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# LianLian 连连

## Lianlian DigiTech Co., Ltd 連連數字科技股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)  
(Stock Code: 2598)

### ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2025

The board (the “Board”) of directors (the “Directors”) of Lianlian DigiTech Co., Ltd. (the “Company”) hereby announces the audited consolidated annual results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended December 31, 2025, together with comparative figures for the year ended December 31, 2024.

#### FINANCIAL HIGHLIGHTS

	Year ended December 31,		Year-on-year change %
	2025 RMB'000	2024 RMB'000	
Revenue	1,733,801	1,314,959	31.9
Gross profit	873,451	682,521	28.0
Profit/(loss) before income tax	2,082,139	(572,007)	464.0
Profit/(loss) for the year	1,662,123	(166,538)	1,098.0
Total comprehensive income/(loss) for the year	1,664,422	(158,578)	1,149.6
EBITDA (Non-IFRS measure) <sup>(1)</sup>	2,110,736	(525,488)	501.7
Adjusted EBITDA (Non-IFRS measure) <sup>(2)</sup>	2,319,782	(280,257)	927.7
Adjusted profit/(loss) for the year (Non-IFRS measures) <sup>(3)</sup>	1,871,169	78,693	2,277.8

#### Notes:

- (1) EBITDA (Non-IFRS measure) refers to profit/(loss) for the years adjusted by adding back (i) income tax expenses/(credits), (ii) finance (income)/costs – net, and (iii) depreciation and amortization, which are non-cash in nature.
- (2) Adjusted EBITDA (Non-IFRS measure) refers to EBITDA (Non-IFRS measure) adjusted by adding back (i) listing expenses, which relate to the Global Offering, and (ii) share-based compensation expenses, which are non-cash in nature.
- (3) Adjusted profit/(loss) for the year (Non-IFRS measures) refers to profit/(loss) for the years adjusted by adding back (i) listing expenses, which relate to the Global Offering, and (ii) share-based compensation expenses, which are non-cash in nature.

	As of December 31,	
	2025 RMB'000	2024 RMB'000
Total assets	22,941,714	14,538,817
Total liabilities	19,869,840	13,303,310
Total equity	3,071,874	1,235,507
Equity attributable to owners of the Company	3,074,786	1,228,336

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME/(LOSS)**

(All amounts in RMB unless otherwise stated)

		<b>Year ended 31 December</b>	
	<i>Note</i>	<b>2025</b>	<b>2024</b>
		<b>RMB'000</b>	<b>RMB'000</b>
Revenue	3	<b>1,733,801</b>	1,314,959
Cost of sales	4	<b>(860,350)</b>	(632,438)
<b>Gross profit</b>		<b>873,451</b>	682,521
Selling and marketing expenses	4	<b>(269,875)</b>	(248,265)
General and administrative expenses	4	<b>(654,123)</b>	(560,882)
Research and development expenses	4	<b>(360,590)</b>	(319,058)
Other income	5	<b>302,498</b>	212,377
Other gains/(losses) - net	6	<b>2,320,884</b>	(28,290)
Provision for impairment on financial assets		<b>(2,054)</b>	(6,221)
<b>Operating profit/(loss)</b>		<b>2,210,191</b>	(267,818)
Finance income		<b>24,230</b>	8,053
Finance costs		<b>(12,942)</b>	(19,724)
Finance income/(costs) - net		<b>11,288</b>	(11,671)
Share of net loss of associates accounted for using the equity method	9	<b>(139,340)</b>	(292,518)
<b>Profit/(loss) before income tax</b>		<b>2,082,139</b>	(572,007)
Income tax (expenses)/credits	7	<b>(420,016)</b>	405,469
<b>Profit/(loss) for the year</b>		<b>1,662,123</b>	(166,538)
<b>Profit/(loss) for the year attributable to:</b>			
– Owners of the Company		<b>1,663,754</b>	(168,219)
– Non-controlling interests		<b>(1,631)</b>	1,681
		<b>1,662,123</b>	(166,538)

		<b>Year ended 31 December</b>	
	<i>Note</i>	<b>2025</b>	2024
		<b>RMB'000</b>	RMB'000
<b>Earnings/(loss) per share attributable to the owners of the Company</b>			
Basic earnings/(loss) per share (in RMB)	8(a)	<u>1.56</u>	<u>(0.16)</u>
Diluted earnings/(loss) per share (in RMB)	8(b)	<u>1.51</u>	<u>(0.16)</u>
<b>Other comprehensive income/(loss)</b>			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		<u>10,509</u>	<u>(2,099)</u>
Items that will not be reclassified to profit or loss			
Changes in the fair value of equity investment at fair value through other comprehensive income		<u>(8,210)</u>	<u>10,059</u>
<b>Other comprehensive income for the year, net of income tax</b>		<u>2,299</u>	<u>7,960</u>
<b>Total comprehensive income/(loss) for the year</b>		<u><b>1,664,422</b></u>	<u><b>(158,578)</b></u>
<b>Total comprehensive income/(loss) for the year attributable to:</b>			
– Owners of the Company		<u>1,665,324</u>	<u>(161,406)</u>
– Non-controlling interests		<u>(902)</u>	<u>2,828</u>
		<u><b>1,664,422</b></u>	<u><b>(158,578)</b></u>

**CONSOLIDATED BALANCE SHEET**  
(All amounts in RMB unless otherwise stated)

		<b>As at 31 December</b>	
	<i>Note</i>	<b>2025</b>	<b>2024</b>
		<b>RMB'000</b>	<b>RMB'000</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>108,907</b>	119,557
Right-of-use assets		<b>26,736</b>	29,202
Investment properties		<b>156,953</b>	161,012
Intangible assets		<b>18,646</b>	19,359
Deferred income tax assets		<b>18,102</b>	425,252
Investments accounted for using the equity method	<i>9</i>	<b>766,937</b>	–
Financial assets at fair value through other comprehensive income		<b>41,181</b>	50,840
Financial assets at fair value through profit or loss		–	69,363
Long-term investments measured at amortized cost		<b>102,102</b>	–
		<hr/>	<hr/>
<b>Total non-current assets</b>		<b>1,239,564</b>	874,585
		<hr/>	<hr/>
<b>Current assets</b>			
Prepayments, other receivables and other current assets		<b>151,049</b>	158,402
Trade receivables	<i>10</i>	<b>106,351</b>	93,038
Financial assets at fair value through profit or loss		<b>333,297</b>	283,639
Funds segregated for customers and restricted cash	<i>11</i>	<b>19,483,847</b>	12,606,903
Cash and cash equivalents	<i>11</i>	<b>1,627,606</b>	522,250
		<hr/>	<hr/>
<b>Total current assets</b>		<b>21,702,150</b>	13,664,232
		<hr/>	<hr/>
<b>Total assets</b>		<b>22,941,714</b>	14,538,817
		<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	<i>14</i>	<b>125,800</b>	136,850
Lease liabilities		<b>12,512</b>	14,562
Deferred income tax liabilities		<b>1,700</b>	–
Deferred income		–	12,640
		<hr/>	<hr/>
<b>Total non-current liabilities</b>		<b>140,012</b>	164,052
		<hr/>	<hr/>

		<b>As at 31 December</b>	
	<i>Note</i>	<b>2025</b>	2024
		<b>RMB'000</b>	<b>RMB'000</b>
<b>Current liabilities</b>			
Trade payables	12	113,636	74,710
Contract liabilities		12,782	10,407
Income tax payables		6,114	7,277
Borrowings	14	22,217	342,463
Lease liabilities		12,225	12,893
Accruals and other payables	13	<u>19,562,854</u>	<u>12,691,508</u>
<b>Total current liabilities</b>		<u>19,729,828</u>	<u>13,139,258</u>
<b>Total liabilities</b>		<u><b>19,869,840</b></u>	<u><b>13,303,310</b></u>
<b>Equity</b>			
Share capital		1,121,098	1,079,060
Shares held by the Company		(109,919)	–
Shares held by a trustee		(274,468)	–
Other reserves		3,524,452	2,998,072
Accumulated losses		<u>(1,186,377)</u>	<u>(2,848,796)</u>
Equity attributable to owners of the Company		<u>3,074,786</u>	1,228,336
Non-controlling interests		<u>(2,912)</u>	<u>7,171</u>
<b>Total equity</b>		<u><b>3,071,874</b></u>	<u><b>1,235,507</b></u>
<b>Total equity and liabilities</b>		<u><b>22,941,714</b></u>	<u><b>14,538,817</b></u>

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(All amounts in RMB unless otherwise stated)

Note	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Treasury Shares	Shares held by a trustee	Other reserves	Accumulated losses	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance as at 1 January 2024</b>	<u>1,014,760</u>	<u>-</u>	<u>-</u>	<u>2,255,086</u>	<u>(2,680,545)</u>	<u>589,301</u>	<u>4,343</u>	<u>593,644</u>
(Loss)/profit for the year	-	-	-	-	(168,219)	(168,219)	1,681	(166,538)
Other comprehensive income	-	-	-	6,813	-	6,813	1,147	7,960
<b>Total comprehensive income/(loss)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,813</u>	<u>(168,219)</u>	<u>(161,406)</u>	<u>2,828</u>	<u>(158,578)</u>
<b>Transactions with equity holders of the Company:</b>								
Profit appropriations to statutory reserves	-	-	-	32	(32)	-	-	-
Share-based compensation	-	-	-	237,432	-	237,432	-	237,432
Issue of ordinary shares upon global offering	64,300	-	-	498,709	-	563,009	-	563,009
<b>Balance as at 31 December 2024</b>	<u>1,079,060</u>	<u>-</u>	<u>-</u>	<u>2,998,072</u>	<u>(2,848,796)</u>	<u>1,228,336</u>	<u>7,171</u>	<u>1,235,507</u>
<b>Balance as at 1 January 2025</b>	<u>1,079,060</u>	<u>-</u>	<u>-</u>	<u>2,998,072</u>	<u>(2,848,796)</u>	<u>1,228,336</u>	<u>7,171</u>	<u>1,235,507</u>
Profit/(loss) for the year	-	-	-	-	1,663,754	1,663,754	(1,631)	1,662,123
Other comprehensive income	-	-	-	1,570	-	1,570	729	2,299
<b>Total comprehensive income/(loss)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,570</u>	<u>1,663,754</u>	<u>1,665,324</u>	<u>(902)</u>	<u>1,664,422</u>
<b>Transactions with equity holders of the Company:</b>								
Profit appropriations to statutory reserves	-	-	-	1,335	(1,335)	-	-	-
Additions of shares held by a trustee	-	-	(274,468)	-	-	(274,468)	-	(274,468)
Purchase of own shares	-	(109,919)	-	-	-	(109,919)	-	(109,919)
Transactions with non-controlling interests	-	-	-	(13,697)	-	(13,697)	(9,181)	(22,878)
Exercise of share options	3,638	-	-	13,640	-	17,278	-	17,278
Share-based compensation	-	-	-	209,046	-	209,046	-	209,046
Issuance of ordinary shares	38,400	-	-	314,486	-	352,886	-	352,886
<b>Balance as at 31 December 2025</b>	<u>1,121,098</u>	<u>(109,919)</u>	<u>(274,468)</u>	<u>3,524,452</u>	<u>(1,186,377)</u>	<u>3,074,786</u>	<u>(2,912)</u>	<u>3,071,874</u>

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(All amounts in RMB unless otherwise stated)

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
<b>Cash flows from operating activities</b>		
Cash used in operations	(97,179)	(286,203)
Interests received	223,047	182,998
Income tax paid	(13,481)	(7,853)
	<u>112,387</u>	<u>(111,058)</u>
<b>Net cash generated from/(used in) operating activities</b>	<b>112,387</b>	<b>(111,058)</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of financial assets at FVPL	6,655,273	80,365
Proceeds from disposal of investments accounted for using the equity method	1,601,460	–
Other investment income received	5 1,631	405
Proceeds from disposal of property, plant and equipment and intangible assets	–	47
Payment for financial assets at FVPL	(6,669,361)	(190,487)
Payments for acquisition of long-term investments measured at amortized cost	(100,591)	–
Disposal of a subsidiary	(65,656)	–
Payment for acquisition of property, plant and equipment	(13,492)	(14,239)
Payment for acquisition of intangible assets	(4,619)	(7,119)
Payment for acquisition of investments accounted for using the equity method	(2,720)	–
	<u>1,401,925</u>	<u>(131,028)</u>
<b>Net cash generated from/(used in) investing activities</b>	<b>1,401,925</b>	<b>(131,028)</b>

		<b>Year ended 31 December</b>	
	<i>Note</i>	<b>2025</b>	<b>2024</b>
		<b>RMB'000</b>	<b>RMB'000</b>
<b>Cash flows from financing activities</b>			
Proceeds from issuance of ordinary shares		<b>352,886</b>	–
Proceeds from borrowings		<b>190,510</b>	997,089
Proceeds from exercise of share options		<b>17,278</b>	–
Proceeds from issuance of ordinary shares upon global offering		–	563,009
Repayment of borrowings		<b>(521,282)</b>	(955,516)
Payments for shares held by a trustee		<b>(274,468)</b>	–
Payments for purchase of own shares		<b>(109,919)</b>	–
Transactions with non-controlling interests		<b>(21,448)</b>	–
Principal and interests of lease payments		<b>(16,141)</b>	(13,869)
Interests of borrowings paid		<b>(11,994)</b>	(18,677)
Payments for listing expenses		–	(2,905)
		<hr/>	<hr/>
<b>Net cash (used in)/generated from financing activities</b>		<b><u>(394,578)</u></b>	<b><u>569,131</u></b>
<b>Net increase in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of the year		<b>522,250</b>	189,840
Effects of exchange rate changes on cash and cash equivalents		<b>(14,378)</b>	5,365
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of the year</b>	<i>11</i>	<b><u>1,627,606</u></b>	<b><u>522,250</u></b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 GENERAL INFORMATION

Lianlian DigiTech Co., Ltd. (the “Company”) was incorporated in the People’s Republic of China (the “PRC” or China) on 2 February 2009. The address of the Company’s registered office is B3, 12/F, Building 1, No. 79 Yueda Alley, Binjiang District, Hangzhou, Zhejiang, the PRC. In December 2020, the Company was converted into a joint stock limited company.

The Company is an investment holding company. The Company and its subsidiaries (together, the “Group”) are principally engaged in provision of digital payment services and value-added services worldwide. The ultimate controlling party of the Group is Mr. Zhang Zhengyu.

The Company completed its initial public offering and listed its shares on the Main Board of The Stock Exchange of Hong Kong on 28 March 2024.

The consolidated financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand RMB (RMB’000), unless otherwise stated.

## 2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

### 2.1 Basis of preparation

The consolidated financial statements of the Group has been prepared in accordance with IFRS Accounting Standards and disclosure requirements of the Hong Kong Companies Ordinance. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

The consolidated financial statements has been prepared under the historical cost convention, as modified by the revaluation of financial assets and derivative liability at fair value through profit or loss or through other comprehensive income, which are carried at fair value.

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies.

All effective standards, amendments to standards and interpretations, which are mandatory for the financial years beginning on or after 1 January 2025, have been early adopted and are consistently applied to the Group.

**(a) New Standards, amendments to standards and interpretations not yet adopted**

Standards, amendments and interpretations that have been issued but not yet effective and not been early adopted by the Group are as follows:

	<b>New/amended standards</b>	<b>Effective date</b>
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
Amendment to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Volume 11	Annual Improvements to IFRS Accounting Standards	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability	1 January 2027
Amendment to IAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37	Disclosures about Uncertainties in the Financial Statements	Not applicable

According to the assessment made by the directors of the Company, these new and amended standards are either not relevant to the Group or not significant to the financial performance and positions of the Group when they become effective, except for IFRS 18 which will mainly impact the presentation of the consolidated statements of comprehensive income/(loss).

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

IFRS 18, and the consequential amendments to other IFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

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

Impact on consolidated statements of comprehensive income/(loss):

Although the adoption of IFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the income statement into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:

- Foreign exchange differences currently aggregated in the line item "other gains/(losses) - net" in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit, unless doing so would involve undue cost or effort.
- Goodwill will be separately presented in the statement of financial position, which is currently aggregated in 'intangible assets'.

- Interest received will be presented as investing cash flows, which is a change from current presentation as part of operating cash flows.
- Certain additional disclosures will be added.

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

### 3 REVENUE AND SEGMENT INFORMATION

#### (a) Revenue

The principal activities of the Group are digital payment services, value-added services and others.

Breakdown of revenue by business lines is as follows:

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
<b>Revenue from contracts with customers:</b>		
Digital payment services	1,450,023	1,150,632
Value-added services	264,886	146,193
Rental income	18,892	18,134
	<hr/>	<hr/>
<b>Total</b>	<b>1,733,801</b>	<b>1,314,959</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Revenue from contracts with customers:</b>		
At a point in time	1,694,804	1,278,656
Over time	38,997	36,303
	<hr/>	<hr/>
	<b>1,733,801</b>	<b>1,314,959</b>
	<hr/> <hr/>	<hr/> <hr/>

#### (b) Segment information

The Group's chief operating decision-maker ("CODM") consisting of the executive directors and the other key management, examines the Group's performance from a product perspective. Management has determined the operating segments based on the reports reviewed by CODM that are used to make strategic decisions. On this basis, the Group evaluated its operating segments separately or aggregately, and determined that it has reportable segments as follows:

- Global payment
- Domestic payment
- Value-added services
- Others

The unallocated amount in segment assets and liabilities mainly includes the long-term equity investments in Express (Hangzhou) Technology Services Company Limited ("LianTong") and DFX Advance, the equity investments in Hangzhou Hyperchain Technology Co., Ltd. ("Hyperchain Technology"), the investments in treasury investments, the investments in listed equity securities and the investments in long-term investments measured at amortized cost. The unallocated amount in profit or loss mainly includes gains on disposal of investments accounted for using the equity method, dilution gains, investment gains or losses, deferred income tax expenses and share based compensation expenses of senior management.

(i) **Segment results, assets and liabilities**

Segment information as at and for the year ended 31 December 2025 is as follows:

	Global payment <i>RMB'000</i>	Domestic payment <i>RMB'000</i>	Value-added services <i>RMB'000</i>	Others <i>RMB'000</i>	Unallocated amounts <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue	1,044,586	405,437	264,886	18,892	-	-	1,733,801
Cost of sales	(289,533)	(311,991)	(245,816)	(13,010)	-	-	(860,350)
Segment gross profit	755,053	93,446	19,070	5,882	-	-	873,451
Depreciation, amortisation and impairment charges included in segment cost	(11,149)	(16,984)	(4,996)	(6,756)	-	-	(39,885)
Finance income	17,143	1,877	1	5,209	-	-	24,230
Finance costs	(4,270)	(3,294)	-	(5,378)	-	-	(12,942)
Share of net loss of associates accounted for using the equity method	-	-	-	-	(139,340)	-	(139,340)
Profit/(loss) before income tax	363,910	(56,511)	(38,159)	(89,361)	1,902,260	-	2,082,139
Income tax expenses	(5,705)	(12,697)	(685)	(564)	(400,365)	-	(420,016)
Profit/(loss) for the year	358,205	(69,208)	(38,844)	(89,925)	1,501,895	-	1,662,123
Segment assets	17,310,763	3,805,917	130,146	288,925	4,037,806	(2,631,843)	22,941,714
Segment liabilities	17,966,052	2,683,240	61,921	185,009	661,294	(1,687,676)	19,869,840

Segment information as at and for the year ended 31 December 2024 is as follows:

	Global payment <i>RMB'000</i>	Domestic payment <i>RMB'000</i>	Value- added services <i>RMB'000</i>	Others <i>RMB'000</i>	Unallocated amounts <i>RMB'000</i>	Inter- segment elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue	807,772	342,860	146,193	18,134	-	-	1,314,959
Cost of sales	(226,408)	(275,234)	(118,240)	(12,556)	-	-	(632,438)
Segment gross profit	581,364	67,626	27,953	5,578	-	-	682,521
Depreciation, amortisation and impairment charges included in segment cost	(7,245)	(16,187)	(3,235)	(8,181)	-	-	(34,848)
Finance income	2,478	525	6	5,044	-	-	8,053
Finance costs	(6,977)	(6,581)	-	(6,166)	-	-	(19,724)
Share of net loss of associates accounted for using the equity method	-	-	-	-	(292,518)	-	(292,518)
Profit/(loss) before income tax	126,866	(79,602)	(18,968)	(71,470)	(528,833)	-	(572,007)
Income tax credits/(expenses)	11,189	907	(662)	48	393,987	-	405,469
Profit/(loss) for the period	138,055	(78,695)	(19,630)	(71,422)	(134,846)	-	(166,538)
Segment assets	10,776,505	2,879,348	153,935	856,515	2,673,364	(2,800,850)	14,538,817
Segment liabilities	11,208,928	2,353,431	65,406	322,881	988,584	(1,635,920)	13,303,310

#### 4 EXPENSES BY NATURE

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Employee benefits	921,718	816,275
Processing fees to financial institutions and payment networks	505,184	346,116
Service charge	324,168	243,312
Professional service expenses	109,243	88,402
Marketing and promotion expenses	96,548	72,029
Travel and Entertainment Expense	41,420	37,980
Cloud Computing Service Fee	26,934	16,669
Office and telecommunication expenses	20,665	20,289
Depreciation of property, plant and equipment	16,178	13,716
Depreciation of right-of-use assets	15,114	12,973
Outsourcing labour costs	12,027	8,016
Auditors' remuneration		
└ Audit services	5,050	5,180
└ Non-audit services	1,792	1,784
Other taxes and surcharges	6,413	6,472
Expense relating to short-term leases	5,424	5,123
Property management expenses	5,288	4,656
Amortisation of intangible assets	4,534	4,132
Depreciation of investment properties	4,059	4,027
Listing expenses	–	7,799
Others	23,179	45,693
Total cost of sales, selling and marketing expenses, general and administrative expenses and research and development expenses	<b>2,144,938</b>	<b>1,760,643</b>

#### 5 OTHER INCOME

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Interest income on funds segregated for customers	284,353	206,717
Government grants (i)	17,028	4,741
Dividend income (ii)	1,117	919
	<b>302,498</b>	<b>212,377</b>

- (i) The amounts represent grants received from the local government, which are recognised in the profit or loss upon receipt of these cash rewards. There were no unfulfilled conditions or contingencies relating to these grants.
- (ii) For the years ended 31 December 2025 and 2024, dividends were from financial assets measured at FVOCI and FVPL.

## 6 OTHER GAINS/(LOSSES) - NET

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Gains on disposal of investments accounted for using the equity method (i)	1,601,460	–
Dilution gains resulted in deemed disposal of interests in an associate (i)	453,156	–
Gains on disposal of a subsidiary (ii)	347,972	–
Gains on disposal of financial assets at FVPL	10,136	894
Gains/(losses) on disposal of property, plant and equipment and right-of-use assets	63	(113)
Fair value losses of financial assets at FVPL	(42,560)	(34,877)
Foreign exchange (losses)/gains, net	(41,903)	13,544
Others	(7,440)	(7,738)
	<b>2,320,884</b>	<b>(28,290)</b>

- (i) In December 2024, the Company entered into an equity transfer and capital increase agreement (the “Agreement”) with American Express. Under the Agreement, American Express agreed to purchase from the Company 14.56% of the equity interests in LianTong at a cash consideration of RMB1,601,460,000 (the “Disposal”). Besides, pursuant to the Agreement, American Express would also make capital increase of RMB3,167,332,000 to LianTong (the “Capital Increase”). The Disposal and Capital Increase were approved by People’s Bank of China in December 2024.

After the completion of the Disposal in February 2025 and Capital Increase in March 2025, the total board seats of LianTong changed to four, of which the Company held one and continued to have significant influence over LianTong. A disposal gain of RMB1,601,460,000 was recognised upon the completion of the Disposal (the carrying amount of the investment in LianTong as at disposal date is nil). The capital injection by American Express resulted in a deemed partial disposal of the Group’s interest in LianTong whereby a dilution gain of RMB452,181,000 was recognised.

- (ii) In December 2025, the Company’s subsidiary DFX Advance undertook an equity financing transaction with third-party investors pursuant to which the Group’s ownership interest was reduced from 100% to 49% and the Group holds only 1 out of 5 board seats. As a consequence of the reduced ownership interest and the changed corporate governance structure, DFX Advance was no longer controlled by the Group upon the completion of the transaction, but became an associate since the Group has significant influence over DFX Advance via the retained equity interest and the board representation.

Upon loss of control, the retained equity interest in DFX Advance was remeasured at fair value on the date of deconsolidation and recognised as the new carrying amount of RMB422,221,000 for this investment in an associate Note 9(a). The difference between the fair value of the retained interest and the net assets of DFX Advance included in the consolidated financial statements immediately before the deconsolidation was recognised in profit or loss as a gain on disposal of the subsidiary, amounting to RMB347,972,000.

## 7 INCOME TAX EXPENSES/(CREDITS)

	Year ended 31 December	
	2025 RMB'000	2024 RMB'000
Current income tax expense	9,717	3,917
Deferred income tax expenses/(credits) (i)	410,299	(409,386)
	<u>420,016</u>	<u>(405,469)</u>

- (i) In 2024, the Group recognised a deferred tax asset of RMB294,545,000 for temporary differences arising from the cumulated share of net loss of RMB1,178,182,000 related to the investment in LianTong, to the extent, that the temporary difference will reverse in the foreseeable future and taxable profit will be available, in consideration of the disposal of the equity interests in LianTong. In 2025, as the taxable profit related to the disposal of the equity interests in LianTong is available, the related deferred tax asset was reversed.

## 8 EARNINGS/(LOSS) PER SHARE

### (a) Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue for the years ended 31 December 2025 and 2024.

	For the year ended 31 December	
	2025 RMB'000	2024 RMB'000
Profit/(loss) attributable to the owners of the Company	1,663,754	(168,219)
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	<u>1,068,670</u>	<u>1,063,734</u>
Basic earnings/(loss) per share (RMB per share)	<u>1.56</u>	<u>(0.16)</u>

**(b) Diluted earnings per share**

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

During the year ended 31 December 2025, the Company had one category of potential ordinary shares: share options granted under the ESOP plans. As the Company incurred losses for the years ended 31 December 2024, these potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive.

	<b>For the year ended 31 December 2025 RMB'000</b>
Profit attributable to the owners of the Company	1,663,754
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	1,068,670
Adjustments for the impacts of share options granted ('000)	<u>30,619</u>
Weighted average number of ordinary shares for calculation of diluted earnings per share ('000)	1,099,289
Diluted earnings per share (RMB per share)	1.51

**9 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD AND INVESTMENT IN SUBSIDIARIES**

The amounts recognised in the consolidated balance sheets are as follows:

	<b>As at 31 December</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB'000</b>	<b>RMB'000</b>
DFX Advance (a)	422,221	–
LianTong (a)	312,841	–
Hangzhou Pulian Intelligent Technology Co., Ltd. ("Hangzhou Pulian")	30,900	–
Zhejiang Zhong Pu Lian Technology Co., Ltd. ("Zhong Pu Lian Technology")	<u>975</u>	–
	<b><u>766,937</u></b>	<b><u>–</u></b>

The share of loss recognised in the consolidated statements of comprehensive income/(loss) are as follows:

	<b>Year ended 31 December</b>	
	<b>2025</b>	2024
	<b>RMB'000</b>	<b>RMB'000</b>
LianTong (a)	<b>(139,340)</b>	(291,157)
Zhong Pu Lian Technology	–	(1,361)
	<b>(139,340)</b>	<b>(292,518)</b>

**(a) Investment in DFX Advance and LianTong**

Set out below are the investment in DFX Advance and LianTong as at 31 December 2025 and 2024.

Name of entity	Place of business/ country of establishment	% of ownership interest		Nature of relationship	Measurement method
		2025	2024		
		%	%		
DFX Advance	Cayman Islands	<b>49.64</b>	Not applicable	Associate	Equity method
LianTong	The PRC	<b>17.63</b>	45.20	Associate	Equity method

- (i) The Group entered into an agreement with affiliates of American Express to establish LianTong in 2017. LianTong obtained its bankcard clearing business license in June 2020, and provides bankcard clearing and settlement services to issuing banks and merchant acquirers in its network, and offers cardholder benefits to Chinese consumers.

The Company holds 17.63% of the equity interests in LianTong as at 31 December 2025 (31 December 2024: 45.20%). The Group has significant influence over LianTong through board representation. Pursuant to the agreement between American Express and the Company, the Company does not have control over LianTong's operation. Accordingly, LianTong was accounted for as an associate of the Group by using the equity method for the years ended 31 December 2025 and 2024.

- (ii) Based on the impairment assessment and analysis performed by the Group, the recoverable amount of investment in LianTong as at 31 December 2025 was higher than the respective carrying amount of the investment, and the directors of the Company were of the view that there was no need for impairment provision in the carrying values of the Group's investments in LianTong.

## 10 TRADE RECEIVABLES

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Trade receivables	117,214	103,149
Less: loss allowance	(10,863)	(10,111)
	<u>106,351</u>	<u>93,038</u>

The carrying amounts of the Group's trade receivables are mainly denominated in RMB and approximate their fair values.

The aging analysis of the trade receivables based on invoice date is as follows:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Within 3 months	97,548	84,013
3 months to 6 months	9,484	10,963
6 months to 1 year	5,526	2,796
More than 1 year	4,656	5,377
	<u>117,214</u>	<u>103,149</u>

## 11 CASH AND CASH EQUIVALENTS, FUNDS SEGREGATED FOR CUSTOMERS AND RESTRICTED CASH

Cash and cash equivalents:

	As at 31 December	
	2025 RMB'000	2024 RMB'000
Cash at bank	20,571,606	13,128,945
Highly liquid investments with underlying in bank term deposits (a)	539,675	–
Cash on hand	172	208
	<u>21,111,453</u>	<u>13,129,153</u>
Less: Funds segregated for customers and restricted cash (b)	(19,483,847)	(12,606,903)
Cash and cash equivalents	<u>1,627,606</u>	<u>522,250</u>

### (a) Highly liquid investments with underlying in bank term deposits

Highly liquid investments are redeemable on a daily basis, with underlying in bank term deposits. These investments are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

**(b) Funds segregated for customers and restricted cash**

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Funds deposited in segregated accounts for customers (i)	19,465,705	12,597,785
Performance guarantees for payment business (ii)	17,296	8,228
Others	846	890
	<u>19,483,847</u>	<u>12,606,903</u>

(i) Funds deposited in segregated accounts for customers

Funds deposited in segregated accounts for customers mainly represent funds collected from customers and awaiting disbursement as requested. They are not reported as cash and cash equivalents as they represent the collected funds solely for the designated purposes of providing digital payment.

Funds deposited in segregated accounts for customers also comprise the service fees earned by the Group arising from completed digital payment services which has not been withdrawn by the Group from the segregated accounts. It also includes, to a lesser extent, deposits made by the Group to meet requests from customers seeking expedited settlements and frozen temporarily by the bank due to official requirements. These balances were not reported as cash and cash equivalents because they were held in the segregated accounts with collected funds.

(ii) Performance guarantees for payment business

Performance guarantees for payment business mainly represents the amounts pledged to banks as collateral for issuance of letters of guarantee and other purpose relating to the global and domestic payment business.

**12 TRADE PAYABLES**

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Trade payables (a)		
– Service charge payables	84,304	51,758
– Payable for processing fees to financial institutions and payment networks	28,027	21,524
– Others	1,305	1,428
	<u>113,636</u>	<u>74,710</u>

**(a) Trade payables**

Trade payables are unsecured and are usually paid within 90 days of recognition. As at 31 December 2025 and 2024, the aging analysis of the trade payables based on invoice date is as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
0 to 90 days	75,702	54,749
91 to 180 days	20,159	5,335
181 days to 1 year	11,163	5,928
Over 1 year	6,612	8,698
	<u>113,636</u>	<u>74,710</u>

**13 ACCRUALS AND OTHER PAYABLES**

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Payables to merchants and other customers (i)	19,245,599	12,466,651
Staff costs and welfare accruals	180,217	130,791
Payables for acquisition of investments accounted for using the equity method	28,180	–
VAT payables and other tax payables	8,734	7,483
Payables for acquisition of long-term assets	2,304	435
Others	97,820	86,148
	<u>19,562,854</u>	<u>12,691,508</u>

- (i) The balance represents funds processed by the Group for merchants and other customers, which are awaiting to be settled with merchants and other customers as requested.

## 14 BORROWINGS

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
<b>Borrowings included in non-current liabilities:</b>		
Bank borrowings, pledged (a)	<u>125,800</u>	<u>136,850</u>
<b>Borrowings included in current liabilities:</b>		
Current portion of long-term borrowings		
– Current portion of long-term bank borrowings, pledged (a)	11,199	11,231
– Bank borrowings, unsecured (b)	<u>11,018</u>	<u>331,232</u>
	<u>22,217</u>	<u>342,463</u>
	<u><b>148,017</b></u>	<u><b>479,313</b></u>

- (a) As at 31 December 2025, bank borrowings of RMB136,999,000 (31 December 2024: RMB148,081,000) were pledged by the Group's investment properties, buildings, and land use rights.

As at 31 December 2025, the interest rate on long-term borrowings was 3.0% (31 December 2024: 4.0%). The interest should be paid quarterly and the principal should be repaid semi-annually before 20 September 2037.

- (b) As at 31 December 2025 and 2024, the Group has entered into several short-term agreements with certain banks in the Mainland China. The borrowings had the maturity of one year or less and the interest rates ranging from 2.35% to 2.40% per annum as at 31 December 2025 (31 December 2024: 3.15% to 4.05%).

## 15 COMMITMENTS

### (a) Capital commitments

As at 31 December 2025 and 2024, there were no significant investments contracted for at the end of the year but not recognised as liabilities.

### (b) Non-cancellable operating lease

The Group leases office buildings under non-cancellable leases. As at 31 December 2025 and 2024, lease commitments for the Group for leases not yet commenced or short-term leases are as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Within 1 year	<u><b>2,059</b></u>	<u><b>1,618</b></u>

## 16 DIVIDENDS

No dividend has been paid or declared by the Company for the years ended 31 December 2025 and 2024.

## CHAIRMAN’S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors (the “**Board**”) of Lianlian DigiTech Co., Ltd. (the “**Company**” or “**Lianlian**”; together with its subsidiaries, the “**Group**”), I am pleased to present the annual results of the Group for the year ended December 31, 2025.

In 2025, breakthroughs in frontier technologies, such as artificial intelligence (AI), rapidly reshaped business models and industrial ecosystems, accelerating the convergence of digital intelligence and globalization. Amidst these shifts, connection and innovation remain enduring drivers that enable enterprises to navigate economic cycles and create long-term value. Guided by the philosophy of “Breaking Boundaries Through Connection, Achieving Symbiosis Through Value Creation (以連接破界，以價值共生),” Lianlian remains committed to building a digital bridge across global trade, blazing new pathways in the blue ocean of the digital economy, ensuring the seamless flow of global trade with unmatched security and efficiency.

### Review

2025 was a pivotal year in advancing Lianlian’s globalization strategy. The Company officially signed a contract to become a Key Enterprise Partner of the Hong Kong Special Administrative Region on October 9, 2025, and officially announced the establishment of its overseas headquarters in Hong Kong, China, on November 18, 2025. This marks a new phase in the execution of Lianlian’s globalization strategy and a solid step toward our goal of becoming a new-generation multinational corporation with strong global competitiveness. In August 2025, Lianlian Planet Limited (連連星球有限公司), a wholly owned subsidiary of the Company, obtained a Type 3 license from the Securities and Futures Commission of Hong Kong. This marks a milestone in the Company’s diversified product portfolio strategy, with Lianlian’s global payment licenses and related qualifications further expanding to 66 items. At the same time, Lianlian and its global payment ecosystem partners have jointly crafted a shared vision of win-win cooperation. In 2025, Lianlian established partnerships with global payment service platforms, including UnionPay International, Visa, 12 Victory, Veem, PAYSO, and Waffo. Through resource sharing and complementary capabilities, we jointly built a new ecosystem of digital and intelligent payments and outlined a new blueprint for digital trade.

In 2025, the Company fully integrated and applied AI technology into internal management, technology R&D, and business expansion. During the Reporting Period, Lianlian completed the private deployment of DeepSeek and other large AI models. Multiple AI applications based on large models have been embedded in key scenarios, bringing powerful, intelligent momentum into our company’s digital transformation. In addition, we continuously improved the capabilities of our proprietary technology platform to provide customers with one-stop comprehensive services covering payment, fund transfer, global fund distribution, intelligent exchange processing, and intelligent risk management. These services allow us to precisely fulfill the diverse needs of customers across industries and at different stages of growth.

## Outlook

Looking ahead to 2026, uncertainties will remain in the international trade environment, emerging technologies such as AI are reshaping business models worldwide, and the landscape of the cross-border payment and service industry will continue to evolve. First and foremost, we will continue to consolidate the Company's competitive advantages in cross-border payment and compliant financial services, and expand our global business footprint; secondly, we will invest more resources in emerging markets, deepen localized operations, and enhance market penetration and service capabilities; simultaneously, we will further strengthen our global licensing portfolio to ensure compliant and stable business development on a global scale, to become a trusted builder of secure, efficient, and convenient payment infrastructure for global trade.

In 2026, we will continue to drive technology-led transformation and upgrades. We are committed to fully embrace AI, and dedicate more resources to technological innovation and global market expansion with the goal of building an AI-driven global financial infrastructure in the intelligent economy era. We will increase our investments to upgrade comprehensively our business products, from payment services to value-added services, and continuously use AI tools in risk control, anti-fraud, and customer service automation to improve operational efficiency and user experience. Additionally, we will steadily advance AI-enabled efficiency improvements and refine operational management by systematic adjustment of organizational structure and upgrading of talent to AI natives.

We are living in an era where unprecedented global shifts are deeply intertwined with the technological revolution. Although globalization has faced headwinds, Chinese enterprises are expanding their global footprints with a more proactive attitude and unparalleled resilience, building long-term value on the international stage. Lianlian is honored to stand at the forefront of this transformation – not only as a participant and enabler, but also as a driver of change. We will remain true to our mission of “Connect Merchants of the World; Serve All Across the Globe (連通世界 · 服務全球)” and forge ahead with a pioneering and innovative spirit. By harnessing digital intelligence, we aim to maintain certainty amidst uncertainty, stimulate business vitality with digital and intelligent innovation, and open a new chapter amidst these shifting dynamics.

## Acknowledgements

On behalf of Lianlian, I would like to extend my sincere gratitude to all partners who have supported the Company. I thank every member of Lianlian. To every member of the Lianlian team: your professionalism, enthusiasm, and persistence have authored the past year's growth and breakthroughs. I would also like to thank our customers, partners, shareholders, and investors. Your trust and support drive Lianlian's continuous progress and inspire us to keep exploring new opportunities, advancing innovation, and expanding our boundaries in the global market.

Born to connect and driven by our mission, Lianlian remains steadfast in its commitment to facilitating global commerce and building bridges across markets. We look forward to moving forward hand in hand with all like-minded partners to embrace the opportunities and challenges ahead.

**Zhang Zhengyu**  
*Chairman*  
Hangzhou, China

March 26, 2026

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

In 2025, Lianlian achieved a landmark year of strategic mastery, leveraging our premier global licensing moat and proprietary technology platform to lead the evolution of online payments for global commerce. Guided by our AI-native pivot, we unlocked operational efficiency and risk management capabilities while accelerating product iteration to deliver a superior, reliable experience for our global customers.

The Company's core business comprises digital payment services and value-added services. Digital payment services encompass global and domestic payments and include a variety of products such as pay-in, pay-out, acquiring, foreign exchange, virtual bank card, and payment aggregation services. By integrating AI-driven intelligence across our end-to-end service chain, we work continuously to optimize transaction risk management and improve customer service, empowering merchants and businesses to thrive in a boundaryless digital economy.

As of December 31, 2025, the Company has established a global licensing portfolio comprising 66 payment licenses and related qualifications, supporting services in more than 100 countries and regions, and enabling transaction settlement in over 130 currencies. As the only Chinese provider holding all state-level money transmitter licenses in the U.S., our regulatory leadership remains a core competitive advantage. In August 2025, our subsidiary, Lianlian StarFX, secured a Type 3 SFC license in Hong Kong. This license allows Lianlian to offer leveraged foreign exchange trading, marking a milestone in our diversified product portfolio. Furthermore, our VATP license positions us at the forefront of digital currency and blockchain technology-based financial services.

Through years of deep, ongoing engagement with global small and medium-sized enterprises (“SMEs”) and merchant customers, and by building close partnerships with key players across the e-commerce ecosystem, we have continuously accumulated profound insights into customer needs, market trends, and industry developments. In 2025, the Company successfully capitalized on the accelerating expansion of cross-border e-commerce and the internationalization of Chinese enterprises, driving record-high performance through our “internal and external coordination” strategy, reinforced compliance practices, and deep AI integration.

For the year ended December 31, 2025, the Group’s full-year total revenue reached RMB1,733.8 million, a year-on-year increase of 31.9%. The cumulative number of clients served surpassed 10.4 million. Most notably, the Group recorded a net profit of RMB1,662.1 million, successfully turning losses into profits. This milestone marks a new level of efficiency in our business and operational model, and fully validates the effectiveness of our high-quality development strategy.

## **Global Payment**

Our global payment business is anchored by a peerless compliance architecture. During the year, we upgraded our infrastructure to deliver specialized solutions for complex vertical scenarios. In 2025, we pioneered the private deployment of large AI models, embedding intelligent momentum into our core. Intelligent tools now drive risk control, FX optimization, and customer service, significantly enhancing operational leverage. Building on our success in established markets and leveraging our local payment licensing capabilities and operational teams, we expanded our geographic footprint into emerging markets, establishing localized hubs to integrate our services deeply into regional trade ecosystems. The launch of our Overseas Headquarters in Hong Kong in November 2025 marked our emergence as a next-generation multinational corporation. For the year 2025, Total Payment Volume (TPV) for global payment services grew 60.7% to reach 452.4 billion, while the revenue of our global payment business has reached RMB1,044.6 million with year-on-year growth at 29.3%, a growth rate far exceeding the industry average, confirming the strong competitiveness of the Company’s “technology + localization” dual-wheel drive model.

## **Domestic Payment and Value-added Services**

In the domestic sector, during 2025, in alignment with the regulatory directive to “return to the essence of payment and further strengthen compliance operations,” we began to pivot our resources toward addressing the high-value opportunities created by the globalization of Chinese enterprises while maintaining our quality services to existing clients. This strategy strengthened synergies between domestic payment capabilities and our global payment network. For value-added services, we enhanced our digital marketing and corporate wallet solutions, providing essential end-to-end support for international growth and operational efficiency.

## **Technological Upgrades**

Technology has been the foundation of the Company’s payment system since its establishment. In 2025, we elevated AI to a core strategic priority; related initiatives include product innovation, such as intelligent foreign exchange services, intelligent account period management, and risk management. We expect such initiatives to deliver tangible value to our customers. Additionally, we pioneered digital asset services through our Hong Kong VATP license, bridging traditional payment infrastructure with the emerging digital economy.

## Outlook

Looking ahead, against the backdrop of policy support and the accelerating globalization of Chinese enterprises, Lianlian is positioned to lead the evolution of compliant and intelligent cross-border payment infrastructure, empowering global trade as it enters a new era of digital intelligence. The Company will seize these opportunities by strengthening global compliance capabilities and enhancing synergies across our licensing portfolio, guided by an AI-native strategy and deep industry expertise.

With our Hong Kong headquarters as our global hub, we will integrate AI across the entire service chain – from product design and risk control to operations and customer service. We will also explore the application of blockchain and other emerging technologies to build a more efficient and secure cross-border fund flow system. Relying on global resource synergy, strong multi-currency processing capabilities and the key value of AI in operational efficiency optimization, combined with a global license layout and professional team, we will further strengthen our leadership position and empower Chinese enterprises to achieve unparalleled resilience on the world stage.

## FINANCIAL REVIEW

### Revenue

Our revenue for the year ended December 31, 2025 was RMB1,733.8 million, representing an increase of 31.9% as compared to last year, primarily attributable to (i) an increase in revenue generated from our digital payment services of RMB299.4 million; (ii) an increase in revenue generated from value-added services of RMB118.7 million; (iii) an increase in other revenue of RMB0.8 million.

The following table sets forth the breakdown of our revenue for the years indicated:

	Year ended December 31,		Change (RMB in thousands)	Change %
	2025 (RMB in thousands)	2024 (RMB in thousands)		
<b>Revenue</b>				
Digital payment services	<b>1,450,023</b>	1,150,632	299,391	26.0
– Global payment <sup>(i)</sup>	<b>1,044,586</b>	807,772	236,814	29.3
– Domestic payment <sup>(ii)</sup>	<b>405,437</b>	342,860	62,577	18.3
Value-added services	<b>264,886</b>	146,193	118,693	81.2
Others <sup>(iii)</sup>	<b>18,892</b>	18,134	758	4.2
<b>Total</b>	<b><u>1,733,801</u></b>	<b><u>1,314,959</u></b>	<b><u>418,842</u></b>	<b><u>31.9</u></b>

Notes:

- (i) Refers to payments that occur across borders or outside China.
- (ii) Refers to payment transactions that occur in China.
- (iii) In addition to our core business of offering digital solutions, we also operate certain other businesses, primarily including property rental.

## **Digital Payment Services:**

The substantial majority of our revenue is generated from our digital payment services, including global payment and domestic payment. Our revenue generated from digital payment services for the year ended December 31, 2025 was RMB1,450.0 million, representing a year-on-year growth of RMB299.4 million, or 26.0%. The increase is mainly attributable to: (i) revenue from global payment increased by RMB236.8 million, representing an increase of 29.3% as compared to last year, driven by the continued growth of TPV for the global payment services; and (ii) revenue from domestic payment increased by RMB62.6 million, representing an increase of 18.3% as compared to last year, mainly due to the revenue increment brought by optimization of the business structure of domestic payment services.

## **Value-added Services:**

Our revenue generated from value-added services for the year ended December 31, 2025 was RMB264.9 million, representing an increase of 81.2%, mainly due to the revenue increment of contributed by the virtual card business.

## **Other Revenue:**

We also generate a small amount of revenue from other sources including rental income from providing property rental services with respect to our self-owned properties. Other revenue saw a slight increase for the year ended December 31, 2025.

## **Costs**

Our costs for the year ended December 31, 2025 was RMB860.4 million, representing an increase of RMB227.9 million or 36.0% as compared to last year. This is primarily due to: (i) the cost of digital payment business services increased by RMB99.9 million, or 19.9%, mainly due to payment business costs rising in line with revenue scale growth; (ii) as a result of the rapid expansion of virtual card business, correspondingly increased service charge paid to channel partners, leading to cost increase for value-added services by RMB127.6 million or 107.9%.

## **Gross Profit and Gross Profit Margin**

Our gross profit for the year ended December 31, 2025 was RMB873.5 million, representing an increase of 28.0% as compared to last year; the gross profit margin was 50.4%, down by 1.5 percentage points as compared to last year, primarily attributable to a significant increase in revenue from virtual card business which has lower gross profit margin. Among which, (i) the gross profit of global payment was RMB755.1 million, representing an increase of RMB173.7 million or 29.9% as compared to last year; with a gross profit margin of 72.3%, up by 0.3 percentage points as compared to last year; (ii) the gross profit of domestic payment was RMB93.4 million, representing an increase of RMB25.8 million or 38.2% as compared to last year; with a gross profit margin of 23.0%, up by 3.3 percentage points as compared to last year, mainly due to changes in the revenue composition corresponding to the optimized business structure; and (iii) the gross profit of value-added services was RMB19.1 million with a gross profit margin of 7.2%, representing a decrease of 11.9% as compared to last year, mainly due to the significant increase in virtual card business which has lower profit margins.

## Selling and Marketing Expenses

	Year ended December 31,		Change (RMB in thousands)	Change %
	2025 (RMB in thousands)	2024 (RMB in thousands)		
<b>Selling and marketing expenses</b>	<b>269,875</b>	248,265	21,610	8.7
Less:				
Share-based compensation expenses	<b>12,908</b>	14,587	(1,679)	(11.5)
Adjusted selling and marketing expenses (Non-IFRS measure) <sup>(1)</sup>	<b><u>256,967</u></b>	<u>233,678</u>	<u>23,289</u>	<u>10.0</u>

Note:

- (1) Refers to selling and marketing expenses (Non-IFRS measure) after excluding share-based compensation expenses.

Our selling and marketing expenses for the year ended December 31, 2025 were RMB269.9 million, representing an increase of RMB21.6 million or 8.7% as compared to last year; excluding share-based compensation expenses, the adjusted selling and marketing expenses were RMB257.0 million, representing an increase of RMB23.3 million or 10.0% as compared to last year, mainly due to efforts to further expand the customer acquisition and industry coverage for business expansion, which led to increased investment in promotional activities by various platforms.

## General and Administrative Expenses

	Year ended December 31,		Change (RMB in thousands)	Change %
	2025 (RMB in thousands)	2024 (RMB in thousands)		
<b>General and administrative expenses</b>	<b>654,123</b>	560,882	93,241	16.6
Less:				
Share-based compensation expenses	<b>151,519</b>	172,178	(20,659)	(12.0)
Listing expenses	–	7,799	(7,799)	(100.0)
Adjusted general and administrative expenses (Non-IFRS measure) <sup>(1)</sup>	<b><u>502,604</u></b>	<u>380,905</u>	<u>121,699</u>	<u>31.9</u>

Note:

- (1) Refers to general and administrative expenses (Non-IFRS measure) after excluding (i) share-based compensation expenses, and (ii) listing expenses.

Our general and administrative expenses for the year ended December 31, 2025 were RMB654.1 million, representing an increase of RMB93.2 million or 16.6% as compared to last year; excluding share-based compensation expenses and listing expenses related to the Global Offering in compliance with international accounting standards, the adjusted general and administrative expenses were RMB502.6 million, representing an increase of RMB121.7 million or 31.9% as compared to last year; mainly due to the continuous expansion of the global business and incremental contributions from investments in overseas licence acquisition, local compliance and operational capabilities.

## Research and Development Expenses

	Year ended December 31,		Change	Change
	2025	2024		
	(RMB in thousands)	(RMB in thousands)	(RMB in thousands)	%
<b>Research and development expenses</b>	<b>360,590</b>	319,058	41,532	13.0
Less:				
Share-based compensation expenses	<b>43,260</b>	49,111	(5,851)	(11.9)
Adjusted research and development expenses (Non-IFRS measure) <sup>(1)</sup>	<b>317,330</b>	269,947	47,383	17.6

Note:

- (1) Refers to research and development expenses (Non-IFRS measure) after excluding share-based compensation expenses.

Our research and development expenses for the year ended December 31, 2025 were RMB360.6 million, representing an increase of RMB41.5 million or 13.0% as compared to last year; after excluding share-based compensation expenses, adjusted research and development expenses were RMB317.3 million, representing an increase of RMB47.4 million or 17.6% as compared to last year, mainly due to the Group's increased ongoing investment in multiple areas, including blockchain and digital assets, as well as the expansion of AI applications in business systems and scenarios, based on the strategic focus of "technology upgrade".

## Other Income

Our other income for the year ended December 31, 2025 were RMB302.5 million, representing an increase of RMB90.1 million or 42.4% as compared to last year. This is primarily due to a significant increase in interest income on customer accounts driven by our continuous stable TPV growth and the further improvement in the efficiency of customer accounts appreciation.

## Other Gains/(Losses) – Net

Our other gains for the year ended December 31, 2025 were RMB2,320.9 million, while other losses for last year were RMB28.3 million. Other gains were primarily due to (i) during this period, the completion of the equity transfer and capital increase agreement with American Express entered into in December 2024, resulting in a disposal gain of RMB1,601.5 million; concurrently, our equity interest in LianTong was diluted to 17.63%, correspondingly recognizing dilution gains of RMB452.2 million; (ii) the decrease in shareholding ratio of the Group's subsidiary DFX due to an equity financing transaction in December 2025, resulting in dilution gains of RMB348.0 million.

## Provision for Impairment on Financial Assets

Our impairment on financial assets refers to the credit loss assessment and movement in allowance for the impairment of trade receivables and other receivables. The impairment loss of financial assets for the year ended December 31, 2025 was RMB2.1 million, representing a decrease of RMB4.2 million as compared to last year, mainly due to the enhancement of the Company's receivables management.

## **Finance Income/(Costs) – Net**

Our finance gains – net for the year ended December 31, 2025 was RMB11.3 million, representing an increase of RMB23.0 million as compared to last year, mainly due to increased return on funds as cash and cash equivalents balance increased significantly in the year; and decreased interest expenses we repaid some of the bank loans.

## **Share of Net Loss of Associates Accounted for Using the Equity Method**

Our share of net loss of associates accounted for using the equity method for the year ended December 31, 2025 was RMB139.3 million, representing a decrease of RMB153.2 million or 52.4% as compared to last year. This is mainly due to the attributable share of losses in LianTong decreasing from 45.20% to 17.63% after the completion of the shares transfer during the year, corresponding to a narrowing of the confirmed investment losses.

## **Income Tax (Expenses)/Credits**

Income tax expenses of the Group for the year ended December 31, 2025 were RMB420.0 million, mainly due to the deductible temporary differences arising from the cumulative net losses recognized by the Company, which were eliminated after the completion of the disposal of equity interests in LianTong, resulting in the reversal of RMB400.4 million in deferred income tax assets.

## **Non-IFRS Measures**

We define EBITDA (Non-IFRS measure) as loss for the years adjusted by adding back (i) income tax expenses/(credits), (ii) finance (income)/costs – net, and (iii) depreciation and amortization, which are non-cash in nature. We define adjusted EBITDA (Non-IFRS measure) as EBITDA (Non-IFRS measure) adjusted by adding back (i) listing expenses, which relate to the Global Offering, and (ii) share-based compensation expenses, which are non-cash in nature. We define adjusted profit/(loss) for the year (Non-IFRS measures) as profit/(loss) for the years adjusted by adding back (i) listing expenses, which relate to the Global Offering, and (ii) share-based compensation expenses, which are non-cash in nature. We believe that Non-IFRS measures facilitate the comparisons of operating performance from year to year and company to company and provide useful information to investors and others in understanding and evaluating our operating performance in the same manner as it helps our management. However, our presentation of Non-IFRS measures for the years may not be comparable to similarly titled measures presented by other companies. The use of Non-IFRS measures has limitations as an analytical tool, and investors should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

The following tables reconcile Non-IFRS measures for the periods presented in accordance with IFRS Accounting Standards:

<b>Reconciliation</b>	<b>Year ended December 31,</b>	
	<b>2025</b> <i>(RMB in thousands)</i>	<b>2024</b> <i>(RMB in thousands)</i>
<b>Non-IFRS Measures</b>		
Profit/(loss) for the year	<b>1,662,123</b>	(166,538)
<b>Add:</b>		
Income tax expenses/(credits)	<b>420,016</b>	(405,469)
Finance (income)/costs – net	<b>(11,288)</b>	11,671
Depreciation of property, plant and equipment	<b>16,178</b>	13,716
Depreciation of right-of use assets	<b>15,114</b>	12,973
Depreciation of investment properties	<b>4,059</b>	4,027
Amortization of intangible assets	<b>4,534</b>	4,132
	<hr/>	<hr/>
<b>EBITDA (Non-IFRS measure)<sup>(i)</sup></b>	<b><u>2,110,736</u></b>	<b><u>(525,488)</u></b>
<b>Add:</b>		
Share-based compensation expenses <sup>(ii)</sup>	<b>209,046</b>	237,432
Listing expenses	<b>–</b>	7,799
	<hr/>	<hr/>
<b>Adjusted EBITDA (Non-IFRS measure) <sup>(iii)</sup></b>	<b><u>2,319,782</u></b>	<b><u>(280,257)</u></b>
<b>Non-IFRS Measures</b>		
Profit/(loss) for the year	<b>1,662,123</b>	(166,538)
<b>Add:</b>		
Share-based compensation expenses	<b>209,046</b>	237,432
Listing expenses	<b>–</b>	7,799
	<hr/>	<hr/>
<b>Adjusted profit/(loss) for the year (Non-IFRS measures)<sup>(iv)</sup></b>	<b><u>1,871,169</u></b>	<b><u>78,693</u></b>

Notes:

- (i) EBITDA (Non-IFRS measure) refers to loss for the years adjusted by adding back (i) income tax expenses/(credits), (ii) finance (income)/costs – net, and (iii) depreciation and amortization, which are non-cash in nature.
- (ii) Our share-based compensation expenses consist of share options granted under the equity-settled share option schemes and incentive shares or shares granted to our employees. Such expenses in any specific period are not expected to result in future cash payments.
- (iii) Adjusted EBITDA (Non-IFRS measure) refers to EBITDA (Non-IFRS measure) adjusted by adding back (i) listing expenses, which relate to the Global Offering, and (ii) share-based compensation expenses, which are non-cash in nature.
- (iv) Adjusted profit/(loss) for the year (Non-IFRS measures) refers to profit/(loss) for the years adjusted by adding back (i) listing expenses, which relate to the Global Offering, and (ii) share-based compensation expenses, which are non-cash in nature.

## Profit/(Loss) for the Year

For the aforementioned reasons, the Group's profit for the reporting period was RMB1,662.1 million, representing an increase of RMB1,828.7 million compared to last year. After excluding (i) share-based compensation expenses of RMB209.0 million, the adjusted profit for the period (a Non-IFRS measure) was RMB1,871.2 million.

## Liquidity and Financial Resources, Treasury Policies and Capital Structure

	Year ended December 31,	
	2025	2024
	(RMB in thousands)	(RMB in thousands)
The following table sets forth our cash flows for the years indicated:		
Net cash generated from/(used in) operating activities	112,387	(111,058)
Net cash generated from/(used in) investing activities	1,401,925	(131,028)
Net cash (used in)/generated from financing activities	(394,578)	569,131
Net increase in cash and cash equivalents	1,119,734	327,045
Cash and cash equivalents at beginning of the year	522,250	189,840
Effects of exchange rate changes on cash and cash equivalents	(14,378)	5,365
<b>Cash and cash equivalents at end of the year</b>	<b>1,627,606</b>	<b>522,250</b>

During the reporting period, the Group's net cash generated from operating activities was RMB112.4 million, mainly attributable to the profit before income tax of RMB2,082.1 million, (i) exclusion of net gains of RMB2,263.2 million from the disposal of equity interests in associates, equity dilution gains and recognition of investment losses under the equity method; (ii) add-back of share-based compensation expenses of RMB209.0 million, fair value losses of financial assets of RMB42.6 million and depreciation and amortisation expenses of 39.9 million; (iii) cash use of RMB13.3 million as a result of changes in working capital, mainly reflecting increases in trade receivables.

Net cash generated from investing activities was RMB1,401.9 million, primarily due to proceeds from the disposal of partial equity interest in LianTong of RMB1,601.5 million, partially offset by net outflows from the purchase of capital-guaranteed wealth management products and other financial investment products of RMB114.7 million, a decrease from the purchase of associates and the disposal of a subsidiary of our Company (DFX) of RMB68.4 million, cash paid for the purchase of fixed assets, intangible assets and other long-term assets of RMB18.1 million, and dividends received of RMB1.6 million.

Net cash used in financing activities was RMB394.6 million, which mainly includes cash proceeds from the issuance of new shares of RMB370.2 million, net cash used for the repayment of borrowings of RMB342.9 million, RMB274.5 million injected into a Trust set up under the First Award and Trust Scheme compensation of fund; cash used for the repurchase of outstanding shares of RMB109.9 million, payments for the acquisition of minority equity interests in subsidiaries of RMB21.4 million, and principal and interest payments of RMB16.1 million on lease liability.

The Group's bank borrowings as of December 31, 2025 was RMB148.0 million. Bank borrowings are denominated in RMB. The Group has complied with the loan financial contract during the Reporting Period. The Group does not use any financial instruments for hedging. The Group maintains sufficient liquidity to meet its daily administrative and capital expenditure requirements and can control its internal operating cash flow.

As of December 31, 2025, the total amount of long-term bank borrowings is RMB125.8 million, with an interest rate of 3.0% (December 31, 2024: 4.0%), which have to be repaid by September 20, 2037. The total amount of short-term bank borrowings is RMB22.2 million, with the maturity of one year or less and an annual interest rate of 2.35% to 2.40% (December 31, 2024: 3.15% to 4.05%).

As at December 31, 2025, the unutilized credit line was approximately RMB1,407.0 million.

We have adopted a treasury and investment policy which sets out overall principles as well as detailed approval processes of our investment activities. Such activities include, among other things, treasury investments, short or long-term loans, investments in subsidiaries, joint ventures, and other equity investments.

The H Shares have been listed on the Stock Exchange since the Listing Date. There has been no change in the capital structure of the Company since the Listing Date and up to the date of this announcement. The capital of the Company comprises ordinary shares of the Company, including H Shares and Unlisted Shares.

### **Capital Expenditures**

During the Reporting Period, the capital expenditure of the Group was RMB18.1 million, which mainly includes the purchase of property and equipment and the purchase of intangible assets, such as computer software.

We mainly use cash from operating activities to fund capital expenditures during the Reporting Period. The Company intends to use the Company's existing cash balances, bank and other borrowings and proceeds from the Global Offering to finance the Company's future capital expenditures and long-term investments. The Company may reallocate funds for capital expenditure and long-term investment based on continuing business needs.

### **Funds Segregated for Customers and Restricted Cash**

Funds segregated for customers mainly refer to (i) customer funds collected and awaiting disbursement as requested; (ii) service fees earned by the Group arising from completed digital payment services which has not been withdrawn from customer deposit bank accounts; and (iii) deposits made by the Group to meet requests from customers seeking expedited settlements. Other restricted cash is mainly performance guarantee for the payment business. As of December 31, 2025, our customer accounts and restricted cash amounted to RMB19,483.8 million, representing an increase of RMB6,876.9 million as compared with December 31, 2024, mainly due to an increase of RMB6,867.9 million in customer accounts brought about by the increase in customers and global TPV payments.

## **Accruals and Other Payables**

Our accruals and other payables mainly include payables to merchants and other customers, staff costs and welfare accruals. As of December 31, 2025, our accruals and other payables amounted to RMB19,562.9 million, representing an increase of RMB6,871.3 million as compared with December 31, 2024, among which 98.4% was payables to merchants and other customers, which was in line with the growth trend of customer accounts.

## **Trade Receivables**

Our trade receivables primarily represent amounts due from customers for services performed in the ordinary course of business.

The increase in trade receivables was primarily driven by our revenue growth and the need to cooperate with more commercial banks and large enterprises to develop our business due to changes in our customer portfolio, the settlement cycles of such customers are relatively long, resulting in the increase in the balance of trade receivables. We have made adequate provisions for commercial banks and large enterprises based on their overall reputation and credit ratings.

## **Trade Payables**

Our trade payables primarily consist of payables for service charge and payables for processing fees to financial institutions and payment networks. As of December 31, 2025, trade payables amounted to RMB113.6 million, representing an increase of RMB38.9 million compared to December 31, 2024, primarily due to increased service charge payable in line with revenue growth.

## **Prepayments, Other Receivables and Other Current Assets**

Our prepayments, other receivables and other current assets primarily include prepaid expenses, prepayments to suppliers, value-added tax recoverable and deposits for payment channels and rentals.

## **Pledge of Assets**

As of December 31, 2025, the Group pledged (i) investment properties with net book value of RMB157.0 million, (ii) buildings with net book value of RMB95.3 million, and (iii) land use rights of RMB2.7 million for the Group's bank borrowings of RMB137.0 million. These borrowings are for general business operation purposes.

## **Contingent Liabilities**

As of December 31, 2025, we did not have any contingent liabilities.

## **Share Pledge**

During the Reporting Period, there was no pledge by our Controlling Shareholders of their interests in the H Shares to secure the Company's debts, guarantees or other obligations which would give rise to a disclosure obligation under Rule 13.21 of the Listing Rules.

In addition, as of December 31, 2025, 20,200,560 Unlisted Shares, representing approximately 1.80% of the total number of shares of the Company in issue, held by Mr. Lu Zhonglin, one of the controlling shareholders of the Company, were subject to judicial freezing which was executed by Yuhang District People's Court of Hangzhou City and other institutions in connection with civil case disputes involving Mr. Lu Zhonglin himself. Another 72,115,995 Unlisted Shares, representing approximately 6.43% of the total number of shares of the Company in issue, held by Mr. Lu Zhonglin, were subject to judicial freezing, which was executed by Xihu District People's Court of Hangzhou City in connection with civil case disputes involving Mr. Lu Zhonglin himself. For further details, please refer to the relevant announcements of the Company dated April 10, 2025 and May 20, 2025.

As of March 3, 2026, the judicial freezing of 73,715,995 Unlisted Shares held by Mr. Lu Zhonglin, representing approximately 6.56% of the total number of shares of the Company in issue, has been uplifted. The judicial freezing of the other 18,600,560 Unlisted Shares held by Mr. Lu Zhonglin, representing approximately 1.65% of the total number of shares of the Company in issue, has not been uplifted. For further details, please refer to the relevant announcement of the Company dated March 3, 2026.

## **Gearing Ratio**

As of December 31, 2025, our gearing ratio, calculated as total borrowings divided by the total equity as of the end of the year, was approximately 4.8%.

## **Exposure to Fluctuations in Foreign Exchange Rates**

The Group operates internationally and is exposed to foreign exchange risk. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency of the Company and its subsidiaries. The functional currency of most of the Group's subsidiaries outside the PRC is US dollars. For the foreign exchange risk derived from the future settlement of customer accounts from the global payment services of the Group, which are reflected on the balance sheet as customer accounts and other payables at the end of the Reporting Period, the Group considers that the businesses in the PRC or overseas are not exposed to any significant foreign exchange risk as customer accounts and other payables of these subsidiaries are mainly denominated in the same currencies.

In addition, we may face foreign exchange risk arising from fluctuations in exchange rates within the interval between when a customer initiates a foreign exchange transaction and our execution of the order with relevant banks and other financial institutions outside of China. In order to mitigate the potential risk, we leverage our platform with real-time reference quotations to implement the so-called "back-to-back" trading strategy to promptly execute the corresponding order to shorten such interval and accordingly avoid exchange rate fluctuation risks.

## MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

### Disposal of Equity Interest in LianTong

During the Reporting Period, in February 2025, the Group completed the disposal of part of the equity interest in LianTong, and its shareholding in LianTong was reduced to 17.63% subsequent to the disposal transaction and the related capital increased as part of the same transaction.

On December 25, 2024, the Company entered into the equity transfer and capital increase agreement (the “**Agreement**”) with American Express Travel Related Services Company (“**Amex TRS**”), American Express Marketing & Development Corp. (“**AEMD**”, together with Amex TRS, the “**Purchasers**”) and LianTong.

Pursuant to the Agreement, (i) the Purchaser Amex TRS agrees to purchase from the Company a total amount of registered capital of RMB1,154,618,100, representing 14.27% of the equity interest in LianTong immediately after completion of the Capital Increase (as defined below) for a consideration of RMB1,569,430,688, and (ii) the Purchaser AEMD agrees to purchase from the Company a total amount of registered capital of RMB23,563,719, representing 0.29% of the equity interest in LianTong immediately after completion of the Capital Increase for a consideration of RMB32,029,312.

Pursuant to the Agreement, simultaneously with the disposal of equity interest in LianTong by the Company to the Purchasers (the “**Disposal**”), LianTong intends to increase its registered capital by RMB2,330,181,818 with its total registered capital increased to RMB8,090,181,818. Each of Amex TRS and AEMD agrees to subscribe for RMB2,283,578,019 and RMB46,603,799 of the increased registered capital with a consideration of RMB3,103,985,139 and RMB63,346,861, respectively (the “**Capital Increase**”).

Immediately upon completion of the Disposal and the Capital Increase, LianTong was owned as to 80.72% by Amex TRS, 17.63% by the Company and 1.65% by AEMD.

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules was more than 5% but less than 25%, the Disposal constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements, but was exempted from the Shareholders’ approval requirement under Chapter 14 of the Listing Rules. For further details, please refer to the announcements of the Company dated December 25, 2024 and January 3, 2025.

Save as the above-mentioned disposal of equity interest in LianTong, during the Reporting Period, we did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures.

### FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus and the above-mentioned disposal of equity interest in LianTong, as of December 31, 2025, we did not have any future plans for material investments or capital assets.

## SIGNIFICANT INVESTMENT DURING THE REPORTING PERIOD

The Group did not make any significant investments (including any investment in an investee company with a value of 5% or more of the Group's total assets as of December 31, 2025) during the year ended December 31, 2025.

## EMPLOYEES AND REMUNERATION POLICIES

As of December 31, 2025, we had a total of 998 employees, 91.68% of which were based in the PRC and 8.32% were based overseas, primarily in Southeast Asia and the United States.

<b>Function</b>	<b>Number</b>	<b>% of total</b>
Research and development	304	30.46%
Sales and Marketing	269	26.95%
General and administration	425	42.59%
<b>Total</b>	<b>998</b>	<b>100.0%</b>

Our success depends on our ability to attract, retain and motivate qualified personnel, and we believe that our high-quality talent pool is one of the core strengths of our Company. We adopt high standards and strict procedures in our recruitment, including campus recruitment, online recruitment, internal recommendation and recruitment through executive search, to meet the needs of our Company. We enter into standard contracts and agreements regarding confidentiality, intellectual property, employment, commercial ethics and non-competition with all of our executive officers and the vast majority of our employees. We enter into standard employment contracts and confidentiality agreements with our employees. We also enter into noncompetition agreements with certain key employees. We place great emphasis on providing our employees with platforms and opportunities for self-improvement. We provide regular and specialized training tailored to the needs of our employees in different departments. We have also launched an online learning platform to complement our existing offline training initiatives. In addition to our internal training programs, we also engage external trainers. All training sessions are conducted periodically and in stages to ensure our employees' continuous learning and development.

As required by PRC laws and regulations, we participate in various employee social security schemes organized by municipal and provincial government, including pension, maternity insurance, unemployment insurance, work-related injury insurance, health insurance and housing provident fund.

As of December 31, 2025, we established labor unions in China, which may represent employees for the purpose of collective bargaining. We believe that we maintain a good working relationship with our employees, and we have not experienced any material labor dispute or any difficulty in recruiting staff for our operations during the Reporting Period.

The Company also has adopted the Pre-IPO Share Option Schemes, the First Award and Trust Scheme and the First Share Award Scheme to improve the Company's incentive mechanism, attract and retain talents and to motivate employees to ensure the achievement of the Company's development goals. Further details of the Pre-IPO Share Option Schemes, the First Award and Trust Scheme and the First Share Award Scheme will be set out in the annual report of the Company for the year ended December 31, 2025.

The total employee benefit expenses, including share-based compensation expenses, for the Reporting Period amounted to RMB921.7 million (2024: RMB816.3 million).

## USE OF PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds from the Global Offering (after deducting the underwriting fees, commissions and estimated expenses) amounted to approximately HK\$548.0 million. There is no change to the intended use of net proceeds and the expected implementation timetable as previously disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

As of December 31, 2025, the Company had utilized approximately HK\$294.5 million of net proceeds from the Global Offering, representing approximately 53.8% of the total net proceeds from the Global Offering, in accordance with the intended use set out in the Prospectus.

The following table sets out breakdown of the use of net proceeds from the Global Offering.

Use of proceeds	Percentage of net proceeds	Allocated net proceeds from the Global Offering (HK\$ million)	Net proceeds utilised as of December 31, 2025 (HK\$ million)	Net proceeds utilised during the Reporting Period (HK\$ million)	Net proceeds unutilised as of December 31, 2025 (HK\$ million)	Expected timeline of full utilization of net proceeds
<b>To enhance our technological capabilities</b>	60.0%	328.8	267.1	111.2	61.7	By March 31, 2029
(i) To invest in the development of advanced technologies that are pivotal to our business operation, future growth and our ability to remain competitive in the industry.	30.0%	164.4	164.4	69.6	–	By March 31, 2029
(ii) To develop, iterate and promote innovative solutions, which can help us to cater additional customer needs besides current digital payment services and diversify our value-add services.	20.0%	109.6	47.9	27.1	61.7	By March 31, 2029
(iii) For maintenance and improvement of our existing technology infrastructure to ensure reliability and security.	10.0%	54.8	54.8	14.5	–	By March 31, 2029
<b>To expand our business operations globally</b>	30.0%	164.4	–	–	164.4	By March 31, 2029
(iv) To enhance our market presence in overseas markets, notably in Southeast Asia, the Middle East and South America, and to build and expand our overseas team to broaden our customer base and strengthen our service capability.	20.0-20.5%	109.6-137.0	–	–	109.6-137.0	By March 31, 2029
(v) To apply and obtain additional licenses globally.	5.0-10.0%	27.4-54.8	–	–	27.4-54.8	By March 31, 2029

Use of proceeds	Percentage of net proceeds	Allocated net proceeds from the Global Offering (HK\$ million)	Net proceeds utilised as of December 31, 2025 (HK\$ million)	Net proceeds utilised during the Reporting Period (HK\$ million)	Net proceeds unutilised as of December 31, 2025 (HK\$ million)	Expected timeline of full utilization of net proceeds
For future strategic investment and acquisitions to enrich our service and product offerings, enhance our technology capabilities and strengthen our international operations.	5.0%	27.4	-	-	27.4	By March 31, 2029
For general corporate purposes and working capital needs.	5.0%	27.4	27.4	-	-	By March 31, 2029
<b>Total</b>	<b>100.0%</b>	<b>548.0</b>	<b>294.5</b>	<b>112.2</b>	<b>253.5</b>	

The Company does not have any intention to change the purposes of the net proceeds from the Global Offering as set out in the Prospectus, and will gradually utilize the net proceeds from the Global Offering with the intended purposes.

## USE OF NET PROCEEDS FROM THE PLACING OF NEW H SHARES UNDER GENERAL MANDATE

Reference is made to the announcements of the Company dated July 12, 2025 and July 21, 2025.

On July 12, 2025, the Company and the placing agents entered into the placing agreement (the “**Placing Agreement**”) pursuant to which the placing agents have conditionally agreed to procure the placing of a maximum of 38,400,000 new H Shares (the “**Placing Share(s)**”) on a best efforts basis to expected not less than six (6) placees at a price of HK\$10.25 per Placing Share (the “**Placing**”). The Placing Shares will be allotted and issued pursuant to the general mandate granted to the Directors by a resolution of the shareholders of the Company passed at the annual general meeting of the Company held on June 6, 2025.

On July 21, 2025, all the conditions precedent as set out in the Placing Agreement have been satisfied and the Placing was completed in accordance with the terms and conditions of the Placing Agreement. An aggregate of 38,400,000 Placing Shares, representing approximately 8.40% of the number of issued H Shares and approximately 3.44% of the number of total issued Shares (including treasury shares), in each case, as enlarged by the allotment and issue of the Placing Shares immediately after completion of the Placing, have been successfully allotted and issued by the Company on July 21, 2025 at the placing price of HK\$10.25 per Placing Share to not less than six placees who are independent professional, institutional and/or other investors.

The aggregate net proceeds (after deducting of the commissions and estimated expenses) from the Placing amounted to approximately HK\$387.25 million. The intended purposes for the net proceeds from the Placing are set out on the following table:

Use of proceeds	Percentage of net proceeds	Allocation of net proceeds (HK\$ million)	Net proceeds utilized during the year ended December 31, 2025 (HK\$ million)	Net proceeds unutilized as at December 31, 2025 (HK\$ million)	Expected time for the use of unutilized proceeds
Innovation and application of innovative technologies such as blockchain in the global payment field	50.00%	193.63	-	193.63	not subject to any time restriction
Global business and license expansion	30.00%	116.17	-	116.17	not subject to any time restriction
General corporate purpose	20.00%	77.45	-	77.45	not subject to any time restriction
Total	<u>100.00%</u>	<u>387.25</u>	<u>-</u>	<u>387.25</u>	

## CORPORATE GOVERNANCE PRACTICE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the code provisions of the CG Code as its own code of corporate governance.

During the Reporting Period, the Company has complied with all the principles and applicable code provisions contained in Part 2 of the CG Code.

In addition, the balance of power and authority is ensured by the operation of senior management and the Board, which comprises experienced and high-caliber individuals. The Board currently consists of four executive Directors and three independent non-executive Directors. Therefore, we consider that the Board has a fairly strong independence element in its composition.

The Directors will continue to review the corporate governance policies and compliance with the CG Code and other applicable legal and regulatory requirements so as to maintain a high standard of corporate governance of the Company from time to time.

## SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code as its own securities dealing code to regulate all dealings by the Directors, the Supervisors and relevant employees of securities in the Company and other matters covered by the Model Code. Having made specific enquiry with all the Directors and Supervisors as well as the relevant employee of the Company, all the Directors and Supervisors as well as the relevant employee of the Company confirmed that they have strictly complied with the required standards set out in the Model Code during the Reporting Period.

No incident of non-compliance of the Model Code by the Company's relevant employees was noted by the Company during the Reporting Period.

## PURCHASE, REDEMPTION OR SALE OF THE LISTED SECURITIES

During the Reporting Period, the Company repurchased a total of 15,625,000 H Shares (the “**Repurchased Shares**”) on the Hong Kong Stock Exchange at an aggregate consideration of HK\$120,377,144.80. As of December 31, 2025, such 15,625,000 H Shares were held as treasury Shares as defined under the Listing Rules or deposited with the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited.

Particulars of the Repurchased Shares are summarized as follows:

Month of Repurchase	No. of Shares Repurchased	Price Paid per Share		Aggregate Consideration HK\$
		Highest HK\$	Lowest (HK\$)	
April, 2025	13,500	6.00	5.97	80,985.15
May, 2025	757,500	6.30	5.94	4,598,887.70
October, 2025	5,118,500	8.36	7.63	41,268,410.50
November, 2025	7,111,500	8.50	7.31	57,248,461.85
December, 2025	2,624,000	6.77	6.16	17,180,399.60
<b>Total</b>	<b>15,625,000</b>			<b>120,377,144.80</b>

The Repurchased Shares during the Reporting Period was effected by the Directors, pursuant to the mandates granted by the Shareholders at the annual general meeting held on June 7, 2024 and June 6, 2025, with a view to benefiting the Company and creating value for the Shareholders.

Save as the Repurchased Shares disclosed above, the Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company (including sales of treasury shares as defined under the Listing Rules) during the Reporting Period.

## DIVIDEND

No dividend has been paid or declared by the Company for the year ended December 31, 2025.

## AUDIT COMMITTEE

The Audit Committee, which comprises three independent non-executive Directors, namely Mr. Wong Chi Kin (chairperson of the Audit Committee), Mr. Chun Chang and Ms. Lin Lanfen, has adopted written terms of reference, in accordance with the Listing Rules and the CG Code, which clearly set out its duties and obligations (the terms of reference are available on the websites of the Company and the Stock Exchange).

The Audit Committee has considered and reviewed, with no disagreement, with the management of the Company and the Auditor the audited consolidated annual results of the Group for the year ended December 31, 2025 and confirmed that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made. The Audit Committee considers that the audited consolidated annual results of the Group for the year ended December 31, 2025 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

## **SCOPE OF WORK OF PRICEWATERHOUSECOOPERS**

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

## **SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

The Group is not aware of any other material events which could have a material impact on our operating and financial performance after the Reporting Period.

## **AGM AND CLOSURE OF REGISTER OF MEMBERS**

The AGM will be held on June 5, 2026. In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from June 2, 2026 to June 5, 2026 (both days inclusive), during which period no transfer of Shares will be registered. The record date for determining the entitlement of the Shareholders to attend and vote at the AGM will be June 5, 2026. Shareholders should lodge all completed transfer documents accompanied by the relevant share certificates to Computershare Hong Kong Investor Services Limited, the H Share Registrar of the Company at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for holders of H Shares), or to the Company's registered office at B3, 12/F, Building 1, 79 Yueda Lane, Binjiang District, Hangzhou, Zhejiang Province, PRC (for holders of Unlisted Shares) no later than 4:30 p.m. on June 1, 2026 for handling registration procedures.

## **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND 2025 ANNUAL REPORT**

This annual results announcement is published on the website of the Company ([www.lianlian.com](http://www.lianlian.com)) and the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). The annual report of the Company for the year ended December 31, 2025 containing all the information required by the Listing Rules will be despatched to the Shareholders who have requested corporate communications in printed copy and published on the respective websites of the Company and the Stock Exchange within the prescribed time and in accordance with the requirements under the Listing Rules.

## DEFINITIONS

In this announcement, unless otherwise defined or the context otherwise requires, the following terms or expressions shall have the following meanings:

“AGM”	the forthcoming annual general meeting of the Company to be held on Friday, June 5, 2026
“Articles” or “Articles of Association”	amended and restated articles of association of the Company approved by Shareholders at the extraordinary general meeting of the Company held on January 26, 2026, as amended from time to time
“Audit Committee”	the audit committee of the Board
“Auditor”	PricewaterhouseCoopers, the external auditor of the Company
“Board” or “Board of Directors”	board of directors of the Company
“CG Code”	the Corporate Governance Code as set out in Part 2 of the Appendix C1 to the Listing Rules
“Chairman”	chairman of the Board
“China” or “PRC”	the People’s Republic of China, for the purpose of this report and for geographical reference only, excluding Hong Kong Special Administrative Region of the People’s Republic of China, Macau Special Administrative Region of the People’s Republic of China and Taiwan Region
“Chuanglianzhixin”	Hangzhou Chuanglianzhixin Investment L.P. (杭州創連致新投資合夥企業(有限合夥)), a limited partnership established in the PRC on December 11, 2017, one of our Controlling Shareholders
“Company”, “our Company”, “the Company” or “Lianlian”	Lianlian DigiTech Co., Ltd. (連連數字科技股份有限公司), a joint stock company with limited liability incorporated in the PRC on February 2, 2009 and listed on the Stock Exchange on March 28, 2024 (stock code: 2598)
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and in the context of this announcement, refers to the controlling shareholders of our Company, namely Mr. Zhang Zhengyu (章徵宇), Chuanglianzhixin, Mr. Lu Zhonglin (呂鐘霖) and Ms. Xiao Sequ (肖瑟秋)
“Director(s)”	director(s) of the Company
“EIT”	enterprise income tax
“Global Offering”	an offering of 64,300,000 H Shares, including a final Hong Kong public offering

“Group”, “our Group”, “the Group”, “we”, “us”, or “our”	our Company and our subsidiaries
“H Share(s)”	overseas listed shares in the share capital of our Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars”, “HK dollars”, “HK\$” or “HK cents”	“Hong Kong dollars”, “HK dollars”, “HK\$” or “HK cents”
“IFRS”	International Financial Reporting Standards
“Lianlian International”	Lianlian International Company Limited (連連國際支付有限公司), a company incorporated in Hong Kong on June 20, 2016 and one of our subsidiaries
“LianTong”	Express (Hangzhou) Technology Services Company Limited (連通(杭州)技術服務有限公司)
“Listing”	listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	March 28, 2024, the date on which the H Shares of the Company were listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
“Model Code”	the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“Prospectus”	the prospectus of the Company dated March 20, 2024
“Reporting Period”	the year ended December 31, 2025
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of the Company with nominal value of RMB1.00 each including Unlisted Shares and H Shares
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Supervisor(s)”	member(s) of the Supervisory Committee of the Company
“Supervisory Committee”	the supervisory committee of the Company, which has been cancelled following the approval of the resolution on amendments to the Article of Association and cancellation of the supervisory committee by the Shareholders at the extraordinary general meeting held on January 26, 2026
“TPV”	total transaction payment volume
“Unlisted Share(s)”	ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are currently not listed or traded on any stock exchange
“VAT”	value-added tax
“%”	per cent

By Order of the Board  
**Lianlian DigiTech Co., Ltd**  
**Mr. Zhang Zhengyu**  
*Chairman and Executive Director*

Hong Kong, March 26, 2026

*As of the date of this announcement, the Board comprises Mr. Zhang Zhengyu, Mr. Xin Jie, Ms. Wei Ping and Mr. Zhu Xiaosong as executive Directors, Mr. Chun Chang, Mr. Wong Chi Kin and Ms. Lin Lanfen as independent non-executive Directors.*