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通通 AI 社交集團有限公司
Tong Tong AI Social Group Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 628)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Tong Tong AI Social Group Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (together, the “**Group**”) for the year ended 31 December 2025 together with the comparative figures, which have been reviewed by the Company’s audit committee (the “**Audit Committee**”).

HIGHLIGHTS

The Group’s revenue increased substantially by RMB148.1 million or 56.1% from RMB264.1 million for the year ended 31 December 2024 (the “**Corresponding Period**”) to RMB412.2 million for the year ended 31 December 2025 (the “**Reporting Period**”). The Group’s operating profit decreased substantially by RMB51.2 million or 75.5% from RMB67.8 million for the Corresponding Period to RMB16.6 million for the Reporting Period.

The Group’s profit for the year attributable to the owners of the Company amounted to RMB61.7 million for the Reporting Period (the Corresponding Period: RMB39.6 million).

The Board did not recommend the payment of a final dividend for the Reporting Period (the Corresponding Period: nil).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	4	412,249	264,100
Other income and other gains and losses	6	29,840	(15,527)
Marketing expenses		(259,282)	(120,227)
Administrative expenses		(159,160)	(55,960)
Provision for expected credit loss (“ECL”) on trade and loan receivables, net		(1,502)	(3,466)
Finance costs	8	<u>(5,557)</u>	<u>(1,150)</u>
Operating profit		<u>16,588</u>	<u>67,770</u>
Profit before tax	7	16,588	67,770
Income tax expense	9	<u>(6,376)</u>	<u>(9,264)</u>
Profit for the year		<u>10,212</u>	<u>58,506</u>
Profit for the year attributable to:			
Owners of the Company		61,720	39,641
Non-controlling interests		<u>(51,508)</u>	<u>18,865</u>
		<u>10,212</u>	<u>58,506</u>
		<i>RMB cents</i>	<i>RMB cents</i>
Earnings per share			
– Basic	11	<u>1.19</u>	<u>0.98</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit for the year	<u>10,212</u>	<u>58,506</u>
 Other comprehensive (expense)/income for the year:		
Item that will not be reclassified to profit or loss:		
Exchange differences on translation from functional currency to presentation currency	(26,640)	22,742
Item that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	<u>(16,722)</u>	<u>7,054</u>
	<u>(43,362)</u>	<u>29,796</u>
Total comprehensive (expense)/income for the year	<u><u>(33,150)</u></u>	<u><u>88,302</u></u>
 Total comprehensive (expense)/income attributable to:		
Owners of the Company	30,140	64,305
Non-controlling interests	<u>(63,290)</u>	<u>23,997</u>
	<u><u>(33,150)</u></u>	<u><u>88,302</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
Non-current assets			
Property, plant and equipment		1,249	1,320
Right-of-use assets		6,705	2,039
Goodwill		454,547	463,743
Intangible assets	<i>13</i>	378,704	286,695
Operating right	<i>13</i>	368,000	–
Prepayment		–	368,000
Deferred tax assets		3,960	3,596
		<hr/>	<hr/>
Total non-current assets		1,213,165	1,125,393
		<hr/>	<hr/>
Current assets			
Trade and loan receivables	<i>12</i>	1,470,228	1,326,021
Prepayments, deposits and other receivables	<i>13</i>	26,576	25,592
Cash and cash equivalents		27,355	130,485
		<hr/>	<hr/>
Total current assets		1,524,159	1,482,098
		<hr/>	<hr/>
Current liabilities			
Trade payables	<i>14</i>	35,555	23,552
Other payables and accruals		65,654	33,612
Contract liabilities		42,764	10,154
Tax payables		8,901	12,931
Lease liabilities		11,327	1,338
		<hr/>	<hr/>
Total current liabilities		164,201	81,587
		<hr/>	<hr/>
Net current assets		1,359,958	1,400,511
		<hr/>	<hr/>
Total assets less current liabilities		2,573,123	2,525,904
		<hr/>	<hr/>

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Non-current liabilities			
Deferred tax liabilities		1,449	1,371
Borrowings	<i>15</i>	140,983	58,954
Lease liabilities		<u>1,329</u>	<u>512</u>
Total non-current liabilities		<u>143,761</u>	<u>60,837</u>
Net assets		<u>2,429,362</u>	<u>2,465,067</u>
Equity			
Share capital	<i>16</i>	45,824	45,824
Reserves		<u>2,255,118</u>	<u>2,224,978</u>
Equity attributable to owners of the Company		2,300,942	2,270,802
Non-controlling interests		<u>128,420</u>	<u>194,265</u>
Total equity		<u>2,429,362</u>	<u>2,465,067</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1 CORPORATE AND GROUP INFORMATION

The Company was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. The registered office is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business in Hong Kong is located at Suite 2912, 29th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong. The ultimate controlling shareholders of the Company are Mr. Wong Kwong Yu (“**Mr. Wong**”) and Ms. Du Juan (“**Ms. Du**”), through Mega Bright Capital Resources Limited, a company incorporated in Hong Kong with limited liability, and Swiree Capital Limited, a company incorporated in the British Virgin Islands with limited liability, respectively. Mr. Wong and Ms. Du are hereinafter collectively referred to as the “Controlling Shareholders”.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries comprise (i) digital internet platform business, which includes social commerce platform and business ecosystem collaboration platform; (ii) digital content ecosystem business, which encompasses game development and distribution, film and television production, as well as digital marketing; and (iii) financial technology services business, which involves providing commercial factoring and other financial services.

2 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of certified Public Accountants (“**HKICPA**”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the disclosure requirements of Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. These consolidated financial statements are presented in Renminbi (“**RMB**”) which is different from the Company’s functional currency of Hong Kong dollars (“**HKD**”) and all values are rounded to the nearest thousand except when otherwise indicated.

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Timing of revenue recognition within the scope of HKFRS 15		
A point in time	117,234	70,417
Over time	213,172	113,312
	<u>330,406</u>	<u>183,729</u>

5 OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on the internal reports reviewed and used by executive directors of the Company, being the chief operating decision makers (“CODM”) for strategic decision making. The executive directors of the Company consider the business from a product and service perspective.

Prior to the acquisition of new subsidiaries as stated in the subsequent paragraph, the Group’s businesses included commercial factoring business, other financing service, game development and publishing business and social networking business segments.

During the year, the Group commenced the business engaging in provision of digital content services, along with Beijing Yiheng Acquisition on 18 March 2025 (as detailed in note 17(i)).

Prior to 18 March 2025, there were four reportable and operating segments, namely (i) commercial factoring business; (ii) other financing services; (iii) game development and publishing business; and (iv) social networking business.

From 18 March 2025, management has changed the presentation of the information reported to the CODM, and segment reporting has been updated to conform to this change. The Group’s management is of the view that this change of segment disclosure better reflects the Group’s updated business strategies, the development phases of various businesses and the financial performance, and better aligns with the Group’s resource allocation.

The updated reportable segments comprise (i) digital internet platform business, which includes the former social networking business; (ii) digital content ecosystem business, which includes the former game and development and publishing business and the newly acquired digital content service business; and (iii) financial technology services business, which is aggregated with the former commercial factoring business and other financing services business segments. The Group’s management periodically reviews their developments, and dynamically adjusts resource allocation and strategies.

Operating segments	Nature of business activities
Digital internet platform business	Social commerce platform and business ecosystem collaboration platform
Digital content ecosystem business	Game development and distribution, film and television production, and digital marketing
Financial technology services business	Commercial factoring business and other financing services in the People’s Republic of China (“ The PRC ”)

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group’s profit or loss before tax except that gain on bargain purchase, certain bank interest income, certain finance costs, exchange gains/(losses), as well as items not specifically attributed to an individual reportable segment, such as unallocated administrative expenses, are excluded from such measurement.

Year ended 31 December 2025

	Digital internet platform business RMB'000	Digital content ecosystem business RMB'000	Financial technology services business RMB'000	Segment total RMB'000	Elimination RMB'000	Total RMB'000
Segment revenue:						
Revenue from external customers	13,699	292,537	106,013	412,249	–	412,249
Inter-segment revenue*	15,064	–	–	15,064	(15,064)	–
	<u>28,763</u>	<u>292,537</u>	<u>106,013</u>	<u>427,313</u>	<u>(15,064)</u>	<u>412,249</u>
Segment results	<u>(76,937)</u>	<u>7,956</u>	<u>76,899</u>	<u>7,918</u>	<u>–</u>	<u>7,918</u>
<i>Reconciliation:</i>						
Exchange gains						27,022
Unallocated bank interest income						776
Unallocated administrative expenses						(19,165)
Gain on bargain purchase						<u>37</u>
Profit before tax						16,588
Income tax expense						<u>(6,376)</u>
Profit for the year						<u><u>10,212</u></u>

* Inter-segment revenue is charged at amounts agreed by both parties.

Year ended 31 December 2024 (re-presented)

	Digital internet platform business <i>RMB'000</i>	Digital content ecosystem business <i>RMB'000</i>	Financial technology services business <i>RMB'000</i>	Segment total <i>RMB'000</i>	Elimination <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue:						
Revenue from external customers	10,548	139,850	113,702	264,100	–	264,100
Inter-segment revenue*	19,811	–	–	19,811	(19,811)	–
	<u>30,359</u>	<u>139,850</u>	<u>113,702</u>	<u>283,911</u>	<u>(19,811)</u>	<u>264,100</u>
Segment results	<u>14,615</u>	<u>11,731</u>	<u>79,524</u>	<u>105,870</u>	<u>–</u>	105,870
<i>Reconciliation:</i>						
Exchange losses						(21,067)
Unallocated bank interest income						3,199
Unallocated administrative expenses						<u>(20,232)</u>
Profit before tax						67,770
Income tax expense						<u>(9,264)</u>
Profit for the year						<u>58,506</u>

* Inter-segment revenue is charged at amounts agreed by both parties.

Segment assets include all current and non-current assets with the exception of assets which are not allocated to an individual reportable segment. Segment liabilities include all current and non-current liabilities with the exception of liabilities which are unallocated to an individual reportable segment.

	As at 31 December 2025			
	Digital internet platform business RMB'000	Digital content ecosystem business RMB'000	Financial technology service business RMB'000	Total RMB'000
Segment assets	<u>162,005</u>	<u>774,865</u>	<u>1,410,935</u>	2,347,805
<i>Reconciliation:</i>				
Unallocated assets				<u>389,519</u>
Total assets				<u>2,737,324</u>
Segment liabilities	<u>236,991</u>	<u>47,025</u>	<u>11,445</u>	295,461
<i>Reconciliation:</i>				
Unallocated liabilities				<u>12,501</u>
Total liabilities				<u>307,962</u>

As at 31 December 2024 (re-presented)

	Digital internet platform business <i>RMB'000</i>	Digital content ecosystem business <i>RMB'000</i>	Financial technology service business <i>RMB'000</i>	Total <i>RMB'000</i>
Segment assets	<u>86,637</u>	<u>753,532</u>	<u>1,336,513</u>	2,176,682
<i>Reconciliation:</i>				
Unallocated assets				<u>430,809</u>
Total assets				<u>2,607,491</u>
Segment liabilities	<u>93,886</u>	<u>16,864</u>	<u>15,171</u>	125,921
<i>Reconciliation:</i>				
Unallocated liabilities				<u>16,503</u>
Total liabilities				<u>142,424</u>

Year ended 31 December 2025

	Digital internet platform business <i>RMB'000</i>	Digital content ecosystem business <i>RMB'000</i>	Financial technology service business <i>RMB'000</i>	Unallocated items <i>RMB'000</i>	Total <i>RMB'000</i>
Other segment information:					
Bank interest income	13	15	143	776	947
Depreciation and amortisation	12,745	27,729	1,409	–	41,883
Provision for ECL on trade and loan receivables	–	175	1,327	–	1,502
Addition to non-current assets (<i>Note</i>)	<u>100,333</u>	<u>44,039</u>	<u>344</u>	<u>368,000</u>	<u>512,716</u>

Year ended 31 December 2024

	Digital internet platform business <i>RMB'000</i>	Digital content ecosystem business <i>RMB'000</i>	Financial technology service business <i>RMB'000</i>	Unallocated items <i>RMB'000</i>	Total <i>RMB'000</i>
Other segment information:					
Bank interest income	1	189	1,877	3,199	5,266
Depreciation and amortisation	524	12,157	1,172	–	13,853
Provision for ECL on trade and loan receivables	–	580	2,886	–	3,466
Addition to non-current assets (<i>Note</i>)	<u>69,735</u>	<u>688,341</u>	<u>–</u>	<u>–</u>	<u>758,076</u>

Note: Non-current assets excluded those relating to goodwill and deferred tax assets.

Geographical information

(a) Revenue from external customers

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
The PRC	<u>412,249</u>	<u>264,100</u>

The revenue information above is based on the locations of the customers and operations.

(b) Non-current assets

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
The PRC	<u>1,209,205</u>	<u>753,797</u>

The non-current asset information above is based on the physical location of the assets or the location of the operation to which they are allocated and excludes deferred tax assets and financial assets.

Information about major customers

No customers individually contributed over 10% of the Group's total revenue for both years.

6 OTHER INCOME AND OTHER GAINS AND LOSSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Other income		
Management fee income (<i>note 13</i>)	440	–
Bank interest income	947	5,266
Gain on bargain purchase (<i>note 17(i)</i>)	37	–
Government grant (<i>Note</i>)	1,008	–
Others	15	274
	<u>2,447</u>	<u>5,540</u>
Other gains and losses		
Exchange gains/(losses)	27,022	(21,067)
Gain on early termination of lease contract	371	–
	<u>27,393</u>	<u>(21,067)</u>
	<u>29,840</u>	<u>(15,527)</u>

Note: During the year ended 31 December 2025, the Group recognised government grants of RMB1,008,000 (2024: Nil) in respect of the subsidies obtained for support of business development from the relevant government department. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

7 PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Employee benefit expenses (including directors' and chief executive's remuneration):		
Wages and salaries	113,985	30,915
Retirement benefit scheme contributions	36,539	8,645
	150,524	39,560
Capitalised in intangible assets	(73,520)	(17,456)
	77,004	22,104
Provision for ECL on loan receivables	1,327	2,886
Provision for ECL on trade receivables	175	580
	1,502	3,466
Auditor's remuneration	1,450	1,380
Depreciation of property, plant and equipment	589	33
Depreciation of right-of-use assets	7,879	1,267
Amortisation of intangible assets	33,415	12,553

8 FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest expenses on:		
Borrowings	5,142	1,110
Lease liabilities	<u>415</u>	<u>40</u>
	<u><u>5,557</u></u>	<u><u>1,150</u></u>

9 INCOME TAX

No provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits arising in Hong Kong for the years ended 31 December 2025 and 2024. PRC Enterprise Income Tax has been provided at the rate of 25% (2024: 25%) for the year ended 31 December 2025 on the estimated assessable profits arising in the PRC during the year.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax		
– PRC Enterprise Income Tax	6,690	10,713
Over-provision in prior years		
– PRC Enterprise Income Tax	<u>(28)</u>	<u>(728)</u>
	6,662	9,985
Deferred tax	<u>(286)</u>	<u>(721)</u>
	<u><u>6,376</u></u>	<u><u>9,264</u></u>

10 DIVIDENDS

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

11 EARNINGS PER SHARE

The calculations of basic earnings per share are based on:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	<u>61,720</u>	<u>39,641</u>
	2025 <i>'000</i>	2024 <i>'000</i>
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	<u>5,201,123</u>	<u>4,026,260</u>

Diluted earnings per share is not presented as the Company does not have any dilutive potential ordinary shares for the years ended 31 December 2025 and 2024.

12 TRADE AND LOAN RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade and loan receivables		
Commercial factoring loan receivables (<i>Note a</i>)	1,410,214	1,281,656
Other trade receivables (<i>Note b</i>)	<u>76,445</u>	<u>59,309</u>
	1,486,659	1,340,965
Provision for ECL	<u>(16,431)</u>	<u>(14,944)</u>
	<u>1,470,228</u>	<u>1,326,021</u>

Notes:

- (a) For commercial factoring loan receivables arising from the Group's financing technology service business, customers are obliged to settle the amounts according to the terms set out in the relevant contracts. The loan periods range from 90 to 360 days (2024: 90 to 360 days). The effective interest rates of the commercial factoring loans range from 6% to 7.5% (2024: 6% to 8%) per annum as at 31 December 2025.

As at 31 December 2025, the commercial factoring loan receivables with aggregate carrying amounts of RMB1,394,528,000 (2024: RMB1,267,297,000) were collateralised by the customers' accounts receivables with aggregate fair values of approximately RMB1,410,007,000 (2024: RMB1,321,681,000).

An ageing analysis of commercial factoring loan receivables as at the end of the reporting period, based on maturity dates set out in the relevant contracts, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Not yet matured	1,410,214	1,281,656
Provision for ECL	<u>(15,686)</u>	<u>(14,359)</u>
	<u>1,394,528</u>	<u>1,267,297</u>

None of the Group's loan receivables were past due for both years.

- (b) For trade receivables arising from the other financing technology services business and digital content ecosystem business, customers are obliged to settle the amounts according to the terms set out in the relevant contracts. Trade receivables are due within 7 to 90 days from the invoice date.

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0 to 30 days	74,896	57,449
31 to 60 days	–	1,278
61 to 90 days	2	386
Over 90 days	1,547	196
	76,445	59,309
Provision for ECL	(745)	(585)
	75,700	58,724

The tables below detail the credit risk exposures of the Group's trade and loan receivables:

			2025		2024	
	Internal credit rating	12-month or lifetime ECL	Gross balance <i>RMB'000</i>	Provision for ECL <i>RMB'000</i>	Gross balance <i>RMB'000</i>	Provision for ECL <i>RMB'000</i>
Commercial factoring						
loan receivables	Normal	12-month ECL	1,410,214	15,686	1,281,656	14,359
Trade receivables	Normal	Lifetime ECL	74,898	729	59,113	583
	Special mention	(not credit-impaired)	1,547	16	196	2
			76,445	745	59,309	585
			1,486,659	16,431	1,340,965	14,944

The movements in provision for ECL of commercial factoring loan receivables are as follows:

	Stage 1 (12-month ECL) RMB'000
At 1 January 2024	11,473
Charge for the year	14,359
Release for the year	<u>(11,473)</u>
At 31 December 2024 and 1 January 2025	14,359
Charge for the year	15,686
Release for the year	<u>(14,359)</u>
At 31 December 2025	<u><u>15,686</u></u>

The movements in provision for ECL of trade receivables are as follows:

	Lifetime ECL (not credit- impaired) RMB'000
At 1 January 2024	–
Charge for the year	580
Exchange adjustment	<u>5</u>
At 31 December 2024 and 1 January 2025	585
Charge for the year	760
Release for the year	(585)
Exchange adjustment	<u>(15)</u>
At 31 December 2025	<u><u>745</u></u>

As at 31 December 2025, none of the Group's trade and loan receivables is credit-impaired (2024: nil).

The Group is not permitted to sell or re-pledge the collateral in the absence of default by the customers.

13 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Prepayment for acquisition of TJGCMT (<i>Note</i>)	–	576,000
Deposits	807	537
Other prepayments	13,274	11,424
Other receivables	12,495	13,631
	26,576	601,592
Impairment loss on prepayment for acquisition of TJGCMT	–	(208,000)
	26,576	393,592
Carrying amounts analysed for reporting purpose:		
Current assets	26,576	25,592
Non-current assets	–	368,000
	26,576	393,592

Note:

As disclosed in the Company's circular dated 29 June 2017, the Group provided a RMB720 million non-interest-bearing loan to Beijing Bosheng Huifeng Business Consulting Co., Limited ("**Bosheng Huifeng**"), a company established in the PRC of which 90% equity interest is owned by Ms. Du, one of the Controlling Shareholders of the Company, to acquire the entire interest of Tianjin Guanchuang Mei Tong Electronic Commerce Limited ("**TJGCMT**") in accordance with the equity share transfer agreement entered into between Bosheng Huifeng and the sellers on 25 July 2017 (the "**Transfer Agreement**"). While RMB576 million has been paid and recorded as a prepayment, completion remains pending the approval from People's Bank of China ("**PBOC**").

To address the risk arising from these regulatory delays, Mr. Wong, one of the Controlling Shareholders, spouse of Ms. Du, provided a personal undertaking on 25 March 2025, which was further extended to 31 December 2027. Under these terms, if the transaction is terminated and proceeds from disposal of TJGCMT are not realised by 31 December 2027, Mr. Wong has undertaken to settle any remaining shortfall using his personal assets on or before 31 December 2028.

On 31 October 2025, a supplementary agreement to the Transfer Agreement was executed, through which Bosheng Huifeng secured the operating right (the “**Operating Right**”) of TJGCMT and its subsidiaries (collectively referred to as “**TJGCMT Group**”). Concurrently, Bosheng Huifeng and the Group entered into an exclusive entrusted management agreement, whereby Bosheng Huifeng granted the Operating Right to the Group, entitling the Group to a management fee based on the profit before tax of TJGCMT Group. The terms of this supplementary agreement remain in effect until the completion of the share transfer under the Transfer Agreement. In substance, the Group’s existing interest in the TJGCMT acquisition, represented by the net carrying amount of the prepayment of RMB368,000,000 (net of previously recognised accumulated impairment losses of RMB208,000,000), now encompasses the right to manage and receive economic benefits from TJGCMT Group.

As the Group obtained control over the expected future economic benefits from the Operating Right and the cost could be measured reliably, the Group recognised an “Operating Right” in the consolidated statement of financial position at the amount of RMB368,000,000, representing the carrying value of the prepayment, which the Group treated as the deemed consideration for such transaction at the date of the supplementary agreement. This recognition reflects the Group’s current right to the underlying operations pending formal PBOC approval of the share transfer. The Operating Right is considered to have an indefinite useful life as it remains in effect until the completion of the transaction, and is carried at cost less any subsequent accumulated impairment losses.

For the year ended 31 December 2025, following the recognition of the “Operating Right”, as the recoverable amount of the Operating Right, supported by the independent valuation of TJGCMT Group, was higher than its carrying amount, the directors of the Company considered that no impairment was required for the year ended 31 December 2025.

For the year ended 31 December 2024, the impairment assessment of the prepayment of RMB576 million was performed by management based on scenario analysis. The recoverable amount of the prepayment as at 31 December 2024 was determined based on (i) the valuation performed by an independent valuer on TJGCMT; and (ii) the market value of the personal assets of Mr. Wong. As the recoverable amount was higher than its carrying amount, the directors of the Company considered that no further impairment of the prepayment was recognised in profit or loss for the year ended 31 December 2024.

14 TRADE PAYABLES

The following is an ageing analysis of trade payables based on the invoice date:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0 to 30 days	32,530	23,484
Over 90 days	3,025	68
	<u>35,555</u>	<u>23,552</u>

The trade payables are non-interest-bearing and the Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. The average credit period is 60 days.

15 BORROWINGS

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Other loans – unsecured	<u>140,983</u>	<u>58,954</u>

The balance represents loans from an independent third party of principal amount of RMB131,799,000 (2024: RMB55,128,000), bearing a finance cost measured at 6% per annum (2024: 6%), and will be repayable in 2027 and 2028 and are not secured by any assets or guarantees from the Group.

16 SHARE CAPITAL

	Number of shares '000	Amount HK\$'000
Ordinary shares		
Authorised:		
At 1 January 2024 (HK\$0.1 each)	6,000,000	600,000
Share Subdivision (<i>Note (a)(ii)</i>)	<u>54,000,000</u>	<u>–</u>
At 31 December 2024, 1 January 2025 and 31 December 2025 (HK\$0.01 each)	<u><u>60,000,000</u></u>	<u><u>600,000</u></u>
	Number of shares '000	Amount HK\$'000
Issued and fully paid		
At 1 January 2024 (HK\$0.1 each)	2,701,123	230,159
Capital Reduction (<i>Note (a)(i)</i>)	–	(207,143)
Issuance of shares on acquisition of subsidiaries (<i>Note (b)</i>)	<u>2,500,000</u>	<u>22,808</u>
At 31 December 2024, 1 January 2025 and 31 December 2025 (HK\$0.01 each)	<u><u>5,201,123</u></u>	<u><u>45,824</u></u>

Notes:

- (a) The Company completed a capital reorganisation by way of capital reduction and share subdivision (the “**Capital Reorganisation**”) which became effective on 21 June 2024. The Capital Reorganisation involved the following:
- (i) the reduction of issued share capital of the Company whereby the par value of each issued share of the Company (“**Share(s)**”) reduced from HK\$0.1 to HK\$0.01 by cancelling HK\$0.09 of the paid-up capital on each issued Share (the “**Capital Reduction**”);

- (ii) immediately following the Capital Reduction, the subdivision of each unissued Share of HK\$0.1 in the authorised share capital of the Company into 10 Shares of HK\$0.01 each (the “**Share Subdivision**”) so that immediately following the Capital Reduction and the Share Subdivision, the authorised share capital of the Company became HK\$600,000,000 divided into 60,000,000,000 Shares of HK\$0.01 each; and
 - (iii) the reduction of the entire amount resulted to the credit of the contributed surplus account of the Company.
- (b) Upon the completion of the Capital Reorganisation, the Company issued 2,500,000,000 ordinary shares at the closing price of HK\$0.229 per Share at the completion date of the acquisition (i.e. 21 June 2024), totalling HK\$572,500,000 or equivalent to RMB522,303,000. The issuance of the Shares resulted to the credit of the share capital account and share premium account of RMB22,808,000 and RMB499,495,000 respectively.

17 ACQUISITION OF BUSINESS

For the year ended 31 December 2025

(i) **Beijing Yiheng Acquisition**

On 18 March 2025, a non-wholly owned subsidiary of the Company, 北京恒美卓盛科技有限公司 (Beijing Hengmei Zhuosheng Technology Co., Ltd.*) (“**Beijing Hengmei**”) and the PRC registered shareholders of 北京熠珩企業管理有限公司 (Beijing Yiheng Enterprise Management Co., Ltd.*) (“**Beijing Yiheng**”), who are executive directors of the Company, entered into a sale and purchase agreement to acquire 100% equity interest in Beijing Yiheng at nil consideration (“**Beijing Yiheng Acquisition**”).

Upon completion of Beijing Yiheng Acquisition on 18 March 2025, the Company, through Beijing Hengmei, an indirectly non-wholly owned subsidiary of the Company, holds Beijing Yiheng as an indirectly non-wholly owned subsidiary of the Company with effective shareholding of 51%. Beijing Yiheng Acquisition has been accounted for as acquisition of business using the acquisition method.

* The English translation of the company’s name is for reference only. The official name of the company is in Chinese.

Gain on bargain purchase amounting to RMB37,000 on acquisition of Beijing Yiheng, after reassessment, is recognised in profit or loss within other income in the consolidated statement of profit or loss, as a result of the difference between nil consideration, non-controlling interests of RMB35,000 and the fair value of the net assets acquired of RMB72,000, of which cash and cash equivalents acquired is RMB2,000.

(ii) Beijing Jiayu Acquisition

On 18 March 2025, a non-wholly owned subsidiary of the Company, 北京崇達智行科技有限公司 (Beijing Chongda Zhixing Technology Co., Ltd.*) (“**Beijing Chongda Zhixing**”) and the PRC registered shareholder of 北京嘉域企業管理有限公司 (Beijing Jiayu Enterprise Management Co., Ltd.*) (“**Beijing Jiayu**”), who is an executive director of the Company, entered into a sale and purchase agreement, to acquire 50% equity interest in Beijing Jiayu at nil consideration (“**Beijing Jiayu Acquisition**”).

Upon completion of Beijing Jiayu Acquisition on 18 March 2025 (the “**Completion Date of Beijing Jiayu Acquisition**”), the Company, through Beijing Chongda Zhixing, an indirectly non-wholly owned subsidiary of the Company, holds Beijing Jiayu as an indirectly non-wholly owned subsidiary of the Company with effective shareholding of 26.01%. Beijing Jiayu Acquisition has been accounted for as acquisition of business using the acquisition method.

* The English translation of the company’s name is for reference only. The official name of the company is in Chinese.

Consideration transferred

RMB’000

Consideration

—

Among acquisition-related costs of approximately RMB154,000 in total are expensed and are included in administrative expenses during the year.

Assets and liabilities of Beijing Jiayu recognised at the Completion Date of Beijing Jiayu Acquisition

	<i>RMB'000</i>
Right-of-use assets	1,224
Intangible assets	4,079
Trade receivables	6
Prepayments and other receivables	115
Cash and cash equivalents	607
Other payables and accruals	(426)
Contract liabilities	(50)
Borrowings	(7,802)
Deferred tax liabilities	(29)
Lease liabilities	<u>(1,224)</u>
	<u><u>(3,500)</u></u>

The receivables acquired with a fair value of RMB121,000 at the Completion Date of Beijing Jiayu Acquisition had gross contractual amount of RMB121,000.

Non-controlling interests

The non-controlling interests in Beijing Jiayu recognised at the Completion Date of Beijing Jiayu Acquisition was measured by reference to the proportionate share of recognised amounts of net liabilities of Beijing Jiayu amounted to RMB2,590,000.

Goodwill arising on Beijing Jiayu Acquisition

RMB'000

Consideration transferred	–
Add: non-controlling interests	(2,590)
Add: recognised amounts of net identifiable liabilities	<u>3,500</u>
Goodwill arising on Beijing Jiayu Acquisition	<u><u>910</u></u>

Goodwill arising on Beijing Jiayu Acquisition is not expected to be deductible for tax purposes.

Net cash inflow arising on Beijing Jiayu Acquisition

RMB'000

Cash and cash equivalents acquired	<u><u>607</u></u>
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MANAGEMENT DISCUSSION AND ANALYSIS OVERVIEW

OVERVIEW

Tong Tong AI Social Group Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) are principally engaged in (i) digital Internet platform business, which includes social commerce platform and business ecosystem collaboration platform, (ii) digital content ecosystem business, which encompasses game development and distribution, film and television production, as well as digital marketing, and (iii) financial technology services business, which involves providing commercial factoring and other financing services.

During the year ended 31 December 2025 (the “**Reporting Period**”), the global economy experienced stable growth, but it lacked momentum due to increasing trade tensions and fluctuations in financial markets. In this complex environment, the Group achieved steady development by deepening its comprehensive Internet strategy of “technology + finance”, accelerating its digital transformation, and diversifying its business. The Group successfully completed its expansion into the Internet social and digital content sectors through the acquisition of the Beijing Yiheng Group (as defined below) and the Beijing Jiayu Group (as defined below) during the Reporting Period. Meanwhile, by leveraging the synergy between financial technology and Internet businesses, the Group has further achieved revenue growth, with core drivers including enhanced conversion efficiency of digital content traffic (such as games and short dramas), expanded scale of financial services, and new volume contributions from digital Internet platforms.

For the Reporting Period, the Group’s revenue increased by RMB148.1 million or 56.1% from RMB264.1 million for the year ended 31 December 2024 (the “**Corresponding Period**”) to RMB412.2 million for the Reporting Period. However, the Group’s profit before tax decreased substantially by RMB51.2 million or 75.5% from RMB67.8 million for the Corresponding Period to RMB16.6 million for the Reporting Period.

The substantial increase in revenue was attributable to several factors including i) the increase in revenue from CashBox Group Technology (Hong Kong) Limited (“**CashBox**”) by RMB147.3 million or 105.3% for the Reporting Period, following its acquisition by the Group on 21 June 2024 (the “**CashBox Acquisition**”); and ii) the increase in revenue from external customers of RMB3.1 million for the Reporting Period from the Beijing Liheng Group (as defined below) acquired by the Group in August 2024 through specific contractual arrangements. Conversely, the Company recorded a substantial decrease in profit before tax for the Reporting Period which was primarily due to i) the significant increase in staff costs by RMB54.9 million mainly due to the business expansion of the Beijing Liheng Group and ii) the increase in amortisation of intangible assets, by RMB20.8 million, incurred as a result of the CashBox Acquisition and the acquisition of Beijing Liheng Group, which was partially offset by the increase in foreign exchange gain by RMB48.1 million due to the appreciation of Renminbi against Hong Kong dollar for the Reporting Period.

Although the Company recorded a substantial decrease in profit before tax during the Reporting Period, profit attributable to the owners of the Company increased from RMB39.6 million in the Corresponding Period to RMB61.7 million in the Reporting Period. The increase in profit attributable to the owners of the Company was primarily due to the significant losses incurred at the initial development stage of the Beijing Liheng Group, in which the Company indirectly holds a 26.01% shareholding interest. As such, the majority of these losses were borne by the non-controlling interests. Concurrently, the Company recorded an increase in exchange gain of RMB48.1 million. For more details, please refer to the “Financial Review” section of this announcement.

CashBox is principally engaged in game development and publishing businesses. Upon the completion of the CashBox Acquisition, the financial results of CashBox have been consolidated in the Group’s financial statements.

On 28 August 2024, the Group acquired 北京立衡企業管理有限公司 (Beijing Liheng Enterprise Management Co., Ltd.*) (“**Beijing Liheng**”, and together with its subsidiaries, the “**Beijing Liheng Group**”) through 賦勤(寧波)科技有限公司 (Fuqin (Ningbo) Technology Co., Ltd.*) (“**Fuqin (Ningbo)**”), which is an indirectly non-wholly owned subsidiary of the Company, by entering into certain agreements (the “**Beijing Liheng VIE Contracts**”), pursuant to which Fuqin (Ningbo) will have effective control over the finance and operation of Beijing Liheng and will enjoy the entire economic interests and benefits generated by Beijing Liheng (the “**Beijing Liheng Contractual Arrangements**”). Upon entering into the Beijing Liheng Contractual Arrangements, the financial results of Beijing Liheng have been consolidated in the results of the Group as if Beijing Liheng is a subsidiary of the Company.

The Beijing Liheng Group is principally engaged in social networking, AI and blockchain services, digital asset auction, e-commerce, information and short drama publishing, information technology services, and research and development of technology businesses in the People’s Republic of China (the “**PRC**” or “**China**”). The subsidiaries of Beijing Liheng hold various licenses for the operation of the Beijing Liheng Group’s businesses, mainly including EDI license (在線數據處理與交易業務經營許可證), ICP license (電信與信息服務業務經營許可證) and ICB license (網絡文化經營許可證).

For details of the Beijing Liheng Contractual Arrangements, please refer to the announcement of the Company dated 28 August 2024.

On 18 March 2025, 北京恒美卓盛科技有限公司 (Beijing Hengmei Zhuosheng Technology Co., Ltd.*) (“**Beijing Hengmei**”), which is an indirectly non-wholly owned subsidiary of the Company, 北京熠珩企業管理有限公司 (Beijing Yiheng Enterprise Management Co., Ltd.*) (“**Beijing Yiheng**”, and together with its subsidiary, the “**Beijing Yiheng Group**”), which is owned as to 90% by Mr. Zhou Yafei (“**Mr. Zhou**”) and 10% by Mr. Song Chenxi (“**Mr. Song**”) (both being executive directors of the Company) (the “**Beijing Yiheng PRC Registered Shareholders**”) and the Beijing Yiheng PRC Registered Shareholders entered into certain agreements (the “**Beijing Yiheng VIE Contracts**”), pursuant to which Beijing Hengmei will have effective control over the finance and operation of Beijing Yiheng and will enjoy the entire economic interests and benefits generated by Beijing Yiheng (the “**Beijing Yiheng Contractual Arrangements**”). Upon entering into the Beijing Yiheng Contractual Arrangements, the financial results of the Beijing Yiheng Group have been consolidated in the results of the Group as if Beijing Yiheng is a subsidiary of the Company.

Beijing Yiheng’s only subsidiary, 北京爆款連連文化科技有限公司 is principally engaged in the production, promotion and publication of film and television as well as online content development in the PRC. As at the date of this announcement, Beijing Yiheng’s subsidiary holds the Radio and Television Program Production and Operation License (廣播電視節目製作經營許可證) and Value-added Telecommunications Service Operating License (增值電信業務經營許可證).

On 18 March 2025, 北京崇達智行科技有限公司 (Beijing Chongda Zhixing Technology Co., Ltd.*) (“**Beijing Chongda Zhixing**”), which is an indirectly non-wholly owned subsidiary of the Company, 北京嘉域企業管理有限公司 (Beijing Jiayu Enterprise Management Co., Ltd.*) (“**Beijing Jiayu**”, and together with its subsidiaries, the “**Beijing Jiayu Group**”), which is owned as to 50% by Beijing Chongda Zhixing and 50% by Mr. Song (the “**Beijing Jiayu PRC Registered Shareholder**”) and the Beijing Jiayu PRC Registered Shareholder entered into certain agreements (the “**Beijing Jiayu VIE Contracts**”), pursuant to which Beijing Chongda Zhixing will have effective control over the finance and operation of Beijing Jiayu and will enjoy the entire economic interests and benefits generated by Beijing Jiayu (the “**Beijing Jiayu Contractual Arrangements**”). Upon entering into the Beijing Jiayu Contractual Arrangements, the financial results of the Beijing Jiayu Group have been consolidated in the results of the Group as if Beijing Jiayu is a subsidiary of the Company.

Beijing Jiayu has two wholly owned subsidiaries, namely (i) 共域通兌(海南) 科技有限公司, which is principally engaged in cross-merchant asset interoperability such as cross-merchant membership points redemption and sharing membership operational services, which involves the provision of Internet information services, data processing services and transaction processing services under the Value-added Telecommunications Service Operating License (增值電信業務經營許可證), including B21 online data processing and transaction processing business (e-commerce) and B25 information service business (Internet information service); and (ii) 共域通對(北京) 科技有限公司 with an authorised scope of business of the provision of technical, development, consulting, corporate management, and socio-economic consulting services.

For details of the Beijing Yiheng Contractual Arrangements and the Beijing Jiayu Contractual Arrangements, please refer to the announcement of the Company dated 18 March 2025.

In addition to the newly acquired businesses, the Group's revenue from commercial factoring business remained stable and increased by RMB1.5 million during the Reporting Period. However, the Group's revenue from other financing services decreased from RMB33.3 million in the Corresponding Period to RMB24.2 million in the Reporting Period. This decline was mainly due to the introduction of new regulations in the domestic loan facilitation industry, which led to a reduction in lending volumes in the market and, consequently, lower referral revenue during the Reporting Period.

The Group is committed to becoming a market-leading “technology + finance” comprehensive Internet services provider, building on its existing business development. The management team will align closely with national policy guidance and take full advantage of the favourable opportunities presented by the widespread adoption of emerging technologies such as AI and blockchain. Additionally, the Group plans to actively develop businesses within the digital Internet ecosystem. This strategy aims to create a multi-sector, synergistic ecosystem that incorporates financial services, Internet social networking, and digital content. By driving traffic conversion and increasing user lifetime value, the management believes that promoting business diversification and digital transformation, while maintaining strong financial performance and optimising revenue structure, will lead to the Group's steady development and generate fruitful and stable returns for the shareholders of the Company (the “**Shareholders**”).

INDUSTRY ENVIRONMENT

In 2025, the global technology and Internet Industries continued to undergo structural adjustments and paradigm evolution amid volatility. Technological breakthroughs, intensified policies, and market shifts intertwined to shape new competitive landscapes and development paths. China's long-term positive economic fundamentals remained unchanged. The advantages inherent in its ultra-large-scale market, comprehensive industrial system, and vibrant innovation vitality continued to emerge, solidifying its position as the primary engine of global economic expansion. Various international organisations, including the IMF and the World Bank, alongside foreign institutions, have raised their growth forecasts for China's economy for 2026.

At the policy level, the direction has clearly been established. The 2025 Government Work Report, delivered during the National Two Sessions, underlined the need to advance the "AI+" initiative and deepen the research, development, and application of big data and AI technologies. Financial policies continued to emphasise risk prevention and control as well as the return to core service functions, through penetrating regulation. A number of regulatory documents were established to facilitate the virtuous cycle of "technology-industry-finance", which unlocked new quality productive forces.

During the Reporting Period, the fintech industry has advanced into a new phase of high-quality development, marked by strong regulation and deep integration. In supply chain finance, the application of blockchain technology has evolved from proof-of-concept to full-process traceability, significantly enhancing transparency and resilience across supply chains. Inclusive finance, empowered by digital tools, continued to expand its reach into the private economy and micro, small, and medium-sized enterprises. On a global scale, financial regulation has been characterised by the parallel trends of localisation and international coordination. As regulatory frameworks for digital assets and payment instruments have grown increasingly clear, enterprises are facing more stringent requirements in dynamically adapting their compliance structures while maintaining the capacity for innovation.

Focusing on the Internet technology field, the driver for global digital Internet industry is shifting from user benefits to technological value. AI has become infrastructure for the digital economy. “AI+” comprehensively empowers thousands of industries, with the opening up of large model capabilities lowering application barriers and bringing about massive innovations. Integration of Web3.0 concepts and technologies into existing Internet business models is accelerating. Blockchain grants users data ownership and value transfer capabilities, while AI optimises interaction experiences in decentralised ecosystems. Their synergy is giving rise to the budding of a new generation of decentralised application (DApp), driving the industry toward deeper value exploration.

According to the 57th Statistical Report on Internet Development in China, as of December 2025, the number of Internet users in China reached 1.125 billion, pushing the Internet penetration beyond 80%. In particular, the number of generative AI users reached 602 million, marking the accelerated integration of AI technology into daily life and production. The benefits of digital development are reaching broader segments of the population. The social media market continues to show steady growth, but the focal point of competition has shifted from scale expansion to vertical segmentation and deeper value exploration. Models such as social e-commerce, paid subscriptions, and creator economy are becoming increasingly mature. AI empowers upgrades in virtual social experiences and content creation tools, while blockchain technology builds more transparent creator incentive mechanisms and community governance models. These advancements effectively enhance user stickiness and commercial value on platforms.

The digital content industry became one of the most dynamic economic sectors in 2025, serving as an important new engine driving digital economy growth. Globally, the gaming market demonstrated structural growth opportunities amid adjustments. According to Newzoo data, it expected global gaming revenue to increase by 7.5% year-on-year to US\$197 billion in 2025, with mobile games firmly holding the top spot among sub-sectors. In China, the gaming industry ushered in a “banner year” of development. According to the China Game Industry Report for 2025, the actual sales revenue of the China’s gaming market reached RMB350.789 billion for the year, up 7.68% year-on-year, crossing the RMB350 billion threshold for the first time; the number of game users rose 1.35% to 683 million, further approaching the 700 million user milestone. Meanwhile, the short drama industry exhibited “explosive” growth.

According to the National Radio and Television Administration, in 2025, both the volume of micro-short dramas broadcast on national satellite TV channels and audience viewership achieved multiple-fold increases. Also, according to iiMedia Research, the market size of China’s micro-short drama sector was projected to reach RMB67.79 billion in 2025, up 34.4% year-on-year, with projections that the market size of China’s online micro-short drama will exceed RMB150 billion by 2030.

BUSINESS REVIEW

Following its strategic upgrade in 2024, the Group is focusing on the core areas of “social + commerce.” The goal is to build a new digital Internet ecosystem for the Web 3.0 era, aiming to become a leading global provider of integrated digital Internet services.

During the Reporting Period, the Group has implemented its “One Core, Two Wings” strategic framework, which involves steadily developing three interconnected segments: a digital Internet platform, a digital content ecosystem, and financial technology services. This framework aims to create an open, value-driven social commerce ecosystem for the Web 3.0 era. The Group’s social commerce platform serves as the central digital Internet hub, facilitating business execution, traffic aggregation, and value monetisation. By adhering to the core principle that “social interaction generates transactions”, the Group is integrating cutting-edge technologies like AI, blockchain, and the metaverse. This approach aims to create an AI-powered entry point for users of all ages, fostering a deep integration of social engagement, content, and commerce. The Group is committed to empowering ecosystem partners and establishing a new model of collaborative, which is mutually beneficial to industrial development.

Digital Content Ecosystem Business

The Group's digital content ecosystem business encompasses game development and distribution, film and television production, and digital marketing which undertake the core function of attracting traffic and realising commercial monetisation for the Group. To enhance the Group's resilience to risk and competitiveness in the Internet finance sector, a diversified transformation based on existing business activities is considered necessary. As such, in June 2024 and March 2025, the Group acquired CashBox and the Beijing Yiheng Group, respectively, with the objective to diversify the Group's business, expand its income stream improve the Group's business ecosystem and maximise returns for the Shareholders.

Leveraging CashBox's research and development, and operational capabilities in the gaming sector, along with the Beijing Yiheng Group's strengths in film and television content production and distribution, the Group has established a digital content ecosystem that integrates gaming with film and television. This strategy will enhance the Group's ability to innovate within its digital content ecosystem, provide content support to attract and engage users, and promote overall value enhancement for the ecosystem.

The Group has comprehensive capabilities across all aspects of game development, publishing, and operations. CashBox is a leading game developer with a top-notch management and research and development team, along with valuable industry insights, expert knowledge, and extensive resources. The game business employs a profit model that combines advertising services and virtual item monetisation. This model includes charging service fees based on the number of clicks or display time through in-game advertising, as well as offering players consumable virtual items that can be redeemed online. The costs related to these items are paid by the end-users through online payment channels or directly by distributors. Currently, the Group's digital content ecosystem includes popular mini-casual games such as Solitaire PawPaw, Link Block, and Dream Puzzle. During the Reporting Period, 119 new game products have been launched, bringing the total number of developed and released games to over 560 as of 31 December 2025.

Additionally, the Group has independently developed and upgraded its personalised operation system, Quick BI 4.0. This system, built on a standardised and replicable platform model, enables efficient and precise promotion and management of games, facilitating rapid revenue conversion following a game's launch. As the number of game products increases and business strategies are optimised, the game business has attracted users from over 100 countries, with core user demographics concentrated in densely populated regions such as the United States, Brazil, India, and Southeast Asia. Furthermore, the average revenue per paying user (ARPPU) among active users has continued to rise.

The Group's digital content ecosystem business also emphasises the creation of online media, including film and television content. It has established a production chain focused on youth-oriented films and television in the online space. With integrated capabilities in film and television production, publicity, and brand marketing, the Group has developed comprehensive innovation capabilities in content creation, intellectual property production, and distribution.

During the Reporting Period, the Group produced several high-quality short dramas, including popular titles such as 《縛君心》 (Bound by the Emperor's Heart*), 《噓! 暴君是我掌上犬》 (Hush! The Tyrant is My Beloved Dog*), 《本將軍的夫人才不是惡女》 (This General's Wife is Not a Villain*), and 《棄婿後, 我自成凰》 (After Abandoning My Son-in-Law I Become a Phoenix*). These works span various genres, including historical romance, female-led revenge, and fantasy. The Group has established deep collaborations with platform-native accounts such as 紅果短劇 (Hongguo Short Drama*), 愛奇藝微短劇 (iQIYI Mini Drama*), and Douyin. It is actively expanding into the AI short drama market to enhance its diverse content ecosystem. By exploring a wider range of genres and themes, the content ecosystem has become increasingly robust, leading to a consistent rise in the reputation of the works and drawing significant market attention. During the Reporting Period, CashBox and the Beijing Yiheng Group recorded revenue of RMB287.1 million and RMB5.4 million respectively.

Digital Internet Platform Business

The Group's digital Internet platform business is a key part of its "One Core, Two Wings" strategy. This business primarily focuses on two main areas: social commerce platforms and business ecosystem collaboration platforms. These platforms serve essential functions such as traffic aggregation, scenario implementation, and value exchange.

To expand its digital Internet platform business and enhance market competitiveness under its "social + commerce" strategic framework, the Group completed the acquisitions of the Beijing Liheng Group in August 2024 and the Beijing Jiayu Group in March 2025 through contractual arrangements. The two acquired entities are collaborating to leverage advanced technologies, including AI, metaverse, blockchain, Web 3.0, and augmented reality ("AR")/virtual reality ("VR"). Together, they aim to develop a multi-dimensional interconnected digital Internet platform ecosystem centred around the Tongtong platform as its core hub. This approach will enable the Group to gradually establish a comprehensive "social + commerce" digital Internet platform and solidify its full-chain service system, which consists of "5 major scenario entry points, 10+ business models, and N innovative tools."

The Group's digital Internet platform is designed to appeal to all age groups, breaking down the barriers of traditional social e-commerce. It leverages advanced technologies such as AI, blockchain, and Web 3.0 to enhance user experience. By introducing innovative transaction scenarios and a variety of interactive features, the platform creates new consumer experiences and business models. This results in a multi-layered digital ecosystem that includes both a social commerce platform and a collaborative business ecosystem. Ultimately, this approach establishes a diversified "social + commerce" business models, empowering partners across the entire ecosystem, including the G-end (government and public services), S-end (supply chain and service providers), B-end (merchants, developers, and creators), b-end (promoters), C-end (consumer-merchants), and c-end (users), thereby building a fully digitalised value ecosystem. The digital Internet platform deeply integrates AI and metaverse technologies through highlighted functions such as animated digital humans, innovative features, NFTs, and user content creation, crafting diverse scenario experiences and personalised services for its users. The platform core product "Tongtong APP" launched in May 2024 has been at the public beta phase, which serves as one of the main entrances to traffic of the Group's digital Internet platform, providing users with a safer, more interesting, smarter and more novel "social + e-commerce" comprehensive experience.

Meanwhile, the core products of the digital Internet platform create strong synergies within the business ecosystem. Through interactive methods such as scenario co-creation, task-based networking, and social interactions, combined with various operational scenarios and marketing tools, the platform breaks down traditional barriers to entrepreneurship and the division between online and offline traffic. This results in a seamless integration of social interaction, emotional connection, and commercial value.

By enabling cross-merchant points redemption and shared member services, the platform enhances capabilities across multiple scenarios within the ecosystem, facilitating cross-platform integration. It provides traffic monetisation services in both “private domain” and “shared domain” contexts for merchants and users. This strategy boosts user engagement and loyalty while uncovering new opportunities for brand promotion and collaboration.

During the Reporting Period, the Group’s digital Internet platform business generated revenue of RMB13.7 million from external customers, mainly derived from subscription fees. As of 31 December 2025, the platforms operated by the Group had over 2.75 million registered users in total, with approximately 68,000 users having paid for subscriptions.

Under the new model of “social networking + commercial ecosystem” in Web 3.0, the Group aims to develop and operate a multi-dimensional interconnected commercial ecosystem that connects users and merchants, thereby gradually transforming into a comprehensive “social + commerce” digital Internet platform.

As the Group’s long-term objective is to become a market-leading digital Internet integrated services provider, the Group believes the acquisitions of the Beijing Liheng Group, the Beijing Jiayu Group, and the Beijing Yiheng Group will enhance the Internet service capabilities of the Group as a whole and at the same time enable the Group to diversify its business to maintain competitiveness in light of the challenging market conditions in recent years.

Financial Technology Services Business

As an essential part of the Group's "One Core, Two Wings" strategy, the financial technology services business plays a crucial role in offering stable financial support for the Group's business ecosystem. Its primary focus is on commercial factoring and other financial services.

Gome Xinda Commercial Factoring Limited ("**Xinda Factoring**"), a wholly-owned subsidiary of the Company, provided prompt and convenient supply chain financial services to high-quality customers. By adhering to compliant operational principles and ensuring asset quality, the financial technology services business steadily generates stable returns for the Group through an effective risk management system and prudent business strategies. During the Reporting Period, the Group continued to increase its loan amount and credit support to high-quality customers, raising the loan amount from RMB1.8 billion for the Corresponding Period to RMB2.1 billion for the Reporting Period. The interest rates charged to commercial factoring borrowers decreased slightly, ranging from 6.0% to 7.5% during the Reporting Period (the Corresponding Period: ranging from 6.0% to 8.0%), which aligns with prevailing market rates. The Group's revenue from the commercial factoring business increased to RMB81.8 million during the Reporting Period (the Corresponding Period: RMB80.4 million).

The commercial factoring business continued to yield stable returns for the Group, recording segment results (excluding inter-segment transactions) of RMB73.9 million for the Reporting Period (the Corresponding Period: RMB71.8 million). The Group plans to continue exploring opportunities in its commercial factoring business, as it has established a reliable risk management system and maintained steady growth despite various external challenges during the Reporting Period.

Aside from the commercial factoring business, the Group, through Gome Wangjin (Beijing) Technology Co., Ltd. ("**Gome Wangjin**"), a wholly-owned subsidiary of the Company, continues to seek various opportunities in providing other financing services, leveraging its extensive technical expertise in the relevant areas. Gome Wangjin primarily offers operating services for a financial service application and refers customers to financial institutions through this application. During the Reporting Period, the Group experienced a decrease in revenue of other financing services from RMB33.3 million in the Corresponding Period to RMB24.2 million in the Reporting Period. This decrease was primarily attributable to the introduction of new regulations in the domestic loan facilitation industry, which led to a reduced lending volume in the market and, consequently, lower referral revenue during the Reporting Period.

FINANCIAL REVIEW

Results highlights

Revenue

During the Reporting Period, the Group's revenue increased substantially by RMB148.1 million or 56.1%, reaching RMB412.2 million, compared to RMB264.1 million in the Corresponding Period. This growth was primarily driven by the CashBox Acquisition, and the acquisition of Beijing Liheng.

CashBox's principal activities include game development and publishing. Revenue generated from CashBox during the Reporting Period amounted to RMB287.1 million, compared to RMB139.9 million in the Corresponding Period. The Group gained a controlling interest in CashBox following the completion of the CashBox Acquisition on 21 June 2024, and its financial results have since been consolidated in the Group's financial statements. Revenue from online advertising services and top-up services made up approximately 25.8% and 74.2%, respectively, of CashBox's total revenue for the Reporting Period.

The Company acquired Beijing Liheng through the Beijing Liheng Contractual Arrangements in August 2024. The Beijing Liheng Group specialises in social networking, AI, e-commerce, information technology services, and technology research and development. During the Reporting Period, the Beijing Liheng Group generated revenue of RMB13.6 million (the Corresponding Period: RMB10.5 million) from external customers, accounting for 3.3% of the Group's total revenue. This revenue primarily came from subscription fees received from registered users of the "Tongtong APP".

The Group recorded revenue of RMB81.8 million from its commercial factoring business during the Reporting Period, up from RMB80.4 million in the Corresponding Period. The increasing demand for commercial factoring loans among borrowers in the PRC led to a rise in the Group's average net loan balance by RMB176.6 million, or 15.3%, growing from RMB1,155.0 million in the Corresponding Period to RMB1,331.6 million in the Reporting Period. This growth indicates an expansion of the operating scale of the commercial factoring business, which has continued to yield stable returns for the Group. The Group plans to explore further opportunities in its commercial factoring business going forward.

However, the Group experienced a decrease in revenue from its other financing services by RMB9.1 million, bringing the total to RMB24.2 million for the Reporting Period, compared to RMB33.3 million in the Corresponding Period. This decrease was primarily attributable to the introduction of new regulations in domestic loan facilitation industry, which led to a reduced lending volume in the market and, consequently, lower referral revenue during the Reporting Period.

Lastly, the Beijing Yiheng Group and Beijing Jiayu Group, which were acquired by the Group in March 2025, contributed only RMB5.4 million and RMB53,000, respectively, to the Group's revenue for the Reporting Period.

Other income and other losses

The Group's other income primarily consisted of bank interest income, which decreased from RMB5.3 million in the Corresponding Period to RMB0.9 million in the Reporting Period. This decline in bank interest income was mainly due to decreasing bank deposit rates in the PRC and the expansion of our commercial factoring business, which resulted in a lower bank deposit amount. Additionally, since the functional currency of the Company is Hong Kong dollar, the appreciation of Renminbi against Hong Kong dollar during the Reporting Period resulted in an exchange gain of RMB27.0 million, compared to an exchange loss of RMB21.1 million in the Corresponding Period, when calculating Renminbi foreign debt borrowings (foreign debt borrowings refer to loans made by the Company to its PRC subsidiaries).

Administrative expenses

The Group's administrative expenses primarily included staff costs, research and development expenses, amortisation of intangible assets, service fees and depreciation of right-to-use assets. Administrative expenses increased by RMB103.2 million from RMB56.0 million in the Corresponding Period to RMB159.2 million in the Reporting Period. The increase was mainly due to (i) an increase in staff costs of RMB54.9 million, from RMB22.1 million in the Corresponding Period to RMB77.0 million in the Reporting Period, due to an increase in staff cost as a result of the acquisition of the Beijing Liheng Group and its business expansion; (ii) an increase in the amortisation of intangible assets, comprise mainly integrated game developing system, mobile games and digital Internet platform development, totaling RMB20.8 million, mainly arising from the CashBox and Beijing Liheng acquisitions; (iii) an increase in service fees and promotion fees amounting to RMB7.9 million, largely driven by the business expansion of the Beijing Liheng Group during the Reporting Period, (iv) an increase in depreciation of right-to-use assets of RMB7.0 million, mainly arising from the acquisition of the Beijing Liheng Group and the Beijing Jiayu Group; and (v) an increase in research and development expenses for the Group's Lehuopai APP amounting RMB5.8 million.

Marketing expenses

The Group's marketing expenses amounted to RMB259.3 million in the Reporting Period, compared to RMB120.2 million in the Corresponding Period. During the Reporting Period, marketing expenses, primarily consisting of advertising and promotion expenses, technical service fees, short drama production, and Weibo promotion fees, were incurred by CashBox, the Beijing Liheng Group, and the Beijing Yiheng Group, totalling RMB247.4 million, RMB5.1 million, and RMB6.8 million, respectively.

Finance costs

The Group's finance costs mainly consisted of interest expenses, rising from RMB1.2 million in the Corresponding Period to RMB5.6 million in the Reporting Period. This increase in interest expenses was mainly related to non-bank borrowings of the Beijing Liheng Group and the Beijing Jiayu Group.

Combining all factors mentioned above, during the Reporting Period, the Group recorded profit before tax of RMB16.6 million compared to profit before tax of RMB67.8 million in the Corresponding Period. Although the Company profit before tax decreased significantly during the Reporting Period, profit attributable to the owners of the Company increased from RMB39.6 million in the Corresponding Period to RMB61.7 million in the Reporting Period. The increase in profit attributable to the owners of the Company was primarily due to the significant losses incurred at the initial development stage of the Beijing Liheng Group, in which the Company indirectly holds a 26.01% shareholding interest. As such, the majority of these losses were borne by the non-controlling interests. Concurrently, the Company reported an increase in the exchange gain of RMB48.1 million.

Digital Content Ecosystem Business Segment Analysis

The following table sets forth the operating results of the Group's digital content ecosystem business segment:

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue		
— Advertising income	73,964	26,538
— Top-up income	213,172	113,312
— Digital content service income	5,401	—
	<hr/>	<hr/>
Total Revenue	292,537	139,850
Net operating expenses	(284,406)	(127,539)
	<hr/>	<hr/>
Operating earnings	8,131	12,311
Provision for ECL of trade receivables	(175)	(580)
	<hr/>	<hr/>
Segment results	<u>7,956</u>	<u>11,731</u>

The Group's digital content ecosystem encompasses several businesses, including game development and publishing operated by CashBox, as well as film and television production and digital marketing managed by the Beijing Yiheng Group. As the CashBox acquisition was completed on 21 June 2024, CashBox's revenue in the Reporting Period increased significantly as compared to the Corresponding Period.

For CashBox, revenue was derived from online advertising services and top-up services, which comprised 25.3% and 72.9% of the total revenue from the Group's digital content ecosystem business, respectively. Meanwhile, the revenue generated by the Beijing Yiheng Group came from digital content service income such as short drama production and Weibo advertising, totalling RMB5.4 million for the Reporting Period.

The net operating expenses for the Group's digital content ecosystem business during the Reporting Period primarily included advertising and promotion expenses, amortisation of intangible assets, and costs associated with short drama production and Weibo promotions.

Digital Internet Platform Business Segment Analysis

The following table sets forth the operating results of the Group's digital Internet platform business segment:

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue	<u>13,699</u>	<u>10,548</u>
Net operating expenses	<u>(90,636)</u>	<u>(15,744)</u>
Segment results (excluded inter-segment transactions)	<u><u>(76,937)</u></u>	<u><u>(5,196)</u></u>

The Group's digital Internet platform business is divided into two main categories: social commerce platform and business ecosystem collaboration platform. The social commerce platform is managed by the Beijing Liheng Group, while the business ecosystem collaboration platform is run by the Beijing Jiayu Group. During the Reporting Period, revenue from the social commerce platform was RMB13.6 million, whereas revenue from the business ecosystem collaboration platform was only RMB53,000. The net operating expenses primarily consisted of staff costs, marketing expenses, research and development expenses and depreciation of fixed assets and right-of-use assets.

The segment results showed a substantial loss due to rising staff costs due to the business expansion of the Beijing Liheng Group, since its products have not yet reached full maturity.

Financial Technology Services Businesses Segment Analysis

Commercial factoring business

The following table sets forth the operating results of the Group's commercial factoring business segment:

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue	81,843	80,371
Net operating expenses	<u>(6,658)</u>	<u>(5,652)</u>
Operating earnings	75,185	74,719
Provision for ECL of loans receivables	<u>(1,327)</u>	<u>(2,886)</u>
Segment results (excluded inter-segment transactions)	<u>73,858</u>	<u>71,833</u>

As mentioned above, the steady demand for commercial factoring loans among borrowers in the PRC resulted in an increase in revenue from RMB80.4 million for the Corresponding Period to RMB81.8 million for the Reporting Period.

During the Reporting Period, the net operating expenses of the commercial factoring loan business increased by RMB1.0 million compared to the Corresponding Period. This rise was primarily due to a decline in deposit interest rates set by the People's Bank of China and an expansion in the scale of commercial factoring business. However, this expansion led to a decrease in monetary funds, which in turn resulted in a reduction of interest income by RMB1.3 million. As a result of these combined factors, segment profit (excluding inter-segment transactions), rising from RMB71.8 million in the Corresponding Period to RMB73.9 million in the Reporting Period.

The Group employs a consistent and objective approach to analysing loan quality in order to assess potential impairment losses on loan receivables. Factors considered in this analysis include subsequent settlements, defaults, delinquency in interest or principal payments, and a financial and credit analysis of each individual debtor or group of debtors.

After conducting this analysis, the Group categorises loans into five different categories and three stages based on the ECL, as required by standards related to financial instruments. A consistent policy is then applied to each loan category when providing for the impairment of loan receivables, taking into account the balances of various categories of loans, net of any settlement amounts made after the Reporting Period.

	As at 31 December 2025		As at 31 December 2024	
	Gross balance <i>RMB'000</i>	ECL provision <i>RMB'000</i>	Gross balance <i>RMB'000</i>	ECL provision <i>RMB'000</i>
Normal	1,410,214	15,686	1,281,656	14,359
Special mention	–	–	–	–
Substandard	–	–	–	–
Doubtful	–	–	–	–
Loss	–	–	–	–
	<u>1,410,214</u>	<u>15,686</u>	<u>1,281,656</u>	<u>14,359</u>

Gross balance of normal loan as at 31 December 2025 increased to RMB1,410.2 million (31 December 2024: RMB1,281.7 million), which was due to the increase in loan demand from the commercial factoring loan borrowers during the Reporting Period.

As at 31 December 2025, the provision for ECL increased to RMB15.7 million (31 December 2024: RMB14.4 million) which was due to the increase in the loan receivables of the Group.

Other financing services business

The following table sets forth the operating results of the Group's other financing services business segment:

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Revenue	24,170	33,331
Net operating expenses	<u>(6,065)</u>	<u>(5,829)</u>
Segment results (excluded inter-segment transactions)	<u>18,105</u>	<u>27,502</u>

During the Reporting Period, the Group recorded revenue from its other financing services business of RMB24.2 million, compared to RMB33.3 million for the Corresponding Period. The decrease in revenue was primarily due to the introduction of new regulations in the domestic loan facilitation industry, which led to a reduced lending volume in the market and, consequently, lower referral revenue during the Reporting Period.

Net operating expenses for the other financing services business increased by RMB0.2 million, mainly attributed to higher staff costs and a decrease in bank interest income.

Consequently, the segment results (excluding inter-segment transactions) decreased from RMB27.5 million for the Corresponding Period to RMB18.1 million for the Reporting Period.

Key operating data of the commercial factoring business

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
Total return on loans (revenue as % of average gross loan balance)	6.07%	6.89%
Allowance to loans ratio (impairment allowance as % of gross loan balance)	1.11%	1.12%
Non-performing loan ratio (gross non-performing loan balance as % of gross loan balance)	0.00%	0.00%
Allowance coverage ratio (impairment allowance as % of gross non-performing loan balance)	<u>N/A</u>	<u>N/A</u>

Annual interest rate of commercial factoring business was 6.0% to 7.5% for the Reporting Period, as compared with 6.0% to 8.0% for the Corresponding Period. Total return on loans reduced because of the fact that the Peoples' Bank of China lower the loan prime rate during the Reporting Period and the Group also reduced the loan interest rate for its commercial factoring business which was in-line with the market condition.

As all new loans during the Reporting Period were settled on time or remained under normal stage as at 31 December 2025, both allowance to loans ratio and non-performing loan ratio remained steady. In addition, the absence of substandard, doubtful and loss loans balance as at 31 December 2024 and 2025 resulted in 0% non-performing loan ratio and no allowance coverage ratio. The percentage of allowance coverage ratio maintained at over 100% (or not applicable), representing that the provisions made wholly covered the gross balances of all non-performing loans.

Taking into account the uncertainties of the economy, the Company's management was cautious and considered that it would be appropriate to maintain the provision for ECL at a high level.

Provision for ECL

As mentioned above, a provision for ECL of RMB1.3 million was made for the commercial factoring business, and a provision for ECL of RMB175,000 was made for the game development and publishing business during the Reporting Period. All provisions for ECL as of 31 December 2025 were made for loan receivables. The movements in provision for ECL of trade and loan receivables are as follows:

	For the year ended 31 December 2025 RMB'000	For the year ended 31 December 2024 RMB'000
As at 1 January	14,944	11,473
Impairment allowances recognised	16,431	14,944
Impairment loss reversed	(14,944)	(11,473)
 As at 31 December	 <u>16,431</u>	 <u>14,944</u>

Credit policies and credit approval procedures

The Group has established its own credit policies and credit approval procedures for loan applications and loans granted. The Group has set up different departments with sufficient and appropriate segregation of duties and authorities in all the business processes. The executive directors of the Company and the designated senior management will be closely involved in the policy setting and management process to ensure an effective supervision and proper business conducts.

For details, please refer to the section headed “Credit policies and credit approval procedures” in the annual report of the Company to be published in due course.

During the Reporting Period, the credit period granted for commercial factoring loans ranging from 90 to 360 days (the Corresponding Period: ranging from 90 to 360 days) with effective interest rates ranging from 6.0% to 7.5% (the Corresponding Period: ranging from 6.0% to 8.0%) per annum. The total gross trade and loan receivables from the commercial factoring service business as at 31 December 2025 amounted to RMB1.41 billion (31 December 2024: RMB1.28 billion) of which the Group’s largest factoring loan borrower accounted for 16.2% of the Group’s total gross trade and loan receivables from commercial factoring service business as at 31 December 2025 (31 December 2024: 15.3%).

The development strategy of the Group’s factoring loan borrowers will be deeply explored from the existing channels to the upstream and downstream, and more attention will be paid to borrower’s quality and risks will be assessed through comprehensive factors such as borrower’s scale and strength.

None of the Group’s trade and loan receivables from the commercial factoring service business were past due for the Reporting Period and the Corresponding Period.

Update on the acquisition of TJGCMT

Beijing Bosheng Huifeng Business Consulting Co., Limited (“**Bosheng Huifeng**”) agreed to acquire 100% equity interest in Tianjin Guanchuang Mei Tong Electronic Commerce Limited (“**TJGCMT**”, together with its subsidiaries, the “**TJGCMT Group**”) (the “**TJGCMT Acquisition**”) from Tibet Yang Guan LLP and Mr. Mao Deyi (together the “**Sellers**”) pursuant to an equity transfer agreement dated 25 July 2017 (the “**Transfer Agreement**”). The TJGCMT Group is engaged in issuing and accepting prepaid cards, offering internet payment solutions, providing cross-border payment services, professional financial services, and clearing and settlement services. On 7 June 2017, RMB576 million had been advanced according to the loan agreement entered into between Xinda Factoring and Bosheng Huifeng (the “**Bosheng Huifeng Loan Agreement**”). Details of the TJGCMT Acquisition and Bosheng Huifeng Loan Agreement are set out in the Company’s circular dated 29 June 2017. Completion of the TJGCMT Acquisition is pending on the grant of approval for the ownership change in TJGCMT by the People’s Bank of China (“**PBOC**”).

In the first half of 2025, the Company’s management primarily focused on addressing on-site inspections conducted by the PBOC regarding compliance of TJGCMT’s business. In the second half of 2025, the Company’s management began preparing further materials for the application of the ownership change in TJGCMT and submitted further review materials to the PBOC. The Company’s management understood that the Company was progressing in a normal course of such application.

As at 31 December 2025 and up to the date of this announcement, approval of the PBOC for the TJGCMT Acquisition has not yet been granted and accordingly, the TJGCMT Acquisition has not yet been completed. As the application has further progressed during 2025, the Company’s management anticipates that the PBOC is very likely to complete the approval process for the ownership change by the end of 2026.

On 31 October 2025, a supplemental agreement (the “**Supplemental Agreement**”) to the Transfer Agreement was signed which concluded that the total consideration for the TJCGMT Acquisition was reduced from RMB720.0 million to RMB576.0 million. In addition, Bosheng Huifeng will serve as the exclusive service provider, offering comprehensive business support, technical services, and consulting services to the TJGCMT Group. In return, TJGCMT will pay Bosheng Huifeng 80% of its pre-tax profit as a service fee.

On 31 October 2025, an exclusive entrusted management agreement (the “**Entrusted Management Agreement**”) was entered into between Xinda Factoring and Bosheng Huifeng which concluded that Xinda Factoring will serve as the exclusive service provider, offering comprehensive business support, technical services, and consulting services to Bosheng Huifeng. In return, Bosheng Huifeng will pay Xinda Factoring 100% of its pre-tax profit as a service fee.

The Company’s management believes that signing the Supplemental Agreement and the Entrusted Management Agreement will enhance the Company’s revenue sources. It will also allow for more effective collaboration between TJGCMT’s business and the Group’s business, thereby creating additional development opportunities and synergies for the Group. This is considered to be in the best interests of both the Group and all its shareholders.

As a result of these arrangements, the Group indirectly obtained the operating right of TJGCMT (the “**Operating Right**”) and 80% of TJGCMT’s pre-tax profit will be included in the Company’s consolidated profit and loss accounts as service fee income. The terms of the Supplemental Agreement remain in effect until the completion of the share transfer under the Transfer Agreement. In substance, the Group’s existing interest in the TJGCMT Acquisition, represented by the net carrying amount of the prepayment for the acquisition of TJGCMT of RMB368.0 million (net of previously recognised accumulated impairment losses of RMB208.0 million), now encompasses the right to manage and receive economic benefits from the TJGCMT Group.

As the Group obtained control over the expected future economic benefits from the Operating Right and the cost of the Operating Right could be measured reliably, the Group recognised an “Operating Right” in the consolidated statement of financial position at the amount of RMB368.0 million, representing the carrying value of the prepayment, which the Group treated as the deemed consideration for such transaction at the date of the Supplemental Agreement. This recognition reflects the Group’s current right to the underlying operations pending formal PBOC approval of the share transfer. The Operating Right is considered to have an indefinite useful life as it remains in effect until the completion of the transaction, and is carried at cost less any subsequent accumulated impairment losses.

According to the Transfer Agreement and the Supplemental Agreement, if the transfer of the equity interest in TJGCMT is not completed eventually, the Group has the right to require the Sellers to return the paid equity transfer price of RMB576.0 million in accordance with the provisions of the Transfer Agreement, subject to the rights and obligations of the parties under the Transfer Agreement and the Supplemental Agreement and limitation of action. On 26 December 2025, a personal undertaking was renewed and made by Mr. Wong Kwong Yu (“**Mr. Wong**”), the controlling shareholder of the Company (“**Wong’s Undertaking**”) to replace Mr. Wong’s previous personal undertaking which expired in 31 December 2025. Pursuant to Wong’s Undertaking, if the transaction of the equity (the “**Transaction**”) cannot be completed by 31 December 2027 eventually, Mr. Wong undertook that Bosheng Huifeng will be procured to use all legal means to dispose of the equity interest in TJGCMT held by the Sellers so as to enable Bosheng Huifeng to recover part or all of the paid equity transfer price of RMB576.0 million. In the event that Bosheng Huifeng is still unable to recover part or all of the relevant consideration of the equity transfer and the Group cannot receive the full the paid equity transfer price of RMB576.0 million, Mr. Wong will procure to make good any shortfall with his personal assets to the Group on or before 31 December 2028. The directors of the Company (the “**Directors**”) are of the view that Wong’s Undertaking provided by Mr. Wong will provide the Company with greater confidence and facilitate the advancement of the Transaction.

At the meeting of the Board in March 2026, the Directors considered the status of the Transaction again, in particular, whether the Company should continue to accept the uncertainty of further pending approval, instead of terminating the Transaction and requesting the immediate return of the the paid equity transfer price of RMB576.0 million. Apart from this, taking into account the latest view of the Company’s management on the commercial rationale of the TJGCMT Acquisition, the strategic value of the TJGCMT Acquisition to the Group, and the Supplemental Agreement and the Entrusted Management Agreement entered into on 31 October 2025, the Directors are of the view that the Company should continue to actively promote the approval procedure of the TJGCMT Acquisition. However, if the Transaction still cannot be completed, the Company may consider terminating the Transaction and seek alternative opportunities.

For the year ended 31 December 2025, following the recognition of the prepayment to “Operating Right”, the Company’s management performed an impairment assessment, supported by an independent valuation of the TJGCMT Group, as the recoverable amount was higher than its carrying amount, the Directors considered that no impairment was required for the year ended 31 December 2025.

PROSPECT

Looking forward to 2026, the global economy will continue to face challenges such as sluggish growth, geopolitical conflicts, and policy divergences, with international institutions such as the World Bank maintaining a cautious outlook on medium-term growth prospects. Nevertheless, the World Bank, International Monetary Fund (“IMF”), Asian Development Bank, and others have recently raised their forecasts for China’s economic growth in 2026, underscoring their recognition of China’s steady and long-term positive economic trajectory. In terms of industry trends, the structural opportunities brought by technological revolutions and industrial transformations remain evident. The continuous breakthroughs and large-scale applications of digital technologies such as AI and Web3.0 will remain the core forces driving global economic structural transformation and high-quality development. For AI, transition from “model creation” to “AI application” is expected, fostering deeper integration with all aspects of the real economy. Web3.0-related technologies will gradually move from the exploration phase into a stage of selective large-scale application, unleashing enormous development potential in areas such as digital identity, data circulation, and copyright management.

The Group will seize the industry development opportunities, adhere to the “technology + finance”, dual-engine driven strategy, deepen the strategic synergy among its three major segments — digital Internet platforms, digital content ecosystem, and financial technology services — to cultivate a mutually empowering digital business ecosystem characterised by a virtuous cycle. The Group will continue to increase its research and development investment in cutting-edge AI fields, elevating AI from a product feature to the underlying operating system for all business lines, thereby comprehensively enhancing the intelligence level across the entire business. At the business level, the Group will focus on operating the digital Internet platform centered on “Tongtong APP”, persistently advance the construction of a closed-loop “social + commerce” ecosystem and its monetisation process and increase user scale and the full lifecycle value per user. At the same time, the Group will enhance the synergy among its social platform, digital content ecosystem, and financial technology services to establish a diversified and healthy revenue structure.

Seizing the historic opportunities presented by the Web3.0 era, the Group will, on the premise of complying with global and regional laws and regulations, uphold “technology-led, compliance-based, value-driven” principles, prudently yet firmly advance the implementation of its Web3.0 strategy and refine its ecological value system. Meanwhile, the Group will continue to explore development opportunities related to AI-driven social platform, digital content, financial technology, and Web3.0 infrastructure in both domestic and international markets to accelerate its ecosystem layout and consolidate its competitive edge. Furthermore, in response to an increasingly complex regulatory environment, the Group will elevate compliant operations to a strategic height for its survival and development, continuously improve data security and privacy protection systems, and establish ongoing review mechanisms for AI ethics and content security, ensuring that the innovative business progress steadily on a compliant and secure track.

To embrace the development opportunities presented by the next-generation Internet ecosystem integrating AI, social platform, and Web3.0, the Group will focus on building a powerful combination of “brand value thickness + technology application efficiency + ecological synergy ability”, consolidate the existing business foundation under the compliance framework and integrate high-quality resources and innovative technologies, through which the management believe will generate intrinsic momentum for sustainable growth amid volatile markets, open up greater possibilities for diversified business development and deliver stable and attractive long-term returns to the Shareholders.

LIQUIDITY AND FINANCIAL RESOURCES

The Group’s financial position is sound with a strong equity and working capital base. As at 31 December 2025, the Group’s total equity amounted to RMB2,429.4 million (31 December 2024: RMB2,465.1 million). As at 31 December 2025, the Group’s cash and cash equivalents decreased to RMB27.4 million (31 December 2024: RMB130.5 million). In the opinion of the management, the decrease in cash balance was mainly due to (i) rising costs associated with research and development, as well as staffing related to the business expansion of the Beijing Liheng Group, since its products have not yet reached full maturity and (ii) the increase in commercial factoring loan size.

During the Reporting Period, the Group recorded cash outflow from its operating activities of RMB18.9 million (the Corresponding Period: cash outflow RMB152.3 million), which was mainly due to the increase in trade receivables and loan receivables of RMB145.2 million and the increase in trade payable, other payables and accruals, and contract liabilities of RMB65.1 million, which is partially offset by changes in working capital not included in operating cash flows. The Group recorded a cash outflow from investing activities of RMB125.4 million during the Reporting Period (the Corresponding Period: cash outflow of RMB22.0 million) which was mainly because of the increase in research and development expenses of the Group’s digital Internet platform business and the increase in the investment of intangible assets developed by the Group’s online game business, which amounted to RMB126.5 million in aggregate, for the Reporting Period. The Group recorded a cash inflow from financing activities of RMB67.3 million (the Corresponding Period: cash outflow of RMB1.7 million), which was mainly attributable to the increase in the non-bank borrowings of the Group’s digital Internet platform business, which amounted to RMB69.1 million for the Reporting Period.

The Group's current ratio as at 31 December 2025 was 9.3 (31 December 2024: 18.2). The Group's gearing ratio, expressed as percentage of total liabilities less tax payable, divided by the Group's total equity, was 12.31% as at 31 December 2025 (31 December 2024: 5.25%).

The Group had no particular seasonal pattern of borrowing. As at 31 December 2025, the Group did not have any bank borrowings (31 December 2024: nil).

CAPITAL STRUCTURE

During the Reporting Period, there was no change in the issued share capital of the Company and the Company's number of issued ordinary shares remained at 5,201,123,120 shares as at 31 December 2025 (31 December 2024: 5,201,123,120 shares).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

Save for the Beijing Yiheng Contractual Arrangements and the Beijing Jiayu Contractual Arrangements as disclosed above, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures during the Reporting Period.

SIGNIFICANT INVESTMENTS

The Group did not have any significant investments as at 31 December 2025 (31 December 2024: nil).

CHARGE ON ASSETS AND CONTINGENT LIABILITIES

The Group did not have any pledged assets or material contingent liabilities as at 31 December 2025 (31 December 2024: nil).

TREASURY POLICIES AND FOREIGN EXCHANGE EXPOSURE

The Group has continued to adopt a conservative treasury policy, with all bank deposits held in HKD, RMB, and USD. The Board and the management closely monitors the Group's liquidity position, performing ongoing credit evaluations and monitoring the financial conditions of its customers in order to ensure the Group's healthy cash position. The Group has been invested in certain principal guaranteed structured deposit products offered by a bank with the surplus cash arising in the ordinary and usual course of business of the Group from time to time. The principal amount invested by the Group in these products was determined by the Group having regard to the surplus cash position of the Group from time to time and after taking into account the highly liquid nature of such investments and nearly no financial risks involved. The Group has not adopted any hedging policy and the Group has not entered into any derivative products. However, the executive Directors and the management will continue to monitor the foreign currency exchange exposure and will consider adopting certain hedging measures against the currency risk when necessary.

STAFF AND REMUNERATION

The Group employed 325 employees in total as at 31 December 2025 (31 December 2024: 381). The Group pays for social insurance for its employees in Mainland China in accordance with the applicable laws in the PRC. The Group also maintains insurance coverage and contributes to mandatory provident fund schemes for its employees in Hong Kong in accordance with the applicable laws in Hong Kong. During the Reporting Period, the Group had no forfeited contribution available to reduce its contribution to the pension schemes. The overall aim of the Group's employee and remuneration policy is to retain and motivate staff members to contribute to the continuing success of the Group. For the Reporting Period, the remuneration for the employees of the Group, but excluding the Directors' and chief executive's remunerations, was RMB75.1 million (the Corresponding Period: RMB20.1 million). During the Reporting Period, the Group conducted timely staff training to ensure that employees were familiar with the industry and the Group's business conditions.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Throughout the Reporting Period, the Company had complied with all code provisions as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), except for the deviation disclosed below.

According to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. Zhou Yafei (“**Mr. Zhou**”), has been appointed as an executive Director and the chairman of the Board with effect from 26 March 2021 and 18 March 2025, respectively. The Company did not have a chief executive office (the “**CEO**”) during the Reporting Period and up to the date of this announcement. The roles of the CEO have been carried out by an operation management committee of the Company (the “**Operation Management Committee**”) which comprises the executive Directors during the Reporting Period. The Board considered that vesting the roles of the CEO in the Operation Management Committee can facilitate the execution of the Company’s business strategies and maximise effectiveness of its operation. However, the Board will review the management structure from time to time and consider suitable candidate to be appointed as the CEO in order to comply with code provision C.2.1 of the CG Code.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its own code of conduct regarding directors’ securities transactions. Having made specific enquiry of all Directors, the Directors of the Company confirmed that they had complied with the required standard set out in the Model Code throughout the Reporting Period. No incident of non-compliance with the Model Code by the Company’s relevant employees has been noted for the Reporting Period after making reasonable enquiry.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including any sale of treasury shares) during the Reporting Period (the Corresponding Period: nil).

As at 31 December 2024 and 2025, the Company did not have any treasury shares.

AUDIT COMMITTEE

The Audit Committee was established in accordance with Rule 3.21 of the Listing Rules with primary duties of reviewing and providing supervision over the Group's financial reporting process, internal controls and risk management. As at the date of this announcement, the Audit Committee comprises four members including three independent non-executive Directors, namely Mr. Mak Yau Kee Adrian (Chairman), Professor Japhet Sebastian Law, Professor Huang Song and one non-executive Director, namely Ms. Wu Qian.

The Audit Committee has reviewed the audited consolidated financial statements and the annual results announcement of the Company for the year ended 31 December 2025, before proposing them to the Board for approval. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with members of the senior management and the Company's auditor. Based on the review and discussions with the management, the Audit Committee was satisfied that the Group's audited consolidated financial statements were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the Reporting Period.

SCOPE OF WORK OF BAKER TILLY HONG KONG LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Baker Tilly Hong Kong Limited, to the amounts set out in the Group's audited consolidated financial statements for the year as approved by the Board of Directors. The work performed by Baker Tilly Hong Kong Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Baker Tilly Hong Kong Limited on the preliminary announcement.

ANNUAL GENERAL MEETING

A notice convening the forthcoming annual general meeting of the Company will be published and (if applicable) despatched to the shareholders of the Company in the manner required by the Listing Rules and the Bye-laws of the Company in due course.

PUBLICATION OF FINANCIAL INFORMATION

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.00628.hk.com). The Company's annual report for the Reporting Period containing all information required by the Listing Rules will be dispatched to the Shareholders of the Company (if applicable) and available on the above websites in due course.

By Order of the Board
Tong Tong AI Social Group Limited
Zhou Yafei
Chairman

Beijing, 27 March 2026

As at the date of this announcement, the Company's executive Directors are Mr. Zhou Yafei and Mr. Song Chenxi; the non-executive Directors are Ms. Wei Ting and Ms. Wu Qian; and the independent non-executive Directors are Mr. Mak Yau Kee Adrian, Professor Japhet Sebastian Law and Professor Huang Song.