



SING LEE SOFTWARE (GROUP) LIMITED

新利軟件(集團)股份有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 8076)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

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GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a high investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This announcement, for which the directors of Sing Lee Software (Group) Limited (the “Company”) (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

* For identification purposes only

RESULTS

The Board of Directors (“Board”) of Sing Lee Software (Group) Limited (the “Company”) is pleased to announce 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 corresponding periods in 2024, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

(Expressed in Renminbi)

	NOTES	2025 RMB'000	2024 RMB'000
Revenue	3	41,931	58,814
Cost of sales		<u>(38,514)</u>	<u>(51,146)</u>
Gross profit		3,417	7,668
Other income		358	463
Impairment losses under expected credit loss model, net of reversal on trade receivables and contract assets		1,187	(324)
Other gains or losses	5	1,128	(915)
Distribution and selling expenses		(6,256)	(5,125)
Administrative expenses		(10,832)	(12,336)
Finance costs	6	<u>(1,053)</u>	<u>(1,048)</u>
Loss before tax		(12,051)	(11,617)
Income tax expense	7	<u>—</u>	<u>—</u>
Loss and total comprehensive expense for the year	8	<u>(12,051)</u>	<u>(11,617)</u>
Loss per share	9		
Basic and diluted (RMB cents)		<u>(0.91)</u>	<u>(0.88)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

(Expressed in Renminbi)

		2025	2024
	NOTES	RMB'000	RMB'000
Non-current Assets			
Property and equipment		7,319	7,934
Right-of-use assets		–	193
		<u>7,319</u>	<u>8,127</u>
Current Assets			
Inventories – finished goods		1,091	933
Trade and other receivables	10	20,607	21,311
Contract assets		305	488
Financial assets at fair value through profit or loss ("FVTPL")		–	189
Restricted bank deposits		1,185	626
Bank balances and cash		16,249	28,528
		<u>39,437</u>	<u>52,075</u>
Current Liabilities			
Trade and other payables	11	7,383	9,387
Amounts due to related parties		1,881	1,878
Borrowings		2,000	1,000
Lease liabilities		–	73
		<u>11,264</u>	<u>12,338</u>
Net Current Assets		<u>28,173</u>	<u>39,737</u>
Total Assets less Current Liabilities		<u><u>35,492</u></u>	<u><u>47,864</u></u>

	<i>NOTES</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Capital and Reserves			
Share capital		12,538	12,538
(Deficits)/Reserves		<u>(5,016)</u>	<u>7,035</u>
Total Equity		<u>7,522</u>	<u>19,573</u>
Non-current Liability			
Borrowings		<u>27,970</u>	<u>28,291</u>
		<u>35,492</u>	<u>47,864</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital	Share premium	Statutory reserves	Shareholder's contribution	Translation reserve	Share-based payments reserve	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		(Note a)	(Note b)	(Note c)				
At 1 January 2024	12,538	179,132	3,613	6,641	5,217	6,029	(181,980)	31,190
Loss and total comprehensive expense for the year	-	-	-	-	-	-	(11,617)	(11,617)
Transfer	-	-	304	-	-	-	(304)	-
Lapse of share options	-	-	-	-	-	(568)	568	-
At 31 December 2024	<u>12,538</u>	<u>179,132</u>	<u>3,917</u>	<u>6,641</u>	<u>5,217</u>	<u>5,461</u>	<u>(193,333)</u>	<u>19,573</u>
Loss and total comprehensive expense for the year	-	-	-	-	-	-	(12,051)	(12,051)
Transfer	-	-	62	-	-	-	(62)	-
Lapse of share options	-	-	-	-	-	(2,245)	2,245	-
At 31 December 2025	<u>12,538</u>	<u>179,132</u>	<u>3,979</u>	<u>6,641</u>	<u>5,217</u>	<u>3,216</u>	<u>(203,201)</u>	<u>7,522</u>

Notes:

- (a) Under the Companies Act 1981 of Bermuda (“Companies Act”), share premium is distributable to shareholders, subject to the condition that the Company cannot declare or pay a dividend, or make a distribution out of share premium and other reserves if (i) it is, or would after the payment be, unable to pay its liabilities as they become due, or (ii) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital account.
- (b) As stipulated by the relevant laws and regulations for foreign investment enterprises in the People’s Republic of China (the “PRC”), the Company’s PRC subsidiaries are required to maintain statutory reserves which are non-distributable. Appropriations to statutory surplus reserve are made out of net profit after taxation reported in the statutory financial statements of the PRC subsidiaries while the amounts and allocation basis are required to be 10% of the annual profit after tax. The statutory reserve fund can be used to make up their prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue and for expanding the capital base of the PRC subsidiaries by means of capitalisation issue.
- (c) On 30 September 2017, Mr. Hung Yung Lai, being the chairman, executive director and controlling shareholder of the Company at that time, waived the balance due to him of approximately RMB786,000. The amount has been capitalised as shareholder’s contribution. On 6 July 2022, Goldcorp Industrial Limited, an immediate holding company, transferred certain Company’s shares to employees of the Group and such transfer was accounted for as a share-based payment transaction under IFRS 2 Share-based Payment and included in shareholder’s contribution.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on Growth Enterprise Market (“GEM”) of The Stock Exchange. The addresses of the registered office and principal place of business of the Company are disclosed in the section headed “Corporate Information” in the annual report. Its immediate holding company was Goldcorp Industrial, a company incorporated in the British Virgin Islands. The Company do not have ultimate controlling party.

The principal activities of the Company and its subsidiaries (collectively the “Group”) are development and sales of software products, sales of hardware products and provision of technical support and other services.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the Company and its subsidiaries.

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARD

Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

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

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

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

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

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

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

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

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

IFRS 18 Presentation and Disclosure in Financial Statements

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

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of IFRS 18 on the Group's consolidated financial statements.

3. REVENUE

(i) Disaggregation of revenue from contracts with customers

	For the year ended 31 December 2025			
	Sales of software products <i>RMB'000</i>	Sales of hardware products <i>RMB'000</i>	Provision of technical support and other services <i>RMB'000</i>	Total <i>RMB'000</i>
Sales of products	<u>2,529</u>	<u>3,370</u>	<u>–</u>	<u>5,899</u>
Provision of services:				
– Outsourcing financial services for bank customers	–	–	30,204	30,204
– Development, installation and maintenance of payment software system	<u>–</u>	<u>–</u>	<u>5,828</u>	<u>5,828</u>
Total	<u><u>2,529</u></u>	<u><u>3,370</u></u>	<u><u>36,032</u></u>	<u><u>41,931</u></u>
Geographical markets				
The PRC	<u><u>2,529</u></u>	<u><u>3,370</u></u>	<u><u>36,032</u></u>	<u><u>41,931</u></u>
Timing of revenue recognition				
A point in time	2,287	3,370	36,032	41,689
Over time	<u>242</u>	<u>–</u>	<u>–</u>	<u>242</u>
Total	<u><u>2,529</u></u>	<u><u>3,370</u></u>	<u><u>36,032</u></u>	<u><u>41,931</u></u>

For the year ended 31 December 2024

	Sales of software products <i>RMB'000</i>	Sales of hardware products <i>RMB'000</i>	Provision of technical support and other services <i>RMB'000</i>	Total <i>RMB'000</i>
Sales of products	1,261	1,040	–	2,301
Provision of services:				
– Outsourcing financial services for bank customers	–	–	48,090	48,090
– Development, installation and maintenance of payment software system	–	–	8,423	8,423
Total	1,261	1,040	56,513	58,814
Geographical markets				
The PRC	1,261	1,040	56,513	58,814
Timing of revenue recognition				
A point in time	829	1,040	56,513	58,382
Over time	432	–	–	432
Total	1,261	1,040	56,513	58,814

(ii) **Performance obligations for contracts with customers**

Provision of technical and other support services (revenue recognised at one point in time)

The Group provides technical and other support service, e.g. financial outsourcing services, software system upgrades and interface development services mainly to banks. Such services are recognised as a performance obligation satisfied at one point in time because the contract specifies the unit price and quantitative unit of each type of performance obligation, and the consideration is based on the number of units completed when the Group completes for each performance obligation, i.e., the point at which the customer obtains control of a quantitative unit of service and has a present obligation to pay. Revenue is recognised for these technical and other support services based on the point at which the service is confirmed.

Sales of hardware products (revenue recognised at one point in time)

The Group sells hardware products, e.g. POS machines mainly to banks and high-tech companies directly.

For sales of hardware products, revenue is recognised when control of the goods has transferred, being when the goods have been delivered to customers' specific location. The normal credit term is 90 to 180 days upon delivery.

Sales of software products with maintenance services (multiple performance obligations)

The Group sells software products, e.g. POS-MIS mainly to banks and high-tech companies directly, and revenue is recognised at a point in time when control of software products has transferred, being when the software products have been delivered to customers' specific location and installed for use. In addition, the Group provided subsequent maintenance service after the installation, which is considered to be a distinct service as it is both regularly supplied by the Group to other customers on a stand-alone basis and is available for customers from other providers in the market. Transaction price is allocated between sales of software products and the maintenance services on a relative stand-alone selling price basis. Revenue relating to the maintenance services is recognised over time and would be recognised as a separate performance obligation for provision of services and included as development, installation and maintenance of payment software system. The transaction price allocated to these services is recognised on a straight line basis over the period of service.

(iii) Transaction price for sales of software products with maintenance services allocated to the remaining performance obligations for contracts with customers

The transaction price for sales of software products with maintenance services allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2025 and 2024 and the expected timing of recognising revenue are as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within one year	163	242
More than one year but not more than two years	115	148
More than two years	66	159
	344	549

All the other revenue are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

4. OPERATING SEGMENTS

Information reported to the Company's executive directors, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

Specifically, the Group's reportable and operating segments under IFRS 8 Operating Segments are as follows:

1. Sales of software products
2. Sales of hardware products
3. Provision of technical and other support services

No operating segments have been aggregated in arising at the reportable segments of the Group.

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment:

	Sales of software products <i>RMB'000</i>	Sales of related hardware products <i>RMB'000</i>	Provision of technical support Support and other services services <i>RMB'000</i>	Total <i>RMB'000</i>
For the year ended 31 December 2025				
External sales and total revenue				
– segment revenue	<u>2,529</u>	<u>3,370</u>	<u>36,032</u>	<u>41,931</u>
SEGMENT RESULTS	<u>(971)</u>	<u>(2,124)</u>	<u>(6,480)</u>	<u>(9,575)</u>
Other income				358
Other gains and losses				1,128
Unallocated corporate expenses				(2,909)
Finance costs				(1,053)
Group's loss before tax				<u>(12,051)</u>
For the year ended 31 December 2024				
External sales and total revenue				
– segment revenue	<u>1,261</u>	<u>1,040</u>	<u>56,513</u>	<u>58,814</u>
SEGMENT RESULTS	<u>(275)</u>	<u>(69)</u>	<u>(6,800)</u>	<u>(7,144)</u>
Other income				463
Other gains and losses				(915)
Unallocated corporate expenses				(2,973)
Finance costs				(1,048)
Group's loss before tax				<u>(11,617)</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represents the loss incurred by each segment without allocation of finance costs, unallocated corporate expenses, other income and other gains and losses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The CODM makes decisions according to operating results of each segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Other segment information

	Sales of software products <i>RMB'000</i>	Sales of related hardware products <i>RMB'000</i>	Provision of technical support and other services <i>RMB'000</i>	Total <i>RMB'000</i>
For the year ended 31 December 2025				
Amounts included in the measure of segment results:				
Allowance for inventories	–	895	–	895
Depreciation of property and equipment	37	49	530	616
Depreciation of right-of-use assets	12	15	166	193
Impairment losses on trade receivables and contract assets	(72)	(95)	(1,020)	(1,187)
	<u>(72)</u>	<u>(95)</u>	<u>(1,020)</u>	<u>(1,187)</u>

For the year ended 31 December 2024				
Amounts included in the measure of segment results:				
Depreciation of property and equipment	10	13	586	609
Depreciation of right-of-use assets	12	15	676	703
Impairment losses on trade receivables and contract assets	6	7	311	324
	<u>6</u>	<u>7</u>	<u>311</u>	<u>324</u>

Geographical information

The Group's revenue from external customers is all generated from customers located in the PRC.

All non-current assets of the Group are located in the PRC by location of assets.

Information about major customers

Revenue from customers from sales of software products, hardware products, provision of technical support and other services of the corresponding years contributing over 10% of the total sales of the Group are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Customer A	15,182	33,833
Customer B	<u>13,856</u>	<u>11,042</u>

5. OTHER GAINS OR LOSSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Net exchange gain/ (loss)	1,336	(914)
Fair value changes of financial assets at FVTPL	(184)	–
Others	(24)	(1)
	<u>1,128</u>	<u>(915)</u>

6. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on bank borrowings	28	49
Interest on loans from a related party	1,024	990
Interest on lease liabilities	1	9
	<u>1,053</u>	<u>1,048</u>

7. INCOME TAX EXPENSE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Income tax expense	–	–

8. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging the following items:

	2025	2024
	RMB'000	RMB'000
Salaries, wages and other staff benefits	33,146	46,610
Retirement benefit schemes contributions	6,311	9,344
	<hr/>	<hr/>
Total staff costs (<i>Note</i>)	39,457	55,954
	<hr/>	<hr/>
Depreciation of property and equipment	616	609
Depreciation of right-of-use assets	193	703
Group auditor's remuneration	900	900
Cost of inventories recognised as an expense (included allowance for inventories of RMB895,000 (2024: nil))	5,508	2,204
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Note: Directors' emoluments are included in the above staff costs.

9. LOSS PER SHARE

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

Loss figures are calculated as follows:

	2025	2024
	RMB'000	RMB'000
Loss for the year attributable to owners of the Company for the purposes of basic and diluted loss per share	<u>(12,501)</u>	<u>(11,617)</u>

2025	2024
'000	'000

Number of shares

Number of ordinary shares for the purpose of basic and diluted loss per share	<u>1,317,240</u>	<u>1,317,240</u>
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The computation of diluted loss per share for the years ended 31 December 2025 and 2024 does not assume the exercise of the Company's share options because the exercise price of those options was higher than the average market price for shares.

10. TRADE AND OTHER RECEIVABLES

	2025	2024
	RMB'000	RMB'000
Trade receivables		
– contracts with customers	11,270	15,385
Less: allowance for ECL	<u>(621)</u>	<u>(460)</u>
	<u>10,649</u>	<u>14,925</u>
Other receivables, prepayments and deposits		
Deposits paid to customers	2,592	3,367
Advances to staff	5,960	2,252
Prepayments	672	423
Tender deposits	212	–
Others	<u>522</u>	<u>344</u>
	<u>9,958</u>	<u>6,386</u>
Total trade and other receivables	<u>20,607</u>	<u>21,311</u>

The normal credit term is 90 to 180 days.

As at 1 January 2024, trade receivables from contracts with customers amounted to approximately RMB18,542,000.

The following is an aged analysis of trade receivables net of allowance for ECL presented based on the invoice dates:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0 – 120 days	7,152	12,294
121 – 180 days	35	103
181 – 365 days	1,134	1,280
Over 365 days	2,328	1,248
	<u>10,649</u>	<u>14,925</u>

As at 31 December 2025, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB3,175,000 (2024: RMB2,226,000) which are past due 90 days or more as at the reporting date and are not considered as in default as most of the debtors are banks with strong financial position and high credit ratings and the amounts are still considered fully recoverable.

11. TRADE AND OTHER PAYABLES

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	1,520	1,406
Payroll payables	3,280	4,279
Other PRC tax payables	676	727
Employee reimbursement payable	676	757
Accruals	429	610
Contract liabilities	312	430
Professional fee payable	–	441
Others	490	737
	<u>7,383</u>	<u>9,387</u>
Total	<u>7,383</u>	<u>9,387</u>

The following is an aged analysis based on invoice date of trade payables at the end of the reporting period:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
With 90 days	992	87
91 – 180 days	16	814
181 – 365 days	426	160
Over 365 days	86	345
	<hr/>	<hr/>
	1,520	1,406
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The range of credit period on purchases of goods is around 120 to 180 days.

Trade and other payables of approximately RMB126,800 (2024: RMB85,100) were denominated in HK\$.

BUSINESS REVIEW

Overall Business of the Group in 2025

In 2025, the fintech and services industry operated against a backdrop of macroeconomic pressures and continued regulatory tightening. Financial institutions adopted a more prudent risk appetite, leading to tightened capital expenditures and a slowdown in project implementation, which caused moderate demand pressures within the industry. Meanwhile, increasingly stringent requirements regarding data security and independent controllability, combined with the deeper application of technologies such as artificial intelligence and big data, are accelerating the industry's evolution towards intelligence. In terms of industry competition, market concentration further intensified, with leading players consolidating their positions through technological and scale advantages. Meanwhile homogenized competition increased, bringing significant operational pressures on small and medium-sized enterprises. Overall, despite short-term pressures, the industry's medium- to long-term prospects remain promising, as the application of AI technologies and the digital transformation of the financial sector will continue to bring development opportunities for the Group.

Against the above operating environment, the Group's performance also faced challenges. During the year, revenue growth from traditional businesses encountered challenges, while delays in the delivery of certain projects and extended collection cycles exerted pressure on the Group's profitability. For the year ended 31 December 2025, the Group recorded a loss of approximately RMB12,051,000 (2024: approximately RMB11,617,000), representing a year-on-year 3.7% change compared to the previous year.

In response to external uncertainties, the Group adhered to an operating strategy focused on "stabilizing foundations, adjusting structures, and pursuing incremental growth", by continuing to advance business transformation and capability building. In terms of products, the Group consistently increased research and development investments in our core payment and fintech products, promoting product standardization and scalable replication, while also strengthening the integration of products with more application scenarios. Additionally, the Group introduced artificial intelligence technologies to enhance internal operational efficiency and product capabilities, gradually building a new product system driven by AI, founded on payment technologies, and oriented around application scenarios. Regarding the market, the Group continued to optimize our client structure, actively expanding our base of financial institution clients and high-value application scenarios, thereby improving project quality and client stickiness. In terms of business model, the Group persistently explored more sustainable revenue models, driving the transition of our revenue structure from a project-based approach towards product-based and platform-based models.

Overall, 2025 was a pivotal year for the Group in proactively making adjustments and deepening our transformation under challenging conditions. Although operating data experienced short-term pressures during the year, the Group has laid a solid foundation for future business recovery and the pursuit of high-quality development through continuous optimization of the business structure and enhancement of core capabilities.

FUTURE OUTLOOK

Looking ahead, with the normalization of regulations and ongoing technological advancements, the fintech and services industry is expected to gradually improve from short-term pressures towards structural recovery. At the same time, it is anticipated that financial institutions will progressively resume their investments in information technology when the risks are controlled. Furthermore, the deeper application of artificial intelligence technologies and the digital transformation of the financial sector will continue to provide sustained momentum for the industry.

The Group will continue to adhere to the development strategy driven by technological innovation, centered on product capabilities, and oriented around customer value. We will persistently advance the development of our core product system and the expansion of application scenarios, facilitating the gradual recovery and structural optimization of our business. Moreover, the Group will accelerate the enhancement of our productization and platform-based capabilities, optimize our revenue structure and profitability model, and strengthen refined management and cost control to improve overall operational efficiency and risk resilience.

The Group will actively seize industry development opportunities, pursuing definitive growth amidst an uncertain external environment. We are committed to transitioning from a “scale-oriented” approach to one focused on “quality and efficiency”, guiding the Group towards a more robust and sustainable phase of development.

FINANCIAL REVIEW

The Group is principally engaged in the development and sales of information and network technologies and services to the financial industry in the People's Republic of China (the "PRC").

Revenue of the Group comprises of:

For the year ended 31 December 2025 ("the financial year"), the Group recorded a total revenue of approximately RMB41,931,000, a decrease of 28.7% as compared to the same period of last year (2024: approximately RMB58,814,000).

	Revenue	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Sales of software products	2,529	1,261
Sales of hardware products	3,370	1,040
Provision of technical support and other services	36,032	56,513
	<u>41,931</u>	<u>58,814</u>

The decrease in the turnover of the Group was mainly attributable to customers reduced its capital expenditures. As a results, the revenue of the Group's provision of technical support and other services decreased by approximately 36.2% when compared to the same period of last year. The total revenue for the year 2025 mainly came from the provision of technical support and other services. The source of total revenue for the year 2025 was the same as that for the year of 2024.

Cost of sales for the year ended 31 December 2025 is decreased by 24.7% to approximately RMB38,514,000 (2024: approximately RMB51,146,000). In addition to decrease in staff costs due to streamlining the workforce, cost of sales decreased in line with business activities. The Group's overall gross profit margin decreased by approximately 4.8% to approximately 8.2% (2024: approximately 13.0%). The Group have tightened to control its costs but the Group recorded an inventory provision for this year as absence of such costs in last year.

Administrative expenses for the year ended 31 December 2025 is decreased by 12.2% to approximately RMB10,832,000 (2024: approximately RMB12,336,000). The decrease in administrative expenses was mainly due to decrease in staff costs. Distribution and selling expenses for the year ended 31 December 2025 is increased by 22.1% to approximately RMB6,256,000 (2024: approximately RMB5,125,000). The increase in distribution and selling expenses was mainly due to an increase in staff headcounts in sales department to explore the new business opportunities. Other income mainly included refund of value added tax, grants and interest income, which decreased by 22.7% to approximately RMB358,000 for the year ended 31 December 2025 (2024: RMB463,000). The decrease in other income was mainly due to a decrease in government grants; and other gains or losses mainly included exchange differences and fair value changes in financial assets at fair value through profit or loss.

The Group recorded a reversal of impairment losses under expected credit loss model, net of reversal, of approximately RMB1,187,000 for the year ended 31 December 2025 (2024: an impairment loss of RMB324,000). The change in impairment losses under expected credit loss model, net of reversal, was mainly due to the Group's efforts to recover long-outstanding receivables that had been previously impaired.

Research and development expenses for the year ended 31 December 2025 is decreased by 21.9% to approximately RMB6,167,000 (2024: approximately RMB7,893,000).

Loss amounted to approximately RMB12,051,000 for the year ended 31 December 2025 (2024: approximately RMB11,617,000), increase of 3.7% as compared to the same period of last year. The increase in loss was mainly attributable to a further decrease in gross profits.

Hangzhou Singlee Technology Company Limited ("Singlee Technology"), a subsidiary of the Company, was established in Hangzhou, PRC, is regarded as a High and New Technology Enterprise and is therefore entitled to 15% preferential tax rate for PRC enterprise income tax. According to the PRC Enterprise Income Tax Law, the applicable tax rate of Hangzhou Singlee Software Company Limited ("Singlee Software"), and Xin Yintong Technology Co., Ltd. ("Xin YinTong") is 25% for the years ended 31 December 2025 and 2024.

Property, plant and equipment comprise mainly the Group's owned properties, leasehold improvements, computer and related equipment and motor vehicles. Decrease of approximately 7.8% is mainly attributable to usual depreciation.

Trade receivables and contract assets decreased in line with business activities during the year. During the year under review, the trade receivables and contract assets turnover (the average of the trade receivables balance and contract assets at the beginning and the end of the year divided by the total revenue of the year times 365 days) increased by 8 days to 111 days (2024: 103 days). The Group's customers are generally granted with credit period ranging from 90-180 days. The Group will continue to exercise due care in managing the credit exposure.

Advance to staff is petty cash granted to certain employees of the Group, who are independent third parties, for payment of business related disbursement, such as expenses incurred on business trip or meeting with clients. Such advances are interest free, security free with no fixed term of settlement. As at 31 December 2025, advance to staff increased to RMB5,960,000 (2024: approximately RMB2,252,000) due to an increase to develop business in different provinces in the PRC.

Borrowings amounted to approximately RMB29,970,000 as at 31 December 2025 (2024: approximately RMB29,291,000), representing an increase of 2.3%, which is mainly attributable to the increase of bank borrowings. The borrowings and unsecured loan from a related parties would be used for general corporate purposes including working capital.

We will continue striving our best to increase sales and strengthen our cost control measures. With the products of our Group becoming more mature in the market and the effective cost control, we expect that financial results of the Group would be further improved in the coming year.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

The operating expenditures of the Group are funded by cash flow from operations and borrowings. The Group has adequate sources of funds to meet its future working capital requirements.

As at 31 December 2025, the Group held cash and cash equivalents denominated in RMB, US dollars and HK dollars, amounted to approximately RMB16,249,000 (2024: approximately RMB28,528,000), representing a decrease of approximately 43.0% as compared with the end of previous year. The decrease in bank balances and cash was mainly due to net cash used in operating activities. The Group's current ratio, based on total current assets over total current liabilities, as at 31 December 2025 was approximately 3.5 times (2024: approximately 4.2 times).

The Group's net cash outflow for the year ended 31 December 2025 approximately amounted to RMB13,238,000 (2024: approximately RMB6,685,000).

At 31 December 2025, the Group had the following outstanding borrowings:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Fixed-rate borrowings:		
Unsecured loans from a related party	27,970	28,291
Secured bank borrowings	2,000	1000
	<u>29,970</u>	<u>29,291</u>

The borrowings' contractual maturity dates are as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within one year	2,000	1,000
Between one to two years	1,245	–
Between two to five years	–	1,197
More than five years	26,725	27,094
	<u>29,970</u>	<u>29,291</u>

The Group's loans from a related party are all owing to Mr. Hung Yung Lai. The Group's loans from Mr. Hung Yung Lai of approximately RMB26,725,000 (2024: RMB27,094,000) are denominated in HK dollars, other borrowings are denominated in the functional currency of the respective group entity.

During the year 2025, the Group entered into a revolving loan facility agreements with a bank with a total credit amounts of RMB10,420,000. The maturity date of the revolving loan facility is on 13 March 2035. The revolving loan facility was utilised amounted to RMB2,000,000 as at 31 December 2025 (2024: RMB1,000,000). The unutilised facility would be utilised as the working capital.

No interest was capitalised by the Group during the year (2024: Nil).

The gearing ratio of the Group, based on total liabilities over total assets, as at 31 December 2025 was approximately 83.9% (2024: approximately 67.5%). The Group has confident that gearing ratio can improve in the coming year.

CAPITAL STRUCTURE

During the year ended 31 December 2025, 12,068,000 share options were lapsed. During the year ended 31 December 2024, 4,354,000 share options were lapsed.

Save as disclosed above, the Company had no other changes in capital structure during the year ended 31 December 2025.

ACQUISITION AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

The Group did not have any material acquisitions or disposals of subsidiaries and affiliated companies during the year.

RISK MANAGEMENT

The Group has established and maintained sufficient risk management procedures to identify and control various types of risk within the organisation and the external environment with active management participation and effective internal control procedures in the best interest of the Group and its shareholders.

EMPLOYEE INFORMATION

As at 31 December 2025, the Group had 501 employees (2024: 418 employees), including both the PRC and Hong Kong employees. Remuneration and bonus policy are basically determined by the performance of the individual employees and financial results of the Group. Total staff costs for the year amounted to approximately RMB39,457,000 (2024: approximately RMB55,954,000).

The Group adopted a share option scheme, details of which were set out in the “Report of the Directors”.

CHARGE ON GROUP ASSETS

As at 31 December 2025, certain properties of the Group located in Hangzhou with an aggregate net carrying amount of approximately RMB6,713,000 (2024: approximately RMB7,260,000) were used to secure the banking facilities.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND EXPECTED SOURCE OF FUNDING

Save as disclosed in this report, the Group did not have plans for material investments and capital assets as at the date of this report.

EXPOSURE TO EXCHANGE RATE FLUCTUATION

The Group’s revenue generating operations are mainly transacted in RMB. The Directors consider the impact of foreign exchange exposure to the Group is minimal.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have any material contingent liabilities (2024: Nil).

FIVE YEARS FINANCIAL SUMMARY OF THE GROUP

	Year ended 31 December 2025 RMB'000	Year ended 31 December 2024 RMB'000	Year ended 31 December 2023 RMB'000	Year ended 31 December 2022 RMB'000	Year ended 31 December 2021 RMB'000
Revenue	41,931	58,814	70,377	84,949	94,408
Loss attributable to shareholders	(12,051)	(11,617)	(8,264)	(18,381)	(13,768)
Total assets	46,756	60,202	70,360	95,810	100,082
Total liabilities	(39,234)	(40,629)	(39,170)	(56,356)	(48,102)
Net assets	7,522	19,573	31,190	39,454	51,980

DIVIDEND

No dividend was paid or proposed for ordinary shareholders of the Company during 2025 and 2024, nor has any dividend been proposed since the end of the reporting period.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 28 May 2026 to Wednesday, 3 June 2026, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the forthcoming annual general meeting to be held on Wednesday, 3 June 2026 (the “AGM”). In order to be eligible to attend and vote at the forthcoming AGM, all transfer accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on Wednesday, 27 May 2026.

MAJOR SUPPLIERS AND CUSTOMERS

The percentage of purchases and sales for the year ended 31 December 2025 attributable to the Group’s major suppliers and customers are as follows:

Purchases

– the largest supplier	10% (2024: 13%)
– five largest suppliers combined	39% (2024: 36%)

Sales

– the largest customer	36% (2024: 64%)
– five largest customers combined	89% (2024: 95%)

None of the Directors, their associates or any shareholder (which to the knowledge of the directors owns more than 5% of the company's share capital) had an interest in the major suppliers or customers stated above.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

COMPETITION AND CONFLICT OF INTERESTS

None of the directors, management shareholders or substantial shareholders of the Company or any of their respective associates, as defined in the GEM Listing Rules, has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group or has any other conflict of interests with the Group during year ended 31 December 2025.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this announcement, based on information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirm that the Company maintained the amount of public float as required under the GEM Listing Rules.

CORPORATE GOVERNANCE PRACTICES

The Company recognises the value and importance of achieving high corporate governance standards to enhance corporate performance, transparency and accountability, earning the confidence of shareholders and the public. The Board strives to adhere to the principles of corporate governance and adopt sound corporate governance practices to meet the legal and commercial standards by focusing on areas such as internal control, fair disclosure and accountability to all shareholders.

The Company has complied with all applicable code provisions of the Corporate Governance Code ("CG Code") set out in Appendix C1 of the GEM Listing Rules in the year ended 31 December 2025 except for the deviation from the code provision C.2.1 of the CG Code.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under the code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. Subsequent to the resignation of Mr. Lin Xue Xin on 1 November 2022, no replacement of the post of the chief executive officer has been fixed up to the date of this report. The Board will keep reviewing the current structure from time to time. If candidate with suitable knowledge, skills and experience is identified, the Company will make appointment to fill the post of chief executive officer as appropriate.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding directors' securities transactions during the twelve months ended 31 December 2025 as set out in GEM Listing Rules 5.48 to 5.67. The Company has made specific enquiry of all the Directors and the Company was not aware of any noncompliance with the required standard of dealings regarding the securities transactions by Directors.

Specific employees who are likely to be possession of unpublished price-sensitive information of the Group are also subject to compliance with the same Code of Conduct. No incident of non-compliance was noted by the Company for the year ended 31 December 2025.

SCOPE OF WORK OF DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity 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, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board on 25 March 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

AUDIT AND RISK MANAGEMENT COMMITTEE

The audited consolidated financial statements of the Company for the year ended 31 December 2025 have been reviewed by the Audit and Risk Management Committee therefore recommending it to the Board for approval.

By Order of the Board
Sing Lee Software (Group) Limited
Lin Xue Xin
Chairman

Hangzhou, the PRC, 25 March 2026

As at the date of this announcement, the Board Comprises of:

Lin Xue Xin (*Executive Director*)

Hung Ying (*Executive Director*)

Zang Jingjing (*Executive Director*)

Li Dong (*Executive Director*)

Cai Jin (*Executive Director*)

Pao Ping Wing (*Independent Non-Executive Director*)

Chan Tsang Mo (*Independent Non-Executive Director*)

Chen Xinai (*Independent Non-Executive Director*)

The announcement will remain on the website of the Stock Exchange at <http://www.hkexnews.hk> on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and will be published on the website of the Company (<http://www.singlee.com.cn>).