

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SY HOLDINGS GROUP LIMITED

盛業控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6069)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

PERFORMANCE HIGHLIGHTS

- With the continued implementation of the platform-based strategy, the total number of cumulative platform clients exceeded 23,000 as of 31 December 2025, reflecting a year-on-year growth of 27.0% from 18,100 clients as of 31 December 2024. Throughout the year ended 31 December 2025, SMEs clients accounted for over 96% of the total clients.
- The Group's total cumulative intelligent facilitation business scale reached approximately RMB332.4 billion as of 31 December 2025, representing a 33.6% increase from RMB248.9 billion as of 31 December 2024.
- Revenue from platform-based technology services for the year ended 31 December 2025 was RMB473.5 million, representing an increase of approximately 36.6%, when compared to RMB346.6 million for the year ended 31 December 2024. The proportion of revenue from its technology services in the Group's total revenue and income from principal activities is approximately 52.4%, representing a significant increase when compared to approximately 37.7% for the year ended 31 December 2024.
- For the year ended 31 December 2025, the Group effectively translated its AI capabilities into commercialized value-added services and first-ever achieved AI service contract revenue of over RMB17.0 million, representing a substantial period-over-period growth of over 40 times compared to the contract revenue for the six months ended 30 June 2025.
- Profit after taxation increased significantly by 23.6%, from RMB390.9 million for the year ended 31 December 2024, to RMB483.2 million for the year ended 31 December 2025.
- The Directors recommend the payment of a dividend of RMB40.47 cents per ordinary share of the Company for the year ended 31 December 2025 (for the year ended 31 December 2024: RMB34.70 cents per ordinary share). The Directors have resolved to declare a special dividend of RMB23.19 cents per ordinary share of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

2025 Annual Review

SY Holdings Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**” or “**SY**”) is a leading supply chain fintech platform. The Group has consistently maintained its strategic focus at the management level, dedicating itself to becoming a rare and outstanding enterprise in the supply chain fintech sector with the greatest longevity, the steadiest growth, and the most sustainable profitability. While deeply cultivating its solid fundamentals in national pillar industries such as infrastructure, pharmaceuticals and commodities, the Group has actively strategically positioned itself in emerging industries such as e-commerce and overseas expansion, thereby forging a robust dual growth engine.

Driven by the deepened implementation of the “asset-light and platform-based” strategy, which has propelled an expansion in the business scale of platform-based technology services, and benefiting from the further improvement in the performance of the Company’s associates supported by the strong backing and complementary resources of both shareholders, the Group recorded steady growth during the period. For the year ended 31 December 2025:

- The Group achieved a net profit of approximately RMB483.2 million, representing a significant year-on-year increase of approximately 23.6%;
- The Group achieved a total principal business revenue and income of approximately RMB903.5 million, representing a slight year-on-year decrease of approximately 1.7%;
- The Group achieved a share of results of associates of approximately RMB151.3 million, representing a significant year-on-year increase of approximately 21.5%.

With the deepening of the platform-based strategy and the accumulation of data assets, the Group’s core business and operational metrics have achieved breakthrough progress:

- **Continuous Expansion of Platform Customer Base:** As of 31 December 2025, the total number of cumulative platform customers exceeded 23,000, representing a year-on-year increase of approximately 27.0% from 18,100 as of 31 December 2024; for the year ended 31 December 2025, micro, small and medium enterprises (the “**SMEs**”) accounted for over 96% of the total number of clients;
- **Intelligent Facilitation Business Hitting Record Highs:** As of 31 December 2025, the cumulative business scale of intelligent facilitation by the platform exceeded RMB332.4 billion, representing an increase of approximately 33.6% from RMB248.9 billion as of 31 December 2024;
- **Technology-Empowered Inclusive Finance:** As of 31 December 2025, the Group had cumulatively reduced funding costs for SME customers by over RMB3.3 billion;

- **Remarkable Results in Asset-Light Transformation:** For the year ended 31 December 2025, the platform-based technology facilitation business accounted for over 87% of the total, and the revenue from platform-based technology services was RMB473.5 million, representing an increase of approximately 36.6% from RMB346.6 million for the year ended 31 December 2024. The proportion of technology revenue to the Group’s total principal business revenue and income was approximately 52.4%, representing a substantial increase compared to approximately 37.7% for the year ended 31 December 2024.

Differentiated Advantages: “Transaction-Focused and Entity-Light” and Data Barriers

The core competitive barrier of the Group lies in the continuous optimization of its data-driven “transaction-focused and entity-light” risk control model. Distinguished from the model of traditional financial institutions which heavily relies on entity credit, SY manages the underlying transactions across their entire lifecycles—encompassing orders, contracts, logistics, warehousing, progress control, acceptance, reconciliation, and settlement—and leverages multi-dimensional transaction data for cross-verification. Through 12 years of vertical industry data accumulation, the Group has established system linkages with 17 leading core enterprises. This model not only reduces customer acquisition costs to near zero, but also yields remarkable results in enhancing operational efficiency, controlling risk costs, and improving customer experience. Abundant industrial data and an efficient platform-based model have forged the Group’s differentiated advantages and wide economic moat characterized by “high growth and steady dividend payout”.

Business Layout: Solid Fundamentals + Dual Growth Engines

In terms of business expansion, the Group adheres to a development strategy that places equal emphasis on solid fundamentals and dual growth engines. The infrastructure, pharmaceuticals and commodities sectors serve as the solid fundamentals for the Group’s steady development. Their massive potential market size and high customer stickiness provide a continuously steady profit cornerstone for the Group. Concurrently, the Group has significantly enhanced its operational efficiency through AI technology. By integrating its resource advantages in industry data, risk control algorithms, and computing power reserves, the Group has driven the rapid replication of its platform-based technology service capabilities across innovative sectors such as e-commerce and overseas expansion. This has propelled the e-commerce and overseas expansion businesses to become the dual growth engines of the Group, demonstrating explosive momentum for the year ended 31 December 2025:

- **Robust Growth in E-commerce Business Scale:** The Group has completed its business coverage across 6 major top-tier e-commerce platforms, namely Douyin, SHEIN, Shopee, Kuaishou, WeChat Video Channel, and Dewu, and has introduced Be Friends Holdings Limited (Stock Code: 1450.HK), a “cross-platform live-streaming e-commerce leader”, as a strategic investor to accelerate linkages within the live-streaming e-commerce industry ecosystem. Accordingly, by leveraging dynamic operating data and ‘shipped but pending settlement’ orders, the Group is able to assist e-commerce merchants in efficiently addressing their supply chain service needs across various stages, including order surges, procurement and inventory stocking, as well as marketing and traffic acquisition. As of 31 December 2025, the cumulative platform service business scale in the e-commerce segment exceeded RMB6 billion, representing a growth of over 4.4 times compared to the data as of 31 December 2024;

- Overseas Expansion Business Achieving “0 to 1” Breakthrough:** The founding team of the Group possesses a global perspective and has been deeply engaged in the supply chain technology sector for 12 years, equipped with mature technological systems and service models. Having secured strategic investment and resource support from Temasek, a sovereign wealth fund of Singapore, the Group is well-positioned for the rapid replication and rollout of its business across Southeast Asia. At present, the Group has officially designated the “overseas expansion strategy” as a core driving force, and has established its international headquarters in Singapore with a professional team currently under development. The Group focuses on serving the overseas expansion needs of leading Chinese high-end manufacturing enterprises in sectors such as robotics, electric vehicles (the “EVs”), and Artificial Intelligence (the “AI”) infrastructure, providing one-stop solutions that encompass logistics, warehousing, customs declaration, cross-border settlement, exchange rate management, and order facilitation. As of 31 December 2025, the Group had reached strategic partnerships with nearly 10 pre-IPO robotics companies and established a cooperative relationship with Carro, the largest online used car platform in Southeast Asia, jointly assisting EV brands such as ZEEKR in exploring overseas markets. In the strategic layout of AI infrastructure, the Group has entered into a strategic partnership with Yangtze Optical Fibre and Cable Joint Stock Limited Company (the “YOFC”, stock codes: 601869.SH, 06869.HK), a global leader in the optical communication industry, leveraging AI technology to provide flexible supply chain value-added services for YOFC’s upstream suppliers. In terms of industrial global expansion, both parties will rely on YOFC’s globally leading technological strength and market presence, coupled with SY’s one-stop international supply chain technology service capabilities, to assist China’s AI infrastructure industry in “going global”.

R&D Capabilities and Commercial Empowerment of AI

- As a technology-driven platform, the Group continuously increases its research and development (the “R&D”) investment, with cumulative R&D investments exceeding RMB300 million, holding 100 national invention patents and computer software copyrights, which encompass innovative applications in key domains such as big data risk control and intelligent operations;
- In terms of AI technology application, during the year, the efficiency of intelligent sorting of customer data was enhanced by over 95%, with an accuracy rate of 100%; intelligent contract review achieved processing of 200 pages in 2 minutes, with an accuracy rate of over 98%. For the year ended 31 December 2025, AI technology empowerment drove a year-on-year increase of over 40% in per capita business processing volume;

- The Group has further effectively translated its AI capabilities into commercialized value-added services. Its proprietary “SY Cloud Platform” (the “**Platform**”) deeply integrates mainstream open-source large models such as DeepSeek, Qwen, and Doubao, forging professional AI service capabilities across key links of supply chain management, thereby matching clients with optimal supply chain solutions. For instance, by leveraging AI to analyze market and consumer data, the platform provides e-commerce merchants with precise decision-making support across stages such as product selection, sales, and inventory stocking. For the year ended 31 December 2025, the Group achieved AI service contract revenue of over RMB17.0 million, realizing a substantial period-over-period growth of over 40 times compared to the contract revenue for the six months ended 30 June 2025. Concurrently, the Group recognized an AI-powered information services revenue of approximately RMB2.3 million for the first time. AI technology is progressively becoming a vital driver for the Group’s cost reduction, efficiency enhancement, and revenue growth;
- With the support of the Wuxi municipal government, the Group has integrated with the Xuelang Computing Center, the NVIDIA AI Computing Center, and the Sugon Advanced Computing Center, securing resources of over 60 H800 servers and possessing an intelligent computing power of over 1,000 Petaflops (P). Concurrently, the construction of the Group’s East China headquarters located in Wuxi—the Apex—has been completed. It will serve as the nation’s first digital ecosystem base for the AI industry, driving the deep integration of AI technology within the industrial supply chain and actively responding to the policy call of the national “AI+” initiative.

Since its inception in 2013, SY has remained profitable for 12 consecutive years and has consistently implemented a steady dividend policy for 8 consecutive years, with aggregate dividend payouts over RMB1.4 billion. To continuously reward investors for their enduring support and trust, SY announced a dividend payment plan in 2024, pursuant to which the dividend payout ratio shall be no less than 90% for the three-year period ending 31 December 2024, 31 December 2025, and 31 December 2026 (details of the dividend payment plan are disclosed in the Company’s announcement dated 10 October 2024). For the year ended 31 December 2025, the Directors recommended the payment of a dividend of RMB40.47 cents per ordinary share of the Company. The Directors also approved the payment of a special dividend of RMB23.19 cents per ordinary share of the Company to further reward shareholders for their support and trust. The Company has consistently adopted a prudent dividend policy and will consider further special dividend plans having regard to market conditions and subject to the final approval of the Board.

BUSINESS OUTLOOK AND PROSPECTS

Looking ahead, the reconstruction of global supply chains is continuously deepening, and the integration of the digital economy with the real economy is further accelerating. The Group will firmly adhere to its strategic positioning as a “leading supply chain fintech platform”, continuously leverage its differentiated advantage of being “transaction-focused and entity-light”, and comprehensively propel the in-depth development of three major innovative segments: e-commerce, overseas expansion and AI value-added services, working alongside Chinese SMEs to reshape the global supply chain.

Deep Penetration and Ecosystem Co-construction in the E-commerce Sector

In the field of e-commerce services, the Group will firmly grasp the rapid growth dividends of live-streaming e-commerce and cross-border e-commerce, continuously deepening direct system connections and ecosystem integration with major top-tier e-commerce platforms. Relying on our advantages in AI applications and platform connectivity, we will further embed digital services deeply into the ecosystems of various platforms. In the future, the Group will leverage the synergistic effects of strategic investors and ecosystem partners to provide broader e-commerce merchants with flexible supply chain solutions based on dynamic operational data. This will help merchants efficiently address their funding needs for inventory stocking and traffic acquisition, driving sustained and high-speed compound growth in the business scale of the e-commerce segment.

Accelerated Implementation of the Overseas Strategy and Global Layout

In response to the increasingly robust overseas expansion needs of Chinese high-end manufacturing enterprises and SME merchants, the Group will center on its international headquarters in Singapore to deeply link Southeast Asia and the broader international market. Targeting pain points in cross-border trade, such as high pressure for advance funding, long supply chain cycles, and high barriers to entry for overseas banks, the Group will continuously optimize our one-stop solutions encompassing logistics, warehousing, customs declaration, and order matching. Concurrently, to resolve critical bottlenecks restricting the globalization of SMEs, such as high exchange rate volatility and low payment efficiency in international trade, the Group plans to compliantly explore the innovative application of stablecoins in international supply chain capital turnover services. Utilizing the peer-to-peer transmission capabilities of blockchain technology to achieve instantaneous clearing of “payment upon settlement,” the Group is committed to reducing cross-border payment costs and circumventing exchange rate volatility risks, thereby “building a bridge” for the global expansion of SMEs in the Asia-Pacific region.

Scaling and Commercialization of AI Value-Added Services

AI represents a potent potential growth curve for the Group in the future. The Group will continuously deepen the application of AI technology within industrial intelligent agents, fully utilize regional computing power resources, and continuously optimize vertical AI Agent models. Based on over 3.8 million entries of vertical industry bidding and procurement data and 150 million entries of product benchmarking information accumulated over the past 12 years, the Group will further enrich value-added service scenarios such as “procurement services” and “intelligent facilitation,” helping clients to realize “finding orders via AI.” The Group expects AI value-added services to become a new growth engine with high gross profit margins, projecting that AI service revenue will achieve further breakthroughs by 2026. Moving forward, the Group will continue to export our AI technological capabilities to SMEs within the ecosystem, growing alongside our clients, and dedicating ourselves to becoming the benchmark enterprise with the highest investment value and technological attributes in the supply chain fintech sector.

FINANCIAL REVIEW

Financial Summary

	Year ended 31 December		Year-on-year
	2025	2024	
	RMB'000	RMB'000	
Revenue and income from principal activities	903,508	919,366	(1.7%)
– Revenue from platform-based technology services	473,526	346,571	36.6%
– Income from digital financing solutions	375,944	521,884	(28.0%)
– Gain on refinancing of supply chain assets upon derecognition	54,038	50,911	6.1%
Finance costs	242,678	359,076	(32.4%)
Share of results of associates	151,321	124,565	21.5%
Net Profit	483,205	390,867	23.6%
Earnings per share (RMB cents)	48	39	23.1%

Revenue and income from principal activities

The Group's total revenue and income from principal activities slightly decreased by 1.7% year-on-year to RMB903.5 million for the year ended 31 December 2025, compared to RMB919.4 million for the previous year. The decrease was primarily attributable to the Group's continued implementation of its asset-light strategy and enhancement of technology platform capabilities, which has directed more of the supply chain working capital needs of SMEs clients to be met by external funding partners connected through the Platform. As a result, revenue from digital financial solutions continued to decline, partially offset by the significant growth in the revenue from platform-based technology service driven by the Group's platform-based strategy.

Platform-based technology services

The Group's platform technology services, powered by the Platform, connect the industrial ecosystem with financial institutions. By leveraging advanced technology-driven models, the Platform provides comprehensive sales and supply chain management solutions to enterprise clients, effectively addressing their order acquisition and supply chain working capital needs. Revenue from platform-based technology services significantly increased by 36.6% year-on-year to approximately RMB473.5 million for the year ended 31 December 2025, compared to approximately RMB346.6 million for the preceding year, mainly due to the strengthening of platform ecosystem connectivity and technological capabilities, the Group has continuously enhanced customer acquisition efficiency and risk control, which has enabled more SMEs to access supply chain working capital solutions through the Platform's network of external funding partners.

Furthermore, the Group has continuously enhanced its differentiated services, providing clients within the industrial ecosystem with AI-driven value-added supply chain technology services, which include leveraging the Platform to assist clients in order acquisition and marketing management, intelligent goods receipt and inspection, as well as the digitalization of procurement, sales, and inventory.

Digital financing solutions

The Group's digital financial solutions primarily facilitate supply chain working capital support for SMEs clients by its internal funding and credit enhancement entities through intelligent matching on the Platform. Revenue from digital financing solutions decreased by 28.0% year-on-year to RMB375.9 million for the year ended 31 December 2025, compared to RMB521.9 million for the last year, mainly due to the fact that the Group has further deepened its asset-light operating strategy and continued to enhance its platform capabilities, enabling a greater portion of the supply chain working capital needs of SMEs clients to be met through external funding partners connected via the Platform, thereby reducing the use of the Group's own capital.

Gain on refinancing of supply chain assets upon derecognition

For supply chain assets held by the Group, the Platform may facilitate refinancing by introducing funding partners, thereby maximizing the value of our supply chain assets and enhancing the Company's cash flow management. Gain from this business segment is equal to the excess amount received or receivable from refinancing transactions over the carrying amount of the supply chain assets, as the Group does not bear the associated risks of these assets after such refinancing arrangements. The gain on refinancing of supply chain assets upon derecognition increased by 6.1% year-on-year to RMB54.0 million for the year ended 31 December 2025, compared to RMB50.9 million for the preceding year.

Other gains and losses

The Group booked other gains of RMB46.2 million in the year of 2025, a decrease of 36.5% year-on-year, compared to RMB72.9 million for the preceding year. The decrease is mainly due to (i) Gain of \$49.3 million recognized in 2024 from the remeasurement of previously held equity interest in an associate upon step acquisition of a subsidiary; (ii) Gain of \$5.2 million recognized in 2024 from disposal of subsidiaries; offset by (iii) an increase in fair value gain of other financial assets at FVTPL.

Share of results of associates

The growth of the Group's major associate companies continues to thrive due to the strong support and resource synergy provided by joint venture partners. On one hand, these associate companies utilize the Group's industrial ecosystem connections, big data analytics, AI-driven enhancements, and comprehensive system support to improve customer acquisition efficiency and strengthen risk management capabilities. This has led to significant increases in both business scale and revenue while effectively mitigating risks. On the other hand, the credit backing from their controlling shareholders has further reduced funding costs, resulting in a substantial rise in net profits for these associate companies. The development of these associate companies is a crucial part of the Group's platform-based strategy, facilitating business expansion and revenue growth through resource integration. The share of results of associates surged 21.5% year-on-year, rising from RMB124.6 million for the year ended 31 December 2024 to RMB151.3 million for the year ended 31 December 2025.

Expenses

The following table sets forth the comparative figures of the principal components of the operational expenses for the year ended 31 December 2025 and 2024.

	Year ended 31 December		Year-on-year
	2025	2024	
	RMB'000	RMB'000	
Staff costs	194,775	187,608	3.8%
Depreciation and amortisation	38,502	32,195	19.6%
Other costs and operating expenses (excluding materials cost)	70,593	55,531	27.1%
Total	303,870	275,334	10.4%

The Group's total operational expenses increased by 10.4% year-on-year to RMB303.9 million for the year ended 31 December 2025, compared to RMB275.3 million for the year ended 31 December 2024, mainly due to the increase in staff costs of RMB7.2 million, depreciation of property, equipment, right-of-use assets and investment property and amortisation of intangible assets of RMB6.3 million and other operating expenses of RMB14.4 million as a result of business expansion.

The operational cost-to-income ratio for the year of 2025 was 33.6% when compared with 29.9% in 2024, excluding material costs and one-time expenses.

Net profit

Net profit in the year of 2025 was RMB483.2 million, an increase of RMB92.3 million or 23.6% year-on-year, compared to RMB390.9 million for the year ended 31 December 2024.

Adjusted net profit

Adjusted net profit increased by 41.5% year-on-year to RMB485.7 million for the year ended 31 December 2025, compared to RMB343.3 million for the year ended 31 December 2024.

Non-HKFRSs Measure: adjusted net profit

To supplement our consolidated results which are prepared and presented in accordance with Hong Kong Financial Reporting Standards (the “**HKFRSs**”), we utilize non-HKFRSs adjusted net profit (“**adjusted net profit**”) as an additional financial measure. We define adjusted net profit as profit for the year, as adjusted by excluding remeasurement gain of previously held equity interest in an associate upon step acquisition of a subsidiary, gain on disposal of subsidiaries and equity-settled share-based payments based on our share incentive plan.

Adjusted net profit is not required by, or presented in accordance with, HKFRSs. We believe that the presentation of non-HKFRSs measures when shown in conjunction with the corresponding HKFRSs measures provides useful information to investors and management regarding financial and business trends in relation to our financial condition and results of operations, by eliminating any potential impact of items that our management does not consider to be indicative of our operating performance, such as certain non-cash items and the impact of certain non-recurring investment transactions. We also believe that the non-HKFRSs measures are appropriate for evaluating the Group’s operating performance. However, the use of this particular non-HKFRSs measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under HKFRSs. In addition, this non-HKFRSs financial measure may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures used by other companies.

Supply chain assets at fair value through other comprehensive income (“FVTOCI”)

Supply chain assets at FVTOCI as of 31 December 2025 were RMB4,361.4 million, a 10.8% decrease year-on-year. Daily average balance of self-funded supply chain assets over the year of 2025 was RMB3,834.0 million, a 33.7% decrease over the year of 2024, mainly due to the deepened asset-light strategy. Based on the daily average balance of self-funded supply chain assets, interest yield on supply chain assets in the year of 2025 was 8.7%, which was 0.3 percentage points higher year-on-year.

The details of major terms of supply chain assets, including collateral types, maturity profile, and the size and diversity of clients are set out below.

As at 31 December 2025, all of the total supply chain assets were secured by charge over trade receivable, in respect of which the legal title and legal right to receivable cash flows were also transferred to the Group. Furthermore, the supply chain assets of RMB6.6 million were secured by certain commercial acceptance bills received from customers and the supply chain assets of RMB11.8 million were secured by deposit from customers, while as of 31 December 2024, the supply chain assets of RMB217.1 million were secured by certain commercial acceptance bills received from customers. These bills can be applied and used to settle any outstanding receivables of supply chain assets for the corresponding contract if default occurs.

As at 31 December 2025, there were a total of 20,446 (31 December 2024: 5,125) outstanding supply chain assets obtained by the Group, out of which 315 (31 December 2024: 173) supply chain assets are referred to as sizeable loans with principal amount exceeds RMB10 million, 1,021 (31 December 2024: 343) supply chain assets with principal amount between RMB1 million and RMB10 million, 19,110 (31 December 2024: 4,609) supply chain assets with principal amount less than RMB1 million.

As at 31 December 2025, no supply chain assets (31 December 2024: Nil) were obtained from the related parties (which are associates of the Group under the Listing Rules and the non-controlling shareholder of a material subsidiary) of the Group. The remaining balance of the outstanding supply chain assets were obtained from the independent third parties of the Group. The supply chain assets normally have a term of 3 days to 36 months (31 December 2024: 7 days to 25 months) and the effective interest rates ranging mainly from 5.0% to 16.2% (31 December 2024: 5.00% to 15.50%) per annum.

Supply chain assets at FVTOCI with ageing analysis presented below per maturity dates:

	As at	
	31 December 2025 RMB'000	31 December 2024 RMB'000
Within six months	4,071,171	3,311,862
Within a period of more than six months but not exceeding one year	2,173	1,577,396
Within a period of more than one year but not exceeding two years	288,072	2,049
	<u>4,361,416</u>	<u>4,891,307</u>

Movements in impairment loss allowance on supply chain assets

The Group's impairment loss allowance on supply chain assets decreased by 13.2% year-on-year to RMB49.8 million as at 31 December 2025, compared to RMB57.4 million as at 31 December 2024, mainly attributable to the decrease in gross balance of supply chain assets as at 31 December 2025 and the improvement on the quality of supply chain assets. No impairment loss allowance were written off for the year ended 31 December 2025 (for the year ended 31 December 2024: Nil).

Borrowings and finance cost

Borrowings, including loans from related parties, as of 31 December 2025 was RMB5,139.5 million, a 0.1% increase year-on-year. Daily average balance of borrowings over the year of 2025 were RMB4,860.2 million, a 17.9% decrease year-on-year. The decrease in finance costs of RMB116.4 million year-on-year was mainly due to the decrease in the daily average balance of borrowings and the decrease in average borrowings interest rate from 6.1% over the year of 2024 to 5.0% over the year of 2025.

Taxation

Income tax expenses represent the tax expense arising from the assessable profit generated by the Group in the PRC, withholding tax levied on interest income of Hong Kong subsidiaries, withholding tax levied on dividend declared of PRC subsidiaries and deferred tax. Except for certain PRC subsidiaries that enjoy preferential tax rates, PRC enterprise income tax is calculated at 25% of the estimated assessable profits for both years ended 31 December 2025 and 2024. The increase in effective tax rate from 24.9% for the year ended 31 December 2024 to 25.6% for the year ended 31 December 2025 was mainly attributable to the increase in profit before taxation in subsidiaries with applicable tax rate of 25% and the increase in withholding tax on the undistributed earnings of PRC subsidiaries.

For the year ended 31 December 2025, income tax expenses amounted to approximately RMB166.4 million (for the year ended 31 December 2024: RMB129.3 million).

KEY INTERNAL CONTROLS IN RESPECTIVE OF DIGITAL FINANCING SOLUTIONS

The Group has established and maintained comprehensive approval and risk assessment procedures, sound internal control system and robust credit risk control policies in place which take into account internal and external factors to determine the approval of digital financing solutions. The Group applies industry risk assessment model which is based on a conventional risk control and industry-specific evaluation model for credit assessment of digital financing solutions.

Leveraging years of accumulated industry experience, the Group conducts cross-verification of transaction data through multi-dimensional data to validate and confirm the authenticity and reasonableness of transactions made by SME customers. By performing comprehensive assessments on SME customers, including defining customer profiles, profiling core enterprises within the supply chain, and evaluating the transaction status corresponding to accounts receivable, the Group supports SME customers and provides them with prudent and tailored digital financial solutions while mitigating fraud risks.

Credit Approval

With the aid of industry risk assessment models, the Group adopts a dual approval mechanism for core enterprise admission evaluation and transaction-level evaluation in its digital financial solutions business to manage the risk exposure of individual accounts receivable financing and the Group's overall business operations.

- ***Core Enterprise Admission Evaluation***

Core enterprises serve as key entities in the operation of industrial supply chains, holding critical resources and data within the supply chain. Strategically, the Group focuses on selected key industries and core enterprises to develop and refine its industry risk assessment models. Based on this, the Group conducts admission evaluations for core enterprises within selected key industries, comprehensively considering their financial conditions, payment capabilities, operational records, and future development. Furthermore, the Group implements concentration control to manage the upper limit of business scale for individual core enterprises.

- ***Transaction-Level Evaluation***

Once a core enterprise within a specific industry is admitted by the Group, customers within the ecosystem of that core enterprise can apply for supply chain financing under the digital financial solutions based on their accounts receivable from the core enterprise. For each accounts receivable financing application, the Group conducts a transaction-level evaluation and determines the financing limit, taking into account factors including but not limited to: (i) The amount of accounts receivable held by the customer, which must have sufficient value (i.e., equal to or greater than the financing amount applied for) to serve as a credit enhancement measure for the specific application under the digital financial solutions; and (ii) The real-time transaction profile of the underlying transactions for the accounts receivable maintained by the Group.

The transaction-level evaluation is empowered by the Group's data-driven supply chain technology platform, "SY Cloud platform." This Platform connects industry ecosystem data and integrates multiple technologies, including Artificial Intelligence ("AI"), electronic signatures, Optical Character Recognition ("OCR"), Natural Language Processing ("NLP"), big data analytics, video verification, and facial recognition. Through multi-dimensional and multi-source data, it verifies the authenticity and reasonableness of transactions.

Monitoring of loan recoverability

The timely repayment of the digital financing solutions and risk exposures is monitored by the Group's Risk Management Department. Leveraging on the data-driven technology platform, the Group continues to monitor its assets through regular monitoring of repayment, invoice status verification and 24-hour public opinion monitoring to ensure that the entire financing process is under comprehensive, continuous and effective management and control.

The Group establishes close cooperation with various banks, opens designated accounts, collects and monitors the repayment information in a timely manner, and effectively tracks the customers' continuity of business operation and stability of cooperation with core enterprises, thereby further strengthening the risk control and realizing closed-loop cash flow management.

Loan collection

Where irregularity is noted by the Group's Risk Management Department, a working group comprised of multi-functional team members will plan and take remedial actions, which normally include extending repayment terms or negotiating settlement proposals with the customer. If these remedial actions prove unsuccessful, the Group will take legal action against the customer and take control of the collateral assets.

CAPITAL STRUCTURE, LIQUIDITY, FINANCIAL RESOURCES AND GEARING

During the year ended 31 December 2025, the Group's main source of funds was the cash generated from its daily operations and proceeds from new borrowings. As at 31 December 2025, the Group had cash and cash equivalents of RMB712.2 million (31 December 2024: RMB515.6 million), of which 79.9% and 9.4% were denominated in RMB and HKD respectively. Net cash from operating activities was RMB2,204.0 million in 2025 (for the year ended 31 December 2024: RMB2,759.7 million), a decrease of RMB555.7 million year-on-year was mainly due to the decrease in net cash from supply chain assets at FVTOCI of RMB2,160.6 million for the year ended 31 December 2024 to RMB1,320.0 million for the year ended 31 December 2025.

As at 31 December 2025, the Group had interest-bearing borrowings and loans from related parties which amounted to RMB5,139.5 million (31 December 2024: RMB5,136.1 million). Its gearing ratio, expressed as total liabilities over total equity was 1.63 as at 31 December 2025 (at 31 December 2024: 1.58).

FINAL DIVIDEND

The Directors recommend the payment of a final dividend of RMB40.47 cents per ordinary share of the Company for the year ended 31 December 2025 (for the year ended 31 December 2024: RMB34.70 cents per ordinary share). As of the date of this announcement, the Company holds 521,000 treasury shares, which will not be eligible for dividends or distributions.

EXPECTED DATE OF DIVIDEND PAYMENT AND CURRENCY ELECTION FOR FINAL DIVIDEND

The Board recommend that the proposed final dividend be paid on Monday, 17 August 2026 to those shareholders whose names appear on the Company's register of members on Monday, 20 July 2026 (the record date), subject to approval by the shareholders of the Company at the forthcoming annual general meeting to be held in May 2026.

For the Shareholders to receive the final dividend for the year ended 31 December 2025, the Company will provide currency options. If Shareholders wish to receive all (but not part, save in the case of HKSCC Nominees Limited, which may elect to receive part of its entitlement in HKD) of the final dividend for the year ended 31 December 2025 in HKD, Shareholders should complete a dividend currency election form ("**Dividend Currency Election Form**"), which is expected to be despatched to Shareholders on Friday, 24 July 2026 and shall be returned to Union Registrars Limited, the branch share registrar and transfer office of the Company in Hong Kong, at "Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong" not later than 4:30 p.m. on Monday, 10 August 2026. If no election is made by a Shareholder or no Dividend Currency Election Form is received by Union Registrars Limited, the branch share registrar and transfer office of the Company in Hong Kong, by 4:30 p.m. on Monday, 10 August 2026, such Shareholder will automatically receive the final dividend for the year ended 31 December 2025 in RMB. If Shareholders wish to receive the final dividend for the year ended 31 December 2025 in RMB in the usual way, no additional action would be required.

CLOSURE OF REGISTER OF MEMBERS FOR FINAL DIVIDEND

To ascertain Shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed on Monday, 20 July 2026, and no transfer of shares will be effected on that day. In order to qualify for the proposed final dividend, Shareholders should ensure that all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged for registration with Union Registrars Limited, the Company's Hong Kong branch share registrar and transfer office, at "Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong" no later than 4:30 p.m. on Friday, 17 July 2026. The ex-dividend date for the proposed final dividend will be on Thursday, 16 July 2026.

The Company will further announce the dates of closure of register of members of the Company for the purpose of determining the entitlement to attend and vote at the forthcoming annual general meeting as and when appropriate in accordance with the requirements of the Listing Rules.

Special Dividend

To further reward investors for their continuous support and trust, the Directors have resolved to declare a special dividend of RMB23.19 cents per ordinary share of the Company, which is expected to be paid on 26 February 2027. In respect of the closure of the register of members and the currency election arrangement for the special dividend, the Company will make further announcement(s) in due course, and will comply with the Article of Association of the Company, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and other applicable laws and regulations for the time being.

USE OF PROCEEDS

The Placement in 2021

On 24 September 2021 (after the trading hours), the Company and China International Capital Corporation Hong Kong Securities Limited (the "**2021 Placement Agent**") entered into a placement agreement pursuant to which the Company conditionally agreed to place, through the 2021 Placement Agent on a best effort basis, a maximum of 63,068,000 ordinary shares at a price of HK\$8.80 per share (the "**2021 Placement**"). The placing shares were allotted and issued pursuant to the general mandate for the Company.

The 2021 Placement was completed on 5 October 2021. An aggregate of 63,068,000 new shares were successfully issued by the Company and placed by the 2021 Placement Agent to two placees, namely Xitong International Holdings (HK) Limited and Pavilion Capital Fund Holdings Pte. Ltd., at a price of HK\$8.80 for each new share. The new shares from the 2021 Placement represent approximately 6.29% of the issued share capital of the Company translating to total net proceeds of approximately HK\$550.8 million (equivalent to approximately RMB456.2 million, after deduction of placing commissions, discretionary fees and other professional expenses related to the placement).

The placing price of HK\$8.80 per share represents: (i) a discount of approximately 7.95% to the closing price of HK\$9.56 per share as quoted on the Stock Exchange on 24 September 2021; (ii) a discount of approximately 9.45% to the average closing price of the shares of approximately HK\$9.718 per share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding but excluding 24 September 2021; and (iii) a discount of approximately 9.44% to the average closing price of the shares of approximately HK\$9.717 per share as quoted on the Stock Exchange for the last ten consecutive trading days immediately preceding but excluding 24 September 2021.

The Placement in May 2025

On 13 May 2025 (after the trading hours), the Company and Guotai Junan Securities (Hong Kong) Limited (the “**May 2025 Placement Agent**”) entered into a placement agreement pursuant to which the Company conditionally agreed to place, through the May 2025 Placement Agent on a best effort basis, a maximum of 17,480,000 ordinary shares at a price of HKD11.99 per share (the “**May 2025 Placement**”). The placing shares were allotted and issued pursuant to the general mandate for the Company.

The May 2025 Placement was completed on 20 May 2025. An aggregate of 17,480,000 new shares were successfully issued by the Company and placed by the May 2025 Placement Agent to not less than six placees, at a price of HKD11.99 for each new share. The new shares from the May 2025 Placement represent approximately 1.74% of the issued share capital of the Company translating to total net proceeds of approximately HK\$208.7 million (equivalent to approximately RMB193.7 million, after deduction of placing commissions, discretionary fees and other professional expenses related to the placement).

The placing price of HK\$11.99 per placing share represents: (i) a discount of approximately 6.91% to the closing price of HK\$12.88 per share as quoted on the Stock Exchange on 12 May 2025; and (ii) a discount of approximately 8.50% to the average closing price of approximately HK\$13.104 per share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to 12 May 2025.

Details of the May 2025 Placement are disclosed in the Company’s announcement dated 13 May 2025.

The Placement in September 2025

On 3 September 2025 (after the trading hours), the Company and Guotai Junan Securities (Hong Kong) Limited (the “**September 2025 Placement Agent**”) entered into a placement agreement pursuant to which the Company conditionally agreed to place, through the September 2025 Placement Agent on a best effort basis, a maximum of 56,286,000 ordinary shares at a price of HKD10.66 per share (the “**September 2025 Placement**”). The placing shares were allotted and issued pursuant to the general mandate for the Company.

The September 2025 Placement was completed on 10 September 2025. An aggregate of 56,286,000 new shares were successfully issued by the Company and placed by the September 2025 Placement Agent to not less than six placees, at a price of HKD10.66 for each new share. The new shares from the September 2025 Placement represent approximately 5.29% of the issued share capital of the Company translating to total net proceeds of approximately HK\$592.87 million (equivalent to approximately RMB540.85 million, after deduction of placing commissions, discretionary fees and other professional expenses related to the placement).

The placing price of HK\$10.66 per placing share represents: (i) a discount of approximately 5.08% to the closing price of HK\$11.23 per share as quoted on the Stock Exchange on 2 September 2025; and (ii) a discount of approximately 13.12% to the average closing price of approximately HK\$12.27 per share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to 2 September 2025.

Details of the September 2025 Placement are disclosed in the Company’s announcement dated 3 September 2025.

Use of proceeds from the 2021 Placement, the May 2025 Placement and the September 2025 Placement

During the year ended 31 December 2022, 2023, 2024 and 2025, details of the use of proceeds of the placement were as follows:

Use of proceeds	Net proceeds raised <i>(Approximately HK\$ million)</i>	Actual use of net proceeds during the year ended	Actual use of net proceeds during the year ended	Actual use of net proceeds during the year ended	Actual use of net proceeds during the year ended	Intended use and expected timeline of the remaining amount of net proceeds
		31 December 2022 <i>(Approximately HK\$ million)</i>	31 December 2023 <i>(Approximately HK\$ million)</i>	31 December 2024 <i>(Approximately HK\$ million)</i>	31 December 2025 <i>(Approximately HK\$ million)</i>	
2021 Placement – Expansion and development of the Group’s supply chain technology services segment	165.2	33.2	20.7	41.4	67.6	The amount of net proceeds for the expansion and development of the Group’s supply chain technology services segment had been fully utilised.
2021 Placement – General working capital of the Group’s platformisation	110.2	103.1	–	–	–	The amount of net proceeds for general working capital of the Group’s platformisation had been fully utilised.
May 2025 Placement – Accelerating platform-based tech service expansion focused on innovation-driven sectors (e.g., e-commerce, AI, robotics, cross-border business) via ecosystem data integration, investment incubation, order matching, and working capital support, while boosting R&D in “SY Cloud Platform” intelligent upgrade and industrial data-based AI application development/commercialisation	167.0				167.0	The amount of accelerating platform-based tech service expansion focused on innovation-driven sectors (e.g., e-commerce, AI, robotics, cross-border business) via ecosystem data integration, investment incubation, order matching, and working capital support, while boosting R&D in “SY Cloud Platform” intelligent upgrade and industrial data-based AI application development/commercialisation had been fully utilised.

Use of proceeds	Net proceeds raised <i>(Approximately HK\$ million)</i>	Actual use of net proceeds during the year ended	Actual use of net proceeds during the year ended	Actual use of net proceeds during the year ended	Actual use of net proceeds during the year ended	Intended use and expected timeline of the remaining amount of net proceeds
		31 December 2022 <i>(Approximately HK\$ million)</i>	31 December 2023 <i>(Approximately HK\$ million)</i>	31 December 2024 <i>(Approximately HK\$ million)</i>	31 December 2025 <i>(Approximately HK\$ million)</i>	
May 2025 Placement – Other general working capital purposes	41.7				41.7	The amount of net proceeds for the other general working capital had been fully utilised.
September 2025 Placement – R&D in AI Agent & other innovative technologies, and empowering the Company’s business expansion in innovation sectors such as e-commerce and robotics	237.1				237.1	The amount of net proceeds for R&D in AI Agent & other innovative technologies, and empowering the Company’s business expansion in innovation sectors such as e-commerce and robotics had been fully utilised.
September 2025 Placement – International Growth & Strategic Investment	237.1				237.1	The amount of net proceeds for International Growth & Strategic Investment had been fully utilised.
September 2025 Placement – Other general working capital purposes	118.7				87.7	The remaining unutilised amount of approximately HK\$31 million will be used for other general working capital purposes and is expected to be fully utilised by 31 December 2026.

The Company has been actively expanding its supply chain technology service business, mainly focusing on developing supply chain technology services in the infrastructure and pharmaceutical industries to create business synergies. The remaining unutilised net proceeds allocated to expansion and development of the Group’s supply chain technology services segment of approximately HK\$67.6 million had been fully utilised by 31 December 2025. Save as disclosed above, as at 31 December 2025, the aforementioned net proceeds from the placings have been strictly utilised in accordance with the intentions previously disclosed in the announcements relating to the 2021 Placement, the May 2025 Placement and the September 2025 Placement, and there was no material change or delay in the use of proceeds.

The expected timeline of full utilisation of the unutilised net proceeds is based on the Directors' best estimation barring any unforeseen circumstances, and may be subject to change based on the market conditions. Should there be any material change or delay in the use of proceeds, further announcement(s) will be made by the Company as and when appropriate.

CAPITAL COMMITMENTS

As at 31 December 2025, the capital commitments of the Group comprised purchase of property and equipment of approximately RMB40.0 million and investment in an associate of approximately RMB0.2 million (31 December 2024: purchase of property and equipment of approximately RMB236.9 million and investment in an associate of approximately RMB0.2 million).

CONTINGENT LIABILITIES

Save as disclosed in note 21 of the "Notes to the consolidated financial statements", the Group did not have any other guarantees or other material contingent liabilities.

PLEDGE OF ASSETS

As at 31 December 2025, the Group had security deposits of RMB147.0 million, pledged bank deposits of RMB1,794.9 million, leasehold land with carrying amount of RMB78.2 million, and certain supply chain assets with an aggregate carrying amount of RMB2,879.0 million to banks, associates and third parties for facilities, loan facilitation platform in partnership with banks and derivative financial instruments (31 December 2024: pledged bank deposits of RMB1,401.4 million, wealth management products of RMB14.2 million, equity tranche of RMB100.3 million, investment property with carrying amount of RMB30.2 million, leasehold land with carrying amount of RMB80.4 million, and certain supply chain assets with an aggregate carrying amount of RMB3,067.1 million to banks, associates and third parties for facilities, loan facilitation platform in partnership with banks and derivative financial instruments).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

During the year ended 31 December 2025, the Group did not make any material acquisitions and disposals of subsidiaries and associates.

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

The information on the Group's significant investments held as at 31 December 2025 is as follows:

Investments in Associates

Name of investee	Nature of investment	Registered	Equity interest	Investment cost	Carrying	Percentage to	Share of result of associates during the full year	Dividend received during the full year
		capital as at 31 December 2025			amount as at 31 December 2025	the Group's total asset as at 31 December 2025		
		(RMB'000)	(%)	(RMB'000)	(RMB'000)	(%)	(RMB'000)	(RMB'000)
Significant investment								
Wuxi Guojin Factoring Limited ("WXGJ")	Investment in shares	240,000	49%	734,752	822,667	7.09%	60,405	12,422

WXGJ is principally engaged in the provision of supply chain services. Leveraging the business growth opportunities presented by WXGJ, the Group considers it could extend its leading supply chain technology services and inclusive financial solutions to SMEs clients within the ecosystem. This initiative aims to foster additional growth in platform-based service fees, thereby driving further optimization of revenue structure. As of 31 December 2025, the Group's investment in associates amounted to RMB1,597 million, representing a year-on-year increase of approximately 6.2% from RMB1,504 million as of 31 December 2024. As a key initiative under the platform-based strategy, the development of associated companies has received further resource support from the shareholders of the associated companies of the Group. Among them, with additional capital contributions from the co-investing shareholders, WXGJ (a former subsidiary of the Group) became one of the Group's key associated companies in February 2024 after the capital increase pursuant to the Collaboration Agreement as disclosed in the Company's announcements dated 28 February 2024 and 20 March 2024 and the Company's circular dated 24 April 2024. Furthermore, WXGJ and other key associated companies of the Group have continued to benefit from strong joint venture shareholders backing and complementary resources, leading to significant growth in business scale and revenue.

Great Style Holdings Limited

On 9 July 2024, a direct wholly-owned subsidiary of the Company (“**Purchaser**”), the Company and Future Gold Enterprises Limited (“**Vendor**”) entered into an acquisition agreement (“**Acquisition Agreement**”), pursuant to which the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, the Sale Share, representing all the issued shares of the Great Style Holdings Limited (“**Target Company**”), at a closing consideration of RMB300 million. Subject to the satisfaction of the performance targets of the Target Company in 2024 and 2025, the Purchaser has agreed to pay an additional contingent consideration of up to RMB500 million in aggregate. Pursuant to the Acquisition Agreement, the consideration comprises (i) the closing consideration of RMB300 million (the “**Closing Consideration**”), (ii) contingent consideration to be assessed in respect of the financial year ended 31 December 2024 of up to RMB200 million (if any) (“**Contingent Consideration A**”) and (iii) contingent consideration to be assessed in respect of the two financial years ended 31 December 2025 of up to RMB300 million (if any) (“**Contingent Consideration B**” together with Contingent Consideration A, the “**Contingent Consideration**”). Pursuant to the terms and subject to the conditions of the Acquisition Agreement, the Company and the Purchaser shall have the right to unilaterally decide that all or part of Contingent Consideration B be settled by allotment and issue and/or transfer out of treasury, of consideration shares to the Vendor pursuant to the future General Mandate (“**Consideration Shares**”). Pursuant to the supplemental agreement to the Acquisition Agreement dated 23 August 2024, the parties agreed that (i) the issue/transfer price per Consideration Share will be at a discount of 15% to the average closing price on the Stock Exchange in the 5 trading days immediately prior to the date of the report certifying the adjusted net profit of the Target Company for the financial year ended 31 December 2025, subject to the lowest issue/transfer price of HK\$5.2 (“**New Floor Price**” previously HK\$4.7 (“**Change in Floor Price**”)); and (ii) the Consideration Shares be subject to a lock-up period of 90 days from the date of allotment and issue of the Consideration Shares (including the transfer of treasury shares) by the Company to the Vendor (both dates inclusive), during which any or all of the Consideration Shares obtained by the Vendor under the Acquisition Agreement may not be transferred in any manner and may not be used to secure or repay debts (“**Lock-up Restrictions**”).

In the event that (i) the Contingent Consideration B becomes payable and the Company elects to satisfy the Contingent Consideration B wholly by way of the allotment and issue of Consideration Shares, and (ii) the New Floor Price is eventually adopted as the issue price for the Consideration Shares, the Change in Floor Price will reduce the dilution effect to the then Shareholders as a result of the issuance of the Consideration Shares. The Lock-up Restrictions aim to prevent the immediate transfer/pledge of the Consideration Shares after their allotment and issue (or transfer) to the Purchaser, thereby reducing market volatility.

The calculation and payment of the Contingent Consideration will be subject to (i) the fulfillment of the performance targets, i.e. the audited or reviewed consolidated net profit after taxation, exclusive of fair value gains or losses derived from the financial instruments of the Target Group, to be achieved by the Target Company (“**Adjusted Net Profit**”) for the relevant assessment period, and (ii) any NPL Compensation (as applicable) (as defined in the announcement of the Company dated 9 July 2024) payable by the Vendor to the Purchaser being settled by the Vendor in full in accordance with the Acquisition Agreement. If any Contingent Consideration B becomes payable, the Company will decide whether any Consideration Shares will be issued based on the then circumstances including, among other things, the amount of Contingent Consideration B payable (if any), the then prevailing market price of the Shares and the cash flow position of the Group at the relevant time.

For illustration purposes only, (i) the maximum amount of Contingent Consideration A of RMB200 million would only be applicable if the Adjusted Net Profit for the financial year ending 31 December 2024 is not less than RMB29.4 million; and (ii) the maximum amount of Contingent Consideration B of RMB300 million would only be applicable if the Adjusted Net Profit for the financial year ending 31 December 2025 is not less than RMB47 million. On one hand, the Contingent Consideration provide significant incentives for the Vendor to ensure a smooth and successful development of the Target Group post-completion because their entitlement to receive the Contingent Consideration ultimately depends on whether the Target Group could continue serving its existing major customers and/or to secure additional or alternative customers. On the other hand, the respective caps of Contingent Consideration provide more certainty to the Group in terms of the maximum amount of Consideration payable by it under the acquisition and will facilitate the Group’s management of its financial resources. The Contingent Consideration constitutes a performance guarantee by the Vendor in relation to the Target Group, and the Company will comply with the disclosure requirements under Rule 14.36B of the Listing Rules as and when appropriate. Given that, as at the date of this announcement, the audit report of the Target Company for the financial year ended 31 December 2025 has not yet been issued, the Company is not yet in a position to assess the fulfillment of the performance guarantee and the payment conditions in respect of Contingent Consideration B, nor has any payment of such consideration been arranged. The Company will make further disclosure(s) in due course should there be any material updates regarding the arrangement of Contingent Consideration B. Details of the terms of the Acquisition Agreement are disclosed in the Company’s announcements dated 9 July 2024, and the supplemental announcements dated 23 August 2024.

Save as disclosed above, the Group has no material acquisition or disposal of subsidiaries, associates and joint ventures the year ended 31 December 2025 and thereafter up to the date of this announcement.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As a leading supply chain fintech platform, the Group will continue to explore investment opportunities to acquire technological capabilities and more comprehensive data insights, as well as to unlock new markets, thereby capturing the robust demand for supply chain fintech services. Looking ahead, SY will persistently strategize its industrial investments to access high-quality enterprises equipped with technological barriers and commercialization potential. This will foster a full-cycle value chain of ‘industrial investment – ecosystem service empowerment’, which will continuously consolidate our differentiated advantage of being ‘transaction-focused and entity-light’, and propel the in-depth development of the Group’s innovative segments in e-commerce and overseas expansion.

Concurrently, SY continues to scale up its investments in R&D, focusing on critical domains such as AI, big data, and computing power. This enables us to persistently export our AI technological capabilities to SMEs within the ecosystem, thereby further driving the scaling and commercialization of the Group’s AI value-added services.

FOREIGN EXCHANGE RISKS

The Group’s exposure to foreign currency risk related primarily to cash and cash equivalents, pledged bank deposits, other receivables, equity instruments at FVTOCI, trade and other payables, borrowings and lease liabilities that are denominated in HK\$, US\$ and S\$. The Group has entered into foreign currency exchange swap contracts, cross currency swap contracts and foreign currency forward contracts during the year to manage its foreign currency risk exposures arising from certain variable-rate bank borrowings denominated in HK\$ and US\$. The management manages and monitors this exposure to ensure appropriate measures are implemented on a timely and effective manner.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group had a total of 398 staff (31 December 2024: 363 staff). Total staff costs (including Directors’ emoluments) were approximately RMB221.4 million (including share option benefits reversed RMB0.5 million and RSU benefits RMB3.0 million) for the year ended 31 December 2025 (for the year ended 31 December 2024: RMB214.6 million, including share option benefits RMB5.6 million and RSU benefits RMB1.3 million). Remuneration is determined by reference to market conditions and the performance, qualifications and experience of individual employee. In light of the Group’s continuous strive to maintain its market position, recruitment and retention of talent is of paramount importance to the future development of the Group. Therefore, the Group is committed to continuously enhancing and optimizing its remuneration and benefits policies to remain competitive. A comprehensive incentive plan has been adopted to reward existing and retain new senior management members and employees. Year-end bonuses are based on individual performance and are paid to employees as recognition of and reward for their contributions. Other benefits include contributions to the statutory mandatory provident fund scheme and social insurance together with housing provident funds for the employees in the PRC (including mainland China and Hong Kong SAR) and Singapore, respectively.

The Group operates a share scheme for the purpose of providing incentives and rewards to eligible directors and employees of the Group, who contribute to the success of the Group's operations, and to attract suitable personnel for further development of the Group.

Employees in mainland China are covered by the mandatory social security schemes operated by the PRC Government. The Group is required by the PRC laws to contribute a certain percentage of payroll cost to the retirement benefits scheme to fund the benefits.

In Hong Kong, the Group participates in the Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Mandatory Provident Fund Schemes Ordinance (Cap 485 of the Laws of Hong Kong). The assets of the MPF Scheme are held separately from those of the Group and administered by an independent trustee. Under the MPF Scheme, the Group and its employees are each required to make a contribution to the MPF Scheme at 5% of the employees' relevant monthly income subject to a cap, which is currently set at HK\$1,500.

In Singapore, the Group participates in a defined contribution scheme which is administered by the Central Provident Fund ("CPF") Board in Singapore. Under the CPF, the employer and its employees are each required to make contributions to the fund at the applicable rates of the eligible employees' salaries.

RECENT DEVELOPMENT OF REGULATORY FRAMEWORK

There was no significant change of the regulatory framework which would have material adverse impact on the Group's business and operations during the year ended 31 December 2025.

The Directors confirmed that the Group will be able to comply with the applicable laws.

CORPORATE GOVERNANCE AND OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 December 2025, the Company and its subsidiaries did not purchase, sell or redeem any listed securities of the Company (including treasury shares).

As at 31 December 2025, the Company held 521,000 treasury shares, representing approximately 0.05% of the Company's shares in issue. The Company intends to use the treasury shares, when it considers necessary and expedient, for (i) the settlement of the underlying shares upon the exercise and/or vesting of share awards pursuant to the share schemes adopted by the Company; (ii) the settlement of part or all of the consideration of transactions conducted by the Group from time to time; and (iii) the sale of treasury shares subject to the compliance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST IN COMPETING INTERESTS OR CONFLICT OF INTEREST

For the year ended 31 December 2025, the Directors were not aware of any business or interest of the Directors, the substantial shareholders of the Company and their respective associates (as defined in the Listing Rules) that competes or is likely to compete, either directly or indirectly, with the business of the Group and any other conflicts of interests which any such person has or may have with the Company.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with provisions set out in Appendix C3 of the Listing Rules. Having made specific enquiries of all Directors, all Directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company during the year ended 31 December 2025.

PERMITTED INDEMNITY

Pursuant to the articles of association of the Company, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all liabilities (to the fullest extent permitted by the Companies Ordinance) which he may incur in or about the execution of the duties of his office or otherwise in relation thereto. The Company has taken out insurance against all liabilities associated with defending any proceedings which may be brought against Directors and other officers of the Company.

MANAGEMENT CONTRACTS

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company's business was entered into or existed during the year of 2025.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this announcement, at least 25% of the Company's total issued shares were held by the public throughout the year ended 31 December 2025 and thereafter up to the date of this announcement.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the relevant laws of the Cayman Islands and there is no restriction against such rights which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

TAX RELIEF

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

CORPORATE GOVERNANCE

The Directors are committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders. To accomplish this, the Group will continue to comply with the Corporate Governance Code as set out in Appendix C1 to the Listing Rules and the associated Listing Rules (collectively, the “CG Code”).

The shares of the Company were successfully listed on GEM on 6 July 2017 (the “Listing Date”) and transferred to the Main Board on 24 October 2019. To the best knowledge of the Board, the Company had complied with the code provisions in the CG Code during the year from the Listing Date to 31 December 2025.

Scope of work of Messrs. 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 and the related notes thereto for the year ended 31 December 2025 as set out in this preliminary announcement have been agreed by the Group’s auditors, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on this preliminary announcement.

Continuing disclosure under rule 13.22 of the Listing Rules

Pursuant to Rule 13.22 of the Listing Rules, a combined statement of financial position of those affiliated companies with financial assistance given by the Group and guarantee given by the Group for facilities granted to them, and the Group’s attributable interests in those affiliated companies as at 31 December 2025, are presented as follows:

	Combined statement of financial position (RMB’000)	The Group’s attributable interests (RMB’000)
Non-current assets	81,834	34,467
Current assets	20,276,351	8,795,214
Current liabilities	<u>(16,801,967)</u>	<u>(7,342,330)</u>
Total assets less current liabilities	3,556,218	1,487,351
Non-current liabilities	(444,477)	(155,148)
Net assets	<u>3,111,741</u>	<u>1,332,203</u>

The combined statement of financial position of the affiliated companies was prepared by combining their statements of financial position, after making adjustments to conform with the Group's significant accounting policies and regrouping into significant classification in the statement of financial position, as at 31 December 2025.

AUDIT COMMITTEE

The Company established an Audit Committee on 19 June 2017 with written terms of reference in compliance with Rules 3.21 to 3.24 of the Listing Rules and paragraph D.3.3 of the CG Code as set out in Appendix C1 of the Listing Rules. The primary duties of the Audit Committee are mainly to make recommendations to the Board on the appointment and removal of the external auditors; review financial statements and oversee the internal control and risk management procedures and systems of the Group. The Audit Committee currently consists of three members, namely Mr. Tang King San Terence, Mr. Lo Wai Hung and Ms. Chan Yuk Ying Phyllis. The chairman of the Audit Committee is Mr. Tang King San Terence. Mr. Tang King San Terence and Ms. Chan Yuk Ying Phyllis are the Independent Non-executive Directors of the Company.

The Group's audited consolidated financial statements for the year ended 31 December 2025 and annual results announcement for the year ended 31 December 2025 have been reviewed by the Audit Committee. The Board is of the opinion that such financial information has been prepared in compliance with the applicable accounting standards, the requirements under the Listing Rules and any other applicable legal requirements, and that adequate disclosures have been made.

ANNUAL RESULTS

The Board of Directors of the Company (the "**Board**") announces the audited consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the year ended 31 December 2025 together with comparative figures for the year ended 31 December 2024. The financial information has been approved by the Board.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2025

		2025	2024
	<i>NOTES</i>	RMB'000	<i>RMB'000</i>
<i>Revenue from platform-based technology services</i>	5	473,526	346,571
<i>Income from digital financing solutions</i>	5	375,944	521,884
<i>Gain on refinancing of supply chain assets upon derecognition</i>	5	54,038	50,911
Revenue and income from principal activities		903,508	919,366
Other income	6	110,361	56,851
Other gains and losses	7	46,238	72,861
Staff costs		(194,775)	(187,608)
Depreciation and amortisation	11	(38,502)	(32,195)
Other costs and operating expenses	11	(70,593)	(56,170)
Impairment losses (including reversals of impairment losses) on financial assets and financial guarantee contracts	8	(14,645)	(17,753)
Finance costs	9	(242,678)	(359,076)
Donation		(648)	(721)
Share of results of associates		151,321	124,565
Profit before taxation		649,587	520,120
Taxation	10	(166,382)	(129,253)
Profit for the year	11	483,205	390,867
Attributable to:			
– Owners of the Company		478,909	380,180
– Non-controlling interests		4,296	10,687
		483,205	390,867
Earnings per share	13		
– Basic (<i>RMB cents</i>)		48	39
– Diluted (<i>RMB cents</i>)		48	39

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	NOTE	2025 RMB'000	2024 RMB'000
Profit for the year	11	<u>483,205</u>	<u>390,867</u>
Other comprehensive income (expense) (“OCI”):			
<i>Item that will not be reclassified to profit or loss</i>			
Fair value gain on investments in equity instruments at fair value through OCI (“FVTOCI”)		<u>16,978</u>	<u>913</u>
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		(91)	34
Fair value gain (loss), net of impairment losses and reclassification of FVTOCI reserves upon derecognition on:			
– supply chain assets at FVTOCI		(19)	(8,253)
Income tax relating to items that may be reclassified subsequently to profit or loss		4	2,063
Share of other comprehensive expense of associates, net of related income tax		–	128
Reclassification of FVTOCI reserve upon disposal of subsidiaries, net of related income tax		–	3,145
Reclassification of FVTOCI reserve upon acquisition of subsidiaries, net of related income tax		<u>–</u>	<u>(25)</u>
		<u>(106)</u>	<u>(2,908)</u>
Other comprehensive income (expense) for the year, net of income tax		<u>16,872</u>	<u>(1,995)</u>
Total comprehensive income for the year		<u>500,077</u>	<u>388,872</u>
Attributable to:			
– Owners of the Company		495,781	382,627
– Non-controlling interests		<u>4,296</u>	<u>6,245</u>
		<u>500,077</u>	<u>388,872</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2025

	<i>NOTES</i>	31/12/2025 RMB'000	31/12/2024 RMB'000
NON-CURRENT ASSETS			
Property and equipment		386,246	159,452
Right-of-use assets		95,876	91,733
Investment property		29,287	30,170
Goodwill		464,965	464,965
Intangible assets		264,546	263,042
Investments in associates	<i>14</i>	1,596,931	1,504,285
Deferred tax assets		10,786	4,587
Derivative financial instruments		68	–
Other financial assets at fair value through profit or loss (“FVTPL”)	<i>15</i>	736,348	470,450
Supply chain assets at FVTOCI	<i>16</i>	288,072	2,049
Equity instruments at FVTOCI	<i>17</i>	148,367	62,711
Loans to related parties		55,163	–
Trade and bill receivables		5,506	13,823
Other receivables, prepayments and others		17,751	18,534
Pledged bank deposits	<i>18</i>	151,330	–
		4,251,242	3,085,801
CURRENT ASSETS			
Derivative financial instruments		1,611	14,189
Other financial assets at FVTPL	<i>15</i>	288,977	339,760
Supply chain assets at FVTOCI	<i>16</i>	4,073,344	4,889,258
Loan receivables		277,129	–
Loans to related parties		69,939	198,201
Debt instrument at amortised cost		4,944	–
Receivables from refinancing of supply chain assets upon derecognition		1,023	4,128
Receivables from guarantee customers		4,264	6,084
Trade and bill receivables		57,676	37,760
Other receivables, prepayments and others		215,167	106,337
Contract costs		354	385
Pledged bank deposits	<i>18</i>	1,643,599	1,401,405
Cash and cash equivalents	<i>18</i>	712,153	515,614
		7,350,180	7,513,121

		31/12/2025	31/12/2024
	NOTES	RMB'000	RMB'000
CURRENT LIABILITIES			
Loans from related parties		1,395,888	2,236,530
Trade and other payables	19	981,889	465,813
Derivative financial instruments		6,635	5,529
Contract liabilities	20	86,762	73,326
Income tax payable		90,575	40,532
Liabilities arising from guarantee contracts	21	66,789	59,981
Borrowings	22	3,262,351	2,716,219
Other financial liabilities at FVTPL	23	610,780	273,336
Lease liabilities		5,375	10,208
		<u>6,507,044</u>	<u>5,881,474</u>
NET CURRENT ASSETS		<u>843,136</u>	<u>1,631,647</u>
NON-CURRENT LIABILITIES			
Liabilities arising from guarantee contracts	21	1,776	4,133
Borrowings	22	315,635	183,301
Other financial liabilities at FVTPL	23	34,593	295,465
Loans from related parties		165,641	–
Lease liabilities		8,912	531
Deferred tax liabilities		150,972	119,636
		<u>677,529</u>	<u>603,066</u>
NET ASSETS		<u>4,416,849</u>	<u>4,114,382</u>
CAPITAL AND RESERVES			
Share capital	24	9,251	8,547
Reserves		4,363,782	4,062,046
Equity attributable to owners of the Company		4,373,033	4,070,593
Non-controlling interests		43,816	43,789
TOTAL EQUITY		<u>4,416,849</u>	<u>4,114,382</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Attributable to owners of the Company												Total
	Share capital	Treasury stock	Share premium	Share held for RSU Scheme	Capital reserves	FVTOCI reserves/ revaluation reserves	Translation reserve	Share-based payments reserve	Statutory reserve	Retained profits	Subtotal	Non-controlling interests	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2024	8,559	(1,009)	2,109,563	(59,444)	(87,181)	24,745	(233)	24,416	321,086	1,586,064	3,926,566	136,721	4,063,287
Profit for the year	-	-	-	-	-	-	-	-	-	380,180	380,180	10,687	390,867
Other comprehensive income (expense) for the year	-	-	-	-	-	2,413	34	-	-	-	2,447	(4,442)	(1,995)
Total comprehensive income (expense) for the year	-	-	-	-	-	2,413	34	-	-	380,180	382,627	6,245	388,872
Purchase of shares under RSU Scheme	-	-	-	(2,188)	-	-	-	-	-	-	(2,188)	-	(2,188)
Repurchase of shares	-	(6,457)	-	-	-	-	-	-	-	-	(6,457)	-	(6,457)
Cancellation of treasury stock	(12)	5,315	(5,303)	-	-	-	-	-	-	-	-	-	-
Transfer to PRC statutory reserves	-	-	-	-	-	-	-	-	72,887	(72,887)	-	-	-
Disposal of partial interests in subsidiaries without losing control	-	-	-	-	1,868	-	-	-	-	-	1,868	3,574	5,442
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(101,191)	(101,191)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(1,560)	(1,560)
Recognition of equity-settled share-based payments	-	-	-	-	-	-	-	6,920	-	-	6,920	-	6,920
Dividends recognised as distribution (note 12)	-	-	(239,333)	-	-	-	-	-	-	-	(239,333)	-	(239,333)
Exercise of RSU	-	-	274	2,478	-	-	-	(2,162)	-	-	590	-	590
Lapse of share options and RSU	-	-	-	-	-	-	-	(1,918)	-	1,918	-	-	-
At 31 December 2024	8,547	(2,151)	1,865,201	(59,154)	(85,313)	27,158	(199)	27,256	393,973	1,895,275	4,070,593	43,789	4,114,382

Attributable to owners of the Company

	Share capital <i>RMB'000</i>	Treasury stock <i>RMB'000</i>	Share premium <i>RMB'000</i>	Share held for RSU Scheme <i>RMB'000</i>	Capital reserves <i>RMB'000</i>	FVTOCI		Share-based payments reserve <i>RMB'000</i>	Statutory reserve <i>RMB'000</i>	Retained profits <i>RMB'000</i>	Subtotal <i>RMB'000</i>	Non-controlling interests <i>RMB'000</i>	Total <i>RMB'000</i>
						reserves/ revaluation reserves <i>RMB'000</i>	Translation reserve <i>RMB'000</i>						
At 1 January 2025	8,547	(2,151)	1,865,201	(59,154)	(85,313)	27,158	(199)	27,256	393,973	1,895,275	4,070,593	43,789	4,114,382
Profit for the year	-	-	-	-	-	-	-	-	-	478,909	478,909	4,296	483,205
Other comprehensive income (expense) for the year	-	-	-	-	-	16,963	(91)	-	-	-	16,872	-	16,872
Total comprehensive income (expense) for the year	-	-	-	-	-	16,963	(91)	-	-	478,909	495,781	4,296	500,077
Issue of new shares from placing	675	-	740,797	-	-	-	-	-	-	-	741,472	-	741,472
Transaction costs attributable to issue of new shares from placing	-	-	(6,541)	-	-	-	-	-	-	-	(6,541)	-	(6,541)
Transfer to PRC statutory reserves	-	-	-	-	-	-	-	-	76,402	(76,402)	-	-	-
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	59	59
Dividends declared to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(4,328)	(4,328)
Recognition of equity-settled share-based payments	-	-	-	-	-	-	-	2,472	-	-	2,472	-	2,472
Dividends recognised as distribution (note 12)	-	-	(950,581)	-	-	-	-	-	-	-	(950,581)	-	(950,581)
Exercise of options/RSU	29	-	25,361	2,132	-	-	-	(7,685)	-	-	19,837	-	19,837
Lapse of share options and RSU	-	-	-	-	-	-	-	(10,699)	-	10,699	-	-	-
At 31 December 2025	9,251	(2,151)	1,674,237	(57,022)	(85,313)	44,121	(290)	11,344	470,375	2,308,481	4,373,033	43,816	4,416,849

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
	RMB'000	RMB'000
OPERATING ACTIVITIES		
Profit for the year	483,205	390,867
Adjustment for:		
Taxation	166,382	129,253
Finance costs	242,678	359,076
Interest income	(27,393)	(29,630)
Dividends from equity investments	–	(16)
Share of results of associates	(151,321)	(124,565)
Depreciation of property and equipment	1,243	1,637
Depreciation of right-of-use assets	10,075	10,257
Depreciation of investment property	883	883
Amortisation of intangible assets	26,301	19,418
Impairment losses under ECL model, net of reversal	14,645	17,753
Equity-settled share-based payments expense	2,472	6,920
Gain on disposal of equipment	(5)	(56)
Gain from modification of lease contracts	–	(25)
Loss (Gain) from changes in fair value of		
– derivative financial instruments	4,077	(12,414)
– other financial assets at FVTPL	(66,807)	(29,097)
– other financial liabilities at FVTPL	13,346	9,269
(Gain) loss on disposal of subsidiaries	–	(5,177)
Remeasurement gain of previously held equity interest in an associate upon step acquisition of a subsidiary	–	(49,282)
Exchange loss (gain), net	3,137	13,633
	<hr/>	<hr/>
Operating cash flows before movements in working capital	722,918	708,704
Decrease in supply chain assets at FVTOCI	1,319,952	2,160,597
(Increase) decrease in other financial assets at FVTPL		
– supply chain/distressed debt assets	(127,949)	2,158
Increase in receivables from refinancing of supply chain assets upon derecognition	3,105	(4,128)
Decrease in receivables from guarantee customers	1,850	332
(Increase) decrease in trade and bill receivables	(11,885)	18,569
Decrease in contract costs	31	172
Decrease (increase) in other receivables, prepayments and others	14,593	(64,735)
Increase in pledged bank deposits for guarantee contracts	(95,730)	(166,409)
Increase in trade and other payables	468,053	186,833
Increase in contract liabilities	13,436	14,331
(Decrease) increase in liabilities arising from guarantee contracts	(13,220)	15,208
	<hr/>	<hr/>
Cash from operations	2,295,154	2,871,632
Enterprise income tax paid	(91,198)	(111,977)
	<hr/>	<hr/>
NET CASH FROM OPERATING ACTIVITIES	2,203,956	2,759,655

	2025	2024
	RMB'000	RMB'000
INVESTING ACTIVITIES		
Proceeds from disposal of other financial assets at FVTPL	3,477,132	2,109,897
Repayment of loan receivables	519,699	6,264
Repayments from loans to related parties	327,500	295,222
Refund of construction prepayments	314,016	–
Dividends received from associates	58,675	11,143
Bank interest income received	14,439	18,940
Settlement of derivative financial instruments	9,539	10,178
Interest received from loans to related parties	8,713	7,139
Withdrawal of pledged bank deposits for derivative financial instruments	5,032	–
Interest received from loan receivables	3,545	–
Redemption of a debt instrument at amortised cost	3,250	19,000
Repayment of consideration receivable for disposal of partial interests in a subsidiary without losing control	2,000	–
Proceeds from disposal of equipment	58	112
Interest received from debt instrument at amortised cost	52	479
Redemption of time deposits	–	128,830
Dividends received from equity instrument at FVTOCI	–	16
Investments in associates	–	(86,000)
Net cash outflow on disposal of subsidiaries	–	(206,936)
Net cash outflow on acquisition of subsidiaries	–	(281,747)
Refundable rental deposits received	–	340
Payments for right-of-use assets	(2,277)	–
Payments for rental deposits	(2,921)	–
Payment for contingent consideration	(400,000)	–
Purchase of debt instrument at amortised cost	(8,222)	–
Placement of pledged bank deposits for derivative financial instruments	(8,434)	–
Payment for development costs and purchase of other intangible assets	(27,805)	(28,271)
Purchases of equity instruments at FVTOCI	(68,878)	(300)
Security deposits paid for performance commitments	(113,937)	–
Advances of loans to related parties	(258,064)	(105,000)
Payment for purchase of equipment and prepayments of a property	(483,915)	(75,148)
Advances of loan receivables	(797,694)	(6,262)
Purchases of other financial assets at FVTPL	(3,512,054)	(2,128,896)
NET CASH USED IN INVESTING ACTIVITIES	(940,551)	(311,000)

	2025	2024
	RMB'000	RMB'000
FINANCING ACTIVITIES		
Loans raised from related parties	3,679,217	5,513,871
New borrowings raised	6,053,274	2,925,725
Withdrawal of pledged bank deposits for borrowings	2,675,412	1,532,430
Issue of placing shares	734,931	–
Proceeds from other financial liabilities at FVTPL	554,451	72,429
Proceeds received on exercise of share options/RSU Scheme	19,837	590
Withdrawal of pledged wealth management products for borrowings	14,563	104,826
Proceeds from disposal of equity instruments at FVTOCI	200	–
Capital contribution by non-controlling interests	59	–
Proceeds from disposal of partial interest in a subsidiary without losing control	–	3,442
Purchase of shares under RSU Scheme	–	(2,188)
Payment on repurchase of shares	–	(6,457)
Placement of wealth management products for borrowings	–	(14,225)
Interest paid for lease liabilities	(530)	(915)
Dividends paid to non-controlling shareholders of subsidiaries	(4,328)	(30,044)
Repayment of lease liabilities	(10,608)	(10,297)
Repayment of security deposits for borrowings	(10,473)	–
Interest paid for borrowings	(112,170)	(181,664)
Interest paid for loans from related parties	(159,766)	(178,912)
Repayment of other financial liabilities at FVTPL	(91,225)	(63,901)
Dividends paid to the shareholders of the Company	(950,581)	(240,839)
Placement of pledged bank deposits for borrowings	(2,967,370)	(2,137,442)
Repayment of borrowings	(6,141,930)	(4,580,920)
Repayment of loans from related parties	(4,341,948)	(5,291,152)
NET CASH USED IN FINANCING ACTIVITIES	(1,058,985)	(2,585,643)
NET INCREASE IN (DECREASE) CASH AND CASH EQUIVALENTS		
CASH EQUIVALENTS	204,420	(136,988)
Effect of foreign exchange rate changes	(7,881)	(5,608)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	515,614	658,210
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	712,153	515,614

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

SY Holdings Group Limited (the “**Company**”) is a public limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Company’s immediate holding company is Wisdom Cosmos Limited. Its ultimate shareholder is Mr. Tung Chi Fung, who is also the Chairman and Executive Director of the Company. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) are provision of digital financing solutions, platform-based technology services and refinancing of supply chain assets in the PRC.

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) 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 HKAS 21	Lack of Exchangeability
-----------------------	-------------------------

The application of the amendments to an HKFRS Accounting Standard 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 HKFRS Accounting Standards in issue but not yet effective

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

Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards HKFRS 18	Annual Improvements to HKFRS 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 HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of the amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 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 (MPMs) in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of HKFRS 18) and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements which, the directors of the Company anticipate, the impact will not be material.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”) and by the Hong Kong Companies Ordinance.

4. SEGMENT INFORMATION

The chief operating decision maker (“**CODM**”), being the executive directors of the Company, have determined that no segment information is presented other than entity wide disclosures throughout the reporting period, as the Group is principally engaged in providing platform-based technology services, digital financing solutions service and refinancing of supply chain assets mainly in the PRC, and the CODM, reviews the consolidated financial position and results of the Group as a whole for the purposes of allocating resources and assessing performance of the Group.

The Company is an investment holding company and the principal place of the Group’s operation is mainly in the PRC. Most of the Group’s revenue, income and major non-current assets are principally derived from or located in the PRC.

No revenue from individual customer contributing over 10% of total revenue of the Group during the year ended 31 December 2025 (2024: Nil).

5. REVENUE AND INCOME FROM PRINCIPAL ACTIVITIES

Revenue and income from principal activities for the year represents income received and receivable mainly from the provision of platform-based technology services, digital financing solutions and refinancing of supply chain assets in the PRC.

(i) Disaggregation of revenue from platform-based technology services

	2025 <i>RMB’000</i>	2024 <i>RMB’000</i>
Referral service	240,111	131,104
Technology services and digital ecosystem services	214,880	212,229
AI-powered information services	2,345	–
Other services	16,190	3,238
	<u>473,526</u>	<u>346,571</u>

(i) **Disaggregation of revenue from platform-based technology services (continued)**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Timing of revenue recognition		
Over time		
– Technology services and digital ecosystem services	208,491	210,478
– Other services	8,706	3,238
	<u>217,197</u>	<u>213,716</u>
A point in time		
– Referral service	240,111	131,104
– Technology services and digital ecosystem services	6,389	1,751
– AI-powered information services	2,345	–
– Other services	7,484	–
	<u>256,329</u>	<u>132,855</u>
	<u>473,526</u>	<u>346,571</u>

All the Group's platform-based technology services are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2025 and 2024 is not disclosed.

(ii) **Income from digital financing solutions**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest income from supply chain assets	331,960	484,348
Guarantee income	42,834	35,840
Interest income from contracts containing significant financing components	1,150	1,696
	<u>375,944</u>	<u>521,884</u>

(iii) **Gain on refinancing of supply chain assets upon derecognition**

For the years ended 2025 and 2024, the Group sold part of supply chain assets to certain financial institutions mainly in the PRC. Refinancing of supply chain assets gave rise to full derecognition of the supply chain assets pursuant to the terms of sale agreements signed between the Group and relevant financial institutions.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Gain on refinancing of supply chain assets upon derecognition	<u>54,038</u>	<u>50,911</u>

6. OTHER INCOME

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Channel income	48,050	5,702
Government subsidies	33,384	20,114
Interest income		
– bank deposits	16,873	18,940
– loan receivables	5,570	2
– loans to related parties	4,898	10,277
– debt instruments at amortised cost	52	411
Rental income from an investment property	622	643
Dividends from equity instruments at FVTOCI		
– relating to investments held at the end of the reporting period	–	16
Others	912	746
	<u>110,361</u>	<u>56,851</u>

7. OTHER GAINS AND LOSSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Net gain (loss) from changes in fair value of		
– derivative financial instruments	(4,077)	12,414
– other financial assets at FVTPL	66,807	29,097
– other financial liabilities at FVTPL	(13,346)	(9,269)
Exchange loss, net	(3,137)	(13,633)
Gain on disposal of equipment	5	56
Remeasurement gain of previously held equity interest in an associate upon step acquisition of a subsidiary	–	49,282
Gain from disposal of subsidiaries	–	5,177
Gain from modification of lease contracts	–	25
Others	(14)	(288)
	<u>46,238</u>	<u>72,861</u>

8. IMPAIRMENT LOSSES (INCLUDING REVERSALS OF IMPAIRMENT LOSSES) ON FINANCIAL ASSETS AND FINANCIAL GUARANTEE CONTRACTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Impairment losses recognised (reversed) on:		
– Financial guarantee contracts	17,671	16,512
– Loan receivables	2,891	–
– Trade and bill receivables	286	(214)
– Debt instrument at amortised cost	28	(100)
– Receivables from guarantee customers	(30)	(4)
– Loans to related parties	(152)	(336)
– Supply chain assets at FVTOCI	(6,049)	1,895
	<u>14,645</u>	<u>17,753</u>

9. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on loans from related parties	147,496	176,191
Interest on borrowings	99,905	182,002
Interest on lease liabilities	530	915
	<u>247,931</u>	<u>359,108</u>
Total finance costs	247,931	359,108
Less: amounts capitalised in the cost of buildings under construction	(5,253)	(32)
	<u>242,678</u>	<u>359,076</u>

10. TAXATION

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
The charge comprises:		
Current tax		
– PRC Enterprise Income Tax (“EIT”)	129,375	112,460
– Withholding tax levied on interest income of Hong Kong subsidiaries	40	86
– Withholding tax levied on dividend declared of PRC subsidiaries	11,826	5,237
	<u>141,241</u>	<u>117,783</u>
Deferred tax	25,141	11,470
	<u>166,382</u>	<u>129,253</u>

11. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging (crediting):

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Depreciation of property and equipment	1,243	1,637
Depreciation of right-of-use assets	12,290	12,415
Depreciation of investment property	883	883
Amortisation of intangible assets	26,301	19,418
	<hr/>	<hr/>
Total depreciation and amortisation	40,717	34,353
Less: amount capitalised in buildings under construction	(2,215)	(2,158)
	<hr/>	<hr/>
Depreciation and amortisation recognised in profit or loss	38,502	32,195
	<hr/>	<hr/>
Research and development costs (<i>note</i>)	22,385	22,799
Auditor's remuneration	2,710	3,300
Donation	648	721
	<hr/> <hr/>	<hr/> <hr/>

Note: During the year ended 31 December 2025, research and development costs recognised in other costs and operating expenses were mainly consists of staff costs amounted to RMB21,626,000 (2024: RMB22,156,000).

12. DIVIDENDS

Dividends for ordinary shareholders of the Company recognised as distribution during the year:

	2025 <i>RMB'000</i>	2024 <i>HK\$'000</i>
2024 final – RMB34.7 cents (2024: 2023 final – HK26.9 cents) per share	349,504	262,893
	<hr/>	<hr/>
2025 special dividend – RMB59.6 cents (2024: nil) per share	601,077	–
	<hr/>	<hr/>
	950,581	262,893
	<hr/> <hr/>	<hr/> <hr/>
	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Shown in the consolidated financial statements	950,581	239,333
	<hr/> <hr/>	<hr/> <hr/>

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2025 of RMB40.47 cents (2024: RMB34.70 cents) per ordinary share has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting of the Company.

Subsequent to the end of the reporting period, the directors have resolved to declare a special dividend of RMB23.19 cents (2024: nil) per ordinary share of the Company.

13. EARNINGS PER SHARE

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Earnings:		
Profit for the year attributable to owners of the Company for the purpose of basic and diluted earnings per share	<u>478,909</u>	<u>380,180</u>
	2025 <i>'000</i>	2024 <i>'000</i>
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,002,905	976,219
Effect of dilutive potential ordinary shares:		
Share options/RSU Scheme	<u>1,801</u>	<u>477</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>1,004,706</u>	<u>976,696</u>

14. INVESTMENTS IN ASSOCIATES

Details of the Group's investments in associates are as follows:

	31/12/2025 <i>RMB'000</i>	31/12/2024 <i>RMB'000</i>
Cost of investments in associates, unlisted	1,373,450	1,373,450
Share of post-acquisition profit, net of dividends declared	<u>223,481</u>	<u>130,835</u>
	<u>1,596,931</u>	<u>1,504,285</u>

15. OTHER FINANCIAL ASSETS AT FVTPL

	31/12/2025 <i>RMB'000</i>	31/12/2024 <i>RMB'000</i>
Unlisted investment funds	493,972	437,077
Unlisted equity investments	186,376	75,550
Supply chain assets	127,949	–
Wealth management products	121,459	65,390
Equity tranche	92,760	230,522
Trust fund	<u>2,809</u>	<u>1,671</u>
	<u>1,025,325</u>	<u>810,210</u>
Analysed for reporting purposes as:		
Current assets	288,977	339,760
Non-current assets	<u>736,348</u>	<u>470,450</u>
	<u>1,025,325</u>	<u>810,210</u>

16. SUPPLY CHAIN ASSETS AT FVTOCI

	31/12/2025 RMB'000	31/12/2024 <i>RMB'000</i>
Supply chain assets at FVTOCI	4,361,416	4,891,307
Analysed for reporting purposes as:		
Current assets	4,073,344	4,889,258
Non-current assets	288,072	2,049
	4,361,416	4,891,307

As at 31 December 2025, the effective interest rates of the supply chain assets range mainly from 5.00% to 16.2% (31 December 2024: 5.00% to 15.50%) per annum.

As at 31 December 2025, the gross carrying amount of supply chain assets of RMB5,682,000 is past due (31 December 2024: RMB9,007,000). When analysing the credit quality of supply chain assets at FVTOCI, the entire outstanding of balance of the supply chain assets is classified as past due in the event that instalments repayment of a supply chain asset at FVTOCI is past due.

The following is an aging analysis based on due dates of the supply chain assets at FVTOCI instalments which are past due (instalments which are not yet due at the end of the reporting period are excluded):

	31/12/2025 RMB'000	31/12/2024 <i>RMB'000</i>
Past due by:		
0-30 days	81	–
61 – 90 days	2,681	4,132
Over 90 days	2,920	4,875
	5,682	9,007

17. EQUITY INSTRUMENTS AT FVTOCI

	31/12/2025 RMB'000	31/12/2024 <i>RMB'000</i>
Listed equity securities	70,526	–
Unlisted equity investments	77,841	62,711
	148,367	62,711

18. PLEDGED BANK DEPOSITS/CASH AND CASH EQUIVALENTS

The ranges of fixed interest rates/market rates on the Group's pledged bank deposits/cash and cash equivalents are as follows:

	Range of interest rates (per annum)	
	31/12/2025	31/12/2024
	%	%
Fixed-rate pledged bank deposits	0.05~3.70	0.10~4.00
Market rate cash and cash equivalents	0.00~3.63	0.00~4.55

An analysis of the Group's pledged bank deposits for the reporting period is as follows:

	31/12/2025	31/12/2024
	RMB'000	RMB'000
The bank deposits pledged for:		
– bank borrowings	1,338,203	1,043,767
– loan guarantee contracts in relation to third parties	448,292	352,606
– derivative financial instruments	8,434	5,032
	<u>1,794,929</u>	<u>1,401,405</u>

19. TRADE AND OTHER PAYABLES

	31/12/2025	31/12/2024
	RMB'000	RMB'000
Settlement payables to customers and funding providers	763,619	290,447
Construction payables	89,603	41,571
Accrued charges	59,979	70,435
Other tax payables	52,991	55,501
Deposits from digital financing solutions customers	13,879	3,263
Trade payables	1,314	2,794
Dividend payable to shareholders of the Company	337	346
Other payables and deposits	167	1,456
	<u>981,889</u>	<u>465,813</u>

20. CONTRACT LIABILITIES

	31/12/2025	31/12/2024
	RMB'000	RMB'000
Technology services and digital ecosystem services	<u>86,762</u>	<u>73,326</u>

21. LIABILITIES ARISING FROM GUARANTEE CONTRACTS

	31/12/2025			31/12/2024		
	Premium less accumulated amortisation <i>RMB'000</i>	ECL provision <i>RMB'000</i>	Carrying amount <i>RMB'000</i>	Premium less accumulated amortisation <i>RMB'000</i>	ECL provision <i>RMB'000</i>	Carrying amount <i>RMB'000</i>
Guarantee contracts in relation to:						
– third parties	23,824	56,097	56,890	35,737	46,532	50,682
– associates	340	11,675	11,675	1,647	12,338	13,432
	<u>24,164</u>	<u>67,772</u>	<u>68,565</u>	<u>37,384</u>	<u>58,870</u>	<u>64,114</u>
Analysed for reporting purposes as:						
Current	24,164	65,996	66,789	35,742	55,831	59,981
Non-current	–	1,776	1,776	1,642	3,039	4,133
	<u>24,164</u>	<u>67,772</u>	<u>68,565</u>	<u>37,384</u>	<u>58,870</u>	<u>64,114</u>

At the end of the reporting period, the directors of the Company have assessed the past due status of the debts under guarantee, the financial position of the debtors as well as the economic outlook of the industries in which the debtors operate.

The following is the maximum amount of the Group has guaranteed under the contracts and details of liabilities arising from guarantee contracts.

	31/12/2025 <i>RMB'000</i>	31/12/2024 <i>RMB'000</i>
Guarantee contracts in relation to:		
– third parties	5,494,863	4,498,693
– associates	7,140,856	7,427,110
	<u>12,635,719</u>	<u>11,925,803</u>

22. BORROWINGS

	31/12/2025 <i>RMB'000</i>	31/12/2024 <i>RMB'000</i>
Bank borrowings and bills discounted	3,003,197	2,079,146
ABS issued	301,489	–
Entrusted loans	56,150	290,968
Other loans	<u>217,150</u>	<u>529,406</u>
	<u>3,577,986</u>	<u>2,899,520</u>
Secured	3,025,116	2,191,687
Unsecured	<u>552,870</u>	<u>707,833</u>
	<u>3,577,986</u>	<u>2,899,520</u>
	31/12/2025 <i>RMB'000</i>	31/12/2024 <i>RMB'000</i>
The carrying amounts of the above borrowings are repayable*:		
– within one year	3,262,351	2,716,219
– within a period of more than one year but not exceeding two years	177,266	174,569
– within a period of more than two years but not exceeding five years	40,000	8,732
– within a period of more than five years	<u>98,369</u>	<u>–</u>
	<u>3,577,986</u>	<u>2,899,520</u>
Less: Amounts due within one year shown under current liabilities	<u>(3,262,351)</u>	<u>(2,716,219)</u>
Amounts shown under non-current liabilities	<u>315,635</u>	<u>183,301</u>

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

The principal ranges of effective interest rates on the Group's borrowings are as follows:

	31/12/2025	31/12/2024
	%	%
Range of fixed-rate borrowings interest rates (per annum)	2.06-7.50	2.80-9.20
Range of variable-rate borrowings interest rates (per annum)	2.24-5.44	2.80-8.52

The Group's borrowings had been secured by the pledge of equity interests of certain subsidiaries of the Company and the Group's assets. The carrying amounts of the respective assets are as follows:

	31/12/2025	31/12/2024
	RMB'000	RMB'000
Supply chain assets	1,163,577	696,650
Bank deposits	1,338,203	1,043,767
Leasehold land	78,222	80,379
Security deposits	10,473	-
Equity tranche	-	100,300
Investment property	-	30,170
Wealth management products	-	14,225
	2,590,475	1,965,491

Details of the Group's guaranteed borrowings are as follows:

	31/12/2025	31/12/2024
	RMB'000	RMB'000
Carrying amount of borrowings guaranteed by:		
The Company and/or subsidiaries	1,222,516	833,735

The Group's borrowings that are denominated in currencies other the functional currencies of the relevant group entities are set out below:

	31/12/2025	31/12/2024
	RMB'000	RMB'000
HK\$	202,151	170,448
US\$	-	88,784
	202,151	259,232

23. OTHER FINANCIAL LIABILITIES AT FVTPL

	31/12/2025 <i>RMB'000</i>	31/12/2024 <i>RMB'000</i>
Structured notes	545,710	74,116
Deferred contingent consideration	99,663	494,685
	<u>645,373</u>	<u>568,801</u>
Analysed for reporting purposes as:		
Current liabilities	610,780	273,336
Non-current liabilities	34,593	295,465
	<u>645,373</u>	<u>568,801</u>

24. SHARE CAPITAL

Details of movements of share capital of the Company are as follows:

	Number of shares	Share capital <i>HK\$</i>
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 January 2024, 31 December 2024 and 31 December 2025	<u>5,000,000,000</u>	<u>50,000,000</u>
	Number of shares	Share capital <i>HK\$</i>
Issued:		
At 1 January 2024	989,750,000	9,897,500
Repurchase and cancellation of shares	<u>(1,343,000)</u>	<u>(13,430)</u>
At 31 December 2024	<u>988,407,000</u>	<u>9,884,070</u>
Issue of new shares from placing	73,766,000	737,660
Exercise of share options	<u>3,152,792</u>	<u>31,528</u>
At 31 December 2025	<u>1,065,325,792</u>	<u>10,653,258</u>
	31/12/2025 <i>RMB'000</i>	31/12/2024 <i>RMB'000</i>
Shown in the consolidated statement of financial position	<u>9,251</u>	<u>8,547</u>

On 13 May 2025, the Company and Guotai Junan Securities (Hong Kong) Limited (referred to as the “**May 2025 Placement Agent**”) entered into a placing agreement. An aggregate of 17,480,000 ordinary shares issued by the Company have been placed by the May 2025 Placement Agent on 20 May 2025 at HK\$11.99 per share with the net proceeds of HK\$209.2 million (equivalent to RMB194.2 million, net of transaction cost amount of HK\$0.4 million (equivalent to RMB0.3 million)). Details are set out in the Company’s announcements dated 13 May 2025 and 20 May 2025.

On 3 September 2025, the Company and Guotai Junan Securities (Hong Kong) Limited (referred to as the “**September 2025 Placement Agent**”) entered into a placing agreement. An aggregate of 56,286,000 ordinary shares issued by the Company have been placed by the September 2025 Placement Agent on 10 September 2025 at HK\$10.66 per share with the net proceeds of HK\$593.2 million (equivalent to approximately RMB540.8 million, net of transaction costs of HK\$6.8 million (equivalent to RMB6.2 million)). Details are set out in the Company’s announcements dated 3 September 2025 and 10 September 2025.

All the shares issued during the period ranked pari passu in all respects with the then existing shares in issue.

During the year ended 31 December 2024, the Company repurchased 1,638,500 of its own ordinary shares through the Stock Exchange with an aggregate consideration of HK\$7,104,000 (equivalent to RMB6,457,000) paid.

1,343,000 shares were cancelled upon repurchase and 521,000 shares were not cancelled and remained as treasury shares at the end of the reporting period.

At 31 December 2025, the Company had outstanding treasury shares of 521,000 (31 December 2024: 521,000) shares.

None of the Company’s subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the year.

All the shares issued during the year ranked pari passu in all respects with the then existing shares in issue.

25. ACQUISITION OF SUBSIDIARIES

In July 2024, the Group acquired 100% interest in Great Style which is a holding company with equity interests in 3 subsidiaries (including Hong Ji Factoring (Shenzhen) Limited (“**HJ**”), an associate of the Group before July 2024) which principally engaged in supply chain financing and investment business, from an independent third party. Great Style was acquired with the objective of expanding the Group’s relevant business. The acquisition has been accounted for as acquisition of business using the acquisition method.

Consideration transferred

	<i>RMB’000</i>
Cash	300,000
Contingent consideration arrangement (<i>Note</i>)	489,796
	<hr/>
Total	789,796
	<hr/> <hr/>

Note: Based on the relevant agreement, the Group is required to pay a maximum amount of RMB200,000,000 if adjusted net profit of Great Style and its subsidiaries (collectively referred to as the “**Great Style Group**”) in the calendar year 2024 exceeds RMB20,000,000 and pay a maximum amount of RMB300,000,000 if cumulated adjusted net profit of Great Style Group in the calendar years 2024 and 2025 exceeds RMB45,000,000. The fair value of such contingent arrangement amounted to RMB99,663,000 as at the end of the reporting period (31 December 2024: RMB494,685,000) and has been included in other financial liabilities at FVTPL on the consolidated statement of financial position.

Acquisition-related costs have been excluded from the consideration transferred and have been recognised as an expense in the current year, in the consolidated statement of profit or loss.

Assets acquired and liabilities recognised at the date of acquisition are as follows:

	<i>RMB'000</i>
Equipment	40
Intangible assets	198,583
Other financial assets at FVTPL	106,936
Supply chain assets at FVTOCI	119,109
Other receivables, prepayments and others	146
Cash and cash equivalents	18,253
Other payables and accrued charges	(3,442)
Income tax payable	(2,935)
Deferred tax liabilities	(49,617)
	<u>387,073</u>
Goodwill arising on acquisition:	
Consideration transferred	789,796
Fair value of previously equity interest held as interest in HJ	62,242
Less: fair value of net identifiable assets acquired	<u>(387,073)</u>
Goodwill arising on acquisition	<u><u>464,965</u></u>

Goodwill arose on the acquisition of Great Style because the cost of the combination included a control premium. In addition, the goodwill included amounts in relation to further expansion of industry coverage of the Group's supply chain technology platform and strengthens the development of its existing business. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Net cash outflow on acquisition of Great Style:

	<i>RMB'000</i>
Cash consideration paid	300,000
Less: cash and cash equivalents balances acquired	<u>(18,253)</u>
	<u><u>281,747</u></u>

Fair value of equity interest previously held in HJ as at acquisition date

The fair value of HJ was estimated by an independent and professionally qualified valuer using present value techniques. The fair value is determined using income approach based on expected cash flows generated by HJ.

As at acquisition date, the fair value of previously equity interest in HJ held as interest in an associate was RMB62,242,000, while the book value of previously equity interest in HJ held as interest in an associate was RMB12,985,000, the difference of RMB49,257,000 had been recognised as a gain on remeasurement of previously held interest in an associate becoming a subsidiary and included in the "other gain and losses" line item in the consolidated statement of profit or loss. The amount of RMB25,000 was previously recognised in OCI and was reclassified to profit or loss.

Impact of acquisition on the results of the Group

Included in the profit for year 2024 is RMB40,804,000 attributable to the additional business generated by Great Style Group. Revenue for year 2024 includes RMB51,243,000 generated from Great Style Group.

Had the acquisition been completed on 1 January 2024, revenue for year 2024 of the Group would have been RMB939,795,000, and profit for year 2024 of the Group would have been RMB354,292,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2024, nor is it intended to be a projection of future results.

In determining the 'pro-forma' revenue and profit of the Group had Great Style Group been acquired at the beginning of year 2024, the directors of the Company calculated depreciation of property, plant and equipment based on the recognised amounts of equipment at the date of the acquisition.

EVENT AFTER THE REPORTING PERIOD

On 12 January 2026, to support the business development of Xiamen Xiangsheng Factoring Limited (“**Xiangsheng Factoring**”) which is an affiliated company of the Company and to finance the operation of supply chain finance business engaged by Xiangsheng Factoring, the Company, Tianjin Xiangsheng Supply Chain Management Limited (“**TJXS**”) which is an indirect wholly-owned subsidiary of the Company, Xiamen Xiangyu Group Limited (“**XMXYG**”) and Xiamen Xiangyu Jinxiang Holdings Group Limited (“**Xiangyu Jinxiang**”) entered into the amended Financial Assistance Agreement with Xiangsheng Factoring. Pursuant to the Previous Financial Assistance Agreement as revised by the amended Financial Assistance Agreement, the parties agreed, among other things, that within three (3) calendar years from the date of the Financial Assistance Agreement, Xiangyu Group will provide guarantees as security for the debt financing of Xiangsheng Factoring (“**Controlling Shareholder Guarantees**”) and/or provide shareholder loans to Xiangsheng Factoring (“**Controlling Shareholder Loans**”), and the Group will, in proportion to its shareholding interest in Xiangsheng Factoring, (i) provide counter guarantees to Xiangyu Group in respect of the Controlling Shareholder Guarantees (the “**Financial Assistance A**”); and/or (ii) provide joint and several guarantees to Xiangyu Group in respect of the Controlling Shareholder Loans (the “**Financial Assistance B**”) (the Financial Assistance A and the Financial Assistance B collectively, the “**Financial Assistance**”). The maturity date of the Financial Assistance is extended for three years from 11 January 2026 to 11 January 2029. The maximum aggregate amount of the Financial Assistance is revised from 4.3 times the net assets of Xiangsheng Factoring to 3.44 times the net assets of Xiangsheng Factoring. On 12 January 2026, the maximum aggregate amount of the Financial Assistance is approximately RMB1.91 billion. Details are set out in the announcement of the Company dated 12 January 2026.

On 13 March 2026, the Hong Kong Branch Share Registrar and Transfer Office of the Company was changed to Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square 338 King’s Road North Point, Hong Kong. Details are set out in the announcement of the Company dated 13 February 2026.

Except as disclosed above and in note 12 of the consolidated financial statements, the Group had no other significant subsequent event after the reporting period.

PUBLICATION

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.syholdings.com) respectively.

By order of the Board
SY Holdings Group Limited
Tung Chi Fung
Chairman

Hong Kong, 17 March 2026

As at the date of this announcement, the Board comprises two Executive Directors: Mr. Tung Chi Fung and Ms. Wang Ying; one Non-executive Director: Mr. Lo Wai Hung; and three Independent Non-executive Directors: Mr. Tang King San Terence, Ms. Chan Yuk Ying Phyllis and Mr. Sun Wei Yung Kevin.

The English transliteration of the Chinese name(s) in this announcement, where indicated with “”, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*

If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.

Unless otherwise stated, translation of RMB into HK\$ is based on the approximate exchange rate of RMB1.00 to HK\$1.08 for information purpose only. Such translation should not be construed as a representation that the relevant amounts have been, could have been, or could be converted at that or any other rate or at all.