,562

The amount of share of results recognised in the consolidated income statement is as follows:

	For the year ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
Associated companies:		
– PAX Global (<i>Note (a)</i>)	258,669	242,855
– Megahunt (<i>Note (b)</i>)	(25,250)	(29,698)
– Beijing Zhongjin (<i>Note (c)</i>)	(16)	31
– Others	(3,111)	(28)
	230,292	213,160

The amount of gain on deemed acquisition and dilution of interest recognised in the consolidated income statement is as follows:

	For the year ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
Associated company:		
– PAX Global (<i>Note (a)</i>)	489	4,906

(a) Investment in PAX Global

Set out below is an associated company of the Group as at 31 December 2024 and 2025, which, in the opinion of the directors, is material to the Group – PAX Global. PAX Global has share capital consisting solely of ordinary shares, which are held directly by the Group; its principal places of business are in the PRC, Hong Kong, the United States of America and Italy.

Name	Place of incorporation and kind of legal entity	Particular of issued share capital	Nature of relationship	Effective interest held	Measurement method
PAX Global (<i>Note i</i>)	Bermuda, limited liability company	1,060,822,000 (2024: 1,061,704,000) ordinary shares of HK\$0.1 each	Associated company	34.31% (2024: 34.29%)	Equity method

On 20 December 2010, as a result of the Group's spinoff of PAX Global to be separately listed on the Stock Exchange, PAX Global became an associated company of the Group. On the date when control ceased, the Group's retained interest in PAX Global was fair valued, and this give rise to the recognition of goodwill being the difference between the fair value of the investment in PAX Global and its share of net identifiable assets value of PAX Global. As at 31 December 2025, difference between the carrying value of the investment in PAX Global and its share of net assets value of PAX Global mainly included goodwill of HK\$530,420,000 (2024: HK\$530,420,000) and adjustments to eliminate unrealised profits and losses on transactions between the Group and PAX Global.

The movement on interest in PAX Global is as follows:

	For the year ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
At 1 January	3,090,237	3,046,010
Share of profit	258,669	242,855
Share of other comprehensive loss	62,575	(41,587)
Share of other reserves	87	10,559
Gain on deemed acquisition and dilution of interest, net (<i>Note ii</i>)	334	3,480
Dividend received	(182,000)	(171,080)
	<u>3,229,902</u>	<u>3,090,237</u>
At 31 December	<u>3,229,902</u>	<u>3,090,237</u>

Impairment test for interest in PAX Global

As at 31 December 2025, the fair value of the investment calculated based on the current bid price of PAX Global at the balance sheet date is less than its carrying value. An impairment test is performed to determine the recoverable amount of the investment. The recoverable amount, which was assessed by an independent valuer on a value-in-use basis calculated by a discounted cash flow model, exceeds the carrying value as at 31 December 2025.

There are no contingent liabilities and commitments to provide funding relating to the Group's interest in PAX Global (2024: same).

Note i: PAX Global is principally engaged in the development and sales of electronic funds transfer point-of-sales ("E-payment Terminals") products, provision of maintenance and installation services (collectively, the "E-payment Terminals solution business").

Note ii: During the year ended 31 December 2025, PAX Global repurchased a total of 2,162,000 ordinary shares (2024: 10,388,000) on the Stock Exchange, of which 2,162,000 (2024: 10,388,000) ordinary shares were subsequently cancelled during the year. Certain employees of PAX Global exercised their share options granted pursuant to a share option scheme set up on 2 May 2019. A gain on deemed acquisition and dilution of interest of an associated company of HK\$489,000 (2024: HK\$4,906,000) (which includes a release of reserve credited (2024: credited) to the consolidated income statement of HK\$155,000 (2024: HK\$1,426,000)) were recognised in the consolidated income statement. The Group's interest in PAX Global increased from 34.29% to 34.31% accordingly.

(b) Investment in Megahunt

The Group accounts for its interests in Megahunt as an investment in an associated company initially at fair value and will share the results of Megahunt as an investment in an associated company using the equity method.

The recoverable amount of Megahunt had been determined based on the higher of the fair value less cost of disposal and value-in-use. As at 30 June 2025 and 31 December 2024, impairment tests are performed to determine the recoverable amount of the investment. The recoverable amount, which was assessed by an independent valuer on a value-in-use basis calculated by a discounted cash flow model, exceeds the carrying value as at 30 June 2025 and 31 December 2024.

The recoverable amount of Megahunt had been determined based on the higher of the fair value less cost of disposal and value-in-use. The recoverable amount of Megahunt as at 31 December 2025 was approximately HK\$210,638,000 assessed by an independent professional valuer on a value-in-use basis calculated by a discounted cash flow model, which was lower than its carrying amount. The shortfall of HK\$99,652,000 was recognised as impairment of investment in an associated company in the consolidated income statement for the year ended 31 December 2025. Management has applied a compound annual growth rate of 16.4% during the forecast period and pre-tax discount rate of 16.9% as key assumptions used in the discounted cash flow model.

(c) Investment in Beijing Zhongjin

As at 31 December 2025, the Group holds 20% (2024: 20%) equity interest in Beijing Zhongjin, which is principally engaged in the provision of fintech services. A representative from the Group has been appointed to serve on the board of directors of Beijing Zhongjin. The Group accounted for its interest in Beijing Zhongjin as an investment in an associated company using the equity method.

11 TRADE RECEIVABLES

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Trade receivables (<i>Note (a)</i>)	147,818	189,586
Less: provision for impairment of trade receivables (<i>Note (b)</i>)	(4,051)	(3,864)
	143,767	185,722

The carrying amounts approximate their fair values. The carrying amounts of the trade receivables are denominated in the following currencies:

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
HK\$	15,540	30,290
RMB	84,443	134,359
US\$	40,566	13,530
Macanese pataca (“MOP”)	2,728	7,422
Singapore dollar (“SGD”)	315	121
Others	175	–
	143,767	185,722

Notes:

(a) Trade receivables

The Group’s credit terms to trade debtors normally range from 0 to 180 days. The ageing analysis of the trade receivables primarily based on invoice date was as follows:

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Current to 90 days	138,127	164,853
91 to 180 days	1,226	16,135
181 to 365 days	1,453	2,810
Over 365 days	7,012	5,788
	147,818	189,586

(b) **Impairment and risk exposure**

The Group applies the HKFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for all trade receivables. The Group measures the ECL at a combination of both individual and collective basis.

Movement on the provision for impairment of trade receivables are as follows:

	For the year ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
At 1 January	3,864	16,018
Credit impairment loss	2,035	2,867
Written off	(2,327)	(5,379)
Disposal of subsidiaries	–	(9,599)
Exchange realignment	479	(43)
	<hr/>	<hr/>
At 31 December	4,051	3,864
	<hr/> <hr/>	<hr/> <hr/>

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

12 TRADE PAYABLES, PAYABLES FOR PAYMENT AND DIGITAL SERVICES BUSINESS AND OTHER PAYABLES AND ACCRUALS

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
Trade payables (<i>Note (a)</i>)	304,845	427,433
Payables for payment and digital services business (<i>Note (b)</i>)	4,612,792	2,623,537
Other payables and accruals (<i>Note (c)</i>)	961,374	925,445
	<hr/>	<hr/>
	5,879,011	3,976,415
	<hr/> <hr/>	<hr/> <hr/>

Trade payables, payables for payment and digital services business and other payables and accruals are denominated in the following currencies:

	As at 31 December	
	2025	2024
	HK\$'000	HK\$'000
HK\$	110,182	86,850
RMB	4,447,950	3,540,065
US\$	1,159,853	273,062
JPY	22,137	18,545
EUR	56,205	36,966
BRL	57,330	4,134
GBP	19,249	13,565
SGD	3,959	1,094
Others	2,146	2,134
	<hr/>	<hr/>
	5,879,011	3,976,415
	<hr/> <hr/>	<hr/> <hr/>

Notes:

(a) Trade payables

As at 31 December 2025 and 2024, the ageing analysis of the trade payables primarily based on invoice date was as follows:

	As at 31 December	
	2025 HK\$'000	2024 HK\$'000
Current to 90 days	299,110	422,633
91 to 180 days	485	148
181 to 365 days	2,965	14
Over 365 days	2,285	4,638
	<u>304,845</u>	<u>427,433</u>

The credit period granted by the suppliers ranges from 0 to 180 days.

(b) Payables for payment and digital services business

Payables for payment and digital services business mainly represent payment received from the relevant banks and financial institutions on behalf of the merchants. The amounts are required to be settled with merchants upon the respective contractual settlement clearance dates.

(c) Other payables and accruals

	As at 31 December	
	2025 HK\$'000	2024 HK\$'000
Current portion		
Accrued staff costs and pension obligations	190,621	223,907
Deposits	33,458	33,667
Receipt in advance from customers (<i>Note i</i>)	52,559	27,382
Deposits from business channel partners	488,230	445,864
Others	194,390	193,934
	<u>959,258</u>	<u>924,754</u>
Non-current portion		
Other payables	<u>2,116</u>	<u>691</u>
	<u>961,374</u>	<u>925,445</u>

Note:

- (i) A contract liability is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. The Group recognised its contract liabilities under other payables and accruals as receipt in advance from customers in the consolidated balance sheet.

Revenue recognised during the year ended 31 December 2025 that was included in the contract liability balance at the beginning of the year amounted to HK\$26,449,000 (2024: HK\$22,079,000).

13 DISPOSALS OF SUBSIDIARIES

(a) Disposal of Beijing Jiexing Chejia

Beijing Jiexing Chejia Technology Co., Ltd (“Beijing Jiexing Chejia”) (an indirect wholly-owned subsidiary of the group entered into a share transfer with certain purchasers, pursuant to which 重慶結行科技有限公司 (formerly known as 重慶結行移動商務有限公司) agreed to dispose of an aggregate of approximately 55% of the issued share capital of Beijing Jiexing Chejia at an aggregate consideration RMB69,000 (equivalent to HK\$75,000). The purchasers include Vbill OPCO, and third party purchasers, Ge Zheng Tao and Yun Zhong Yuan. Upon completion of share transfer agreements, the Group’s interest in Beijing Jiexing Chejia decreased from 100% to 45%. Beijing Jiexing Chejia ceased to be a subsidiary of the company and was accounted for as an associated company of the Company. Consequently, the financial results of Beijing Jiexing Chejia will no longer be consolidated into the consolidated financial statements of the Group and its assets and liabilities will be deconsolidated from the Group’s consolidated financial statements. The Group accounts for its interests in Beijing Jiexing Chejia as an investment in an associated company initially at fair value and will share the results of Beijing Jiexing Chejia as an investment in an associated company using the equity method going forward.

	At date of disposal HK\$’000
Consideration	75
<i>Less:</i> Net liabilities disposed of:	
Property, plant and equipment	5
Other financial assets at amortised cost	21
Other current assets	177
Inventories	2
Trade receivables	119
Cash and cash equivalents	13,691
Trade payables	(39)
Other payables and accruals	(2,589)
Amount due to a fellow subsidiaries	(15,686)
	<hr/>
	(4,299)
<i>Add:</i> Release of exchange reserve upon disposal	(131)
	<hr/>
Gain on disposal of Beijing Jiexing Chejia recognised in consolidated income statement	4,243
	<hr/> <hr/>

In the consolidated cash flow statement for the year ended 31 December 2025, net cash outflow from disposal of Beijing Jiexing Chejia of HK\$13,616,000 represents proceeds received of HK\$75,000, less cash and cash equivalent disposed of HK\$13,691,000.

(b) **Disposal of Hangzhou PAX Electronic Technology Ltd. (“Hangzhou Electronic”) and 杭州富順信息技術有限公司 (“Hangzhou Fushun”)**

On 7 July 2024, Hangzhou Electricity Technology Limited (an indirect wholly-owned subsidiary of the Company) and Pacific Sheen International Limited (an indirect wholly-owned subsidiary of the Company) entered into a share transfer agreement with Zhejiang Haochao Technology Co., Ltd., a third party purchaser in relation to the disposal of the entire equity interests in the Hangzhou Electronic and Hangzhou Fushun, two indirect wholly-owned subsidiaries of the Company, at a total cash consideration of approximately RMB41,600,000 (equivalent to approximately HK\$45,020,000). The share transfers of Hangzhou Electronic and Hangzhou Fushun were completed and upon which Hangzhou Electronic and Hangzhou Fushun ceased to be subsidiaries of the Company on 10 July 2024 and 28 August 2024, respectively.

	At date of disposal HK\$'000
Consideration	45,020
<i>Less: Net assets disposed of:</i>	
Property, plant and equipment	14,659
Right-of-use assets	7,625
Intangible assets	6
Inventories	22,334
Other financial assets at amortised cost	540
Other current assets	4,120
Trade and bills receivables	7,435
Cash and cash equivalents	14,653
Trade payables	(42,810)
Other payables and accruals	(21,278)
Deferred tax liabilities	(9)
	<hr/>
	7,275
<i>Add: Release of exchange reserve upon disposal</i>	<hr/> 63,331
	<hr/>
Gains on disposal of Hangzhou Electronic and Hangzhou Fushun recognised in consolidated income statement	<hr/> <hr/> 101,076

In the consolidated cash flow statement for the year ended 31 December 2024, net cash inflow from disposal of Hangzhou Electronic and Hangzhou Fushun of HK\$30,367,000 represents proceeds received of HK\$45,020,000 less cash and cash equivalent disposed of HK\$14,653,000.

(c) **Disposal of Diansansan**

Beijing Tianque Technology Limited (“Beijing Tianque”) (an indirect wholly-owned subsidiary of the Company as at 31 December 2024, Changsha Yuan Wang Software Technology Limited, an existing shareholder of Diansansan (an indirect partially-owned subsidiary of the Company), which is principally engaged in provision of payment and digital services (collectively the “Existing Shareholders”), Zhou Zhen, Ma Da and Zhao Qun (collectively the “New Investors”) and Diansansan entered into a capital injection agreement (the “Capital Injection Agreement”) on 16 August 2024, pursuant to which, the New Investors had agreed to subscribe for an aggregate of approximately 30% of the enlarged registered capital of Diansansan at subscription price of RMB1,400,000 (equivalent to HK\$1,520,000). Upon the completion of the Capital Injection Agreement on 16 August 2024, the Group’s interest in Diansansan decreased from 70% to 49%. Diansansan ceased to be a subsidiary of the Company and was accounted for as an associated company of the Company as at 31 December 2024. Consequently, the financial results of Diansansan will no longer be consolidated into the consolidated financial statements of the Group and its assets and liabilities were deconsolidated from the Group’s consolidated financial statements. The Group accounts for its interests in Diansansan as an investment in an associated company initially at fair value and will share the results of Diansansan as an investment in an associated company using the equity method going forward.

	At date of disposal HK\$’000
Consideration	–
<i>Less: Net assets disposed of:</i>	
Property, plant and equipment	33
Right-of-use assets	639
Intangible assets	2,525
Other financial assets at amortised cost	190
Other current assets	683
Trade and bills receivables	8
Cash and cash equivalents	397
Other payables and accruals	(348)
Lease liabilities	(665)
	<hr/>
	3,462
<i>Add: Non-controlling interest disposed of</i>	(3,999)
<i>Add: Release of exchange reserve upon disposal</i>	(389)
	<hr/>
Loss on disposal of Diansansan recognised in consolidated income statement	<u><u>(7,850)</u></u>

In the consolidated cash flow statement for the year ended 31 December 2024, net cash outflow from disposal of Diansansan of HK\$397,000 represents cash and cash equivalent disposed of HK\$397,000.

14 ASSET-BACKED SECURITIES

Material accounting policy

As part of its operational activities, the Group securitises financial assets, generally through the sale of these assets to structured entities which then issue securities to investors. The Group holds all of the subordinated tranche notes, which are not transferrable before both the principals and interests of the priority tranche notes are repaid. The assets under securitisation are used to repay the principals and interests of the priority tranche notes first after deducting related taxation and expenses, and the remaining assets under securitisation are repaid to the Group and subordinated tranche notes investors. The Group derecognises the transferred assets in full or in part based on the extent of the risks and rewards retained over. The Group evaluates the extent to which it transfers the risks and rewards of ownership of the financial assets to the other party and determines whether it retains control while applying the accounting policy in respect of asset securitisation. The financial asset is derecognised when the Group transfers substantially all the risks and rewards of ownership of the financial asset. The financial asset continues to be recognised when the Group retains substantially all the risks and rewards of ownership of the financial asset.

	As at 31 December 2025 HK\$'000	As at 31 December 2024 HK\$'000
Current		
Asset – backed securities (<i>Note</i>)	<u>373,028</u>	<u>–</u>

Note:

The board of directors of Beijing Ronghui Zhida Commercial Factoring Co., Ltd. (“Ronghui Zhida Factoring”), an indirect partially-owned subsidiary of the Company, has approved the Suixin Cloud Chain-E Credit Supply Chain Financial Asset-backed Special Scheme (the “ABS Scheme”) and the issuance of asset-backed securities in the PRC, which are backed by factoring loan receivables repaid via electronic debt instruments as agreed in the contract. Pursuant to the no-objection letter of the ABS Scheme from the Shanghai Stock Exchange, the maximum issue size of the ABS Scheme is RMB2,000,000,000 (equivalent to HK\$2,151,926,000) (of which all are non-revolving ABS) and the ABS can be issued in multiple tranches within 24 months from the date of approval by 14 March 2027.

On 16 April 2025, the first phase of the ABS Scheme with an issue size of RMB335,000,000 (equivalent to approximately HK\$360,448,000) was established. The ABS are classified into (i) priority tranche with total principal of RMB280,000,000 (equivalent to HK\$301,270,000) which are listed and traded on the Shanghai Stock Exchange with expected maturity date on 31 March 2026 and with coupon rate of 3% per annum; and (ii) subordinated tranche with total principal of RMB55,000,000 (equivalent to HK\$59,178,000) with expected maturity date on 31 March 2026 and with no coupon rate.

The principal and interest of the priority tranche ABS shall be repaid monthly in six instalments. The holders of the priority tranche of the ABS shall have priority in receiving coupon interest and repayment of the principal amount of the ABS over the holders of the subordinated tranche of the ABS. The subordinated tranche is not listed and was subscribed by Ronghui Zhida Factoring.

On 16 December 2025, the second phase of the ABS Scheme with an issue size of RMB151,000,000 (equivalent to approximately HK\$164,059,000) was established. The ABS are classified into (i) priority tranche with total principal of RMB127,000,000 (equivalent to HK\$137,983,000) which are listed and traded on the Shanghai Stock Exchange with expected maturity date on 30 November 2026 and with coupon rate of 2.8% per annum; and (ii) subordinated tranche with total principal of RMB24,000,000 (equivalent to HK\$26,076,000) with expected maturity date on 30 November 2026 and with no coupon rate.

The principal and interest of the priority tranche ABS shall be repaid monthly in six instalments. The holders of the priority tranche of the ABS shall have priority in receiving coupon interest and repayment of the principal amount of the ABS over the holders of the subordinated tranche of the ABS. The subordinated tranche is not listed and was subscribed by Ronghui Zhida Factoring.

The board of directors of Ronghui Zhida Factoring, an indirect partially-owned subsidiary of the Company, has approved the Suixin Cloud Chain-Xingyao No.2 Credit Supply Chain Financial Asset-backed Special Scheme (the “Xingyao No.2 ABS Scheme”) and the issuance of asset-backed securities in the PRC, which are backed by creditor’s rights and ancillary rights under specified loan trust, including but not limited to the right to principal, interests, liquidated damages and security interest. Pursuant to the no-objection letter from the Shanghai Stock Exchange, the maximum issue size of the Xingyao No.2 ABS Scheme is RMB217,000,000 (equivalent to HK\$234,645,000) and the under which ABS can be issued within 12 months from the date of approval by 3 September 2026.

On 19 September 2025, the first phase of the Xingyao No.2 ABS Scheme with an issue size of RMB217,000,000 (equivalent to approximately HK\$234,645,000) was established. The ABS are classified into (i) priority tranche with total principal of RMB183,000,000 (equivalent to HK\$197,881,000) which are listed and traded on the Shanghai Stock Exchange with expected maturity date on 19 March 2027 and with coupon rate of 2.8% per annum; and (ii) subordinated tranche with total principal of RMB34,000,000 (equivalent to HK\$36,764,000) with expected maturity date on 19 March 2027 and with no coupon rate.

The principal and interest of the priority tranche ABS shall be repaid monthly in six instalments. The holders of the priority tranche of the ABS shall have priority in receiving coupon interest and repayment of the principal amount of the ABS over the holders of the subordinated tranche of the ABS. The subordinated tranche is not listed and was subscribed by Ronghui Zhida Factoring.

Since the Group holds all the subordinated tranches of the ABS, substantially all the risks and rewards of ownership of the loan receivables are retained, the Group continues to recognise the loan receivables in its entirety and recognises a financial liability for the consideration received.

As at 31 December 2025, the Group’s asset-backed securities with carrying amount of approximately HK\$373,028,000 (31 December 2024: Nil) were collateralised by the loan receivables of the Group with an aggregate carrying amount of approximately HK\$460,972,000 (31 December 2024: Nil).

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any Shares during the year ended 31 December 2025.

DIVIDEND

No dividend has been paid or declared by the Company for the year ended 31 December 2025 (2024: Nil).

CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are based on the principles (the "Principles") and code provisions (the "Code Provisions") in the Corporate Governance Code (the "CG Code") set out in Appendix C1 to the Listing Rules.

In formulating and implementing its corporate governance practices and standards, the Company has applied the Principles and complied with all applicable Code Provisions for the year ended 31 December 2025 save as the deviations described below:

During the year, the Board maintained three Independent Non-Executive Directors (the "INED(s)"), save as during the period from the resignation of Mr. Li Heguo as an INED (also a member of the Audit Committee and Nomination Committee) with effect from 11 September 2025 until the appointment of Mr. Xu Sitao as an INED (also a member of the Audit Committee and Nomination Committee) on 3 October 2025. As such, the Company failed to meet the requirements set out in (i) Rule 3.10(1) and Rule 3.10A of the Listing Rules that the Board must include at least three INEDs representing at least one-third of the Board; (ii) Rule 3.21 of the Listing Rules that the Audit Committee must comprise at least three members; and (iii) Rule 3.27A of the Listing Rules that the Nomination Committee must comprise a majority of INEDs.

The Board periodically reviews and monitors the Company's policies and practices on corporate governance or compliance with legal and regulatory requirements and employees' compliance manual to ensure that the Group's operations are conducted in accordance with the standards of the CG Code and applicable disclosure requirements. Directors and senior management are provided with appropriate ongoing training, continuing professional development for regular updates of the legal and regulatory requirements relevant to their duties.

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted a written code regulating Directors' and senior management's securities transactions, on terms no less exacting than the required standard as set out in the Model Code.

Specific enquiry had been made to all Directors and the Directors have confirmed that they have complied with the Model Code and the Group's code regarding securities transactions by Directors throughout the year and up to the date of this announcement.

AUDIT COMMITTEE

The Audit Committee has reviewed the accounting policies adopted by the Group and the audited consolidated financial statements of the Group for the year ended 31 December 2025.

SUBSEQUENT EVENT

On 12 March 2026, phase 1 of the Ronghui Zhida-Xingyue No. 2 Credit Supply Chain Financial Asset-backed Special Scheme with an issue size of RMB150 million was established.

ABS issued under the scheme are backed by the creditors' rights under specified loan trust, and are classified into priority and subordinated tranches according to their risks, earnings and duration, while the priority tranche of the ABS is traded on the Shanghai Stock Exchange. Pursuant to the no-objection letter from the Shanghai Stock Exchange, the maximum issue size of the scheme is RMB1 billion (of which all are non-revolving ABS), and ABS can be issued in multiple tranches within 24 months from the date of approval by 30 July 2027.

For the ABS issued under phase 1 of the scheme, the priority tranche is issued to qualified institutional investors in the PRC and the subordinated tranche is issued to Ronghui Zhida Factoring or its designated affiliates.

The proceeds from the issuance of the ABS under the scheme will be principally used as general working capital of the fintech services segment. The issuance of the ABS will widen the fund-raising channels of the Group to access low-cost capital, which in turn will be used to improve the financing structure of the Company and promote its operating activities and investments.

Further details of the ABS Schemes are set out in the Company's announcement dated 12 March 2026.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement will be published on the Company's website at www.hisun.com.hk and the website of the Stock Exchange at www.hkexnews.hk. The Annual Report 2025 will be available on the above websites in due course.

RESIGNATION OF JOINT COMPANY SECRETARY AND ALTERNATE AUTHORISED REPRESENTATIVE

The Board announces that Mr. Chan Yiu Kwong (“Mr. Chan”) has resigned as a joint company secretary (the “Company Secretary”) and an alternate authorised representative of the Company with effect from 19 March 2026 due to his decision to devote more time to other commitments and engagements.

Mr. Chan has confirmed that he has no disagreement with the Board and there are no matters relating to his resignation that need to be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited. He has further confirmed that he has no claims of any nature whatsoever against the Company.

Following the resignation of Mr. Chan, Ms. Hui Lok Yan will serve as the sole Company Secretary and remain as the executive Director, the chief financial officer and one of the authorised representatives of the Company.

The Board would like to take this opportunity to express its gratitude and appreciation to Mr. Chan for his valuable contributions to the Company during his term of office.

By Order of the Board
Hi Sun Technology (China) Limited
Hui Lok Yan
Executive Director and Company Secretary

Hong Kong, 19 March 2026

As at the date of this announcement, the Board consists of five Executive Directors, namely, Mr. Xu Wensheng, Mr. Kui Man Chun, Mr. Li Wenjin, Mr. Xu Changjun and Ms. Hui Lok Yan; and three Independent Non-Executive Directors, namely Mr. Tam Chun Fai, Mr. Leung Wai Man, Roger and Mr. Xu Sitao.