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(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9890)

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

The Board (the “**Board**”) of Directors (the “**Directors**”) of Tanwan Inc. (the “**Company**”, together with its subsidiaries and the PRC Operating Entities¹, the “**Group**”) is pleased to announce the consolidated results of the Company for the year ended December 31, 2025 (the “**Reporting Period**”), together with comparative figures for the same period of 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

1. Industry Review

According to the year-end review article *Year in review: 2025 to date* (also known as *State of Gaming in 2025*, a year-end update to the *Global Games Market Report and Forecasts*) released by Newzoo on December 18, 2025, the global games market is projected to reach US\$197 billion in 2025, representing a year-on-year (“**YoY**”) growth of 7.5%. Among this, the global mobile games market will amount to US\$108 billion in 2025, with a YoY growth of 7.7%.

¹ The PRC Operating Entities refer to the entities controlled by the Group through the Contractual Arrangements, the details of which are set out in the Company’s prospectus dated September 18, 2023 (“**Prospectus**”).

According to the 2025 China Gaming Industry Report (《2025年中國遊戲產業報告》) jointly released by the Game Publishing Committee of China Audio-video and Digital Publishing Association (中國音數協遊戲工委) and the Expert Committee on Game Industry Research (遊戲產業研究專家委員會), in 2025, the actual sales revenue of Chinese domestic gaming market was RMB350.79 billion, representing a YoY increase of 7.68%. In 2025, the number of game users in China reached 683 million, representing a YoY increase of 1.35%.

On April 18, 2025, the National Press and Publication Administration (國家新聞出版署) and other authorities issued the Notice on the Science and Technology Innovation Leadership Plan for Online Publishing (《網絡出版科技創新引領計劃》) (Guo Xin Chu Fa [2025] No. 6) (the “**Plan**”). The Plan states that online publishing is an emerging publishing business format characterized by the deep integration of culture and technology. The Plan supports online publishing enterprises to establish R&D institutions such as corporate laboratories and technology centers focused on technologies related to online publishing, including artificial intelligence, big data, cloud computing and blockchain; promote the research and application of blockchain technology in areas such as copyright registration, rights protection, transactions and settlement; and provide support for the joint R&D and adaptation of games and graphics processing units (GPUs) and other basic products.

On April 21, 2025, the State Council Information Office (國務院新聞辦公室) held a press conference to introduce the Comprehensive Pilot Work Project for Accelerating the Opening-up of the Service Industry (《加快推進服務業擴大開放綜合試點工作方案》) (the “**Project**”). The Project sets out to support the open development of the digital industry, supporting the expansion of overseas gaming operations, broadening application scenarios, and establishing an entire industrial chain layout spanning IP creation, game production, distribution, and overseas operations.

In November 2025, the General Office of the State Council (國務院辦公廳) issued the Implementation Opinions on Accelerating Scenario Cultivation and Opening to Promote the Large-Scale Application of New Scenarios (《關於加快場景培育和開放推動新場景大規模應用的實施意見》), proposing the formation of a pathway from “technological breakthroughs — scenario validation — industrial application — system upgrades” to expedite the cultivation and expansion of economic and social application scenarios. This includes delving into the potential of data elements, supporting technological innovation in areas such as data analysis and mining, circulation and utilization, and security protection, enriching the supply of data products and services, and exploring innovative application scenarios of technologies such as metaverse, virtual reality, intelligent computing power and robots in office, social interaction, consumption, entertainment and other fields, so as to promote the deep integration of the real economy and the digital economy.

On March 13, 2026, the Outline of the 15th Five-Year Plan for National Economic and Social Development of the People's Republic of China (《中華人民共和國國民經濟和社會發展第十五個五年規劃綱要》) (the “**Outline**”) was officially issued. The Outline proposes to transform and upgrade traditional cultural industries, promote the integration of culture and technology, and advance the digital and intelligent empowerment and informatization transformation of cultural development. It calls for the development of new cultural formats such as digital animation, immersive performances, online broadcasting, short videos, and micro-dramas, while guiding the healthy development of online literature, online games, and online audio-visual content. At the same time, the Outline encourages cultural enterprises to pursue international operations, promotes the global expansion of high-quality online literature, online games, film and television animation, and premium exhibitions, and strengthens the construction of key bases for international communication and national cultural export bases.

2. Main Strategies and Business Overview of the Company

With “Get back your playful youth time” as its founding aspiration and “Create joy to end-users and empower our business partners in the digital era” as its corporate mission, the Group is dedicated to becoming an AI-driven enterprise that brings delight to users and delivers premium services to game developers in the new era of “AI + Game”.

During the Reporting Period, pursuant to a special resolution passed by the Company's shareholders at the extraordinary general meeting held on August 8, 2025, the English name of the Company has been changed from “ZX Inc.” to “Tanwan Inc.”, and the Chinese name “貪玩” has been adopted and registered as the dual foreign name of the Company, replacing its original Chinese name “中旭未来”. Following the name change, the Group's “Tanwan” brand will collaborate with the overseas game publishing sub brand “Game Lovin” to jointly establish a dual-drive strategic framework, working together to unleash stronger brand momentum.

During the Reporting Period, the Group achieved a revenue of RMB4,158.2 million (2024: RMB5,580.1 million). The net profit of the Group for the year was RMB1,560.2 million (2024: RMB44.0 million).

The overseas business revenue was RMB833.1 million, representing a YOY increase of 33.6% compared to RMB623.4 million in 2024, accounting for 20.0% of total revenue, representing an increase by 8.9 percentage points from 11.1% in 2024.

2.1 Game Segment

Centering its core business of “global distribution and operation of IP products”, the Group anchored its game product system in “refinement, diversification, globalization, and long-term operation”. In the new era of “AI + Games”, with the deep empowerment of AI technology in game distribution business, the Group maximizes game product value through precision marketing and long-term operation.

In terms of distribution strategy, the Group continues to explore and innovate, and steadily advance its core strategy of “web games, mobile games, mini-programs, overseas markets, and globalization” (the “**Five-Step Distribution Strategy**”), on the basis of the historical success in web and mobile games distribution, it will further break through the huge potential of game distribution markets such as mini-programs, overseas markets, and global publishing operations to consistently enhance market coverage and business growth momentum. Today, the Group has established a multi-dimensional game distribution network with interconnected platforms, multi-regional coverage and comprehensive user reach.

In terms of product deployment, the Group distributes through a multi-terminal layout mainly consisting of “App + mini-programs”, thereby reaching a wider user base and expanding the audience for its games. In terms of market coverage, the Group takes the domestic market as its foundation while proactively expanding overseas markets, continuously enhancing the global recognition and influence of game IPs.

2.1.1 Classic IPs: Long-term Value, Innovation and Iteration Drive Business Growth

The Group leverages its classic IP portfolio through sustained iteration and content innovation, refining premium games to fuel business growth. During the Reporting Period, the Group operated and promoted top-tier classic IPs including “Legend” (傳奇), “Yulgang” (熱血江湖) and “MU” (奇蹟MU).

“Legend”

“Legend” is one of the most influential super IPs in the history of China’s online game development and also one of the client-game IPs with the highest revenue output in the country. According to estimates from the “Legend” IP Ecosystem Development Research Report released by Gamma Data (Beijing Gamma New Media Culture Communication Co., Ltd.), the market size of the “Legend” IP reached RMB35.55 billion in 2025 and has remained around RMB30 billion for consecutive years. As of 2025, the “Legend” IP has generated an aggregate value of RMB370 billion, with a continued growth potential of over RMB100 billion in the future.

Through technological innovation, the Group successfully achieved the transition of “Legend” IP games from PC to mobile internet. The related game products span multiple platforms, including mini-programs, mobile game Apps, web games and client-based games, with distribution targeting global markets. In the field of mini program distribution for “Legend” games, the Group has achieved remarkable results, with the main products including “Legend of Origin” (《原始傳奇》), “City of Dragontrail” (《龍跡之城》), “Swallowing Blade” (《吞食之刃》), “Blooded Attack” (《熱血合擊》) and “Tiger Guardian God of War” (《虎衛戰神》). In 2025, the mini-program version of “City of Dragontrail” topped the WeChat Mini Games Bestseller List and remained in the top ten for an entire month.

“Yulgang”

“Yulgang Online” (《熱血江湖Online》) was launched in 2005 by a South Korea company Mgame Co., Ltd. With its lighthearted and humorous martial arts style, distinctive character settings, and rich gameplay, the game attracted a large number of players, becoming a phenomenal martial arts IP game during the golden age of Chinese online games. The Group has innovatively interpreted the “Yulgang” IP, making the spirit of chivalry continue to radiate vitality in the mobile era. The Group has also released multiple “Yulgang” IP mobile products, including “All People’s Jianghu” (《全民江湖》) and “Yulgang: Return” (《熱血江湖：歸來》). Among them, “Yulgang: Return” has swept various lists: in South Korea, it successfully topped the App Store Free List at No.1; in Thailand, it even swept the Free Lists across Google Play, App Store, and LDPlayer, achieving No.1 on all fronts; in the Taiwan region of China, it instantly grabbed the No. 1 spot on the App Store Free List and No. 2 on the Top-Grossing List, demonstrating strong popularity and global appeal.

“MU”

“MU” (《奇蹟MU》) was a MMORPG online game product developed by a South Korea company Webzen Inc. (網禪公司) in 2002. In recent years, the “MU” IP has been continuously innovating, expanding from client-based games to web games, mobile games, and other formats. Multiple derivative products under this IP have achieved remarkable success in the market, generating impressive revenue. The Group has launched game products such as “MU: Dragon Harvoc” (《神兵奇蹟》) and “New Moon Continent” (《新月大陸》) domestically, and “MU: Dragon Harvoc” (《奇蹟MU：無限金蛋》) and “MU: Classic Battle” (《奇蹟MU：經典之戰》) overseas, with distribution covering the Hong Kong SAR, the Macao SAR and the Taiwan region, Southeast Asia, Europe and America.

2.1.2 Premium IPs: Unleash Value Potential, Create Multi-dimensional Premium Products

To enrich the pipeline of game products and achieve diversified development, the Group actively introduces and deeply operates premium IPs. Through creative reconstruction and digital empowerment, the Group maximizes the potential of IPs and builds a diversified game matrix across themes (such as open-world and Chinese-style martial arts), categories (such as simulation management and casual competition) and user groups. In terms of IP cooperation, the Group establishes deep collaborations with IP licensors and game developers through investment, ecosystem co-construction, and technology sharing, jointly exploring multidimensional development paths for IPs to consistently create premium games.

During the Reporting Period, premium IPs operated, promoted and reserved by the Group include “Soul Land” (斗羅大陸), as well as “Jin Yong Martial Arts” (金庸武俠) IP series encompassing “The Demi-Gods and Semi-Devils” (天龍八部) “Condor Trilogy” (射鵰三部曲) and “The Smiling Proud Wanderer” (笑傲江湖). As of the announcement date, the licensed game “The Demi-Gods and Semi-Devils 2: Flying Dragon Battles against the Heavens” (《天龍八部2: 飛龍戰天》), which was adapted from Jin Yong Martial Arts masterpiece “The Demi-Gods and Semi-Devils” has launched both its App and mini-program versions. Meanwhile, the open-world large-scale 3D game “Soul Land: Legend of Evil Slayer” (《斗羅大陸: 誅邪傳說》), developed based on the “Soul Land” IP, is currently in preparation.

2.1.3 Mini-Program Games: Opening A New Growth Curve

According to the *2025 China Gaming Industry Report*, mini-program games continued to grow rapidly, while multi-platform distribution was maintained. Both hardcore and lightweight games exhibited a trend of parallel development. In 2025, the revenue of China’s mini-program game market has reached RMB53.535 billion, representing a significant YoY increase of 34.39%. The mini-program game sector has also become a key component of the Group’s diversified game product matrix. The Group has adapted and innovated classic IPs such as “Legend”, “Yulgang” and “MU”, launching mini-program versions of “Legend of Origin”, “City of Dragontrail”, “MU: Dragon Harvoc”, “All People’s Jianghu”, successfully achieving cross-platform user traffic diversion and opening new growth curves. Meanwhile, the Group actively lays out emerging categories of mini-program games such as casual competitive games, martial arts RPGs, and tower defense games. It has released multiple mini-program games including “City of Dragontrail”, “Tiny Troopers” (《小兵大作戰》) and “The Demi-Gods and Semi-Devils 2: Flying Dragon Battles against the Heavens”, rapidly acquiring users through the social viral characteristics of mini-program platforms dominated by WeChat and Douyin. In 2025, the mini-program version of “City of Dragontrail” topped the WeChat Mini Games Bestseller List and remained in the top ten for an entire month.

In terms of operational strategy, the Group maintains user activity through the “short-cycle iterations + social incentives” model to promote the iteration of game functions suitable for the characteristics of mini-programs and leverages the inherent social dissemination advantages of mini-programs to achieve low-cost user acquisition.

2.1.4 Diversified Innovation Tracks: Expanding the User Base Continuously

While cultivating classic IPs and actively introducing premium IPs, the Group also proactively explores innovative breakthroughs in diverse and creative game tracks. Since 2024, the Group has successively launched new games in fields such as casual game, simulation games (SLG), MAG (Manga, Anime and Games) game and tower defense game. Through differentiated content innovation, the Group continues to break through user layers and build a diversified game ecosystem with enduring vitality.

2.1.5 “Global Cross-Expansion”: Realize the Double Leap of Cultural Overseas and Commercial Expansion

The Group integrates the dual engines of “global distribution + local cultural adaptation”, comprehensively linking overseas KOL cultivation and in-depth community collaboration. As of December 31, 2025, the Group has successfully distributed and operated over 30 multilingual games in 11 different language versions across multiple international markets, including Southeast Asia, the Hong Kong SAR, the Macao SAR and the Taiwan region, Japan, South Korea, Europe and America. Several game products have achieved outstanding rankings on top list, such as “Legend of Origin” (South Korea), “Blooded Attack” (South Korea), “All People’s Jianghu” (the Hong Kong SAR, the Macao SAR and the Taiwan region, South Korea, Thailand, Vietnam), “Yulgang: Return” (South Korea, Thailand), “MU: Dragon Harvoc” (Europe, America, Brazil, Thailand, Vietnam), which topped Best-Selling List on iOS and Google Play in global markets. Additionally, the Group has more than ten overseas game reserves, including “The Demi-Gods and Semi-Devils 2: Flying Dragon Battles against the Heavens” (《天龍八部2：飛龍戰天》, to be launched in Thailand and Vietnam), “Seal: Back to Shiltz” (希望之啟航, to be launched globally), “Merge Kingdoms” (《小兵大作戰》, to be launched in Southeast Asia, the Hong Kong SAR, the Macao SAR and the Taiwan region and South Korea), “Stickman GO” (《超元氣火柴人》, to be launched in Southeast Asia), “던전 : 이세계용사” (《榮耀全明星》 South Korea) and “Anh Hung BấtDiệt” (《英雄沒有閃》, to be launched in Vietnam) etc.

In 2025, the Group officially integrated its overseas game business distribution brand to “Game Lovin”, marking a new phase in its globalization journey. Game Lovin represents the founding intention of the “Tan Wan Game” “Get back your playful youth time” and the unchanging love for games. By integrating core resources and professional capabilities of several overseas teams to build a more competitive international operation framework, the Group will further enhance its “global cross-expansion” market development strategy. Driven by dual wheels of innovation

and localized operations, the Group will continuously expand into key markets including Southeast Asia, Japan, South Korea, Europe, America and the Middle East, committed to building a globally influential gaming ecosystem platform.

2.2 “AI+ Games” Empowering the Game Business, Open A New Chapter in The Era of AI

The essence of AI-driven empowerment is to build a data flywheel. With data-driven as the core and AI technology application as the essence, we have built an AI technology foundation for the full life cycle of the game business covering game publishing, game operation, and game research and development.

The Group places high importance on the application and innovation of AI technology in the gaming sector. AI technology has become the core driver of the Group’s gaming application and innovation and a key engine for corporate transformation.

2.2.1 AI Agent Ecosystem Paradigm Shift

The gaming industry is undergoing a paradigm shift from “digital content” to “AI Agent ecosystems”.

During the Reporting Period, the Group upgraded its existing self-developed systems with AI through the integration and application of multiple mainstream large models and AI algorithms. The Group also developed and built multiple comprehensive intelligent agents to achieve the improvement of efficiency and effectiveness.

As of the date of this announcement, the Group has completed the integration of the Seedance 2.0 version, systematically advancing the deep implementation of AI technology across game development, creative design, marketing, and middleware support. This effort has established a comprehensive AI content generation system covering the full chain of “Creativity — Tools — Design — Tracking”.

Intelligence Analytics System — the “Hetu” (河圖) System: The Group’s proprietary business intelligence analytics system, which is capable of efficiently monitoring core data metrics and intelligently analyzing marketing effectiveness. We deeply integrated AI capabilities into the “Hetu” system, building an intelligent data analysis expert intelligent agent.

Intelligent Placement System — the “Luoshu” (洛書) System: It realizes the centralized management of various media platforms, matches customers’ needs with the traffic supply bidding systems of major channels, provides AI-driven omnichannel placement recommendations.

We have built the art intelligent agent and placement intelligent agent on the foundation of the “Luoshu” system. For the first approach, we leverage our extensive historical ad material resources to refine core material tags and optimize the material generation model, delivering end-to-end ad material production capabilities. The AI penetration rate for generating art images, videos, and audio content all exceed 80%, with efficiency improvements surpassing 70%. For the second approach, we utilize AI algorithms to analyze historical data and monitor real-time traffic fluctuations, enabling intelligent monitoring and adjustment of ad tiers. Through an LTV prediction model combined with smart control strategies, we achieve dynamic, cross-channel optimal allocation of advertising budgets, achieving an 80% comprehensive AI ad penetration rate and a 70% increase in ad placement efficiency.

“X intelligent platform” (X智慧平台): An AI model for the game industry independently developed by the Group, which is composed of the Hetu System and the Luoshu System as the underlying technology. It utilizes AI algorithms for big data analysis and provides AI-driven omnichannel placement recommendations.

The Group’s self-developed and established multi-agent system will continuously optimize end-to-end business processes through its AI task planning and intelligent execution engine, achieving a productivity-driven intelligent leap.

2.2.2 The Group’s investments and applications in other AI fields

In May 2025, Hong Kong Yuanda Future Limited (香港遠達未來有限公司) (a wholly-owned subsidiary of the Group dedicated to AI applications and investments), entered into an investment agreement with entities including Hangzhou Kaixing Internet Technology Company Limited (杭州愷興網絡科技有限公司) (a wholly-owned subsidiary of Kingnet Network Co., Ltd. (愷英網絡股份有限公司) (SZSE: 002517)), to jointly invest in Hangzhou Jiyi Artificial Intelligence Technology Company Limited (杭州極逸人工智能科技有限公司) and to promote the application of the “SOON” AI large model and AI engine in the gaming field. By utilizing the technical support of the large model of “SOON”, the Group has achieved cost reduction and efficiency improvement in the release and operation of game products, and promoted the efficiency of the Group’s connection with game developers as well as the efficiency of new game launch testing.

2.3 New Consumption Segment

Through a decade of entrepreneurial journey, the Group has gradually accumulated and developed three core competencies: digital marketing, in-depth operations, and brand development. By organically integrating these capabilities, we have established a distinctive new consumption business model. Our new consumption segment encompasses sales of pop cultural products and fast food empowered by the content we created or marketed.

2.3.1 Pop Toy: Constructing a New Ecology of Life Integration

TANWAN, a pop toy brand under the Group, creates a lifestyle-integrated ecosystem through three pillars: the “Classic IP + Artist IP” system, “Emotional Interactive Design” and “Scenario-based Social Experience”.

TANWAN unveiled its first crystal-themed proprietary IP “Lilia Angel” in 2025.

In September 2025, the Group signed the “GARFIELD Family (加菲貓家族) IP Licensing Agreement”, securing a five-year ‘exclusive license’ to develop and sell non-functional collectible 3D toys, including figurines, blind boxes, sculptures, building blocks, and plush products.

In November 2025, the Group signed a five-year “Artist Work Development Cooperation Agreement”, integrating resources from over 200 collectible art creators to develop, sale, and promote art derivatives. Leveraging its deep expertise in digital entertainment, the Group will fully utilize its professional strengths in product development, sale channels, event planning, and creative promotion to unlock diversified value from artists’ intellectual properties (IPs). Going forward, the Group will explore further collaboration opportunities with artists, gradually expanding partnerships to its own brands and internationally renowned classic IP brands, driving creative diversification of IP products.

2.3.2 Cross-border brand “ZAZA GRAY” (渣渣灰): Steadily Promoting the Business Model of “Game + Agricultural Assistance + New Consumption”

In 2020, the Group launched the fast food brand “ZAZA GRAY” (渣渣灰), pioneering a tripartite business model integrating “Game + Agricultural Assistance + New Consumption”. Jiangxi mixed flour, Xinjiang fried rice noodles and other products under “ZAZA GRAY” brand have achieved leading sales performance in this category of products. The Group’s strong brand appeal among game users has served as an important engine for expanding its instant food business. Through online live streaming and offline supermarket sales, we achieved deep integration between the digital economy and the real economy. Most notably, the “ZAZA GRAY” brand has established a direct-sourcing supply chain with rural revitalization production areas, committed to building a sustainable development model that delivers both economic benefits and social value.

3. Shareholder Return and Refinancing

3.1 Stick to the commitment of shareholder return and continue to buy back to show confidence

The Company has consistently prioritized shareholders' interests as our core mission, dedicated to enhancing corporate value, optimizing capital structure and sharing growth dividends with investors. On May 13, 2025, the Board of the Company duly resolved to exercise the share repurchase mandate, and planned to repurchase shares with an aggregate maximum amount of HK\$300 million within 12 months based on the market conditions and funding arrangement. The Company steadfastly advanced our share repurchase program, demonstrating the management's unwavering confidence in the Company's value and long-term development through concrete actions. During the Reporting Period, and up to the date of this announcement, the Company had repurchased 11,418,000 shares at an average price of approximately HK\$15 per share, representing 2.1% of the total issued share capital, with a total repurchase amount exceeding HK\$170 million.

3.2 International Capital Facilitates Strategic Upgrade of Zero-Coupon Convertible Bond Issuance

To further build future core competitiveness and accelerate the deep integration of technology and business, as of the date of this announcement, the Company has completed the issuance of zero-coupon convertible bonds totaling HKD468 million. These bonds were fully subscribed by the internationally renowned investment management fund LMR Multi-Strategy Master Fund Limited. This successful issuance has introduced top-tier international strategic investors, significantly optimizing the Company's shareholder structure and capital strength. The raised funds will be exclusively allocated to strategic deployment and investments in AI-related industries, providing long-term capital support for the Company's comprehensive acceleration of the "AI+Games" strategy. Additionally, the proceeds from the convertible bond issuance will supplement the Company's existing funding sources, helping to establish a more balanced and efficient capital structure. This will consolidate the Company's financial position, enhance capital efficiency, and support the development of future core competitiveness.

4. Outlook

The Group consistently adheres to the philosophy of high-quality development, deeply delving into the gaming ecosystem and building a diversified IP matrix. Under the global strategic deployment, we will continue to enhance the global distribution system of Five-Step Distribution Strategy, achieving business growth through refined placement, cultural profound adaptation and long-term operational strategies. We will also integrate AI technology to enhance operational efficiency and user stickiness, comprehensively empowering core aspects including game R&D, content production and player services. This will drive intelligent upgrades, creating richer and more personalized experiences for players.

The Group has a diversified pipeline of game products, including: “Soul Land” open-world games like “Soul Land: Legend of Evil Slayer” (《斗羅大陸：誅邪傳說》), “Yulgang” IP games like “Yulgang: Awakening” (《熱血江湖：覺醒》), “Legend” large-scale MMORPG games like “Legend of King 2” (《王者傳奇2》), “Blue Moon Dragon Slayer” (《藍月屠龍》), and “Jin Yong Martial Arts” themed games like “The Smiling Proud Wanderer: The Legend of Heroes” (《笑傲江湖：群俠傳》) and “The Legend of the Condor Heroes: Mount Hua Sword Duel” (《新射鵰之華山論劍》), as well as “Space Hunter: Awakening” (《時空獵人·覺醒》) and “Dreamscape Warrior” (《夢境勇士》). Relevant game products are poised for imminent release and will be launched sequentially in the future, further enriching the Group’s product matrix.

FINANCIAL DISCUSSION AND ANALYSIS

Revenue

Our revenue is generated primarily from (i) marketing and operating online games developed by game developers and other marketing business; and (ii) emerging consumer product business, primarily including sales of our private-label fast foods under the brand “ZAZA GRAY” and Pop Toys.

The following table sets forth a breakdown of our revenue both in absolute amount and as a percentage of our total revenue for the years indicated:

	For the Year Ended December 31			
	2025		2024	
	(RMB'000)	%	(RMB'000)	%
Online Game Publishing Business and Other Marketing Business				
Game products operated under the self-run model	2,766,697	66.5%	4,118,801	73.9%
Game products operated under the joint-run model	1,284,820	30.9%	1,329,845	23.8%
Others	427	0.0%	29,265	0.5%
Subtotal	4,051,944	97.4%	5,477,911	98.2%
Consumer Product Business	106,255	2.6%	102,201	1.8%
Total	4,158,199	100.0%	5,580,112	100.0%

Our Group's revenue for the year ended December 31, 2025 was RMB4,158.2 million, representing a decrease of 25.5% from RMB5,580.1 million in 2024. The decrease in the Group's overall revenue was primarily attributable to lower revenue generated from the game products we marketed and operated under the self-run model. This was primarily due to: (i) the Group's optimization of game publishing and marketing efficiency and strategic shift towards the mini-program game publishing market during the Reporting Period, resulting in reduced overall promotional scale and lower gross billings for certain game titles; and (ii) the decrease in gross billings during the Reporting Period from games launched in 2024, such as "Soul Land: Shrek Academy" (《斗羅大陸:史萊克學院》) and "Beast Lord: The New Land" (《野獸領主:新世界》), as compared to their strong performance in 2024. In addition, revenue generated from the game products we marketed and operated under the joint-run model remained largely stable. During the Reporting Period, the Group focused on its online game publishing business and reduced investments in other marketing businesses, such as online literature products, resulting in a significant decrease in revenue from other marketing businesses. During the Reporting Period, revenue from the Group's consumer product business remained largely stable.

Cost of Sales

In 2025, the Group's cost of sales was RMB1,784.3 million, representing an increase of 14.7% from RMB1,555.8 million in 2024, mainly due to (i) the Group's increased efforts in distributing mini-program games led to higher platform commission costs; and (ii) increased costs associated with new game platform partnerships.

Gross Profit and Gross Profit Margin

In 2025, the Group's total gross profit was RMB2,373.9 million, representing a decrease of 41.0% from RMB4,024.3 million in 2024, primarily due to the decrease in revenue and the increase in cost of sales.

As a result, the Group's gross profit margin for the year ended December 31, 2025 was 57.1% (December 31, 2024: 72.1%).

Other Income and Gains

In 2025, the Group's other income and gains were RMB1,882.3 million, representing a significant increase of 1,055.3% from RMB162.9 million in 2024, primarily due to the increase in fair value gains on financial assets at fair value through profit or loss ("FVTPL") resulting from the increase in the fair value of financial instrument investments held by the Group.

Selling and Distribution Expenses

In 2025, the Group's selling and distribution expenses were RMB1,875.9 million, representing a decrease of 46.7% from RMB3,516.7 million in 2024. This was mainly because (i) AI technology enabled automated generation of promotional materials for game launches and optimized placement model algorithms, resulting in lower marketing expense ratios; (ii) several game product portfolios launched and operated by the Group entered the maturity phase during the Reporting Period, with reduced brand effects lowering customer acquisition costs; and (iii) overall compensation for sales personnel, including share-based incentives, decreased.

Administrative Expenses

In 2025, the Group's administrative expenses were RMB170.4 million, representing a decrease of 11.3% from RMB192.1 million in 2024. This was mainly because the overall compensation related to administrative personnel, including share-based incentives, decreased during the Reporting Period.

R&D Costs

In 2025, the Group's R&D costs were RMB98.3 million, representing a decrease of 23.0% from RMB127.7 million in 2024, mainly due to the decrease in overall compensation related to R&D personnel, including share-based incentives, was recorded during the Reporting Period.

Other Expenses

In 2025, the Group's other expenses were RMB44.4 million, representing a decrease of 58.7% from RMB107.4 million in 2024. The YoY decrease in other expenses was primarily due to: (i) lower impairment losses on fixed assets recognized in 2025 compared to the same period in 2024; (ii) impairment losses on goodwill recognized in the same period in 2024 no longer existed in 2025; and (iii) the change in fair value of shares of other listed companies held by the Group (classified as FVTPL financial assets) turned from a loss in 2024 to a gain in 2025.

Finance Costs

In 2025, the Group's finance costs were RMB14.1 million, representing a decrease of 66.8% from RMB42.5 million in 2024. The decrease was mainly due to (i) a reduction in finance costs on the Group's bills payable, which was in line with the decrease in the Group's bills payable; and (ii) lower finance costs resulting from a decline in interest rates.

Share of Profits and Losses of Joint Ventures

In 2025, the Group recorded share of profits of RMB25.9 million, representing an increase of 137.4% from RMB10.9 million in 2024. This change was mainly due to the increase in profits from our joint venture, Zhejiang Xuwan Technology Co., Ltd (浙江旭玩科技有限公司).

Share of Profits and Losses of Associates

In 2025, the Group recorded share of profits of RMB14.5 million, representing a decrease of 33.8% from RMB21.9 million in 2024. The change was mainly due to the decrease in profits from our associate Shanghai Dehan Technology Co., Ltd. (上海德寒科技有限公司).

Income Tax Expense

In 2025, the Group recorded income tax expense of RMB408.7 million, representing a significant increase of 651.3% from RMB54.4 million in 2024. The increase in income tax expense for the year compared to the previous year was primarily attributable to the Group's substantial profit, driven by factors such as increased fair value gains on FVTPL financial assets and profits from subsidiaries, resulting in a corresponding increase in income tax expenses.

Profit for the Year

For the year ended December 31, 2025, the Group recorded a profit of RMB1,560.2 million (2024: RMB44.0 million). The Group achieved a significant increase in net profit for the Reporting Period, which was mainly attributable to the following factors: (i) a significant increase in fair value gains on financial assets at fair value through profit or loss in relation to shares of other listed company held by the Group; (ii) an increase in revenue from overseas game publishing business with higher operating profit margins; (iii) a decrease in selling and distribution expenses, which was due to (a) the application of AI technology in game distribution operations and optimization of placement model algorithms; (b) the Group was in the process of optimizing and refining reserve game products, which had not been promoted on a large scale; and (c) the decrease in user acquisition costs driven by the brand effect as certain game product portfolios had entered a mature phase. The above factors collectively led to a decrease in selling and distribution expenses, lowering the marketing expense ratios, thereby driving the growth in profits from the game business; however, (iv) they were partially offset by impairment on certain historical game royalty fees.

Trade Receivables

The Group's trade receivables remained relatively stable at RMB237.2 million and RMB221.3 million as of December 31, 2024 and 2025, respectively.

Trade Payables

The Group's trade payables remained relatively stable at RMB475.5 million and RMB451.2 million as of December 31, 2024 and 2025, respectively.

Bills Payable

As of December 31, 2025, the Group's bills payable were RMB1,303.8 million, representing a decrease of 14.8% from RMB1,530.1 million as of December 31, 2024, mainly due to the decrease in supplier settlements made through bank acceptance bills during the Reporting Period.

Liquidity and Capital Resources

As of December 31, 2025, the Group had cash and cash equivalents of RMB376.0 million (December 31, 2024: RMB515.0 million), representing cash and bank balance, net of restricted cash. Cash and cash equivalents were held in RMB, Singapore Dollars, HK dollars, US dollars, Japanese yen and Euro. Going forward, the Group believes that its liquidity requirements will be satisfied by using a combination of cash generated from operating activities, funds raised from the capital markets from time to time and the net proceeds received from the Global Offering.

On January 8, 2026, the Company issued HK\$468,000,000 zero coupon convertible bonds due 2027 under the general mandate. Save as disclosed above, the Group currently does not have any other plans for material additional external financing.

Bank Borrowings

As of December 31, 2025, the Group had interest-bearing bank and other borrowings of RMB34.4 million (December 31, 2024: RMB199.6 million). The Group's interest-bearing bank and other borrowings were discounted bills and bank loans provided by commercial banks to the Group, both of which were fully secured by pledges during the ordinary course of business. The interest-bearing bank and other borrowings were denominated in RMB and bore interests at rates ranging from 1.0% to 2.0% (2024: 1.0% to 2.8%) per annum.

Gearing Ratio

The Group monitored its capital sufficiency using gearing ratio. As of December 31, 2025, the Group's gearing ratio (debt, including interest-bearing bank borrowings and lease liabilities, as a percentage of total equity as of the end of the relevant reporting period) was 0.02 (December 31, 2024: 0.10).

Current Ratio

As of December 31, 2025, the Group's current ratio (total current assets divided by total current liabilities as of the end of the relevant reporting period) was 1.87 (December 31, 2024: 1.28).

Material Acquisitions and Disposals

For the year ended December 31, 2025, the Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures.

Future Plans for Material Investments and Capital Assets

As of December 31, 2025, the Group had no specific plan for material investments and acquisition or disposal of capital assets.

Capital Expenditure

For the year ended December 31, 2025, total capital expenditure amounted to approximately RMB219.5 million (December 31, 2024: RMB50.7 million), which was used for the purchase of properties and equipments and other intangible assets.

Contingent Liabilities

As of December 31, 2025, the Group did not have any material contingent liabilities, guarantees of any litigations or claims of material importance, pending or threatened against any member of the Company.

Foreign Exchange Risk and Hedging

The Group's financial statements were expressed in RMB, but the Group undertook certain transactions in foreign currencies, which exposed the Group to foreign currency risk. The Group currently does not hold any financial instruments for hedging purposes. The Group manages its currency risks by closely monitoring the movement of the foreign currency rates and considers hedging significant foreign currency exposure should the need arise.

Employee, Remuneration and Option Scheme

As of December 31, 2025, the Group had 1,239 employees (December 31, 2024: 912), all of whom were based in China (including the Hong Kong SAR, the Macao SAR and the Taiwan region). The number of employees employed by the Group varies from time to time depending on need, and the remuneration of employees is determined in accordance with industry practice. The total remuneration cost incurred by the Group for the year ended December 31, 2025 was RMB301.6 million (same period in 2024: RMB366.5 million), representing a decrease of 17.7% compared to the same period of 2024.

The Group compensates its employees with salaries, allowances and benefits in kind, equity-settled share payment expenses and pension scheme contributions. The Group determines employees' compensation packages on the basis of work performance and the market standard of remuneration. The Group also makes sufficient provisions for its employees regarding the social insurance and housing provident fund contributions as required by the PRC laws and regulations.

The Group operates a mandatory provident fund scheme (the “**MPF scheme**”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for employees employed under the jurisdiction of the Hong Kong Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and not previously covered by the defined benefit retirement plan. The MPF scheme is a defined contribution retirement plan administered by independent trustees.

The Group has also adopted a pre-IPO share option plan to provide incentives for eligible participants who contribute to the success of the Group’s operations, including among others, employees of the Group. Please refer to the section headed “Statutory and General Information — D. Pre-IPO Share Option Plans” in Appendix IV to the Prospectus for further details.

The Group regularly reviews the remuneration policy and overall remuneration of its employees. For the year ended December 31, 2025, the Group did not experience any material labor disputes or strikes that may have a material and adverse effect on its business, financial condition or results of operations, or any material difficulty in recruiting employees.

Charge on Assets

As of December 31, 2025, the Group had pledged (i) time deposits of RMB1,064.5 million (December 31, 2024: RMB2,176.3 million) and (ii) fixed assets and investment properties with a total carrying amount of RMB52.2 million (December 31, 2024: RMB56.6 million), which had been acting as a security for the discounted bills, bills payable and bank loans made available to the Group.

Change of Company Name

Pursuant to a special resolution passed by the Company’s Shareholders at the extraordinary general meeting held on August 8, 2025 and the Certificate of Incorporation on Change of Name issued by the Registrar of Companies in Cayman Islands, the English name of the Company has been changed from “ZX Inc.” to “Tanwan Inc.”, and the Chinese name “贪玩” has been adopted and registered as the dual foreign name of the Company, replacing its original Chinese name “中旭未来” (“**Change of Company Name**”), both with effect from August 8, 2025. The Hong Kong Registrar of Companies has issued the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company on August 25, 2025, confirming that the Company has changed its name and is now registered in Hong Kong under the name of “Tanwan Inc.贪玩” in accordance with Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

Details of the Change of Company Name are set out in the circular of the Company dated July 21, 2025, the poll results announcement of the extraordinary general meeting dated August 8, 2025, and the announcement of the Company dated August 28, 2025.

OTHER INFORMATION

Compliance With The Model Code

The Company has adopted the Model Code as its code of conduct regarding directors' dealing in the Company's securities. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code for the year ended December 31, 2025. The Company's relevant employees, who are likely to be in possession of inside information of the Company, are also subject to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the Company's relevant employees was noted by the Company for the year ended December 31, 2025.

The Company has also established a policy on inside information to comply with its obligations under the SFO and the Listing Rules. In the case when the Company becomes aware of any restricted period for dealings in the Company's securities, the Company will notify its Directors and relevant employees in advance.

Compliance With The Corporate Governance Code In The Appendix C1 Of The Listing Rules (The "Corporate Governance Code")

The Company is committed to maintaining high standards of corporate governance to safeguard the interest of the shareholders of the Company (the "**Shareholders**") and to enhance corporate value and accountability. The Company's corporate governance practices are based on the principles and code provisions set forth in the Corporate Governance Code.

For the year ended December 31, 2025 and up to the announcement date, the Company has complied with the code provisions set out in the Corporate Governance Code except for code provisions as explained below.

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

On June 30, 2025, Ms. LIANG Wenhong has tendered her resignation as the chief executive officer of the Company with effect from July 1, 2025 for her dedication to handling other business of the Group and Mr. WU Xubo ("**Mr. WU**") has been re-appointed as the chief executive officer with effect from July 1, 2025. The roles of chairman of the Board and chief executive officer of the Company are currently performed by Mr. WU. In view of Mr. WU's substantial contribution to the Group since its establishment and his extensive experience, the Company considers that having Mr. WU acting as both the chairman of the Board and chief executive officer will provide strong and consistent leadership to the Group and facilitate the efficient execution of the Group's business strategies. The Directors believe

that it is appropriate and beneficial to the Group's business development and prospects that Mr. WU continues to act as both the chairman of the Board and chief executive officer of the Company, and therefore currently do not propose to separate the functions of chairman and chief executive officer.

The Board believes that this structure will not impair the balance of power and authority between the Board and the management of the Company, given that: (i) there are sufficient checks and balances in the Board, as a decision to be made by the Board requires approval by at least a majority of the Directors, and the Board comprises three independent nonexecutive Directors, which is in compliance with the requirement under the Listing Rules; (ii) Mr. WU and the other Directors are aware of and undertake to fulfill their fiduciary duties as Directors, which require, among other things, that he acts for the benefit and in the best interests of the Company and will make decisions for the Group accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high calibre individuals who meet regularly to discuss issues affecting the operations of the Company. Moreover, the overall strategic and other key business, financial, and operational policies of the Group are made collectively after thorough discussion at both Board and senior management levels. The Board will continue to review the effectiveness of the corporate governance structure of the Group in order to assess whether separation of the roles of chairman of the Board and chief executive officer is necessary.

In response to the amendments to the Corporate Governance Code effective July 1, 2025, the Board has approved changes to the terms of reference for the nomination committee. For details, see the Terms of Reference of the Nomination Committee of the Company dated June 30, 2025.

In addition, the Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code, and maintain a high standard of corporate governance practices.

Purchase, Sale or Redemption of Listed Securities

On June 21, 2024, the Board has been granted a general mandate to repurchase Shares in the open market of not exceeding 10% of the total number of the issued Shares (excluding treasury shares) as of June 21, 2024, and on June 19, 2025, the Board has been granted general mandate to repurchase Shares in the open market of not exceeding 10% of the total number of the issued Shares (excluding treasury shares) as of June 19, 2025.

During the Reporting Period, and up to the date of this announcement, the Company has repurchased 11,418,000 Shares on the Stock Exchange at an aggregate consideration of HK172.5 million (excluding brokerage and other fees), of which 11,418,000 Shares are held as treasury Shares. Subject to applicable Listing Rules, the Company may cancel such treasury Shares or make alternative plans depending on market conditions and capital management needs. Details of the Shares repurchased are summarized as follows:

Month of repurchase	Total number of Shares repurchased	Repurchase price per Share		Aggregate consideration (excluding brokerage and other Fees)
		Highest <i>HK\$</i>	Lowest <i>HK\$</i>	<i>HK\$ million</i>
May 2025	1,041,400	10.20	9.65	10.2
June 2025	1,145,000	15.20	10.12	15.1
August 2025	664,200	15.40	14.80	10.0
September 2025	3,435,200	15.70	14.62	52.0
October 2025	2,171,000	15.08	12.78	30.4
November 2025	504,000	15.63	14.36	7.6
February 2026	2,457,200	20.84	16.89	47.2

Saved as disclosed above, neither the Company nor any member of the Group has purchased, sold or redeemed any of the listed securities of the Company (including the sale of treasury shares) for the year ended December 31, 2025, and up to this announcement. As of December 31, 2025, the Company held 8,960,800 treasury shares (2024: nil).

Final Dividend

The Board did not recommend the distribution of an final dividend for the year ended December 31, 2025 (2024: nil).

Convertible Bonds

On January 8, 2026, the Company completed the issue of the HK\$468,000,000 zero coupon convertible bonds due 2027 (the “**Convertible Bonds**”) to LMR Multi-Strategy Fund Limited, an independent third party. The initial conversion price is HK\$23.50 per Share (subject to adjustments). The net proceeds from the issue of the Convertible Bonds (after deduction of issue fees and expenses) are approximately HK\$458.6 million. The Convertible Bonds was listed on the Vienna MTF operated by the Vienna Stock Exchange with the first trading day being January 22, 2026. The Group intends to apply all of the net proceeds towards AI-related business investments and equity investments with regard to AI industries. Among others, 50% of the net proceeds will be allocated for AI-related business, including but not limited to the development of AI infrastructure, upgrades to AI technology, and the recruitment of AI-related talents. The remaining 50% of the net proceeds will be directed towards acquiring shares in listed AI-related companies, aimed at achieving strategic synergies and fostering technological collaboration, subject to market conditions. The Convertible Bonds were secured by an assignment by the Company to the trustee by way of security of certain accounts, and charges in favor of the trustee by way of first mortgage, first fixed charge and first floating charge of certain securities and accounts. For details of the security assets, please refer to the announcement of the Company in relation to the proposed issue of the Convertible Bonds dated December 18, 2026 and the completion announcement dated January 8, 2026. As of the date of this announcement, no Shares were issued from the conversion of the Convertible Bonds and no proceeds have been used by the Company.

Events after the End of the Reporting Period

Save as disclosed in this announcement, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to December 31, 2025 and up to the date of this announcement.

Audit Committee

The Company has established the audit committee (the “**Audit Committee**”) under the Board with written terms of reference in compliance with Rule 3.21 of the Listing Rules as well as paragraph D.3 of part 2 of the Corporate Governance Code. The Audit Committee consists of three independent non-executive Directors, namely, Ms. ZHENG Yi, Ms. SONG Siyun and Mr. QIN Yongde. The chairlady of the Audit Committee is Ms. ZHENG Yi, who has the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The Audit Committee has considered and reviewed the accounting principles and practices adopted by the Company and the Group and discussed matters in relation to internal control, risk management and financial reporting with the management, including the review of the annual results of the Group for the year ended December 31, 2025. The Audit Committee considers that the final financial results 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 the Auditor

The figures in respect of this announcement for the Group's consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position, and the related notes thereon ended December 31, 2025 have been compared by the Company's external auditor, Ernst & Young ("EY"), to the amounts set out in the Group's consolidated financial statements for the year ended December 31, 2025 and the amounts were found to be in agreement. The work performed by EY in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently, no assurance has been expressed by EY in this announcement.

Annual General Meeting

The forthcoming annual general meeting of the Company (the "AGM") will be held on June 17, 2026. A circular (including notice convening the AGM) and all other relevant documents will be published and dispatched (if so requested by Shareholder(s)) to the Shareholders in the manner required by the Listing Rules in due course.

Closure of Register of Members

The registers of members of the Company will be closed from June 12 to June 17, 2026, both days inclusive, in order to determine the eligibility of the Shareholders to attend and vote at AGM to be held on June 17, 2026. During this period, no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all properly completed transfers documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on June 11, 2026. The record date for determining shareholders' eligibility to attend and vote at the AGM is June 17, 2026.

Publication of 2025 Annual Results and Annual Report

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.tanwan.cn). The annual report for the year ended December 31, 2025 containing all applicable information required by the Listing Rules will be dispatched (if so requested by Shareholder(s)) to the Shareholders and published on the above websites in April 2026.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2025

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
REVENUE	5	4,158,199	5,580,112
Cost of sales		(1,784,343)	(1,555,769)
Gross profit		2,373,856	4,024,343
Other income and gains	5	1,882,323	162,926
Selling and distribution expenses		(1,875,940)	(3,516,685)
Administrative expenses		(170,372)	(192,111)
Research and development costs		(98,312)	(127,733)
Impairment losses on financial assets, net		(124,523)	(135,303)
Other expenses		(44,366)	(107,352)
Finance costs		(14,115)	(42,468)
Share of profits and losses of:			
Joint ventures		25,905	10,911
Associates		14,481	21,887
PROFIT BEFORE TAX	6	1,968,937	98,415
Income tax expense	7	(408,702)	(54,396)
PROFIT FOR THE YEAR		<u>1,560,235</u>	<u>44,019</u>

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
OTHER COMPREHENSIVE INCOME/(LOSS)			
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent years:			
Share of other comprehensive income/(loss) of associate		<u>397,906</u>	<u>(1,254)</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX		<u>397,906</u>	<u>(1,254)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,958,141</u>	<u>42,765</u>
Profit/(loss) attributable to:			
Owners of the parent		1,486,509	(3,624)
Non-controlling interests		<u>73,726</u>	<u>47,643</u>
		<u>1,560,235</u>	<u>44,019</u>
Total comprehensive income/(loss) attributable to:			
Owners of the parent		1,884,415	(4,878)
Non-controlling interests		<u>73,726</u>	<u>47,643</u>
		<u>1,958,141</u>	<u>42,765</u>
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic (<i>RMB</i>)	9	2.83	(—*)
Diluted (<i>RMB</i>)	9	2.79	(—*)

* *Less than 0.01*

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

31 December 2025

		As at 31 December 2025	As at 31 December 2024
	<i>Notes</i>	RMB'000	RMB'000
NON-CURRENT ASSETS			
Property and equipment		246,174	80,016
Investment properties		80,010	74,055
Right-of-use assets		210,118	221,205
Other intangible assets		18,045	11,119
Investments in joint ventures		318,146	274,247
Investments in associates		579,318	175,293
Deferred tax assets		—	117,523
Prepayments, other receivables and other assets		8,471	8,172
Pledged deposits		636,965	560,770
Time deposits		82,831	77,022
		<hr/>	<hr/>
Total non-current assets		2,180,078	1,599,422
CURRENT ASSETS			
Inventories		713	2,858
Trade receivables	<i>10</i>	221,278	237,194
Prepayments, other receivables and other assets		928,171	776,501
Amounts due from related parties		113,126	38,243
Financial assets at fair value through profit or loss	<i>11</i>	2,892,876	430,534
Pledged deposits		427,581	1,615,554
Restricted cash		605	33,983
Time deposits		242,003	314,422
Cash and cash equivalents		375,952	514,963
		<hr/>	<hr/>
Total current assets		5,202,305	3,964,252

		As at 31 December 2025	As at 31 December 2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
CURRENT LIABILITIES			
Trade payables	12	451,209	475,530
Bills payable	13	1,303,815	1,530,095
Other payables and accruals		484,530	419,766
Interest-bearing bank borrowings		34,369	199,568
Lease liabilities		15,378	4,736
Tax payable		485,663	471,448
Total current liabilities		<u>2,774,964</u>	<u>3,101,143</u>
NET CURRENT ASSETS		<u>2,427,341</u>	<u>863,109</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>4,607,419</u></u>	<u><u>2,462,531</u></u>
NON-CURRENT LIABILITIES			
Lease liabilities		52,796	39,466
Deferred tax liability		269,398	—
Total non-current liabilities		<u>322,194</u>	<u>39,466</u>
Net assets		<u><u>4,285,225</u></u>	<u><u>2,423,065</u></u>
EQUITY			
Equity attributable to owners of the parent			
Share capital		77	77
Treasury shares		(114,804)	(1)
Reserves		4,300,593	2,398,458
		4,185,866	2,398,534
Non-controlling interests		<u>99,359</u>	<u>24,531</u>
Total equity		<u><u>4,285,225</u></u>	<u><u>2,423,065</u></u>

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

31 December 2025

1. CORPORATE AND GROUP INFORMATION

The Company was incorporated in the Cayman Islands on 18 March 2021 as an exempted company with limited liability under the Companies Law, Chapter 22 of the Cayman Islands. The registered address of the office of the Company is 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands.

During the year, the Group was principally engaged in providing product marketing and operation services for online games in the People's Republic of China (hereafter, the "PRC").

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for wealth management products and equity investments which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendments")</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The nature and the impact of the revised HKFRSs are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

4. OPERATING SEGMENT INFORMATION

HKFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to segments and to assess their performance. The information reported to the directors of the Company, who are the chief operating decision-makers, for the purpose of resource allocation and assessment of performance, does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

(a) Revenue from external customers

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Chinese mainland	3,325,124	4,956,685
Hong Kong	831,826	615,487
Others	1,249	7,940
	<u>4,158,199</u>	<u>5,580,112</u>
Total revenue	<u>4,158,199</u>	<u>5,580,112</u>

(b) Non-current assets

As at 31 December 2025 and 2024, substantially all of the non-current assets of the Group were located in Chinese mainland.

Information about major customers

Revenue from customers which amounted to more than 10% of the Group's revenue during the years ended 31 December 2025 and 2024 is set out below:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Customer A	1,549,173	1,241,242
Customer B	676,002	1,517,737

5. REVENUE, OTHER INCOME AND GAINS

Revenue from contracts with customers

Disaggregated revenue information

	2025	2024
	RMB'000	RMB'000
Types of goods or services		
Game marketing and operation — Self-run model	2,766,697	4,118,801
Game marketing and operation — Joint-run model	1,284,820	1,329,845
Other marketing services	427	29,265
Sales of products	106,255	102,201
	<hr/>	<hr/>
Total	4,158,199	5,580,112
	<hr/> <hr/>	<hr/> <hr/>
Timing of revenue recognition		
Services transferred over time	459,310	423,896
Services transferred at a point in time	3,592,634	5,054,015
Goods transferred at a point in time	106,255	102,201
	<hr/>	<hr/>
Total	4,158,199	5,580,112
	<hr/> <hr/>	<hr/> <hr/>
Geographical markets		
Chinese mainland	3,325,124	4,956,685
Hong Kong	831,826	615,487
Others	1,249	7,940
	<hr/>	<hr/>
Total	4,158,199	5,580,112
	<hr/> <hr/>	<hr/> <hr/>

An analysis of other income and gains is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Other income		
Bank interest income	68,628	115,841
VAT additional deduction and refunds	6,296	1,584
Investment property rental income	2,386	2,106
Government grants — related to income*	1,000	6,947
Others	936	574
Investment income from financial assets at fair value through profit or loss	<u>—</u>	<u>5,165</u>
	<u>79,246</u>	<u>132,217</u>
Gains		
Fair value gain on financial assets at fair value through profit or loss	1,803,077	—
Foreign exchange gains	—	2,358
Gain on lease modification	<u>—</u>	<u>28,351</u>
	<u>1,803,077</u>	<u>30,709</u>
	<u>1,882,323</u>	<u>162,926</u>

* Various government grants have been received from local government authorities in Chinese mainland. There are no unfulfilled conditions and other contingencies relating to these grants.

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2025	2024
	RMB'000	RMB'000
Costs of services charged by the collaborating distribution platforms under the joint-run model	867,876	1,039,657
Cost of products sold	72,591	68,819
Promotion expenses	1,721,020	3,335,096
Employee benefit expense: (including directors' and chief executive's remuneration)		
Wages and salaries	271,468	236,880
Equity-settled-based payment expenses	18,635	116,886
Pension scheme contributions* (defined contribution scheme)	11,525	12,779
	301,628	366,545
Auditor's remuneration	6,500	6,500
Depreciation of property and equipment	13,082	15,556
Depreciation of right-of-use assets	39,836	43,047
Depreciation of investment properties	2,911	2,331
Amortisation of other intangible assets**	3,978	5,154
Lease payments not included in the measurement of lease liabilities	176	—
Loss/(gain) on lease modification	1,238	(28,351)
Foreign exchange differences, net	7,730	(2,358)
Impairment of an investment in an associate***	—	972
Impairment of trade receivables, net	860	(827)
Impairment of financial assets included in other receivables	121,403	136,105
Impairment of property and equipment***	—	32,798
Impairment of investment property***	13,239	5,155
Impairment of goodwill***	—	27,917

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Fair value (Gain)/loss on financial assets at fair value through profit or loss	(1,803,077)	13,263
Loss/(gain) on disposal of financial assets at fair value through profit or loss	14,158	(5,165)
Loss on disposal of subsidiaries	1,295	—
Loss on disposal of items of property and equipment, net	<u>730</u>	<u>19,615</u>

* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

** The amortisation of other intangible assets is included in costs of sales and administrative expenses in the consolidated statement of profit or loss and other comprehensive income.

*** The impairment of investment in an associate, property and equipment, investment property and goodwill are included in other expenses in the consolidated statement of profit or loss and other comprehensive income.

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Company and its subsidiaries are not subject to any income tax in the Cayman Islands and the British Virgin Islands.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

Taxes on profits assessable in Chinese mainland have been calculated at the prevailing tax rates, based on existing legislation, interpretations and practices in respect thereof. Pursuant to the PRC Corporate Income Tax Law (the “**PRC Tax Law**”) effective on 1 January 2008, the PRC corporate income tax rate of the Group’s subsidiaries operating in Chinese mainland during the reporting period was 25% of their taxable profits.

Jiangxi Tanwan Information Technology Co., Ltd. (“**Jiangxi Tanwan**”) was accredited as a high and new technology enterprise (“**HNTE**”) in October, 2024, and the certificate is valid for three years. In 2025, it enjoy the preferential tax rate of 15% in 2025.

Guangzhou Zhongxu Future Technology Co., Ltd. (“**TANWAN WFOE**”) was accredited as a “software enterprise” in 2021 under relevant PRC laws and regulations. Accordingly, TANWAN WFOE is exempt from Corporate Income Tax (“**CIT**”) for 2021 and 2022, followed by a 50% reduction in the applicable tax rates from 2023 to 2025.

The Group falls within the scope of the Global Anti-Base Erosion (GloBE) Model Rules (the “**Pillar Two Model Rules**”). The Group is temporarily exempt from recognizing and disclosing information about deferred tax assets or liabilities arising from the implementation of the Pillar Two Model Rules and will be accounted for the Pillar Two income tax as current tax when incurred. In 2025, certain jurisdictions where the Group operates have enacted Pillar Two legislation, i.e. Hong Kong, Singapore, Japan and Qatar. Based on currently available information, the Group has assessed the potential Pillar Two income tax exposure related to the financial performance for the current year, the results of which may not fully reflect the actual situation in the future. According to the assessment, the Group has identified potential Pillar Two income tax exposure and made a provision of RMB4,824,000 for the Pillar Two top-up tax in the jurisdiction where, due to certain tax incentives, the Pillar Two effective tax rate is below 15%. Given that more countries are expected to enact Pillar Two legislation, the Group will continue to monitor the legislative developments in the jurisdictions where it operates to assess their potential impact on the financial statements in the future.

The following table sets forth a breakdown of the income tax expense for the year indicated:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current — Chinese mainland	16,957	62,607
Pillar Two income tax — current tax	4,824	—
Deferred	386,921	(8,211)
Total	<u>408,702</u>	<u>54,396</u>

8. DIVIDENDS

The Board does not recommend the payment of a final dividend to the ordinary equity holders of the Company for the year ended 31 December 2025 (2024: Nil).

9. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 533,155,134 (2024: 521,434,940) outstanding during the year, as adjusted to reflect the rights issue during the year.

The calculation of the diluted earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2025	2024
Earnings		
Profit/(Loss) attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation (<i>RMB'000</i>)	1,486,509	(3,624)
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	524,745,782	521,434,940
Effect of dilution — weighted average number of ordinary shares	<u>8,409,352</u>	<u>—</u>
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<u><u>533,155,134</u></u>	<u><u>521,434,940</u></u>

10. TRADE RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	225,626	240,682
Impairment	(4,348)	(3,488)
	<hr/>	<hr/>
Net carrying amount	<u>221,278</u>	<u>237,194</u>

The Group's trade receivables mainly represent amounts receivable from third-party collaborated distribution platforms and online retail platforms. The credit period for collaborated distribution platforms is generally 30 to 180 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by the Group's management. In view of the aforementioned and the fact that the Group's trade receivables principally relate to diversified application distribution platforms, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivables balances. Trade receivables are non-interest-bearing.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current portion		
Financial instruments	2,892,876	430,534
	<hr/>	<hr/>
	<u>2,892,876</u>	<u>430,534</u>

The above financial instrument were classified as financial assets at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.

As at 31 December 2025, the Group's financial instrument amounting to RMB2,892,876,000 were unpledged. As at 31 December 2024, the Group's financial instrument amounting to RMB430,534,000 were unpledged.

12. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the transaction dates, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 year	342,476	417,121
1 to 2 years	89,449	47,759
2 to 3 years	8,745	9,071
Over 3 years	10,539	1,579
	<u>451,209</u>	<u>475,530</u>

The trade payables are non-interest-bearing and are normally settled on 1-year terms.

Included in the trade payable amounts of RMB429,760,000 (2024: RMB457,931,000) were payables to game developers as at 31 December 2025.

13. BILLS PAYABLE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bills payable	1,303,815	1,530,095
	<u>1,303,815</u>	<u>1,530,095</u>

The bills payable are due for payment within 1 year and the Group bears finance costs at rates of 1.00% to 1.72% p.a. for the extended maturity date of 6 months.

Included in bills payable amounts of RMB601,331,000 and RMB443,714,000 were payables to game developers as at 31 December 2025 and 31 December 2024.

Included in bills payable amounts of RMB702,484,000 and RMB1,086,381,000 were payables for marketing and promotion services as at 31 December 2025 and 31 December 2024.

The time deposits, buildings and investment properties in total of RMB1,116,726,000 were pledged for bills payable as at 31 December 2025. The time deposits, buildings and investment properties in total of RMB2,032,736,000 were pledged for bills payable as at 31 December 2024.

APPRECIATION

The Board would like to take this opportunity to express its gratitude to the management and staff of the Group for their commitment and contribution during the Reporting Period. The Board would also like to express its appreciation to the long-term support from the Shareholders and customers.

By order of the Board
Tanwan Inc.
Mr. WU Xubo
Chairman of the Board and Executive Director

Guangzhou, the PRC, March 27, 2026

As at the date of this announcement, the Board comprises Mr. WU Xubo and Ms. WU Xuan as executive Directors; and Ms. SONG Siyun, Mr. QIN Yongde and Ms. ZHENG Yi as independent non-executive Directors.