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**ZG Group**  
**找钢网集团**

*(formerly known as 找钢产业互联集团)*

*(A company controlled through weighted voting rights,*

*incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as ZGW)*

**(Stock Code: 6676)**

**(Warrant Code: 2572)**

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

The board (the “**Board**”) of directors (the “**Directors**”) of ZG Group (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce its audited consolidated financial results for the year ended December 31, 2025 (the “**Reporting Period**”). A summary of the financial highlights of the Company is set out below.

In this announcement, “we”, “us” and “our” refer to the Company and where the context otherwise requires, the Group.

**FINANCIAL HIGHLIGHTS**

**Condensed Profit Loss Statement**

	<b>For the Year Ended December 31,</b>		
	<b>2025</b>	<b>2024</b>	<b>Year-on-year</b>
	<b>RMB</b>	<b>RMB</b>	<b>Change</b>
			<b>%</b>
	<i>(in thousands, except percentages)</i>		
Revenue	<b>2,120,302</b>	1,551,043	36.7
Gross Profit	<b>379,074</b>	426,189	-11.1
Loss before tax	<b>(587,700)</b>	(67,014)	777.0
Loss for the year	<b>(591,687)</b>	(68,667)	761.7

## Condensed Balance Sheet

As of December 31,

	2025	2024	Year-on-year Change
	RMB	RMB	%
	<i>(in thousands, except percentages)</i>		
Total current assets	<b>10,111,986</b>	9,577,651	5.6
Total non-current assets	<b>616,799</b>	470,901	31.0
Total assets	<b>10,728,785</b>	10,048,552	6.8
Total liabilities	<b>10,133,434</b>	16,554,957	-38.8
Total Equity (Deficit)	<b>595,351</b>	(6,506,405)	N/A
Total liabilities and equity	<b>10,728,785</b>	10,048,552	6.8

### Non-IFRS Financial Measures

To supplement our consolidated financial statements which are presented in accordance with IFRS, we also use non-IFRS measures, namely adjusted net loss (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) as additional financial measures, which are not required by or presented in accordance with IFRS. We believe that such non-IFRS measures facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items, and provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as it helps our management. However, our presentation of such non-IFRS measures may not be comparable to similarly titled measures presented by other companies. The use of such non-IFRS measures has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

We define adjusted net loss (non-IFRS measure) as loss for the year from continuing operations adjusted by adding back fair value change of convertible preferred shares and warrants, share-based payment expenses, De-SPAC Transaction expenses and professional fees and expenses related to De-SPAC Transaction (as defined under the “Business Review and Outlook” section). The convertible preferred shares and warrants automatically convert into ordinary shares upon the satisfaction of certain conditions, and no further loss or gain on fair value changes is expected to be recognized afterwards. In addition, share-based payment expenses are non-cash in nature and do not result in cash outflow, and the adjustments have been consistently made during the Reporting Period. We also exclude professional fees, expenses related to De-SPAC Transaction and De-SPAC Transaction expenses. We define adjusted EBITDA (non-IFRS measure) as adjusted net loss (non-IFRS measure) for the year adjusted by adding back income tax expense, finance costs, interest on bank deposit related to borrowings and depreciation and amortization.

<b>For the Year Ended December 31,</b>	
<b>2025</b>	<b>2024</b>
<i>(RMB in thousands)</i>	

<b>Loss for the year</b>	<b>(591,687)</b>	(68,667)
Fair value change of convertible preferred shares and warrants	<b>143,404</b>	(5,253)
Equity-settled share-based payments	<b>(94,697)</b>	–
De-SPAC Transaction expenses	<b>(373,590)</b>	–
Professional fees and expenses related to De-SPAC Transaction	<b>(44,671)</b>	(9,697)
<b>Adjusted net loss (non-IFRS measure)</b>	<b>(222,133)</b>	(53,717)
Income tax expenses	<b>(3,987)</b>	(1,653)
Finance costs	<b>(24,049)</b>	(39,994)
Interest on bank deposit related to borrowings	<b>432</b>	976
Depreciation and amortization	<b>(19,377)</b>	(20,175)
<b>Adjusted EBITDA (non-IFRS measure)</b>	<b>(175,152)</b>	7,129

Included in the adjusted net loss (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) of RMB222.1 million and loss of RMB175.2 million in 2025 (2024: RMB53.7 million and RMB7.1 million), respectively, an amount of RMB86.8 million, represents the expected credit loss recognized in relation to other receivables (2024: expected credit loss of RMB59.0 million), and a gain of RMB2.6 million (2024: loss of RMB0.9 million) from fair value changes of financial assets measured at fair value through profit or loss, and an amount of loss of RMB0 million (2024: loss of RMB7.3 million) from other gains and losses including loss on disposal of interests in associates, impairment loss on investments in associates and loss on disposal of subsidiaries which are not directly related to the Group's daily operation.

Management believes that excluding these items, which are not incurred during the Group's normal core business activities, provides a clearer reflection of the Group's underlying operating performance and better illustrates the results of its normal core business operations.

For illustrative purposes only, after excluding these amounts, the adjusted net loss (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) would have been RMB138.0 million and loss of RMB91.0 million in 2025, respectively, compared to adjusted net income (non-IFRS measure) of RMB13.5 million, and adjusted EBITDA (non-IFRS measure) of RMB74.3 million in 2024, respectively.

## **BUSINESS REVIEW AND OUTLOOK**

### **OVERVIEW**

Aquila Acquisition Corporation (“**Aquila**”), a special purpose acquisition company focused on technology-enabled businesses in Asia, completed a transformative De-SPAC transaction with ZG Group (formerly Zhaogang.com Inc.), upon completion of the De-SPAC transaction on March 10, 2025, now known as the Company. This business combination was effected through a series of agreements, including the Business Combination Agreement, under which Aquila merged with a wholly-owned subsidiary of ZG Group, resulting in Aquila becoming a wholly-owned subsidiary of the Company. The transaction also included private investment in public equities totalling HK\$535.8 million (the “**PIPE Investments**”) from eight investors, a bonus share issue to incentivize Aquila shareholders, and a promoter earn-out right granting additional shares to Aquila’s promoters upon meeting certain conditions. Valued at HK\$10.0 billion, the De-SPAC transaction enabled the Company’s listing on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), marking the culmination of Aquila’s mission to partner with a leading player in the new economy sector – ZG Group, one of China’s largest digital platform for third-party steel transactions (the “**De-SPAC Transaction**”).

Upon completion of the De-SPAC Transaction, Aquila shareholders and PIPE investors became shareholders of the Company, which now operates as a listed entity on the Stock Exchange, advancing its mission to revolutionize the steel transaction industry through technology and innovation. This results announcement cover the Company’s first full financial year as a publicly listed entity, reflecting the continued momentum following the successful completion of the De-SPAC Transaction and ongoing strategic initiatives in its growth journey. The year 2025 continued to be a year of sustained progress and business development for the Group by leveraging its listed platform.

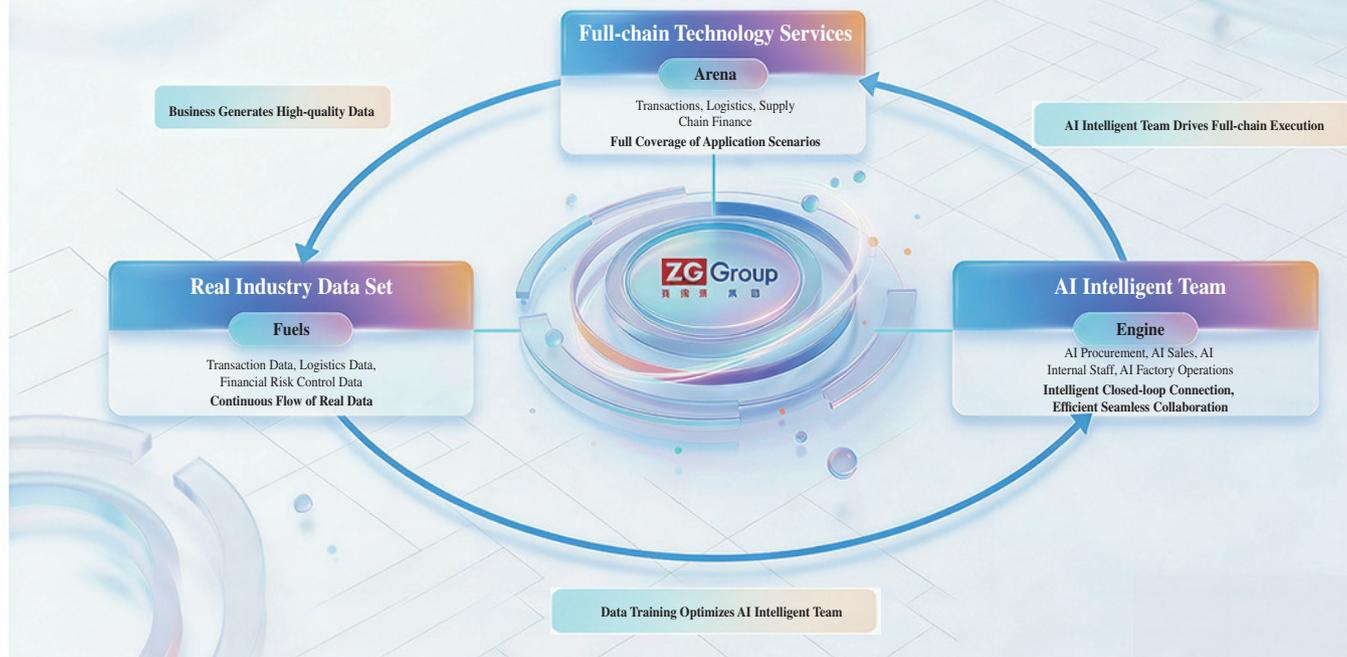
### **REVIEW AND OUTLOOK**

In 2025, ZG Group’s domestic foundation steadily recovered, while its AI-driven and international businesses experienced rapid development, with revenue and gross profit contributions from new businesses rising significantly.

Against the backdrop of the flourishing AI era, the Company undertook a comprehensive upgrade of its strategy and positioning. ZG Group is a technology services company built upon authentic industrial transaction data, with AI Agents as the execution core, dedicated to achieving a complete closed loop from data insights to transaction execution. We are committed to providing customers in the industrial and construction sectors across China, Southeast Asia and the Middle East with integrated services such as intelligent transactions and smart logistics, while also engaging in supply chain fintech services through equity participation, continuously enhancing industrial efficiency through AI.

The Company has built datasets covering transactions, logistics and credit data based on hundreds of millions of conversational records and millions of structured order records generated annually. Leveraging these datasets, the Company has developed a full set of AI Agent ecosystem encompassing transactions and services, assisting in the delivery of high-quality integrated offerings such as intelligent transactions, smart logistics and supply chain fintech services. The full-chain services generate more high-quality data, which in turn creates a recurring growth flywheel.

## AI-Driven Full-Chain Technology Service Platform: “Three-in-One” Evolutionary Closed-Loop Self-Reinforcing Flywheel



In the AI domain, the Company established the Intelligent Transaction Business Group and the AI Application Laboratory. Through AI Agents, the Company expanded its product categories to electronic components, industrial electrical products and shaped steel and pipes products. As a result, AI-driven GMV surged by 464.1% to RMB1.7 billion, while AI revenue and AI gross profit grew by 217.5% and 202.8% year-on-year, reaching RMB334.6 million and RMB22.7 million, respectively. AI revenue accounted for 15.8% of total revenue, and AI gross profit represented 6% of total gross profit. In addition, the Company plans to sell AI Agents to ecosystem partners, thereby establishing an Agent-to-Agent transaction and service system, reshaping business processes through AI.

In globalization, the Company established a subsidiary in Saudi Arabia and plans to set up a company in Egypt. International business revenue increased by 71.5% year-on-year, while gross profit rose by 93.9%. International revenue accounted for 48.0% of total revenue, and international gross profit represented 21.3% of total gross profit. The Company expanded its business scope from transactions to processing and MRO products, with its processing plant scheduled to commence production in 2026. At present, the Group's international business supplies large volumes of steel and MRO products to computing center projects, and the Company plans to establish a computing infrastructure team to further expand into AI infrastructure-related products such as power distribution, transformers, industrial control, cooling systems, and wires and cables.

During the year, the Company achieved revenue of RMB2.1 billion, representing a year-on-year increase of 36.7%, and gross profit of RMB379.1 million, representing a year-on-year decrease of 11.1%, while operating cash flow remained positive. In the fourth quarter, the Company's fintech business resumed through equity participation, and logistics tonnage also rose rapidly. Steel transaction volume for the quarter reached 13.6 million tons, representing a year-on-year increase of 35.9%, and the Company achieved monthly profitability on its management accounts. For the full year, the Company recorded a loss of RMB591.7 million. The increase of loss was primarily due to non-operating and non-cash expenses arising from the De-SPAC listing and share-based payments.

## **I. Breakthrough Development in AI Business with Scaled Gross Profit Contribution**

### ***(1) Data + Scenarios Form ZG Group's Core AI Moat***

Tracing the path of ZG Group's AI deployment, the early bottleneck restricting intelligent development lay in the difficulty of privatizing massive volumes of upstream and downstream interaction data, which prevented the formation of a high-quality data system to support the growth of intelligent agents. To address this, the Group has spent six years of continuous effort consolidating the foundation of AI transformation from three major directions: first, by establishing a joint venture with Tencent and entering into a strategic cooperation with WeCom, thereby creating a full-enterprise private domain environment and resolving the challenge of information not being retained; second, by implementing a procurement-sales separation reform to streamline information flows and lay the groundwork for standardized data; and third, by launching products such as AI transaction assistant and AI procurement assistant to build data bridges, serving as an important prelude to the Group's AI deployment.

On the solid foundation built over six years, the Group has now fully integrated AI technology into its entire business process. With "data + scenarios + ecosystem" as its core pillars, the Group has not only constructed high-quality industrial datasets but also innovated new AI transaction cooperation models, achieving significant growth in AI revenue and gross profit.

At the data level, the Group has deeply collaborated with WeCom to build a productive service system covering inquiry, transaction, logistics, warehousing, processing and finance. This has gradually formed a "digital mirror" reflecting the real operating mechanisms of industrial product transactions, and on this basis, the Group has accumulated industrial-grade digital assets with high reuse value. During the Reporting Period, the Company engaged third-party intermediary institutions to carry out digital asset capitalization for its core digital assets, including the self-developed AI Agent, logistics intelligent tracking APP, and automated transaction data analysis system etc.. As a result, the Group recognized digital assets amounting to over RMB7.28 million. At the scenario application level, ZG Group has independently developed 12 digital employees covering transactions, fulfillment and internal collaboration, embedding AI capabilities in the form of AI Agents deeply into the WeCom ecosystem. This enables seamless integration of AI with business scenarios without altering users' existing transaction habits. At the ecosystem level, ZG Group has established deep strategic cooperation with leading internet companies such as Tencent, building AI Agents that connect instant messaging (IM) platforms, thereby creating a new generation transaction and service system. In the future, the Company will serve as a core supplier of Tencent, assisting Tencent in upgrading WeCom into an industry-level AI operating system gateway.

### ***(2) AI Generated Scaled Gross Profit Contribution***

With the empowerment of AI, the platform's transaction categories further expanded into industrial electrical products (PLC, low-voltage electrical equipment, CNC tools), electronic components (chip connectors) and shaped steel and pipes. At the same time, we innovatively introduced a new AI Agent cooperation model for new categories — charging fees based on transaction matching effectiveness. This model not only aligns with the essence of B2B transactions but also enables the AI business to form a stable commercial closed loop. As of December 31, 2025, AI-related revenue accounted for 15.8% of the Group's total revenue, while gross profit accounted for 6%, with revenue generated from AI Agent transaction matching being the core component.

Meanwhile, AI-empowered transactions drove significant growth in ZG Industrial Products. By the end of 2025, ZG Industrial Products connected with 2,625 downstream customers, had 720 suppliers, covered 5,043 SKUs, and completed 53,876 orders, representing a year-on-year increase of 102%.

	2024 (RMB)	2025 (RMB)	Year-on- year change
	<i>(in millions, except in percentages)</i>		
<b>AI GMV</b>			
ZG Industrial Products	297.8	574.4	
Shaped steel and pipes			
Marketplace	–	1,105.8	
AI Products	–	–	
	<hr/>	<hr/>	
Total	297.8	1,680.2	464.1%
	<hr/> <hr/>	<hr/> <hr/>	
<b>AI Revenue</b>			
ZG Industrial Products	105.4	321.3	
Shaped steel and pipes			
Marketplace	–	13.0	
AI Products	–	0.3	
	<hr/>	<hr/>	
Total	105.4	334.6	217.5%
	<hr/> <hr/>	<hr/> <hr/>	
<b>AI Gross Profit</b>			
ZG Industrial Products	7.5	9.4	
Shaped steel and pipes			
Marketplace	–	13.0	
AI Products	–	0.3	
	<hr/>	<hr/>	
Total	7.5	22.7	202.8%
	<hr/> <hr/>	<hr/> <hr/>	

As the online steel transaction remains the Group's core foundation, AI has significantly enhanced operational efficiency, enabling instant quotations and completing transactions within three minutes, improving middle and back office efficiency by more than 60%, while substantially reducing manual errors and lowering labor costs. As of December 31, 2025, the Company's self-developed SaleMatch transaction engine processed over 16 million messages per day based on AI large models, achieving a parsing accuracy rate of more than 95%, and completed hundreds of millions of intelligent transaction matches. The "AI Procurement Assistant" automatically organizes market dynamics, intelligently monitors inventory price changes, and tracks price trends to assist procurement in smart pricing. It has already connected with nearly 14,000 supplier employees and automatically updated more than 49 million product information records. In sales and after-sales processes, FatCat Cloud's "AI Manager" acts as an enterprise intelligent manager for FatCat Cloud users, arranging AI business assistants to automatically generate, print, and send over 820,000 business documents, thereby improving efficiency. The AI Finance Specialist automates payment collection and disbursement, accelerating cash flow, and has processed nearly 5.5 million collection and payment orders. The AI Risk Control Specialist strictly reviews vehicle qualifications, monitors logistics, and ensures transaction security, having reviewed nearly 140,000 vehicle qualifications and supervised more than 610,000 logistics trajectories. The AI Warehousing Specialist operates 24/7 to accurately complete cargo ownership confirmation and instruction dispatch, having already been deployed in 230 warehouses and automatically processed more than 58,000 receipt confirmations.

### ***(3) Organizational Structure Further Upgraded, Plans to Sell AI Products to Users***

To further unlock the potential of AI, the Group completed an internal organizational restructuring in 2025. We established the Intelligent Transaction Business Group, focusing on the overall planning and implementation of AI transaction-related businesses, integrating business-side resources, and driving the rapid application of AI Agents across product categories to achieve deep integration of AI with business operations. At the same time, within the R&D Center, we set up the AI Application Laboratory to systematically advance the development of intelligent agent capabilities, with a focus on industrial large-model training, AI accuracy optimization and cross-scenario application adaptation, thereby enhancing the Group's core AI technological strength.

The Group has defined a clear future development path for AI, centered on "extending scenarios and enabling openness". Step by step, the Group will expand AI from a single transaction link to the full process covering logistics and payment, and upgrade from inquiry and quotation to conversational information interaction. In addition, the Company will sell AI digital employees to upstream and downstream users, with the AI procurement assistant priced at RMB60,000 per year and AI transaction assistant priced at RMB28,800 per year, commencing official sales on March 18, 2026. This enables AI Agents to evolve from "internal use" to "upstream and downstream empowerment", thereby creating a new Agent-to-Agent transaction process. Looking ahead, we will build a universal B2B full-process AI Agent for the entire industry value chain, further expanding AI revenue scale, improving gross profit levels, and consolidating the Group's leading position in the field of technology service platforms.

## **II. International Business Expanded into Processing and MRO products, Plans to Establish Computing Infrastructure Team**

### ***(1) Rapid Business Growth***

The Group has set the strategic goal of “rebuilding another ZG Group overseas within three years”, continuously empowering the internationalization of Chinese manufacturing through digital innovation capabilities. In 2025, the Group achieved sustained breakthroughs in overseas trade and processing businesses, establishing a comprehensive localized supply chain service system abroad. The Group’s international business transaction volume exceeded 220,000 tons, representing a year-on-year increase of 98.8%. Operating revenue exceeded RMB1.0 billion, representing a year-on-year increase of 71.5%, while gross profit amounted to RMB80.9 million, representing a year-on-year increase of 93.9%.

It is worth noting that the Group has focused on deepening its presence in Southeast Asia and the Middle East markets. In 2025, the Company’s Southeast Asia business experienced explosive growth, with transaction volume increasing by 1,634.4% year-on-year and operating revenue accounting for 63.1% of international revenue, representing a year-on-year increase of 1,562.4%. Among them, the businesses in Thailand and Indonesia showed strong momentum, with transaction volumes increasing by 15,459.7% and 13,184.6% year-on-year, and revenues increasing by 15,932.1% and 9,654.8% year-on-year, respectively. At the same time, the Company successfully expanded into the two core markets of Saudi Arabia and Egypt, with the Saudi subsidiary already officially in operation, serving as an important strategic hub for the Middle East market layout.

### ***(2) Business Model Expanded into Processing and MRO products***

In international trading business, the Group leverages AI Agents to achieve efficient linkage between domestic procurement sourcing and international exports, creating an innovative “Domestic AI + Overseas Services” business model. At present, the Group has successfully supplied voltage transformers to PT Voksel Electric Tbk, a well-known listed company in Indonesia, and future business will further extend into markets such as Malaysia and Thailand. In processing business, by early-to-mid 2026, the Group’s first platform-based processing plant in Dubai Industrial City will commence operations, with an annual production capacity of 400,000 tons upon reaching full output. Looking ahead, our processing plant will deeply integrate transactions, finance, logistics and warehousing, striving to build a “Middle East Steel Super Hub”.

### ***(3) Plans to Establish Computing Infrastructure Team***

Global computing infrastructure construction has entered a new investment cycle, with Southeast Asia gradually becoming an important region for global data center investment. Areas such as Johor in Malaysia, the Eastern Economic Corridor in Thailand, and Greater Jakarta in Indonesia are forming regional-scale, ultra-large computing infrastructure clusters.

During the Reporting Period, leveraging its localized business presence in Thailand, Indonesia and Malaysia, the Group participated in data center projects covering approximately 1GW-scale computing infrastructure parks, with total infrastructure investment estimated to exceed USD10 billion. In cooperation with general contractors, the Group participated in and provided services for 13 representative data center projects in Southeast Asia, including GDS Data Center (萬國數據控股有限公司), PDG DATA CENTER PROJECT (Princeton Digital Group), DAMAC DIGITAL JKT 02 PROJECT (阿聯酋達馬克集團), GALAXY PEAK Data center project (Galaxy Peak Data Center Co., Ltd.), Z DATA GP3 PROJECT (ZDATA Technologies Co., Ltd.), MY07 (Bridge Data Centres (Malaysia) Sdn. Bhd.), MY02 (Bridge Data Centres (Malaysia) Sdn. Bhd.), MY03 (Bridge Data Centres (Malaysia) Sdn. Bhd.) etc.

With continued growth in computing infrastructure investment in Southeast Asia, the Group plans to establish a computing infrastructure team, leveraging its digital industrial supply chain platform capabilities, overseas localized service system and engineering client resources. The team will focus on selling equipment such as power distribution systems, transformers, industrial control systems, cooling systems, and wires and cables, driving computing infrastructure-related business to become an important growth direction of the Group's international operations.

### **III. Significant Enhancement in Value-Added Service Capabilities Driving Recovery in Core Transaction Volume**

#### ***(1) Significant Enhancement in Value-Added Service Capabilities***

In fintech, the Group advanced its business smoothly through equity participation. Leveraging the strong business advantages accumulated in terminal distribution by state-owned enterprises, the Group partnered with Chongqing Fumin Bank to launch the “Daolerong” (到樂融) industrial chain finance project. The Daolerong project aims to address the funding needs of material distribution for construction projects undertaken by central and state-owned enterprises through supply chain financial services. Under a non-recourse factoring model, the bank pays suppliers on behalf of customers, thereby optimizing cash flow. Daolerong fills a market gap by introducing innovative financial tools tailored to specific business scenarios, significantly enhancing the stability and competitiveness of the terminal distribution supply chain of central and state-owned enterprises. While providing financial services to customers, the project also increases procurement volume on the Group's platform, leveraging the Group's industry expertise and logistics trajectory verification value to achieve a win-win outcome. In December 2025, Daolerong was selected by Financial Times as part of the “2025 China Financial Institutions Golden Dragon Award List – Five Major Financial Articles” case studies. As of December 31, 2025, outstanding loan balances reached RMB1.6 billion, with cumulative transactions amounting to RMB2.2 billion.

In logistics business, 2025 marked a breakthrough as more users and suppliers recognized the value of the Company's logistics network and value-added services. Logistics revenue exceeded RMB480 million, representing a year-on-year increase of 19.2% compared with 2024, while gross profit approached RMB29.5 million. Logistics tonnage approached 8 million tons, representing a year-on-year increase of 15%. As of December 31, 2025, the platform had partnerships with 1,884 carriers and more than 241,000 trucks, respectively. In terms of business structure and focus, in 2025 the Group promoted the alliance model, with the FatCat Alliance achieving coverage in 100 cities in the fourth quarter, signing 190 franchisees, and completing 440,000 tons of shipments, representing a doubling of tonnage quarter-on-quarter. In December 2025, external business accounted for 52% of total logistics operations. In cooperation models, the Group actively expanded into the aftermarket and non-steel transaction businesses. By December 2025, total business volume approached 1 million tons. In the future, FatCat Logistics plans to launch an AI-powered intelligent capacity pool covering 95% of major routes nationwide, enabling automatic matching, automatic scheduling, automatic accounting, automatic monitoring and automatic forecasting, thereby creating a "super brain" for the logistics industry.

**(2) *Trading Business Recovered with Year-on-Year Growth in Q4, Operating Cash Flow Remained Positive***

As of December 31, 2025, the Group's registered corporate users in steel trading exceeded 199,000, covering more than 684,000 SKUs. For the full year 2025, transaction volume reached 45.6 million tons, representing a decline of 11.3%, primarily due to the short-term impact of business adjustments. With the enhancement of value-added service capabilities and the significant strengthening of AI capabilities, transaction volume returned to growth in the fourth quarter, exceeding 13.6 million tons, representing year-on-year growth of over 35%. For the full year, the average commission per ton for small and medium-sized customers increased from RMB5.6 in the same period of 2024 to RMB5.9 (excluding one-off impacts). In addition, the KA business within transaction services has become more focused on industrial material end-users, now covering 80 industries including power generation, energy storage, chemicals, automobiles, home appliances, machinery and technology manufacturing. The gross profit of the KA business is significantly higher than that of SME customers, making it a key development focus for transaction services going forward.

In terms of cash flow, the Group continued to maintain resilient and stable cash flow, further optimizing the capital turnover cycle of upstream suppliers and downstream customers. In 2025, operating cash flow reached RMB681 million, representing year-on-year growth of more than 60%.

**IV. Scale Efficiency and AI-Driven Internal Application Enhancing Operational Efficiency**

As the Company's scale effects continue to be released, synergies have become increasingly evident. Benefiting from breakthroughs in cost reduction and efficiency improvement in 2025, the Group's investment in AI large models directly and significantly enhanced per capita output. While further optimizing upstream and downstream transaction linkages, this also drove clear operating leverage effects across the three major expense categories. Excluding the impact of share-based payment expenses, the ratios of administrative expenses, selling expenses and R&D expenses to revenue were 4.9%, 15.9% and 1.9%, respectively (compared with 5.0%, 18.9% and 3.1% in the same period of 2024). The Group's capital structure remained solid, with finance expenses achieving a substantial decline of more than 39%. In the fourth quarter of 2025, average gross profit per sales employee exceeded RMB112,000, representing an increase of nearly 15% compared with RMB98,000 in the fourth quarter of 2024. Looking ahead, the ratio of expenses to revenue is expected to further decline as the Group's AI strategy continues to be deeply implemented at the corporate level.

## MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the key operating data of the Group for the years indicated.

	<b>For the Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Total GMV (RMB in millions)</b>	<b>151,507.4</b>	188,012.5
GMV for steel products (RMB in millions) <sup>(1)</sup>	<b>150,778.9</b>	187,604.1
GMV for non-steel products (RMB in millions)	<b>728.5</b>	408.4
<b>Total Transaction Volume (ton in thousands)</b>	<b>45,585.3</b>	51,417.7
<b>Transaction Services</b>		
Online third-party transaction volume (ton in thousands)	<b>45,362.8</b>	50,298.8
GMV for online third-party transaction (RMB in millions)	<b>150,423.6</b>	183,696.5
Average commission fee per ton charged on SMB solution (RMB) <sup>(2)</sup>	<b>5.1</b>	5.6
Average commission fee per ton charged on key accounts (RMB) <sup>(3)</sup>	<b>47.9</b>	180.9
<b>Transaction Support Services</b>		
Transaction volume supported by logistics services (ton in thousands)	<b>7,979.6</b>	6,936.6
<b>Overseas Transaction Business</b>		
Transaction volume (ton in thousands)	<b>222.5</b>	111.9

Notes:

- (1) The change in GMV for steel products is directly related to fluctuations in steel prices.
- (2) The average commission fee per ton charged on SMB solution was RMB5.9 after excluding one-off impacts in 2025.
- (3) The decrease in the commission fee per ton charged on key accounts in 2025 resulted from the strategic repositioning of target segments from building materials to industrial materials. Meanwhile, the total revenue from key accounts increased by 4.8% from RMB31.5 million for 2024 to RMB33.0 million for 2025.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The following table sets forth selected items from the condensed consolidated statement of profit or loss of the Group for the years indicated.

	For the Year Ended December 31,		
	2025	2024	Year-on-year Change
	RMB	RMB	%
	<i>(in thousands, except percentages)</i>		
Revenue	2,120,302	1,551,043	36.7
Cost of revenue	(1,741,228)	(1,124,854)	54.8
Gross profit	379,074	426,189	-11.1
Other income	27,256	50,420	-45.9
Other gains and losses	(9,802)	(7,807)	25.6
Selling and distribution expenses	(351,863)	(293,383)	19.9
Administrative expenses	(178,543)	(77,127)	131.5
Research and development expenses	(43,781)	(48,121)	-9.0
Professional fees and expenses related to De-SPAC Transaction	(44,671)	(9,697)	360.7
De-SPAC Transaction expenses arising from capital reorganization	(373,590)	–	N/A
Finance costs	(24,049)	(39,994)	-39.9
Impairment losses under expected credit loss ("ECL") model, net of reversal	(111,553)	(57,874)	92.8
Fair value changes of financial assets at fair value through profit or loss ("FVTPL")	2,590	(881)	N/A
Fair value changes of financial liabilities at FVTPL	144,971	(8,004)	N/A
Share of results of associates and a joint venture	(3,739)	(735)	408.7
Loss before tax	(587,700)	(67,014)	777.0
Income tax expense	(3,987)	(1,653)	141.2
<b>Loss for the year</b>	<b>(591,687)</b>	<b>(68,667)</b>	<b>761.7</b>
<b>Other comprehensive (expense) income</b> <i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations	3,400	340	900.0
<b>Other comprehensive (expense) income for the year, net of income tax</b>	<b>3,400</b>	<b>340</b>	<b>900.0</b>

	<b>For the Year Ended December 31,</b>		
	<b>2025</b>	<b>2024</b>	<b>Year-on-year Change</b>
	<b>RMB</b>	<b>RMB</b>	<b>%</b>
	<i>(in thousands, except percentages)</i>		
<b>Total comprehensive expense for the year</b>	<b>(588,287)</b>	(68,327)	761.0
Loss for the year attributable to:			
Owners of the Company	<b>(592,523)</b>	(69,002)	758.7
Non-controlling interests	<b>836</b>	335	149.6
	<b>(591,687)</b>	(68,667)	761.7
Total comprehensive expense attributable to:			
Owners of the Company	<b>(589,123)</b>	(68,662)	758.0
Non-controlling interests	<b>836</b>	335	149.6
	<b>(588,287)</b>	(68,327)	761.0
<b>Loss per share</b>			
– Basic (RMB)	<b>(0.65)</b>	(0.29)	124.1
– Diluted (RMB)	<b>(0.65)</b>	(0.29)	124.1

## REVENUE

Total revenue increased by 36.7% from approximately RMB1,551.0 million for 2024 to approximately RMB2,120.3 million for 2025, mainly due to increases in revenue from overseas transaction business and non-steel transaction business.

The following table sets forth a breakdown of revenue by business segment for the years indicated.

	<b>For the Year Ended December 31,</b>			
	<b>2025</b>		<b>2024</b>	
	<b>RMB</b>	<b>(%)</b>	<b>RMB</b>	<b>(%)</b>
	<i>(in thousands, except percentages)</i>			
Transaction Services	<b>262,756</b>	<b>12.4</b>	313,160	20.1
Transaction Support Services	<b>489,617</b>	<b>23.1</b>	432,103	27.9
Technology Subscription Services	<b>28,966</b>	<b>1.4</b>	28,296	1.8
Overseas Transaction Business	<b>1,017,444</b>	<b>48.0</b>	593,308	38.3
Non-steel Transaction Business	<b>321,519</b>	<b>15.2</b>	184,176	11.9
<b>Total</b>	<b>2,120,302</b>	<b>100.0</b>	1,551,043	100.0

## Transaction Services

Revenue generated from transaction services primarily consists of income from steel transactions on our digital platform, where we sell steel products to buyers through our digital platform and charge commissions from sellers on a per-ton basis. We do not obtain ownership of the steel products sold through our platform. In accordance with IFRS 15, we act as an agent because the specified goods remain under the control of the sellers before they are transferred to the buyers. Revenue related to commissions is reported on a net basis and recognized when the relevant transaction is completed (i.e., when the right to receive the commission becomes unconditional).

Revenue generated from transaction services decreased by 16.1% from RMB313.2 million for 2024, to RMB262.8 million for 2025 mainly due to (i) the decrease in our overall steel transaction volume, and (ii) our cessation of FatCat Bai Tiao and FatCat Easy Procurement and related systems by August 2024.

## Transaction Support Services

The following table sets forth a breakdown of our transaction support services revenue by nature for the years indicated.

	For the Year Ended December 31,			
	2025		2024	
	RMB	(%)	RMB	(%)
	<i>(in thousands, except percentages)</i>			
<b>Logistics, warehousing and processing services</b>	<b>489,617</b>	<b>100.0</b>	412,916	95.6
Platform users	<b>430,799</b>	<b>88.0</b>	400,729	92.8
Non-platform users	<b>58,818</b>	<b>12.0</b>	12,187	2.8
<b>Transaction settlement services</b>	–	–	19,187	4.4
<b>Total</b>	<b>489,617</b>	<b>100.0</b>	<b>432,103</b>	<b>100.0</b>

## Logistics, Warehousing and Processing Services

We coordinate logistics, warehousing, and processing for buyers who choose to use our services by engaging and matching suitable carriers for the delivery of steel products, and relevant warehousing and processing service providers for warehousing and steel product processing. Through this, we earn the fee difference between the fees charged to buyers on a per-ton basis and payments to partnered third-party service providers. Service income is recognized over the service period when the services are performed.

Revenue generated from transaction support services increased by 13.3% from RMB432.1 million for 2024, to RMB489.6 million for 2025, mainly due to the rise in logistics transportation volume.

## Technology Subscription Services

We provide a range of digital solutions through our digital platform to facilitate user transaction services, including our SaaS products, data analytics, and other value-added services such as advertising services. Revenue generated from technology subscription services is recognized over the service period during which the services are provided. We have assessed that the stage of completion is determined based on the proportion of the total service period that has elapsed as of the end of the Reporting Period, as this is an appropriate method to measure progress towards complete satisfaction of these performance obligations in accordance with IFRS 15, because buyers simultaneously receive and consume the services we provide during the service period.

Revenue generated from technology subscription services increased by 2.4% from RMB28.3 million for 2024, to RMB29.0 million for 2025, mainly due to the increase in sales volume of our SaaS products.

## Overseas Transaction Business

The following table sets forth a breakdown of revenue generated from our overseas transaction business by geographical location for the years indicated.

	For the Year Ended December 31,			
	2025		2024	
	RMB	(%)	RMB	(%)
	<i>(in thousands, except percentages)</i>			
Southeast Asia	642,013	63.1	38,619	6.5
Middle East	359,516	35.3	415,183	70.0
East Asia	15,915	1.6	139,506	23.5
<b>Total</b>	<b>1,017,444</b>	<b>100.0</b>	<b>593,308</b>	<b>100.0</b>

During the Reporting Period, we operated in overseas markets through a project direct supply model. In accordance with IFRS 15, we primarily act as a principal under the project direct supply model because we obtain control over the specified goods before they are transferred to the buyers. Revenue generated from overseas transaction business is primarily reported on a gross basis and recognized when signed receipt documents are received from buyers and the goods are received by buyers at the premises specified in the contract (i.e., when buyers obtain control over the goods and we fulfill our performance obligations).

Revenue generated from overseas transaction business increased by 71.5% from RMB593.3 million for 2024, to RMB1,017.4 million for 2025, mainly due to our deepening of international business layout, leveraging the development opportunities of the Belt and Road Initiative, coupled with strong infrastructure demand in Middle East and Southeast Asian countries. To this end, we invested more resources in developing overseas transaction business, resulting in increased transaction volumes in regions such as Thailand, Indonesia, and Malaysia. Meanwhile, our platform-based processing plant in Dubai industrial city will commence operations, with an annual production capacity of 400,000 tons upon reaching full output.

## Non-steel Transaction Business

We actively develop diversified business lines across industry sectors, mainly including electrical and electronic products, non-ferrous metals, and wires and cables.

Revenue generated from non-steel transaction business increased by 74.6% from RMB184.2 million for 2024, to RMB321.5 million for 2025, mainly due to the continued expansion of our non-steel transaction business.

## COST OF REVENUE

Our cost of revenue primarily consists of (i) logistics, warehousing, and processing costs; (ii) product procurement costs, representing steel product procurement costs for overseas transaction sales and other procurement costs of non-steel products; (iii) stamp duty and extra charges; and (iv) service fees.

The table below sets forth a breakdown of our cost of revenue by nature and as a percentage of total cost of revenue for the years indicated.

	For the Year Ended December 31,			
	2025		2024	
	RMB	(%)	RMB	(%)
	<i>(in thousands, except percentages)</i>			
<b>Cost of revenue</b>				
Product procurement costs	1,248,338	71.7	725,437	64.5
Logistics, warehousing and processing costs	459,526	26.4	377,525	33.6
Stamp duty and extra charges	31,361	1.8	19,621	1.7
Service fees	2,003	0.1	2,271	0.2
<b>Total</b>	<b>1,741,228</b>	<b>100.0</b>	<b>1,124,854</b>	<b>100.0</b>

Our cost of revenue was RMB1,741.2 million for 2025, a 54.8% increase from RMB1,124.9 million for 2024, in line with our revenue growth. Our product procurement costs were RMB1,248.3 million for 2025, a 72.1% increase from RMB725.4 million for 2024, primarily due to the expansion of overseas transaction business and non-steel transaction business. Meanwhile, our logistics, warehousing and processing costs increased by 21.7% from RMB377.5 million in 2024 to RMB459.5 million in 2025, in line with the growth trend of our logistics revenue.

## GROSS PROFIT AND GROSS PROFIT MARGIN

The table below sets forth a breakdown of our gross profit and gross profit margin by business segments for the years indicated:

	<b>For the Year Ended December 31,</b>			
	<b>2025</b>		<b>2024</b>	
	<b>RMB</b>	<b>(%)</b>	<b>RMB</b>	<b>(%)</b>
	<i>(in thousands, except percentages)</i>			
<b>Gross profit and gross profit margin</b>				
Transaction services	231,871	88.2	294,246	94.0
Transaction support services	29,890	6.1	53,963	12.5
Technology subscription services	26,926	93.0	26,008	91.9
Overseas transaction business	80,879	7.9	41,716	7.0
Non-steel transaction business	9,508	3.0	10,256	5.6
<b>Total</b>	<b>379,074</b>	<b>17.9</b>	<b>426,189</b>	<b>27.5</b>

Our gross profit was RMB379.1 million for 2025, a 11.1% decrease from RMB426.2 million for 2024, primarily due to (i) the decrease in our overall steel transaction volume, and (ii) our cessation of FatCat Bai Tiao and FatCat Easy Procurement and related systems by August 2024. Our overall gross profit margin decreased from 27.5% for 2024 to 17.9% for 2025, primarily due to higher proportion of lower-margin international transaction services and non-steel transaction business.

### Transaction Services

Our gross profit from transaction services was RMB231.9 million for 2025, a 21.2% decrease from RMB294.2 million for 2024, primarily due to the overall decline in steel transaction tonnage. The gross profit margin decreased from 94.0% for 2024 to 88.2% for 2025, primarily due to the increase in stamp duty and additional expenses.

### Transaction Support Services

Our gross profit from transaction support services was RMB29.9 million for 2025, a 44.6% decrease from RMB54.0 million for 2024, primarily due to our cessation of FatCat Bai Tiao and FatCat Easy Procurement and related systems by August 2024. Due to the termination of high-margin businesses such as FatCat Bai Tiao and FatCat Easy Procurement, the gross profit margin also decreased accordingly, from 12.5% for 2024 to 6.1% for 2025.

### Technology Subscription Services

Our gross profit from technology subscription services was RMB26.9 million for 2025, a 3.5% increase from RMB26.0 million for 2024, primarily due to the increase in sales volume of our SaaS products. The gross profit margin was 93.0% for 2025, compared to 91.9% for 2024, remaining relatively stable.

## Overseas Transaction Business

Our gross profit from overseas transaction business was RMB80.9 million for 2025, representing a substantial increase of 93.9% from RMB41.7 million for 2024, in line with increased revenue from our overseas transaction business. Due to deep cultivation of business and continuous improvement in management efficiency, the gross profit margin of overseas transaction business also increased accordingly, from 7.0% for 2024 to 7.9% for 2025.

## Non-steel Transaction Business

Our gross profit from the non-steel transaction business was RMB9.5 million for 2025, a 7.3% decrease from RMB10.3 million for 2024. The gross profit margin decreased from 5.6% for 2024 to 3.0% for 2025, primarily due to changes in the non-steel transaction structure.

## OTHER INCOME

Other income primarily consists of (i) interest on bank deposits; and (ii) government grants, which represent incentives provided by local government authorities in the PRC, including various forms of government financial incentives and preferential tax treatments, to reward our support and contribution to local economic development.

The table below sets forth a breakdown of our other incomes for the years indicated.

	For the Year Ended December 31,	
	2025	2024
	<i>(RMB in thousands)</i>	
Interest on bank deposits	21,311	9,883
Government grants	5,945	40,537
<b>Total</b>	<b>27,256</b>	<b>50,420</b>

Our other income was RMB27.3 million for 2025, a 45.9% decrease from RMB50.4 million for 2024, primarily due to the decrease in government grants received by us, and partially offset by increase in interest on bank deposits.

## OTHER GAINS AND LOSSES, NET

Other gains and losses primarily consist of (i) loss on disposal of interests in associates; (ii) fair value changes of derivative financial instruments, related to our holding of derivative futures contracts and foreign exchange forward contracts priced at market value, with resulting gains or losses recognized in profit or loss; (iii) impairment loss on investments in associates; and (iv) net foreign exchange losses.

The table below sets forth a breakdown of our other gains and losses for the years indicated:

	<b>For the Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
	<i>(RMB in thousands)</i>	
Loss on disposal of interests in associates	–	(7,324)
Loss on fair value changes of derivative financial instruments	<b>(2,271)</b>	(1,139)
Gain on disposal of property and equipment and intangible assets	<b>354</b>	475
Loss on disposal of interests in joint ventures	<b>(139)</b>	–
Net foreign exchange gains (losses)	<b>(10,153)</b>	(1,890)
Others	<b>2,407</b>	2,071
<b>Total</b>	<b><u>(9,802)</u></b>	<b><u>(7,807)</u></b>

Our net other losses were RMB9.8 million for 2025, a 25.6% increase from RMB7.8 million for 2024, primarily due to the increase in foreign exchange losses of RMB8.3 million.

#### **FAIR VALUE CHANGES OF FINANCIAL LIABILITIES AT FVTPL**

Fair value changes of financial liabilities at FVTPL include (i) fair value changes of listed warrants liabilities; (ii) fair value changes of promoter warrant liabilities; (iii) fair value changes of promoter earn-out right liabilities; (iv) fair value changes of convertible preferred share liabilities; and (v) fair value changes of redeemable preferred share liabilities. Our fair value changes of financial liabilities at FVTPL increased from a loss of RMB8.0 million for 2024 to a gain of RMB145.0 million for 2025, primarily due to share price fluctuations after listing.

#### **SELLING AND DISTRIBUTION EXPENSES**

Our selling and distribution expenses were RMB351.9 million for 2025, a 19.9% increase from RMB293.4 million for 2024; excluding equity-settled share-based payments, selling and distribution expenses were RMB336.3 million for 2025 (2024: nil), primarily attributable to business expansion leading to an increase in employee benefit expenses related to sales personnel.

#### **ADMINISTRATIVE EXPENSES**

Our administrative expenses were RMB178.5 million for 2025, a 131.5% increase from RMB77.1 million for 2024; excluding equity-settled share-based payments, administrative expenses were RMB103.7 million for 2025 (2024: nil), primarily due to the increase of our listing-related expenses.

#### **RESEARCH AND DEVELOPMENT EXPENSES**

Our research and development expenses were RMB43.8 million for 2025, a 9.0% decrease from RMB48.1 million for 2024; excluding equity-settled share-based payments, research and development expenses were RMB39.5 million for 2025 (2024: nil), primarily due to improved efficiency in research and development activities and completion of major research and development products in the past few years.

## OTHER EXPENSES RELATING TO THE DE-SPAC TRANSACTION

Prior to the completion of the De-SPAC transaction, the then shareholders of Aquila were deemed to have been issued shares and warrants at a fair value exceeding the net asset value acquired by the Company. The difference of RMB373.6 million was recognized as De-SPAC transaction expenses at the time of listing on March 10, 2025.

## FINANCE COSTS

Our finance costs were RMB24.0 million for 2025, a 39.9% decrease from RMB40.0 million for 2024, primarily due to reduced borrowing interest expenses and bank handling fees.

## IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

Our impairment losses under the expected credit loss model, net of reversal, were RMB111.6 million for 2025, a 92.8% increase from RMB57.9 million for 2024, primarily due to the more prudent basis adopted in anticipation of the economic environment.

## INCOME TAX EXPENSE

Our income tax expense was RMB4.0 million for 2025, a 141.2% increase from RMB1.7 million for 2024, primarily due to our development of international business segments, which resulted in higher provision for income tax expenses of international entities.

## LOSS FOR THE YEAR

Our loss for the year was RMB591.7 million for 2025, a 761.7% increase from the loss of RMB68.7 million for 2024, due to the reasons described above.

## CONDENSED CONSOLIDATED BALANCE SHEET

	As of December 31,		
	2025	2024	Year-on-year Change
	RMB	RMB	%
	<i>(in thousands, except percentages)</i>		
<b>Non-current Assets</b>			
Property and equipment	269,013	209,525	28.4
Right-of-use assets	99,307	34,043	191.7
Goodwill	31,954	31,954	0.0
Intangible assets	113,610	110,226	3.1
Interests in associates and joint venture	49,872	34,897	42.9
Financial assets at FVTPL	47,752	42,806	11.6
Prepayments and other receivables	5,291	7,450	-29.0
	<b>616,799</b>	<b>470,901</b>	<b>31.0</b>

**As of December 31,**

	<b>2025</b>	<b>2024</b>	<b>Year-on-year Change</b>
	<b>RMB</b>	<b>RMB</b>	<b>%</b>
	<i>(in thousands, except percentages)</i>		
<b>Current Assets</b>			
Inventories	12,543	20,077	-37.5
Trade receivables, prepayments and other receivables	8,410,492	8,696,367	-3.3
Financial assets at fair value through other comprehensive income (“FVTOCI”)	191,270	114,349	67.3
Restricted cash	1,147,712	506,695	126.5
Cash and cash equivalents	349,969	240,163	45.7
	<b>10,111,986</b>	<b>9,577,651</b>	<b>5.6</b>
<b>Current Liabilities</b>			
Trade, bills and other payables	9,227,221	9,181,814	0.5
Bank and other borrowings	721,004	406,358	77.4
Derivative financial instruments	2,271	–	–
Lease liabilities	10,446	7,990	30.7
Contract liabilities	40,532	67,045	-39.5
Financial liabilities at FVTPL	4,485	6,821,940	-99.9
	<b>10,005,959</b>	<b>16,485,147</b>	<b>-39.3</b>
<b>Net Current Assets/(Liabilities)</b>	<b>106,027</b>	<b>(6,907,496)</b>	<b>N/A</b>
<b>Total Assets Less Current Liabilities</b>	<b>722,826</b>	<b>(6,436,595)</b>	<b>N/A</b>
<b>Capital and Reserves</b>			
Share capital	377	71	431.0
Reserves	551,151	(6,549,463)	N/A
Equity attributable to owners of the Company	551,528	(6,549,392)	N/A
Non-controlling interests	43,823	42,987	1.9
<b>Total Equity (Deficit)</b>	<b>595,351</b>	<b>(6,506,405)</b>	<b>N/A</b>

**As of December 31,**

	<b>2025</b>	<b>2024</b>	<b>Year-on-year Change</b>
	<b>RMB</b>	<b>RMB</b>	<b>%</b>
	<i>(in thousands, except percentages)</i>		
<b>Non-Current Liabilities</b>			
Financial liabilities at FVTPL	26,192	27,759	-5.6
Contract liabilities	8,580	10,956	-21.7
Lease liabilities	69,270	7,112	874.0
Deferred tax liabilities	23,433	23,983	-2.3
	<b>127,475</b>	<b>69,810</b>	<b>82.6</b>
Net Assets (Liabilities)	<b>595,351</b>	<b>(6,506,405)</b>	<b>N/A</b>

**Goodwill**

Our goodwill arose from the change in control from a joint venture to a subsidiary (referring to our acquisition of the voting rights and subsequent control over Shanghai Tengcai Technology in March 2021). As of December 31, 2025 and December 31, 2024, the carrying amount of goodwill was RMB32.0 million and RMB32.0 million, respectively, with no indication of impairment.

**Trade Receivables, Prepayments and Other Receivables**

The following table sets forth the components of our trade receivables, prepayments and other receivables as of the dates indicated:

	<b>As of December 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB</b>	<b>RMB</b>
	<i>(in thousands, except percentages)</i>	
<b>Trade receivables</b>	<b>667,832</b>	298,683
– Transaction services	<b>185,635</b>	76,973
– Transaction support services	<b>34,202</b>	6,675
– Technology subscription services	<b>460</b>	1,200
– Overseas transaction business	<b>439,022</b>	213,229
– Non-steel transaction business	<b>8,513</b>	606
Less: allowance for credit losses	<b>(29,990)</b>	(25,198)
Sub-total	<b>637,842</b>	273,485

As of December 31,	
2025	2024
RMB	RMB

*(in thousands, except percentages)*

<b>Prepayment to sellers in relation to transaction services and transaction support services</b>	<b>7,624,641</b>	8,251,935
Prepayment to sellers in relation to overseas transaction business	29,810	54,261
Interest receivable	8,524	3,529
Prepaid expenses	25,227	27,736
Amounts due from related parties	–	23,340
Refundable deposits to sellers	7,658	8,801
Deferred issue cost	–	3,019
Others	98,927	73,651
Sub-total	7,794,787	8,446,272
Less: allowance for credit losses	(16,846)	(15,940)
Sub-total	7,777,941	8,430,332
<b>Total</b>	<b>8,415,783</b>	<b>8,703,817</b>

In terms of transaction services, we charge sellers a commission and buyers a service fee. As we typically collect advances from buyers and disburse prepayments to sellers on a back-to-back basis, we recognize the advances from buyers and the prepayments to sellers.

Our trade receivables, prepayments and other receivables were RMB8,415.8 million as of December 31, 2025, a 3.3% decrease from RMB8,703.8 million as of December 31, 2024, mainly due to the decrease in prepayments to sellers relating to our transaction services, which was driven by lower outstanding balances of trading volume and a decline in average steel prices as of December 31, 2025. The decrease in trading volume was primarily attributable to our cessation of FatCat Bai Tiao and FatCat Easy Procurement by August 2024.

### Restricted Cash

The following table sets forth the components of our restricted cash as of the dates indicated:

As of December 31,	
2025	2024
RMB	RMB

*(in thousands, except percentages)*

Margin deposits to secure open derivatives	–	2,297
Deposits for bank borrowing and bills payable	1,146,601	470,280
Others	1,111	34,118
<b>Total</b>	<b>1,147,712</b>	<b>506,695</b>

Our restricted cash primarily includes margin deposits to secure open derivatives, deposits for bank borrowing and bills payable, and others. Others mainly refers to deposits associated with derivative futures contracts that we periodically enter into, as well as deposits restricted by banks due to certain business disputes.

### Trade, Bills and Other Payables

The following table sets forth the components of our trade, bills and other payables as of the dates indicated.

	<b>As of December 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB</b>	<b>RMB</b>
	<i>(in thousands, except percentages)</i>	
<b>Trade payables</b>	<b>344,725</b>	145,174
– Transaction services	<b>295,854</b>	78,601
– Transaction support services	<b>29,254</b>	27,557
– Overseas transaction business	<b>12,005</b>	38,710
– Technology subscription services	<b>2,442</b>	11
– Non-steel transaction business	<b>5,170</b>	295
Bills payable	<b>1,287,115</b>	438,800
Advances received from buyers in relation to transaction services and translation support services	<b>7,498,750</b>	8,516,647
Interest payable	<b>456</b>	361
Salary and bonus payables	<b>45,052</b>	38,381
Stamp duty payable	<b>7,519</b>	17,553
Other taxes payable	<b>22,884</b>	3,937
Accrued expenses	<b>9,064</b>	2,235
Accrued professional fees and expenses related to De-SPAC Transaction	<b>1,343</b>	8,482
Accrued issue costs	<b>679</b>	352
Others	<b>9,634</b>	9,892
<b>Total</b>	<b>9,227,221</b>	9,181,814

Our trade, bills and other payables increased from RMB9,181.8 million as of December 31, 2024 to RMB9,227.2 million as of December 31, 2025, representing only a 0.5% change, indicating a stable trend.

## Bank and Other Borrowings

The following table sets forth our bank and other borrowings as of the dates indicated:

	As of December 31,	
	2025	2024
	RMB	RMB
	<i>(in thousands, except percentages)</i>	
Bank borrowings	710,844	399,978
Other borrowings	10,160	6,380
<b>Total</b>	<b>721,004</b>	<b>406,358</b>

As of December 31, 2025 and December 31, 2024, our bank and other borrowings were RMB721.0 million and RMB406.4 million, respectively, all of which were fixed-rate borrowings. Bank borrowings include bills discounted to banks but not derecognized, amounting to RMB129.3 million. The remaining balance of other borrowings arose from factoring trade receivables to non-bank financial institutions with full recourse.

The Company further confirms that during the Reporting Period, we did not encounter any difficulties in obtaining bank loans and other borrowings, had no defaults on bank loans and other borrowings, no breaches of covenants, and no significant changes in our debts.

## Financial Liabilities at FVTPL

The following table sets forth the breakdown of our financial liabilities at FVTPL as of the dates indicated:

	As of December 31,	
	2025	2024
	RMB	RMB
	<i>(in thousands, except percentages)</i>	
<b>Current Liabilities</b>		
Convertible preferred shares	–	6,821,940
Listed warrants	1,001	–
Promoter warrants	1,299	–
Promoter earn-out rights	2,185	–
<b>Non-current Liabilities</b>		
Redeemable preferred shares	26,192	27,759
<b>Total</b>	<b>30,677</b>	<b>6,849,699</b>

Our financial liabilities at FVTPL are the convertible preferred shares, warrants, and redeemable preferred shares issued to investors. The fair value of convertible preferred shares, warrants, and redeemable preferred shares is affected by changes in our equity value and various parameters and input data.

## LIQUIDITY AND CAPITAL RESOURCES

We primarily funded our cash requirements through proceeds from business operations, bank borrowings, other debt financing, and shareholder equity contributions. Our cash position increased from RMB746.9 million as of December 31, 2024 to RMB1,497.7 million as of December 31, 2025. The cash position includes cash and cash equivalents, wealth management investments and restricted cash.

### Condensed Consolidated Statement of Cash Flows

The following table sets forth our cash flows for the years indicated:

	<b>For the Year Ended</b>	
	<b>December 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB</b>	<b>RMB</b>
	<b>(in thousands, except percentages)</b>	
Net cash generated from operating activities	<b>680,707</b>	419,945
Net cash used in investing activities	<b>(1,634,482)</b>	(600,366)
Net cash generated from financing activities	<b>1,064,021</b>	102,979
<b>Net increase (decrease) in cash and cash equivalents</b>	<b><u>110,246</u></b>	<b><u>(77,442)</u></b>
Cash and cash equivalents at beginning of the year	<b>240,163</b>	310,904
Effect of foreign exchange rate changes	<b>(440)</b>	6,701
<b>Cash and cash equivalents at end of the year</b>	<b><u>349,969</u></b>	<b><u>240,163</u></b>

### *Operating Activities*

For 2025, our net cash generated from operating activities was RMB680.7 million. This was primarily due to (i) increase in working capital, mainly including: (a) decrease in trade receivables prepayments and other receivables of RMB155.8 million, (b) increase in trade, bills and other payables of RMB967.2 million, partially offset by an increase of RMB299.0 million in receivable at FVTOCI; and (ii) this net cash flow was partially offset by our loss for the year of RMB591.7 million, adjusted by non-cash items, principally comprising: (a) impairment losses under expected credit loss model (net of reversal) of RMB111.5 million, (b) share-based expenses of RMB94.7 million, (c) De-SPAC transaction expenses of RMB373.6 million, and (d) partially offset by fair value gain on financial liabilities at FVTPL of RMB145.0 million.

## ***Investing Activities***

For 2025, our net cash used in investing activities was RMB1,634.5 million, primarily attributable to placement of bank deposits pledged for bills payable related to transaction services of RMB1,643.0 million, partially offset by the withdrawal of bank deposits of RMB6.1 million pledged for bills payable relating to our transaction services.

## ***Financing Activities***

For 2025, our net cash generated from financing activities was RMB1,064.0 million, primarily attributable to (i) proceeds from PIPE and PEF investors was RMB506.0 million; (ii) proceeds from bills discounted to banks not fully derecognized of RMB352.6 million; and (iii) proceeds from bank and other borrowings of RMB588.4 million, partially offset by repayment of bank and other borrowings of RMB404.3 million.

## **CAPITAL EXPENDITURES**

Our capital expenditures primarily consisted of purchases of property and equipment, as well as intangible assets. The following table sets forth our capital expenditures for the years indicated:

	<b>For the Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>RMB</b>	<b>RMB</b>
	<i>(in thousands, except percentages)</i>	
Purchases of property and equipment	<b>(66,020)</b>	(12,398)
Cost paid for digital assets	<b>(7,453)</b>	–
<b>Total</b>	<b><u>(73,473)</u></b>	<b><u>(12,398)</u></b>

## **CONTRACTUAL COMMITMENTS**

Our contracted capital expenditure refers to capital expenditure related to the acquisition of prepaid lease payments and property and equipment that have been contracted for but not yet provided for in the historical financial information. As of December 31, 2025, we did not record any capital commitments.

## **CONTINGENT LIABILITIES**

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

## **SIGNIFICANT INVESTMENTS HELD, SIGNIFICANT ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES, AND FUTURE PLANS FOR SIGNIFICANT INVESTMENTS OR CAPITAL ASSETS**

As of December 31, 2025, except for the “Future Plans and Use of Proceeds” as disclosed in the circular issued by Aquila on February 5, 2025 (the “**Prospectus**”), the Group did not hold any significant investments and did not make any significant acquisitions or disposals of subsidiaries, associates, or joint ventures.

## **GEARING RATIO**

As of December 31, 2025, the Group's gearing ratio (calculated as total liabilities divided by total assets, expressed as a percentage) was 94.5%, compared with 164.7% as of December 31, 2024. The decrease was primarily due to the impact of convertible preferred shares.

## **PLEDGE OF ASSETS**

As of December 31, 2025, we had pledged land use rights and property, plant and equipment with net book values of RMB16,128,360 and RMB193,897,286, respectively, as security for the Group's short-term borrowings of RMB280,000,000. The Group is not allowed to use such assets as security for other borrowings.

## **FOREIGN EXCHANGE EXPOSURE**

We primarily conduct our operations in China, with the majority of our transactions settled in RMB. Our exposure to foreign exchange risks arises predominantly from international transaction business, involving currencies such as the USD, Hong Kong dollar, Dirham, Ringgit, Indonesian Rupiah, Singapore dollar, and Thai Baht. Therefore, foreign exchange risks mainly stem from assets and liabilities recognized when we receive or anticipate receiving foreign currency from overseas business partners, or when we pay or expect to pay foreign currency to them. As of December 31, 2025, with the increase in the scale of international transaction business, we actively prevent exchange rate fluctuation risks to ensure overall control of exchange rate risks. Based on business development, we actively take the following measures to prevent foreign exchange risks: (i) reasonably arrange financing and foreign exchange receipts and payments, and timely adjust foreign exchange fund management plans; and (ii) in combination with changes in exchange rates and interest rates, timely use foreign exchange hedging tools to avoid foreign exchange risks.

## **EMPLOYEES**

As of December 31, 2025, we employed 1,321 full-time staff. Our success hinges on our ability to attract, retain, and motivate qualified personnel. As part of our human resources strategy, we offer competitive salaries, performance-linked bonuses, and other incentives to our employees. Additionally, we have implemented robust training programs for new hires and provide tailored online and offline regular and professional training based on the needs of employees across different departments. These training courses are customized according to the roles and skill levels of new hires, current employees, and management.

As required by regulations in China, we participate in various government statutory employee benefit plans. These include social insurance plans – covering retirement, medical, unemployment, work-related injury, and maternity benefits – as well as housing provident funds. Under Chinese law, we must contribute to these employee benefit plans at specified percentages of our employees' salaries, bonuses, and certain allowances, up to a maximum amount determined periodically by local governments.

We believe that we maintain good working relationships with our employees and during the Reporting Period, we have not experienced any strikes nor labour disputes that had any material adverse effect on our operations.

## USE OF PROCEEDS

The Company received net proceeds of HK\$537.4 million from the De-SPAC Transaction, after deducting commissions and expenses payable in connection with the De-SPAC Transaction.

As at the date of this announcement, there has been no change to the intended use of the net proceeds as previously disclosed in the Prospectus. The Group will apply the net proceeds in accordance with the intended use set out in the Prospectus. For details, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

The following table sets forth the breakdown of the net proceeds as of the date of this announcement:

Purpose	Approximate percentage of Net Proceeds	Net Proceeds (HK\$ million)	Utilized Net	Unutilized Net	Expected timeline for Net Proceeds to be utilized by
			Proceeds since the Listing Date and up to December 31, 2025 (HK\$ million)	Proceeds as at December 31, 2025 (HK\$ million)	
Enhance service offerings through digitalization	25%	134.4	134.4	–	N/A
Broaden buyer base and increase their stickiness	20%	107.5	107.5	–	N/A
Strengthen technological capabilities	20%	107.5	41.7	65.8	February 2030
Explore cross-industry expansion	25%	134.4	59.2	75.2	February 2030
Working capital and general corporate purpose	10%	53.6	15.0	38.6	February 2030
<b>Total</b>	<b>100%</b>	<b>537.4</b>	<b>357.8</b>	<b>179.6</b>	

## Recent Developments after the Reporting Period

Save as disclosed in this results announcement, there were no other significant events that might affect us since the end of the Reporting Period and up to the date of this announcement.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended December 31, 2025 and up to the date of this announcement, the Company repurchased a total of 460,500 Class A ordinary shares of the Company on the Stock Exchange at an aggregate consideration of approximately HK\$1,067,582.85 (the “**Shares Repurchased**”) to enhance the shareholder value in the long run. Particulars of the Shares Repurchased are as follows:

Month of Repurchase	No. of Shares Repurchased	Price paid per share		Aggregate Consideration (HK\$)
		Highest (HK\$)	Lowest (HK\$)	
<b>2025</b>				
October	<u>460,500</u>	2.56	2.13	<u>1,067,582.85</u>
	<u><u>460,500</u></u>			<u><u>1,067,582.85</u></u>

In respect of the Shares Repurchased, the weighted voting rights (“**WVR**”) beneficiaries of the Company has reduced their WVR in the Company proportionately by way of converting their Class B ordinary shares into Class A ordinary shares on a one-to-one ratio pursuant to Rule 8A.21 of the Listing Rules, such that the proportion of shares carrying WVR of the Company shall not be increased, pursuant to the requirements under Rules 8A.13 and 8A.15 of the Listing Rules.

A total of 90,000 Class B ordinary shares were converted into Class A ordinary shares on a one-to-one ratio on December 31, 2025, of which Mr. Wang Dong, through Pangmao1 Limited, converted 59,040 Class B ordinary shares and Mr. Wang Changhui, through Pangmao2 Limited, converted 30,960 Class B ordinary shares (the “**Shares Conversion**”).

As at the date of this announcement, the number of Class A ordinary shares in issue (excluding treasury shares) was reduced by 370,500 shares as a result of (i) the 460,500 Shares Repurchased in the year ended December 31, 2025, which were held as treasury shares by the Company; and (ii) the conversion of 90,000 Class B ordinary shares into Class A ordinary shares on a one-to-one ratio. As at the date of this announcement, the number of Class B ordinary shares in issue was reduced by 90,000 shares as a result of the 90,000 Shares Conversion in the year ended December 31, 2025. As of December 31, 2025 and as at the date of this announcement, there were 460,500 treasury shares held by the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange (including sale of treasury shares) during the year ended December 31, 2025 and up to the date of this announcement.

## MATERIAL LITIGATION

During the Reporting Period and up to the date of this announcement, unless otherwise disclosed in the 2024 annual report of the Company under the section headed “Material Litigation”, our Company has not been involved in any material litigation or arbitration. Furthermore, our Directors are not aware of any material litigation or claims, whether pending or threatened, against our Company.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company and the Directors are committed to upholding and implementing the highest standards of corporate governance and recognize the importance of protecting the rights and interests of all shareholders of the Company (the “**Shareholders**”), including the rights and interests of the minority Shareholders. In light of this, the Company has established a corporate governance committee which has adopted terms of reference consistent with Code Provision A.2.1 of Appendix C1 to, and Rule 8A.30 of the Listing Rules. The members of the corporate governance committee are independent non-executive Directors. The primary duties of the corporate governance committee are to ensure that the Company is operated and managed for the benefit of all Shareholders and to ensure the Company’s compliance with the Listing Rules and safeguards relating to the WVR structure of the Company.

Under the articles of association of the Company, Shareholders, including holders of Class A ordinary shares, holding not less than one-tenth of the paid-up capital of the Company that carries the right of voting at general meetings (on a one share one vote basis) are entitled to convene an extraordinary general meeting of the Company and add resolutions to the meeting agenda. In addition, pursuant to the Shareholder communication policy, Shareholders are encouraged to put governance related matters to the Directors and the Company directly in writing.

The Group has adopted the following measures to ensure good corporate governance standards and to avoid potential conflicts of interest between the Group and the controlling shareholders (namely Mr. Wang Dong, Mr. Wang Changhui, Mr. Rao Huigang, Jeremy Global Development Limited, Kiwi Global Development Limited, Restriven Limited, Wangdong Holdings Limited, Pangmao1 Ltd, Wangchanghui Holdings Limited, Pangmao2 Ltd and Raohuigang Holdings Limited, collectively the “**Controlling Shareholders**”):

- (a) under the articles of association of, where a Shareholders’ meeting is to be held for considering proposed transactions in which the Controlling Shareholders has a material interest, the relevant Controlling Shareholders will not vote on the relevant resolutions;
- (b) the Company has established internal control mechanisms to identify connected transactions, and will comply with applicable Listing Rules upon entering into connected transactions;
- (c) the independent non-executive Directors will review, on an annual basis, whether there are any conflict of interest between the Group and the Controlling Shareholders and provide impartial and professional advice to protect the interests of the minority Shareholders;
- (d) the Controlling Shareholders will undertake to provide all information necessary, including all relevant financial, operational and market information and any other necessary information as required by the independent non-executive Directors of the Company for the purpose of their annual review;
- (e) the Company will disclose decisions on matters reviewed by the independent non-executive Directors either in its annual reports or by way of announcements as required by the Listing Rules;
- (f) where the Directors reasonably request the advice of independent professionals, such as financial advisors, the appointment of such independent professionals will be made at the Company’s expense;

- (g) the Company has appointed a compliance adviser on a permanent basis, Altus Capital Limited, to provide advice and guidance to the Group in respect of compliance with the applicable laws and regulations, as well as the Listing Rules, including various requirements relating to corporate governance; and
- (h) the Company has established its audit committee, remuneration committee, nomination committee and corporate governance committee with written terms of reference in compliance with the Listing Rules and the Corporate Governance Code and the Corporate Governance Report in Appendix C1 to the Listing Rules and Chapter 8A to the Listing Rules. All members of the audit committee and the corporate governance committee, including the chairman, are independent non-executive Directors.

Based on the above, during the year ended December 31, 2025 and up to the date of this announcement, the Directors are satisfied that sufficient corporate governance measures have been put in place to manage conflicts of interest that may arise between the Group and the Controlling Shareholders, and to protect the minority Company Shareholders' interests. During the Reporting Period and up to the date of this announcement, the Company has complied with all applicable code provisions set out in the "Corporate Governance Code" contained in Part 2 of Appendix C1 to the Listing Rules as at June 30, 2025\*, save for the deviation set out below.

#### **Code Provision C.2.1 of the Corporate Governance Code**

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.

In view of Mr. Wang Dong's experience, personal profile and his roles in the Company and that Mr. Wang Dong has assumed the role of chief executive officer of the Company since its commencement of business, the Board considers it beneficial to the business prospect and operational efficiency of the Company that upon the completion of the De-SPAC Transaction, Mr. Wang Dong acts as the chairman of the Board and continues to act as the chief executive officer of the Company. While this will constitute a deviation from Code Provision C.2.1 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules, 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) decision to be made by the Board requires approval by at least a majority of the Directors; (ii) Mr. Wang Dong and the other Directors are aware of and undertake to fulfil 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 Company accordingly; and (iii) the balance of power and authority is ensured by the operations of the Board which comprises experienced and high caliber 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 Company 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 Company in order to assess whether separation of the roles of chairman of the Board and chief executive officer is necessary.

\* *The amendments to the Corporate Governance Code effective on July 1, 2025 will apply to the corporate governance reports and annual reports of the Company for financial years commencing on or after July 1, 2025.*

## **COMPLIANCE WITH THE MODEL CODE**

The Company has adopted its own code (the “**Company’s Code**”), with terms no less exacting than that of the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, as its own securities dealing code to regulate all dealings by Directors and relevant employees in the securities of the Company.

Specific enquiry has been made of all the Directors and they have confirmed that they have complied with the Company’s Code during the year ended December 31, 2025 and up to the date of this announcement.

## **REVIEW OF FINANCIAL STATEMENTS BY THE AUDIT COMMITTEE**

The Company has established an audit committee in compliance with Rule 3.21 of the Listing Rules and paragraph D.3.3 of the Corporate Governance Code as set forth in Appendix C1 to the Listing Rules. The audit committee comprises one non-executive Director and two independent non-executive Directors, namely Mr. Wang Weisong, Mr. Chen Yin and Mr. Sun Qingdong. Mr. Wang Weisong is the chairman of the audit committee and possesses the appropriate qualifications or accounting or related financial management expertise as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The primary duties of the audit committee include (i) reviewing and supervising the effectiveness of the Company’s financial reporting, risk management and internal control systems; (ii) reviewing the Company’s financial information; (iii) considering issues relating to external auditors and their appointment; (iv) reviewing and monitoring the Company’s environmental, social responsibility, and corporate governance policies and practices; (v) reviewing and approving connected transactions; and (vi) other duties and responsibilities as assigned by the Board.

The audit committee held three meetings during the Reporting Period, in which it reviewed and approved the financial results and consolidated financial statements of the Group through audit committee resolutions and met with the independent auditor, who audited the statements. The audit committee discussed with the Company’s senior management matters related to the accounting policies and practices, internal control, financial reporting policies, the 2025 audit plan, as well as interim and pre-audit review findings.

The audit committee has also reviewed and approved the financial results and consolidated financial statements of the Group for the Reporting Period.

## **SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2025 as set out in this announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group’s audited consolidated financial statements for the year as approved by the Board on March 27, 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on this announcement.

## **DIVIDEND**

The Board did not recommend the distribution of an annual dividend for the year ended December 31, 2025. There is no arrangement under which a Shareholder has waived or agreed to waive any dividend.

## **CLOSURE OF REGISTER OF MEMBERS**

The Company's annual general meeting (the "AGM") will be held on Friday, June 26, 2026. For determining the eligibility to attend and vote at the AGM, the register of shareholders of the Company will be closed from Monday, June 22, 2026 to Friday, June 26, 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. The record date for determining the eligibility to attend and vote at the AGM will be Friday, June 26, 2026. In order to be eligible to attend and vote at the AGM, all transfer of shares of the Company, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Thursday, June 18, 2026.

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

The Board is pleased to announce the consolidated statement of profit or loss and other comprehensive income of the Group for the year ended December 31, 2025 and the Group's consolidated statement of financial position as at December 31, 2025, together with the comparative figures for the corresponding period in 2024 as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*FOR THE YEAR ENDED DECEMBER 31, 2025*

	<i>NOTES</i>	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue	4	<b>2,120,302</b>	1,551,043
Cost of revenue		<u>(1,741,228)</u>	<u>(1,124,854)</u>
Gross profit		<b>379,074</b>	426,189
Other income	6	<b>27,256</b>	50,420
Other gains and losses, net	7	<b>(9,802)</b>	(7,807)
Selling and distribution expenses		<b>(351,863)</b>	(293,383)
Administrative expenses		<b>(178,543)</b>	(77,127)
Research and development expenses		<b>(43,781)</b>	(48,121)
Professional fees and expenses related to De-SPAC Transaction		<b>(44,671)</b>	(9,697)
De-SPAC transaction expenses		<b>(373,590)</b>	-
Finance costs	8	<b>(24,049)</b>	(39,994)
Impairment losses under expected credit loss (“ECL”) model, net of reversal		<b>(111,553)</b>	(57,874)
Fair value changes of financial assets at fair value through profit or loss (“FVTPL”)		<b>2,590</b>	(881)
Fair value changes of financial liabilities at FVTPL		<b>144,971</b>	(8,004)
Share of results of associates and joint venture		<u>(3,739)</u>	<u>(735)</u>
Loss before tax		<b>(587,700)</b>	(67,014)
Income tax expense	9	<u>(3,987)</u>	<u>(1,653)</u>
<b>Loss for the year</b>	<b>10</b>	<b><u>(591,687)</u></b>	<b><u>(68,667)</u></b>
<b>Other comprehensive income</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		<u>3,400</u>	<u>340</u>
<b>Other comprehensive income for the year, net of income tax</b>		<u>3,400</u>	<u>340</u>
<b>Total comprehensive expense for the year</b>		<b><u>(588,287)</u></b>	<b><u>(68,327)</u></b>

(continued)

	<i>NOTE</i>	<b>2025</b> <b><i>RMB'000</i></b>	2024 <i>RMB'000</i>
Loss for the year attributable to:			
Owners of the Company		<b>(592,523)</b>	(69,002)
Non-controlling interests		<b>836</b>	335
		<b><u>(591,687)</u></b>	<b><u>(68,667)</u></b>
 Total comprehensive (expense) income attributable to:			
Owners of the Company		<b>(589,123)</b>	(68,662)
Non-controlling interests		<b>836</b>	335
		<b><u>(588,287)</u></b>	<b><u>(68,327)</u></b>
 <b>Loss per share</b>			
– Basic and diluted (RMB)	<i>12</i>	<b><u>(0.65)</u></b>	<b><u>(0.29)</u></b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*AS AT DECEMBER 31, 2025*

	<i>NOTES</i>	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Non-current Assets</b>			
Property and equipment		<b>269,013</b>	209,525
Right-of-use assets		<b>99,307</b>	34,043
Goodwill		<b>31,954</b>	31,954
Intangible assets		<b>113,610</b>	110,226
Interests in associates and joint venture		<b>49,872</b>	34,897
Financial assets at FVTPL		<b>47,752</b>	42,806
Prepayments and other receivables	<i>13</i>	<b>5,291</b>	7,450
		<b>616,799</b>	470,901
<b>Current Assets</b>			
Inventories		<b>12,543</b>	20,077
Trade receivables, prepayments and other receivables	<i>13</i>	<b>8,410,492</b>	8,696,367
Financial assets at fair value through other comprehensive income (“FVTOCI”)	<i>14</i>	<b>191,270</b>	114,349
Restricted cash	<i>15</i>	<b>1,147,712</b>	506,695
Cash and cash equivalents	<i>15</i>	<b>349,969</b>	240,163
		<b>10,111,986</b>	9,577,651
<b>Current Liabilities</b>			
Trade, bills and other payables	<i>16</i>	<b>9,227,221</b>	9,181,814
Bank and other borrowings	<i>17</i>	<b>721,004</b>	406,358
Derivative financial instruments		<b>2,271</b>	–
Lease liabilities		<b>10,446</b>	7,990
Contract liabilities	<i>4</i>	<b>40,532</b>	67,045
Financial liabilities at FVTPL	<i>18</i>	<b>4,485</b>	6,821,940
		<b>10,005,959</b>	16,485,147
<b>Net Current Assets (Liabilities)</b>		<b>106,027</b>	(6,907,496)
<b>Total Assets Less Current Liabilities</b>		<b>722,826</b>	(6,436,595)

(continued)

	<i>NOTES</i>	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Non-current Liabilities</b>			
Financial liabilities at FVTPL	<i>18</i>	<b>26,192</b>	27,759
Contract liabilities	<i>4</i>	<b>8,580</b>	10,956
Lease liabilities		<b>69,270</b>	7,112
Deferred tax liabilities		<b>23,433</b>	23,983
		<u>127,475</u>	<u>69,810</u>
<b>Net Assets (Liabilities)</b>		<b><u>595,351</u></b>	<b><u>(6,506,405)</u></b>
<b>Capital and Reserves</b>			
Share capital	<i>19</i>	<b>377</b>	71
Reserves		<b>551,151</b>	(6,549,463)
Equity attributable to owners of the Company		<b>551,528</b>	(6,549,392)
Non-controlling interests		<b>43,823</b>	42,987
<b>Total Equity (Deficit)</b>		<b><u>595,351</u></b>	<b><u>(6,506,405)</u></b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

ZG Group (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under the laws of the Cayman Islands on 27 February 2012, and its shares have been listed by way of De-SPAC Transaction on the Main Board of the Stock Exchange on 10 March 2025. Mr. Wang Dong, Mr. Wang Changhui and Mr. Rao Huigang are collectively the controlling shareholders of the Company.

The Company acts as an investment holding company and its subsidiaries, including the consolidated affiliated entities (together, the “Group”), are principally engaged in providing an integrated suite of services across the steel trading value chain, including online steel commerce, logistics, warehousing and processing services, and transaction services for steel in overseas.

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

### 2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

#### **Amendments to an IFRS Accounting Standard that are mandatorily effective for the current year**

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

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

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

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

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity <sup>2</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards Volume 11 <sup>2</sup>
IFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027.

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

### ***IFRS 18 Presentation and Disclosure in Financial Statements***

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

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

### 3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

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

### 4. REVENUE

#### (i) Disaggregation of revenue

Segments	Year ended 31 December 2025					Total RMB'000
	Transaction services RMB'000	Transaction support services RMB'000	Technology subscription services RMB'000	Overseas transaction business RMB'000	Non-steel transaction business RMB'000	
Revenue from contracts with customers						
Commission income	262,756	-	-	-	2,668	265,424
Service income	-	489,617	28,966	-	-	518,583
Sales of goods	-	-	-	1,017,444	318,851	1,336,295
Total	<u>262,756</u>	<u>489,617</u>	<u>28,966</u>	<u>1,017,444</u>	<u>321,519</u>	<u>2,120,302</u>
Timing of revenue recognition from contracts with customers						
A point in time	262,756	1,120	-	1,017,444	321,519	1,602,839
Over time	-	488,497	28,966	-	-	517,463
	<u>262,756</u>	<u>489,617</u>	<u>28,966</u>	<u>1,017,444</u>	<u>321,519</u>	<u>2,120,302</u>

Segments	Year ended 31 December 2024					
	Transaction services <i>RMB'000</i>	Transaction support services <i>RMB'000</i>	Technology subscription services <i>RMB'000</i>	Overseas transaction business <i>RMB'000</i>	Non-steel transaction business <i>RMB'000</i>	Total <i>RMB'000</i>
Commission income	313,160	–	–	–	2,642	315,802
Service income	–	414,152	28,296	–	–	442,448
Sales of goods	–	–	–	593,308	181,534	774,842
Revenue from contracts with customers	313,160	414,152	28,296	593,308	184,176	1,533,092
Interest income	–	17,951	–	–	–	17,951
<b>Total</b>	<b>313,160</b>	<b>432,103</b>	<b>28,296</b>	<b>593,308</b>	<b>184,176</b>	<b>1,551,043</b>
Timing of revenue recognition from contracts with customers						
A point in time	313,160	2,214	–	593,308	184,176	1,092,858
Over time	–	411,938	28,296	–	–	440,234
	<b>313,160</b>	<b>414,152</b>	<b>28,296</b>	<b>593,308</b>	<b>184,176</b>	<b>1,533,092</b>

**(ii) Contract liabilities**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Transaction services	<b>15,505</b>	13,861
Transaction support services	<b>801</b>	110
Technology subscription services	<b>20,018</b>	24,583
Overseas transaction business	<b>12,788</b>	39,447
	<b>49,112</b>	<b>78,001</b>

## 5. SEGMENT INFORMATION

Information reported to the executive director of the Company, being the chief operating decision makers (“CODMs”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

### For the year ended December 31, 2025

	Transaction services <i>RMB'000</i>	Transaction support services <i>RMB'000</i>	Technology subscription services <i>RMB'000</i>	Overseas transaction business <i>RMB'000</i>	Non-steel transaction business <i>RMB'000</i>	Elimination <i>RMB'000</i>	Total <i>RMB'000</i>
REVENUE							
Commission income	262,756	-	-	-	2,668	-	265,424
Service income	-	489,617	28,966	-	-	-	518,583
External sales of goods	-	-	-	1,017,444	318,851	-	1,336,295
Inter-segment revenue	372,301	-	1,752	-	-	(374,053)	-
	<u>635,057</u>	<u>489,617</u>	<u>30,718</u>	<u>1,017,444</u>	<u>321,519</u>	<u>(374,053)</u>	<u>2,120,302</u>
SEGMENT (LOSS) PROFIT	<u>(136,106)</u>	<u>(10,379)</u>	<u>7,294</u>	<u>26,957</u>	<u>605</u>	<u>-</u>	<u>(111,629)</u>
Unallocated							
Other income and other gains and losses							17,454
Selling and distribution expenses							(62,845)
Administrative expenses							(127,089)
Research and development expenses							(5,103)
Professional fees and expenses related to De-SPAC Transaction							(44,671)
De-SPAC transaction expenses							(373,590)
Finance costs							(24,049)
Fair value changes of financial assets at FVTPL							2,590
Fair value changes of financial liabilities at FVTPL							144,971
Share of results of associates and joint venture							(3,739)
Loss before tax							(587,700)
Income tax expense							(3,987)
Loss for the year							<u>(591,687)</u>

## For the year ended December 31, 2024

	Transaction services <i>RMB'000</i>	Transaction support services <i>RMB'000</i>	Technology subscription services <i>RMB'000</i>	Overseas transaction business <i>RMB'000</i>	Non-steel transaction business <i>RMB'000</i>	Elimination <i>RMB'000</i>	Total <i>RMB'000</i>
REVENUE							
Commission income	313,160	-	-	-	2,642	-	315,802
Service income	-	414,152	28,296	-	-	-	442,448
External sales of goods	-	-	-	593,308	181,534	-	774,842
Interest income	-	17,951	-	-	-	-	17,951
Inter-segment revenue	335,176	-	4,001	-	-	(339,177)	-
	<u>648,336</u>	<u>432,103</u>	<u>32,297</u>	<u>593,308</u>	<u>184,176</u>	<u>(339,177)</u>	<u>1,551,043</u>
SEGMENT PROFIT	<u>30,315</u>	<u>23,813</u>	<u>6,070</u>	<u>17,851</u>	<u>6,481</u>	<u>-</u>	<u>84,530</u>
Unallocated							
Other income and other gains and losses							42,613
Selling and distribution expenses							(12,736)
Administrative expenses							(77,127)
Research and development expenses							(44,983)
Professional fees and expenses related to De-SPAC Transaction							(9,697)
Finance costs							(39,994)
Fair value changes of financial assets at FVTPL							(881)
Fair value changes of financial liabilities at FVTPL							(8,004)
Share of results of associates and joint venture							(735)
Loss before tax							(67,014)
Income tax expense							(1,653)
Loss for the year							<u>(68,667)</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment (loss) profit represents the (loss) profit from each segment without allocation of other income and other gains and losses, certain selling and distribution expenses, certain administrative expenses, certain research and development expenses, professional fees and expenses related to De-SPAC Transaction, De-SPAC transaction expenses, finance costs, fair value changes of financial assets and liabilities at FVTPL and share of results of associates and joint venture.

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

### Geographical information

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Chinese Mainland	1,102,858	957,735
United Arab Emirates (“UAE”)	357,805	415,183
Thailand	341,805	2,132
Indonesia	177,077	1,816
Malaysia	123,131	34,671
Others ( <i>note</i> )	17,626	139,506
	<u>2,120,302</u>	<u>1,551,043</u>

*Note:* Including Hong Kong, Korea and Saudi Arabia.

Information about the Group’s non-current assets (excluding goodwill and financial assets at FVTPL) which is presented based on geographical location of the assets, are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Chinese Mainland	394,176	382,037
UAE	140,895	8,322
Others ( <i>note</i> )	2,022	5,782
	<u>537,093</u>	<u>396,141</u>

## 6. OTHER INCOME

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on bank deposits	21,311	9,883
Government grants ( <i>note</i> )	5,945	40,537
	<u>27,256</u>	<u>50,420</u>

*Note:* The government grants comprised primarily incentives provided by the local government authorities in the PRC, including various forms of government financial rewards recognising the Group’s support contributions to local economic development. There were no specific conditions attached to the grants received from the local government authorities in the PRC.

## 7. OTHER GAINS AND LOSSES, NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss on disposal of interests in associate	–	(7,324)
Loss on disposal of interests in joint venture	(139)	–
Loss on fair value changes of derivative financial instruments	(2,271)	(1,139)
Gain on disposal of property and equipment and intangible assets	354	475
Net foreign exchange loss	(10,153)	(1,890)
Others	(2,407)	2,071
	<u>(9,802)</u>	<u>(7,807)</u>

## 8. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on:		
– Bank borrowings	14,354	14,949
– Other borrowings ( <i>note</i> )	8,893	24,684
– Lease liabilities	802	361
	<u>24,049</u>	<u>39,994</u>

*Note:* Interest on other borrowings mainly arose from factoring of trade receivables to banks and non-bank financial institutions.

## 9. INCOME TAX EXPENSE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax:		
PRC Enterprise Income Tax (“EIT”)	522	21
Other jurisdictions	4,523	1,870
(Over) under provision in prior years	(508)	18
	<u>4,537</u>	<u>1,909</u>
Deferred tax credit	(550)	(256)
Income tax expense	<u>3,987</u>	<u>1,653</u>

The Group is operating in certain jurisdictions where the Pillar Two Rules are effective. However, as the Group’s consolidated annual revenue is not expected to be 750 million euros or more in the consolidated financial statements in at least two of the four fiscal years preceding the relevant fiscal year, the management of the Group considered the Group is not liable to income taxes under the Pillar Two Rules.

## 10. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging:

	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
Cost of inventories recognised as an expense	<b>1,248,338</b>	551,592
Auditors' remuneration:		
– Auditor of the Company and reporting accountants related to the Company's De-SPAC Transaction	–	1,153
– Audit services	<b>4,699</b>	1,801
– Non-audit services	<b>1,455</b>	1,379
	<b>6,154</b>	4,333
Depreciation of property and equipment	<b>7,251</b>	9,617
Depreciation of right-of-use assets	<b>9,838</b>	6,589
Amortisation of intangible assets	<b>3,165</b>	3,969
	<b>20,254</b>	20,175
Less: capitalization in property and equipment	<b>(877)</b>	–
Total depreciation and amortisation	<b>19,377</b>	20,175
Directors' remuneration ( <i>excluding share-based payments</i> )	<b>6,800</b>	6,131
Equity-settled share-based payments	<b>94,697</b>	–
Salaries, allowances and benefits	<b>301,434</b>	270,494
Retirement benefit scheme contributions	<b>15,332</b>	14,672
Total staff costs	<b>418,263</b>	291,297
Less: capitalised in intangible assets	<b>(7,017)</b>	–
	<b>411,246</b>	291,297

## 11. DIVIDENDS

No dividend has been paid or declared by the Company during the year ended 31 December 2025, nor has any dividend been proposed subsequent to the year ended 31 December 2025 (2024: nil).

## 12. LOSS PER SHARE

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

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss for the year attributable to owners of the Company for the purposes of basic and diluted loss per share	<u><b>(592,523)</b></u>	<u>(69,002)</u>
<b>Number of shares</b>		
	<b>2025</b>	2024
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u><b>915,569,996</b></u>	<u>241,177,040</u>

The weighted average number of ordinary shares for the purpose of basic loss per share for the year ended 2025 and 2024 has been adjusted retrospectively after taking into impact of capitalisation issue to the existing shareholders of 23,168,283 units of ordinary shares.

The computation of diluted loss per share for the year ended 31 December 2025 does not assume the effect of share options granted under the 2023 Pre-Listing Share Option Scheme, the Tengcai's redeemable preferred shares, and the Company's Listed Warrants, Promoter Warrants and Promoter Earn-out Rights as these would be anti-dilutive.

The computation of diluted loss per share for the year ended 31 December 2024 does not assume the conversion of the Company's outstanding convertible preferred shares and the effect of share options granted under the 2023 Pre-Listing Share Option Scheme as these would be anti-dilutive.

### 13. TRADE RECEIVABLES, PREPAYMENTS AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables		
– <i>Transaction services</i>	185,635	76,973
– <i>Transaction support services</i>	34,202	6,675
– <i>Technology subscription services</i>	460	1,200
– <i>Overseas transaction business</i>	439,022	213,229
– <i>Non-steel transaction business</i>	8,513	606
	<hr/>	<hr/>
	667,832	298,683
Less: allowance for credit losses	(29,990)	(25,198)
	<hr/>	<hr/>
	637,842	273,485
Prepayment to sellers in relation to transaction services and transaction support services	7,624,641	8,251,935
Prepayment to sellers in relation to overseas transaction business	29,810	54,261
Interest receivable	8,524	3,529
Prepaid expenses	25,227	27,736
Amounts due from related parties	–	23,340
Refundable deposits to sellers	7,658	8,801
Deferred issue cost	–	3,019
Others	98,927	73,651
	<hr/>	<hr/>
	7,794,787	8,446,272
	<hr/>	<hr/>
Less: allowance for credit losses	(16,846)	(15,940)
	<hr/>	<hr/>
	7,777,941	8,430,332
	<hr/>	<hr/>
Total trade receivables, prepayments and other receivables	<b>8,415,783</b>	<b>8,703,817</b>
	<hr/> <hr/>	<hr/> <hr/>
Analysed for reporting purposes as:		
Current assets	8,410,492	8,696,367
Non-current assets	5,291	7,450
	<hr/>	<hr/>
	<b>8,415,783</b>	<b>8,703,817</b>
	<hr/> <hr/>	<hr/> <hr/>

The Group generally allows credit periods ranging from 30 days to 90 days to its trade buyers. The following is an aged analysis of trade receivables (net of allowance for credit losses), presented based on the invoice date, which approximates the respective revenue recognition dates.

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
0-90 days	<b>523,284</b>	242,196
91-180 days	<b>82,258</b>	16,149
181-365 days	<b>25,989</b>	4,485
1-2 years	<b>365</b>	6,951
Over 2 years	<b>5,946</b>	3,704
	<b>637,842</b>	273,485

#### 14. FINANCIAL ASSETS AT FVTOCI

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Receivables at FVTOCI	<b>191,270</b>	114,349

#### 15. CASH AND CASH EQUIVALENTS/RESTRICTED CASH

##### Cash and cash equivalents

Cash and cash equivalents comprised of cash and short-term bank deposits with an original maturity of three months or less. The short-term bank deposits are carried interest at market rates, ranging from 0.05% to 0.45% per annum as at 31 December 2025 (2024: 0.1% to 3.75% per annum).

##### Restricted cash

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Margin deposits to secure open derivatives	–	2,297
Deposits for bank borrowing and bills payable	<b>1,146,601</b>	470,280
Others	<b>1,111</b>	34,118
Total	<b>1,147,712</b>	506,695

The pledged bank deposits carry annual fixed interest rates ranging from 0.05% to 3.2% for the year ended 31 December 2025 (2024: 0.1% to 3.2%).

## 16. TRADE, BILLS AND OTHER PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables		
– <i>Transaction services</i>	295,854	78,601
– <i>Transaction support services</i>	29,254	27,557
– <i>Overseas transaction business</i>	12,005	38,710
– <i>Technology subscription services</i>	2,442	11
– <i>Non-steel transaction business</i>	5,170	295
	<u>344,725</u>	<u>145,174</u>
Bills payable	1,287,115	438,800
Advances received from buyers in relation to transaction services and transaction support services	7,498,750	8,516,647
Interest payable	456	361
Salary and bonus payables	45,052	38,381
Stamp duty payable	7,519	17,553
Other taxes payable	22,884	3,937
Accrued expenses	9,064	2,235
Accrued professional fees and expenses related to De-SPAC Transaction	1,343	8,482
Accrued issue costs	679	352
Others	9,634	9,892
	<u>9,227,221</u>	<u>9,181,814</u>

At the end of each reporting period, the Group had bills payable issued by banks with the following maturity.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
0-180 days	<u>1,287,115</u>	<u>438,800</u>

## 17. BANK AND OTHER BORROWINGS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Fixed-rate borrowings:		
Bank borrowings	710,844	399,978
Other borrowings ( <i>note i</i> )	10,160	6,380
	<u>721,004</u>	<u>406,358</u>
Analysed as:		
Secured	248,764	98,447
Guaranteed	63,000	20,000
Secured and guaranteed	279,990	280,000
Unsecured and unguaranteed	129,250	7,911
	<u>721,004</u>	<u>406,358</u>

### Notes:

- (i) The balances were arising from factoring of trade receivables to bank and non-bank financial institutions with full recourse.
- (ii) The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

	2025	2024
Fixed-rate borrowings	2.8%-3.5%	3.5%-4.0%

- (iii) Types of borrowings are as follows:

Types of borrowings	Guaranteed/secured by	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Guaranteed bank borrowings	<i>Note</i>	63,000	20,000
Guaranteed and secured bank borrowings	Guarantees from the shareholders and the Company, secured by building and leasehold lands of the Group	279,990	280,000
Secured bank borrowings	Secured by certain bank deposits	54,700	38,650
	Secured by certain bills receivable	183,904	53,417
Secured other borrowings	Secured by certain trade receivables	10,160	6,380
		<u>591,754</u>	<u>398,447</u>
Unsecured and unguaranteed bank borrowings		129,250	7,911
		<u>721,004</u>	<u>406,358</u>

*Note:* As at 31 December 2025, the borrowings are guaranteed by the group entities within the Group. As at 31 December 2024, the borrowings are guaranteed by the shareholders and related parties, which were released on the day of listing of the Company by way of the De-SPAC Transaction.

## 18. FINANCIAL LIABILITIES AT FVTPL

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current:		
Convertible preferred shares	–	6,821,940
Listed Warrants	1,001	–
Promoter Warrants	1,299	–
Promoter Earn-out Rights	2,185	–
	<u>4,485</u>	<u>6,821,940</u>
Non-current:		
Redeemable preferred shares	26,192	27,759
	<u>30,677</u>	<u>6,849,699</u>

## 19. SHARE CAPITAL

The movement of share capital of the Company is set out as below:

	Par value per share <i>US\$</i>	Number of ordinary shares		Share capital <i>US\$000</i>
		<i>Class A</i>	<i>Class B</i>	
Authorised:				
As at 1 January 2024, and 31 December 2024 and 2025	0.00005	<u>1,700,000,000</u>	<u>300,000,000</u>	<u>100</u>
				Share capital presented in RMB <i>RMB'000</i>
	Par value per share <i>US\$</i>	Number of ordinary shares		Share capital <i>US\$</i>
		<i>Class A</i>	<i>Class B</i>	<i>RMB'000</i>
Issued:				
As at 1 January 2024 and 31 December 2024	0.00005	45,324,446	172,684,310	10,900
Conversion of preference shares ( <i>Note 18</i> )	0.00005	743,121,519	–	37,156
Shares issued to PIPE and PEF investors	0.00005	54,814,642	–	2,741
Shares issued to promoters ( <i>Note 20</i> )	0.00005	24,109,411	–	1,205
Shares and bonus shares issued to non-redeeming Aquila's Class A shareholders ( <i>Note 20</i> )	0.00005	7,869,750	–	393
Capitalisation issue to existing shareholders ( <i>note</i> )	0.00005	4,816,731	18,351,552	1,158
Conversion of Class B ordinary shares to Class A ordinary shares	0.00005	90,000	(90,000)	–
As at 31 December 2025		<u>880,146,499</u>	<u>190,945,862</u>	<u>53,553</u>
				<u>377</u>

*Note:*

The capitalisation issue of 94,555,053 (Class A: 76,203,501 (including the conversion of preference shares), Class B: 18,351,552) shares is calculated at the ratio of approximately 1:1.106, which is derived from the ratio of converting 904,298,188 ordinary shares (including the conversion of preference shares) immediately before completion of the De-SPAC Transaction into 1,000,400,000 ordinary shares immediately after completion of the De-SPAC Transaction.

The Company has adopted a weighted voting rights structure. The share capital of the Company comprises Class A Shares and Class B Shares. The Class B shares are beneficially owned by Mr. Wang Dong and Mr. Wang Changhui. Each Class A Share entitles the holder to exercise one vote, and each Class B Share entitles the holder to exercise ten votes, respectively, on any resolution tabled at the Company's general meetings, except for resolutions with respect to the reserved matters, in relation to which each share is entitled to one vote.

## **20. CAPITAL REORGANISATION**

Capital reorganisation as part of the De-SPAC Transaction ("Capital Reorganisation") is accounted for as share-based payment transaction under IFRS 2 and the shares allotted and issued to effect the Capital Reorganisation are measured at fair value of the equity consideration deemed to be issued to the former owners of Aquila.

Since the Company has issued shares with a fair value in excess of the net assets of Aquila acquired, the difference is recognised in profit or loss as De-SPAC Transaction expenses arising from Capital Reorganisation.

The fair value of the consideration was determined as follows:

- (i) Based on the number of non-redeeming shares of Aquila outstanding immediately prior to the Capital Reorganisation, plus the bonus share issued immediately prior to the Capital Reorganisation, totalling 7,869,750 shares, with a share price of HK\$10 per share; and
- (ii) Based on the number of Aquila's promoter shares outstanding immediately prior to the Capital Reorganisation, totalling 24,109,411 shares, also at a share price of HK\$10 per share.

Accordingly, the deemed consideration amount to approximately RMB295,184,000.

The fair value hierarchy of the input (i.e. share price of Aquila) to determine De-SPAC Transaction expense is categorised under Level 1 by reference to the quoted bid prices in an active market.

The carrying amount of the identifiable assets and liabilities of Aquila acquired or assumed upon the Capital Reorganisation in exchange for the issued share capital of the Company and the De-SPAC Transaction expense arising from the capital reorganisation are set out as follows:

	<i>RMB'000</i>
Ordinary shares of the Company issued:	
– In exchange of non-redeeming Aquila's Class A shareholders	69,184
– As bonus shares issue to non-redeeming Aquila's Class A shareholders	3,459
– As promoter shares	<u>222,541</u>
	295,184
Less: fair value of Aquila's identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	115,769
Trade and other receivables	759
Accrued payable	<u>(9,231)</u>
	<u>107,297</u>
Excess of net assets	187,887
Other liabilities arising from the Capital Reorganisation:	
Listed warrants	1,930
Promoter Warrants liabilities	78,485
Promoter earn-out right liabilities	<u>105,288</u>
De-SPAC Transaction expense arising from Capital Reorganisation	<u><u>373,590</u></u>
Net cash inflow from Capital Reorganisation:	
Cash and cash equivalent balances acquired	<u><u>115,769</u></u>

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

This annual results announcement is published on the Company's website (<https://ir.zhaogang.com/>) and the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). The annual report for the year ended December 31, 2025 will be dispatched to the Shareholders (upon requests from Shareholders) and made available on the above websites in due course.

By Order of the Board  
**ZG Group**  
**Mr. Wang Dong**  
*Chairman of the Board*

Hong Kong, March 27, 2026

*As of the date of this announcement, the Board comprises Mr. Wang Dong, Mr. Wang Changhui, Ms. Gong Yingxin and Ms. Zhou Min as executive Directors, Mr. Ye Qian and Mr. Sun Qingdong as non-executive Directors, and Mr. Wang Xiang, Mr. Chen Yin and Mr. Wang Weisong as independent non-executive Directors.*