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K Cash Corporation Limited

K Cash集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2483)

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

FINANCIAL HIGHLIGHTS

	Year ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
Interest Income	345,118	281,597
Profit for the year	87,379	63,754
Earnings per share for the year		
Basic and diluted	HK17.48 cents	HK12.75 cents

Final dividend of HK7.8 cents per Share for the year ended 31 December 2025 (2024: final dividend of HK3 cents per Share and special dividend of HK2.5 cents per Share) was proposed by the Board.

The Board is pleased to announce the consolidated final results of the Group for the Reporting Period, together with the comparative figures for the corresponding period of the previous year, are as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest income	4(a)	345,118	281,597
Interest expenses		(39,260)	(31,036)
Net interest income		305,858	250,561
Other income	4(b)	8,895	9,629
Other losses, net	4(b)	(5,860)	(2,758)
Selling expenses	5	(50,638)	(40,635)
General and administrative expenses	5	(69,156)	(64,190)
Expected credit losses, net		(82,965)	(77,364)
Operating profit		106,134	75,243
Other finance costs		(1,335)	(1,217)
Profit before income tax		104,799	74,026
Income tax expense	6	(17,420)	(10,272)
Profit for the year		87,379	63,754
Other comprehensive loss			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		(4)	(7)
Other comprehensive loss for the year		(4)	(7)
Total comprehensive income for the year		87,375	63,747
Earnings per share for the year			
Basic and diluted (HK cents)		17.48	12.75

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
ASSETS			
Cash and cash equivalents		64,717	116,428
Amounts due from fellow subsidiaries		448	20
Amounts due from related parties		1,047	763
Loans and advances to customers	9	1,401,084	1,232,380
Prepayments, deposits and other receivables		17,185	16,393
Repossessed assets		35,403	23,351
Income tax recoverable		–	2,921
Deferred income tax assets		22,744	22,930
Property, plant and equipment		1,856	3,648
Other asset		9,040	8,787
Right-of-use assets		10,948	22,214
Total assets		1,564,472	1,449,835
EQUITY			
Equity attributable to the owners of the Company			
Share capital		50	50
Reserves		955,425	917,550
Total equity		955,475	917,600
LIABILITIES			
Amount due to immediate holding company		7	–
Amounts due to fellow subsidiaries		100	2,730
Amounts due to related parties		20	–
Accruals and other payables		10,148	7,277
Income tax payable		4,124	–
Bank and other borrowings	10	576,791	491,902
Contract liabilities		512	641
Derivative financial instruments		5,594	6,906
Lease liabilities		11,701	22,779
Total liabilities		608,997	532,235
Total equity and liabilities		1,564,472	1,449,835

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

K Cash Corporation Limited (the “Company”) was incorporated in the Cayman Islands on 25 October 2022, as an exempted company with limited liability under the Companies Act, Cap. 22 (Act 3 of 1961, as combined and revised) of the Cayman Islands. The address of the Company’s principal place of business is 17/F, Wheelock House, 20 Pedder Street, Central, Hong Kong.

The Company is an investment holding company and its subsidiaries (together, the “Group”) are principally engaged in providing unsecured loans in Hong Kong.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 5 December 2023 (the “Listing”).

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the Company’s functional and the Group’s presentation currency.

2 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirement of the Hong Kong Company Ordinance Cap. 622. The consolidated financial statements of the Group have been prepared under the historical cost convention.

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

3 CHANGES IN ACCOUNTING POLICIES

(a) New and amended standards adopted by the Group

The Group has applied the followings new and amended standards for the annual reporting period commencing 1 January 2025:

Amendment to HKAS 21 and HKFRS 1 Lack of Exchangeability (amendments)

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

(b) **New standards, amendments to standards and interpretation issued but are not yet effective for the annual reporting period commencing 1 January 2025 and have not been early adopted by the Group:**

		Effective for accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments (amendments)	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – dependent Electricity	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosure	1 January 2027
HKFRS 19	Amendments to HKFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
HK Int 5 (2020)	Hong Kong Interpretation 5 (2020) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (HK Int 5 (2020))	1 January 2027
HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments)	To be determined

HKFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

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

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

- Although the adoption of HKFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the Consolidated Statement of Comprehensive Income into the new categories will impact how operating profit is calculated and reported.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.

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

Saved for the above, according to the preliminary assessment by the directors, the Group expected that these new standards and amendments to existing standards do not have any significant impact to its financial position and performance and have not been early adopted by the Group. The Group expects to adopt the relevant new standards and amendments to standards when they become effective.

4 SEGMENT INFORMATION AND REVENUE, OTHER INCOME AND OTHER LOSSES, NET

(a) Segment information

The chief operating decision-maker (“CODM”) has been identified as the executive directors of the Company who review the Group’s internal reporting in order to assess performance and allocate resources. Provision of unsecured loans in Hong Kong is the only segment in internal reporting to the executive directors for the year ended 31 December 2025.

As the Group has only one operating segment that qualifies as reporting segment under HKFRS 8 and the information that is regularly reviewed by the CODM for the purposes of allocating resources and assessing performance of the operating segment is the consolidated financial statements of the Group, no separate segmental analysis is presented. The CODM assesses the performance based on a measure of profit for the reporting period, and considers all business is included in a single operating segment.

Revenue represents interest income earned and derived from different products and are summarised as follows:

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Interest income derived from:		
– Unsecured property owner loans	255,924	202,626
– Unsecured personal loans	74,519	66,357
– Credit cards advances	9,451	1,403
– SME loans	5,224	11,211
	<u>345,118</u>	<u>281,597</u>

(b) Other income and other losses, net

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Other income		
Rental income from fellow subsidiaries	570	773
Rental income from a related party	3,433	4,473
Bank interest income	915	3,307
Credit cards income	3,870	980
Others	107	96
	<u>8,895</u>	<u>9,629</u>
Other losses, net		
Exchange (losses)/gains, net	(6,133)	5,206
Provision for impairment of repossessed assets	(571)	(110)
Changes on surrender value of investment in life insurance plan	232	(1,093)
Fair value gain/(loss) on derivative financial instruments	1,312	(6,906)
(Loss)/gain on disposal of property, plant and equipment	(726)	145
Gain on termination of lease	26	–
	<u>(5,860)</u>	<u>(2,758)</u>

5 EXPENSES BY NATURE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Employee benefit expenses		
– Salaries and bonus	43,269	38,247
– Pension and retirement benefits	1,095	1,020
– Staff messing and welfare	1,291	1,556
Advertising and marketing expenses	31,035	23,205
Depreciation of right-of-use assets	10,803	12,239
Depreciation of property, plant and equipment	1,214	1,209
Office expenses	11,370	9,393
Expenses related to short-term lease	601	1,027
Subscription fee	2,034	2,078
Search fee and valuation	966	943
Legal and professional fees	5,631	5,105
Auditor's remuneration:		
– Audit services	1,350	1,100
– Non-audit services	580	653
Bank charges	989	890
Donations	718	500
Repair and maintenance	1,073	1,214
Motor vehicle expenses	194	174
Recruitment and training expenses	5	68
Utility expenses	200	251
Building management fee	1,051	971
Credit card charges	1,268	1,159
Referral fee	2,262	1,568
Others	795	255
	<u>119,794</u>	<u>104,825</u>
Represented by:		
Selling expenses	50,638	40,635
General and administrative expenses	69,156	64,190
	<u>119,794</u>	<u>104,825</u>

6 INCOME TAX EXPENSE

During the year ended 31 December 2025, Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits.

Japan corporate income tax include national corporate income tax, inhabitant tax, and enterprise tax, and has been calculated on the estimated assessable profit for the year. During the year ended 31 December 2025, the aggregated rates of national corporate income tax, inhabitant tax, and enterprise tax resulted in statutory income tax rates of 24.2% (2024: 25.7%).

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current income tax		
– Hong Kong profits tax	17,173	14,623
– Japan corporate income tax	61	80
– Over provision in prior years	–	(410)
Deferred income tax	186	(4,021)
	<u>17,420</u>	<u>10,272</u>

7 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year ended 31 December 2025 and 2024.

	2025	2024
Profit attributable to equity holders of the Company (HK\$'000)	87,379	63,754
Weighted average number of shares in issue (thousand shares)	500,000	500,000
Basic earnings per share (HK cents)	<u>17.48</u>	<u>12.75</u>

(b) Diluted earnings per share

The calculation of the diluted earnings per share is based on the profit attributable to ordinary equity holders of the Company, adjusted to reflect the impact from any dilutive potential ordinary shares issued by the Company, as appropriate. The weighted average number of ordinary shares used in the calculation is the weighted average number of ordinary shares assumed to have been issued on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

Diluted earnings per share for the year ended 31 December 2025 was the same as the basic earnings per share as there were no potential dilutive ordinary shares outstanding during the year (2024: Same).

8 DIVIDENDS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interim dividend paid of HK4.4 cents (2024: HK3.4 cents) per fully paid share	22,000	17,000
Special dividend paid of HK2.5 cents (2024: Nil) per fully paid share	12,500	–
Final dividend paid of HK3 cents (2024: HK1.998 cents) per fully paid share	<u>15,000</u>	<u>9,990</u>
Dividends	<u>49,500</u>	<u>26,990</u>

On 19 March 2025, the Board recommended a final dividend of HK3 cents per share and a special dividend of HK2.5 cents per share, respectively, for the year ended 31 December 2024, totaling HK\$27,500,000 payable to shareholders whose names appear on the register of members of the Company at the close of business on 5 June 2025. The final dividend and special dividend were approved at the annual general meeting of the Company on 28 May 2025 and were paid on 20 June 2025.

On 19 August 2025, the Board resolved to declare an interim dividend of HK4.4 cents per ordinary share, totaling HK\$22,000,000, such dividends were paid on 12 September 2025.

Final dividend of HK7.8 cents per share, for the year ended 31 December 2025, totaling HK\$39,000,000 were proposed by the Board. The proposed final dividend is subject to the approval of the shareholders of the Company at the annual general meeting of the Company to be held on 18 May 2026. Such final dividend has not been recognized as dividend payable as at 31 December 2025.

9 LOANS AND ADVANCES TO CUSTOMERS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loans and advances to customers		
– Unsecured property owner loans	1,187,833	1,037,042
– Unsecured personal loans	242,374	253,103
– Credit card advances	78,317	12,002
– SME loans	14,184	47,168
	<u>1,522,708</u>	<u>1,349,315</u>
Less: Provision for impairment	<u>(121,624)</u>	<u>(116,935)</u>
	<u>1,401,084</u>	<u>1,232,380</u>

As at 31 December 2025, the loans and advances to customers are repayable with fixed terms agreed with the customers, loans and advances to customers are unsecured, interest-bearing and are repayable with fixed terms agreed with customers. The maximum exposure to credit risk at the end of the year is the carrying value of the loans and advances to customers mentioned above.

Expected credit losses, net of HK\$82,965,000 (2024: HK\$77,364,000) was recognized in the consolidated statement of comprehensive income during the year ended 31 December 2025.

For loans that are not credit-impaired without significant increase in credit risk since initial recognition (“Stage 1”), ECL is measured at an amount equal to the portion of lifetime ECL that result from default events possible within the next 12 months. If a significant increase in credit risk since initial recognition is identified (“Stage 2”) but not yet deemed to be credit impaired, ECL is measured based on lifetime ECL.

The ageing analysis of loans and advances to customers based on whether individual customer balance has become overdue is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Unsecured property owner loans		
Not overdue	716,768	597,163
1-30 days past due	85,847	95,730
31-60 days past due	26,116	24,107
61-90 days past due	26,245	8,018
Over 90 days past due	332,857	312,024
	<u>1,187,833</u>	<u>1,037,042</u>
Unsecured personal loans		
Not overdue	195,302	210,485
1-30 days past due	8,953	14,596
31-60 days past due	4,207	2,212
61-90 days past due	3,667	2,037
Over 90 days past due	30,245	23,773
	<u>242,374</u>	<u>253,103</u>
Credit card advances		
Not overdue	71,551	5,501
1-30 days past due	1,881	5,597
31-60 days past due	1,042	298
61-90 days past due	698	95
Over 90 days past due	3,145	511
	<u>78,317</u>	<u>12,002</u>
SME loans		
Not overdue	2,267	15,476
1-30 days past due	22	5,256
31-60 days past due	–	766
61-90 days past due	–	913
Over 90 days past due	11,895	24,757
	<u>14,184</u>	<u>47,168</u>

As at 31 December 2025, the Group has provision for impairment of loans and advances to customers of HK\$121,624,000 (2024: HK\$116,935,000).

Borrowers are required to repay the outstanding loan receivable balances by monthly instalments over the term of the corresponding loan receivables.

The ageing analysis of loans and advances to customers based on contractual due date of instalments is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Unsecured property owner loans		
Current	986,900	846,387
Overdue 1-30 days	11,680	9,735
Overdue 31-60 days	7,422	7,805
Overdue 61-90 days	16,075	5,152
Overdue over 90 days	165,756	167,963
	<u>1,187,833</u>	<u>1,037,042</u>
Unsecured personal loans		
Current	222,788	237,146
Overdue 1-30 days	2,991	2,304
Overdue 31-60 days	2,090	1,451
Overdue 61-90 days	1,785	1,291
Overdue over 90 days	12,720	10,911
	<u>242,374</u>	<u>253,103</u>
Credit card advances		
Current	76,926	11,853
Overdue 1-30 days	353	47
Overdue 31-60 days	228	22
Overdue 61-90 days	155	15
Overdue over 90 days	655	65
	<u>78,317</u>	<u>12,002</u>
SME loans		
Current	5,392	23,025
Overdue 1-30 days	838	1,248
Overdue 31-60 days	837	668
Overdue 61-90 days	837	637
Overdue over 90 days	6,280	21,590
	<u>14,184</u>	<u>47,168</u>

The carrying amounts of the Group's loans and advances to customers are denominated in HK\$ and approximate to their fair values.

10 BANK AND OTHER BORROWINGS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Bank loans	503,350	351,926
Other loans	73,441	139,976
	<u>576,791</u>	<u>491,902</u>

For the year ended 31 December 2025, the interest rates of the bank and other borrowings ranged from 3.00% to 9.60% (2024: 5.10% to 10.00%) per annum.

The amounts based on the scheduled repayment dates set out in the loan agreements and the maturities of the Group's total borrowings at the balance sheet date (i.e. ignoring the effect of any repayment on demand clause) are shown below:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Amounts of borrowings that are repayable:		
– Within 1 year	571,369	141,805
– Between 1 and 2 years	5,422	350,097
	<u>576,791</u>	<u>491,902</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

We are principally engaged in the money lending business specializing in unsecured loans in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) under our brand names “K Cash Express” and “K Cash”. We have integrated various technologies into our business operation to achieve digitalization and automation across the lending process. On the front-end, we leverage various technology tools to automate and digitalize our credit cycle from loan application to loan repayment, which continuously enhance user experience, whereas on the back-end, we leverage established technologies, such as artificial intelligence, and business process automation technology, to automate and streamline our risk management systems and business process.

Unsecured Property Owner Loans refer to loans offered to borrowers who are property owners in Hong Kong, mostly owners of properties acquired under the Home Ownership Scheme, without the need to provide any collaterals. They remained as the major source of our revenue, contributing approximately 74.2% (2024: 72.0%) to our revenue during the Reporting Period. Interest income generated from Unsecured Property Owner Loans increased by 26.3% to HK\$255.9 million during the Reporting Period. Our loan receivables for Unsecured Property Owner Loans increased from HK\$1,037.0 million as of 31 December 2024 to HK\$1,187.8 million as of 31 December 2025. In general, we were more inclined to grant more Unsecured Property Owner Loans during the Reporting Period as our profitability is more secured by granting loans which have a lower risk of default.

We also provide unsecured Personal Loans and credit card advances through our PayKool credit card to individuals. Our interest income for Personal Loans and credit card advances increased by approximately 12.2% and 5 times to HK\$74.5 million and HK\$9.4 million, respectively during the Reporting Period as compared to 2024, in aggregate contributing approximately 24.3% of our revenue for the Reporting Period.

Our loan receivables for Personal Loans decreased from HK\$253.1 million as of 31 December 2024 to HK\$242.4 million as of 31 December 2025, whereas our loan receivables for credit card advances increased from HK\$12.0 million as of 31 December 2024 to HK\$78.3 million as of 31 December 2025, representing an increase of approximately 5 times which was a result of our increased efforts in promoting our PayKool credit card.

Our PayKool credit card platform supports instant virtual card issuance, automated teller machine cash withdrawal, BNPL transaction and one click push to various digital wallet for tokenized base transaction etc., and we will continue to develop other functions and features to provide best customer experience to cardholders. During the Reporting Period, we launched several marketing campaigns which are linked to the local tax payment season, and priority ticket purchase and exclusive rebate programs associated with local concerts.

Our interest income for SME Loans decreased by 53.6% to HK\$5.2 million during the Reporting Period as compared to 2024, and our loan receivables for SME Loans decreased from HK\$47.2 million as of 31 December 2024 to HK\$14.2 million as of 31 December 2025 as we gradually downscaled the loan portfolio of SME Loans which tend to be riskier from our perspective due to limited collateral.

In 2025, we continued to advance our fintech capabilities across various aspects. We completed the enhancement of our repayment module to support multiple settlement bank partners, strengthening operational flexibility and customer convenience. Our eKYC solution was further improved to increase the straight-through processing success rate for customer applications. We also launched our partnership distribution platform, significantly reducing the onboarding time for PayKool partners and merchants. In addition, we integrated with TransUnion's credit report solution, enabling users of our K Cash and Paykool platforms to conveniently access their credit information within our ecosystem. To enhance operational efficiency, we refined the calculation engine of our K Cash GO platform, and upgraded our financial and accounting systems for better automation and control. Furthermore, we entered into a partnership with a major telecommunications service provider to integrate our services into its mobile application, expanding our reach to a broader customer base.

Financial Review

Interest income

Our interest income increased by HK\$63.5 million or 22.5% from HK\$281.6 million for the last year to HK\$345.1 million for the Reporting Period, and such increase was mainly derived from the increase in loans and advances to customers.

Interest income from our Unsecured Property Owners Loans increased by HK\$53.3 million or 26.3% from HK\$202.6 million for the last year to HK\$255.9 million for the Reporting Period, whereas the interest income from our Personal Loans increased by HK\$8.1 million or 12.2% from HK\$66.4 million for the last year to HK\$74.5 million for the Reporting Period. Interest income from our SME Loans decreased by HK\$6.0 million or 53.6% from HK\$11.2 million for the last year to HK\$5.2 million for the Reporting Period.

The increase in interest income for our Unsecured Property Owner Loans was primarily due to the increase in our average loan balance (i.e. the average of our gross loan receivables at the beginning and the end of the year) by 22.2% from HK\$910.5 million in 2024 to HK\$1,112.4 million in 2025.

The increase in interest income for our Personal Loans was primarily due to the increase in our average effective interest rate of Personal Loans from 37.6% in 2024 to 38.5% in 2025, and the decrease in interest income for our SME Loans was primarily due to the decrease in our average loan balance by 35.2% from HK\$47.4 million in 2024 to HK\$30.7 million in 2025.

Interest income from our credit card advances increased by HK\$8.0 million or 571.4% from HK\$1.4 million in 2024 to HK\$9.4 million for the Reporting Period, which was primarily due to the increase in the number of credit cards issued during the Reporting Period.

Other income

We have recorded other income of HK\$8.9 million (2024: HK\$9.6 million) during the Reporting Period which mainly comprised of rental income from fellow subsidiaries, rental income from a related party, bank interest income and credit cards income. The decrease in other income was primarily due to the decrease of interest income received from banks.

Interest expenses

We have incurred interest expenses of HK\$39.3 million for the Reporting Period (2024: HK\$31.0 million), which mainly comprised of interest on interest bearing bank borrowings. The increase in interest expenses by HK\$8.3 million or 26.8% was primarily due to increase in average bank and other borrowings from HK\$417.3 million for 2024 to HK\$534.3 million for 2025.

General and administrative expenses

We have incurred general and administrative expenses of HK\$69.1 million for the Reporting Period (2024: HK\$64.2 million), which mainly comprised of employee benefit expenses, legal and professional fees, and depreciation of property, plant and equipment. The increase in general and administrative expenses by HK\$4.9 million or 7.6% was mainly due to the increment in professional fee and technology related expenses to enhance our system.

Selling expenses

We have incurred selling expenses of HK\$50.6 million for the Reporting Period (2024: HK\$40.6 million), which mainly comprised of advertising and marketing expenses, employee benefit expenses, and depreciation of right-of-use assets. The increase in selling expenses by HK\$10.0 million or 24.6% was mainly due to the increase in advertising and promotional activities carried out by the Group during the Reporting Period driven by our expanded marketing efforts and various campaigns to promote our PayKool credit card.

Expected credit losses, net

We recorded net expected credit losses of HK\$83.0 million for the Reporting Period (2024: HK\$77.4 million) which was mainly due to the increase in size of our loan portfolio. We perform regular review of our loan receivables and assess provision for impairment by taking into account the underlying risk profile, historical loss experience, historical loss rate of loans with similar attributes and forward-looking information.

Profit for the year

As a result of the foregoing, our profit achieved HK\$87.4 million for the Reporting Period (2024: HK\$63.8 million).

Liquidity and Financial Resources

During the Reporting Period, our primary funding channels mainly include: (i) funding from loans or facilities from authorized institutions; (ii) cash flows from our operating activities and (iii) funding from a Japanese fund provider. Based on our current and anticipated levels of operations, barring unforeseeable market conditions, our future operations and capital requirements will be financed through loans from banks or other financial institutions that are independent third parties, retained earnings and our share capital.

Our Group recorded net assets of HK\$955.5 million as at 31 December 2025 (31 December 2024: HK\$917.6 million). As at 31 December 2025, cash and cash equivalents amounted to HK\$64.7 million (31 December 2024: HK\$116.4 million); amount due to fellow subsidiaries amounted to HK\$0.1 million (31 December 2024: HK\$2.7 million); and bank and other borrowings amounted to HK\$576.8 million (31 December 2024: HK\$491.9 million). The decrease in our cash and cash equivalents was primarily due to increment in advances to customers and interest payment for bank and other borrowings.

Majority of cash and bank balances held by the Group was denominated in Hong Kong dollars, whilst the remaining was denominated in Japanese Yen. Save for the Group's borrowings from the Japanese fund provider which was denominated in Japanese Yen and carried a fixed interest rate, all of the Group's borrowings were denominated in Hong Kong dollars and carried interest on a floating rate basis.

Capital Structure and Treasury Policies

The Company continues to adopt a prudent financial management approach towards its treasury policy.

The Board will closely monitor the liquidity position to ensure that the liquidity structure of the Company's assets, liabilities and other commitments can meet the funding requirements from time to time.

As at 31 December 2025, unutilised banking facilities available to our Group for drawdown amounted to HK\$87.8 million (31 December 2024: HK\$230.0 million). It is our Group's policy to prioritise the utilisation of our available facilities which offer the lowest finance cost to our Group.

Our bank borrowings (tax loans excluded) and interest-bearing connected advances for our working capital as of 31 December 2024 and 2025 amounted to HK\$467.4 million and HK\$557.3 million, respectively. The effective interest rates of such borrowings in 2024 and 2025 ranged from 5.10% to 10.0% per annum and 3.00% and 9.60% per annum, respectively. In 2025, interest payable to our largest fund provider (by interest expense and tax loans excluded) accounted for approximately 75.4% (2024: 66.6%) of our total interest expense. The aforesaid borrowings had no seasonality features.

During the Reporting Period, all interest bearing bank borrowings were repayable on demand and were secured by our loans and interest receivables. The amount due to fellow subsidiaries and the immediate holding company were unsecured, non-interest bearing, and repayable on demand.

Key Operational Data

The following table sets forth a breakdown of our gross loan receivables by loan type as of the dates indicated.

	As at 31 December					
	2025			2024		
	Number of loan accounts	HK\$ million	%	Number of loan accounts	HK\$ million	%
Unsecured Property						
Owner Loans	3,189	1,187.8	78.0	2,899	1,037.0	76.8
Personal Loans	5,255	242.4	15.9	5,281	253.1	18.8
Credit card advances	8,979	78.3	5.1	1,385	12.0	0.9
SME Loans	14	14.2	1.0	38	47.2	3.5
Total	17,437	1,522.7	100.0	9,603	1,349.3	100.0

Note: Some of our individual and corporate borrowers held multiple loan accounts with us.

The table below sets out the average loan size (i.e. the arithmetic average of loan principal originally granted by us for loans which generated interest income during each year) of our loan products during the Reporting Period and the previous year:

	Year ended 31 December	
	2025	2024
	(HK\$'000)	
Unsecured Property Owner Loans	381.7	372.0
Personal Loans	56.8	66.2
SME Loans	2,068.0	1,475.5
Overall	172.7	155.4

The table below provide sets out the average loan tenor of our loan products as of the dates indicated:

	As at 31 December	
	2025	2024
	<i>(months)</i>	
Unsecured Property Owner Loans	60.6	49.8
Personal Loans	20.8	29.5
SME Loans	22.6	37.7
Overall	35.8	36.1

The table below sets out the average effective interest rate of our loan products during the Reporting Period and the previous year:

	Year ended 31 December	
	2025	2024
Unsecured Property Owner Loans	27.7%	28.0%
Personal Loans	38.5%	37.6%
SME Loans	25.2%	24.6%
Overall	34.8%	35.0%

The table below summarizes the range of interest rates that we typically charged during the Reporting Period and the previous year:

	Year ended 31 December	
	2025	2024
Unsecured Property Owner Loans	21.0% to	21.0% to
	35.8%	36.0%
Personal Loans	28.8% to	25.0% to
	42.0%	43.2%
SME Loans	22.8% to	21.9% to
	27.6%	28.2%
Overall	21.0% to	21.0% to
	42.0%	43.2%

Note: Due to the revolving nature of our credit card business, operational data for average loan size, average loan tenor, average effective interest rate and range of interest rates for our credit card advances are not considered relevant.

The ageing analysis of loans and advances to customers based on instalments by due date is as follows:

	As at 31 December	
	2025	2024
	<i>(HK\$'000)</i>	
Unsecured Property Owner Loans		
Current	986,900	846,387
Overdue 1-30 days	11,680	9,735
Overdue 31-60 days	7,422	7,805
Overdue 61-90 days	16,075	5,152
Overdue over 90 days	165,756	167,963
Personal Loans		
Current	222,788	237,146
Overdue 1-30 days	2,991	2,304
Overdue 31-60 days	2,090	1,451
Overdue 61-90 days	1,785	1,291
Overdue over 90 days	12,720	10,911
Credit card advances		
Current	76,926	11,853
Overdue 1-30 days	353	47
Overdue 31-60 days	228	22
Overdue 61-90 days	155	15
Overdue over 90 days	655	65
SME Loans		
Current	5,392	23,025
Overdue 1-30 days	838	1,248
Overdue 31-60 days	837	668
Overdue 61-90 days	837	637
Overdue over 90 days	6,280	21,590

Below is the breakdown of provision for impairment as of the dates indicated:

	As at 31 December	
	2025	2024
Unsecured Property Owner Loans	22,403	20,212
Personal Loans	68,012	65,115
Credit card advances	19,813	1,789
SME Loans	11,396	29,819
Total	121,624	116,935

Key Financial Ratios

The following table sets forth the key financial ratios of our Group during the Reporting Period and the previous year:

	As at 31 December	
	2025	2024
Gearing ratio ⁽¹⁾	0.56	0.45
Year ended 31 December		
	2025	2024
Return on assets ⁽²⁾	5.8%	4.7%
Return on equity ⁽³⁾	9.3%	7.1%
Interest coverage ratio ⁽⁴⁾	3.7 times	3.4 times
Net interest margin	21.3%	19.7%
– Unsecured Property Owner Loans	20.2%	18.7%
– Personal Loans	27.3%	23.5%
– SME Loans	14.2%	18.8%

- (1) Gearing ratio is calculated by dividing net debts (being total debts including borrowings, amounts due to the immediate holding company, fellow subsidiaries and related parties and lease liabilities less cash and cash equivalents) by total equity as of the respective dates.
- (2) Return on assets is calculated by dividing net profit for the year by the average total assets as of the beginning and end of the corresponding year.
- (3) Return on equity is calculated by dividing net profit for the year by the average total equity as of the beginning and end of the corresponding year.
- (4) Interest coverage ratio is calculated by dividing profit before tax and interest (excluding interest expenses on lease liabilities) by the interest expenses for the corresponding year.

Principal Risks and Uncertainties

Our unsecured loans expose us to risk from borrower defaults on interest and principal payments, with no collateral for recovery despite legal action or debt collection efforts. Where the customer does not repay the outstanding amounts, we may consider commencing legal proceedings or engage our debt collection agent to recover outstanding loans. As no collaterals will be obtained from our borrowers for unsecured loans, the outstanding amount may not be recovered even if legal proceedings are brought against defaulting borrowers. Therefore, we will continue to closely monitor and improve our credit and risk policy to minimize the impact of such risk.

The growth of our loan portfolio also depends on the availability of adequate lending capital to meet borrowers' demands for loans. To maintain sufficient and sustainable funding to meet borrower demands, we need to keep expanding the funding base to secure a stable stream of funds. Our cost of funding is subject to changes in the prevailing interest rate in the market. In addition, all of our banking facilities give the banks an unconditional right to call the loan at any time. In the event that the banks exercise their right to request us to repay the bank loans without prior notice, or if our lenders terminate the facility, we may fail to meet the funding requirements and may not be able to obtain new facilities as replacement. Hence, we will continue to ensure our borrowings are within monitored ratios and explore funding from different sources or through different kinds of collaboration.

Our BNPL services and credit card advances, introduced to capture market trends, face growth uncertainties from regulatory scrutiny and over-borrowing risks, as they resemble unsecured personal loans. Hong Kong authorities has urged non-bank BNPL providers to obtain money lender licenses and adopt consumer protections such as repayment capacity checks, and we will closely monitor developments in this regard, and commit to full compliance of such requirements. This ensures responsible growth without compromising stability.

Outlook and Prospects

Hong Kong's economy enters 2026 on a foundation of resilient growth, propelled by robust financial markets, tourism rebound, and national development alignment in finance, technology, and trade. The employment market remains steady with low unemployment rate of around 3.8%, reflecting solid workforce utilization despite cautious hiring. Consumer sentiment has stabilized with growing optimism, while the property sector shows early signs of revival through pent-up demand and supportive policies. This environment is gradually easing lending caution among licensed money lenders, even as regulatory tightening promotes prudent practices. We expect continued government measures to invigorate market activity ahead.

With the US Federal Reserve likely holding rates steady after recent adjustments, our funding cost should remain predictable. This stability positions us to diversify funding channels effectively, fueling steady expansion of our loan book through targeted partnerships.

Fintech is reshaping money lending by enabling smarter, faster services tailored to customer needs, in line with Hong Kong's push toward a tech-driven financial ecosystem. Looking ahead to 2026, we will continue to drive our digital transformation through the application of technology and artificial intelligence. We plan to implement an AI-powered omni-channel call centre platform across various departments to enhance sales effectiveness, customer service experience, and internal collection efficiency. In addition, we aim to deploy a range of AI-related solutions and tools within different business units to accelerate end-user adoption of AI and further strengthen business performance. We will also continue to enhance our data and intelligence platform to unlock the value of business data and reinforce our decision analytics capabilities, enabling data-driven insights to support sustainable growth.

Material Acquisitions and Disposals

During the Reporting Period, the Company did not make any material acquisition or disposal of subsidiaries, associates and joint ventures.

Significant Investments

The Group did not hold any significant investments as at 31 December 2025.

Pledge of Assets

As at 31 December 2025, certain gross loan receivables of HK\$937.1 million in aggregate (2024: HK\$547.6 million) were secured for our Group's bank and other borrowings.

Foreign Exchange Exposure

During the Reporting Period, the business activities of our Group were denominated in Hong Kong dollars, and foreign exchange risk mainly arises from borrowings denominated in Japanese Yen. Our Directors did not consider our Group was exposed to any significant foreign exchange risks.

Our Group manages its foreign exchange risk by performing regular reviews of our net foreign exchange exposures and monitoring the movement of the foreign currency rate. During the Reporting Period, the Group has arranged foreign exchange forward contracts to hedge against the foreign exchange exposure stated above. Our Group will continue to monitor and mitigate the impact on exchange rate fluctuations by entering into currency hedge for any future arrangement, if necessary.

Future Plans for Material Investments or Capital Assets

Save as disclosed in this announcement, the Group did not have any future plans for material investment and capital assets as of the date of this announcement.

Customers

Our customers comprised individuals and corporations and were not connected persons of the Company.

During the Reporting Period, our top five customers (as determined by interest income generated) accounted for approximately 2.5% (2024: 3.0%) of our total revenue, and aggregate value of outstanding loan receivables of our top five customers accounted for approximately 0.7% (2024: 2.6%) of our total loan receivables.

Employees and Remuneration Policy

As at 31 December 2025, we employed 78 employees (31 December 2024: 61). Our employee benefit expenses for the Reporting Period was HK\$45.7 million (2024: HK\$40.8 million).

Our Company adopted a share scheme, and employees are eligible for share options and/or share awards under such scheme. As at 31 December 2025, no options or awards were granted to any person eligible to participate in the share scheme.

The Group adopts a remuneration policy covering the position, duties and performance of our employees. The Group provides competitive remuneration package for its employees including salary, overtime allowance, bonus and various subsidies.

Contingent Liabilities

As at 31 December 2025, the Company did not have any contingent liabilities.

OTHER INFORMATION

Proposed Final Dividend

The Board has recommended a final dividend of HK7.8 cents per Share for the year ended 31 December 2025 (2024: final dividend of HK3 cents per Share and special dividend of HK2.5 cents per Share), which will be payable in cash. The proposed final dividend will be paid on Friday, 9 June 2026 following approval at the AGM to Shareholders whose names shall appear on the register of members of the Company on Wednesday, 27 May 2026.

Corporate Governance

The Board strives to uphold the principles of corporate governance set out in the CG Code, and will continue to review and improve the quality of corporate governance practices with reference to local and international standards.

The Company has complied with the applicable code provisions as set out in Part 2 of the CG Code during the Reporting Period. The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code and maintain a high standard of corporate governance practices of the Company.

Further information concerning the corporate governance practices of the Company will be set out in the corporate governance report in the annual report of the Company for the Reporting Period, which will be made available on the respective websites of the Stock Exchange and the Company in due course.

Model Code for Securities Transactions

The Company adopted the Model Code as its own code governing securities transactions of the Directors. The Company has made specific enquiries of all Directors and each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code during the Reporting Period.

The Company also adopted its own code of conduct regarding employees' securities transactions on terms no less exacting than the standard set out in the Model Code for the compliance by its relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of their dealings in the Company's securities.

Review of Results by Audit Committee

The Audit Committee has reviewed the accounting principles and practices adopted by the Company and discussed with the management of the Company on financial reporting matters including a review of the audited consolidated financial statements of the Company for the Reporting Period.

Scope of Work of PricewaterhouseCoopers

The figures in respect of the Group's consolidated balance sheet, consolidated statement of 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, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

Events After the Reporting Period

There was no subsequent event after the Reporting Period which has material impact to the Group.

Purchases, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the Reporting Period.

Compliance with Laws and Regulations

To the best of our knowledge, our Group has complied with all laws and regulations which had a significant influence on our money lending business during the Reporting Period (including but not limited to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong)) in all material aspects, and our Directors are not aware of any matters that might come to their attention that our money lenders licence will be revoked prior to their expiration dates. Moreover, given our successful track record in renewing such licenses, we do not envisage any legal impediments to such renewals in the future.

Use of Proceeds from the Global Offering

The Shares were listed and traded on the Stock Exchange on 5 December 2023 with gross proceeds and net proceeds of approximately HK\$225.0 million and HK\$181.2 million from the Global Offering, respectively.

The proceeds from the Global Offering are and will continuously be applied in the same manner as set out in the Prospectus. The table below sets out the planned applications of the net proceeds and actual usage up to 31 December 2025:

Purpose	Planned application	Amount available for utilization as of	Actual utilized during the Reporting Period	Unutilized amount as of	Expected timeline for full utilization of remaining net proceeds
		1 January 2025	31 December 2025	31 December 2025	
Enrich our technology capabilities	30.6	22.7	8.5	14.2	By December 2026
Expand our loan portfolio	133.6	-	-	-	-
General working capital and general corporate purposes	17.0	-	-	-	-
Total	181.2	22.7	8.5	14.2	

Publication of the Annual Results and Annual Report

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.kcash.hk). The annual report for the Reporting Period containing all the information required by the Listing Rules will be made available on the respective websites of the Stock Exchange and the Company in due course.

ANNUAL GENERAL MEETING

The AGM will be held on Monday, 18 May 2026. Notice of the AGM will be published in due course.

CLOSURE OF REGISTER OF MEMBERS

For determining the eligibility of the Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 13 May 2026 to Monday, 18 May 2026, both days inclusive, during which period no transfer of Shares will be registered. The record date for determining the eligibility of the Shareholders to attend and vote at the AGM will be Monday, 18 May 2026. In order to be eligible to attend and vote at the AGM, all Share transfer documents accompanied by the relevant Share certificates must be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 12 May 2026. The Shareholders whose names appear on the register members of the Company on Monday, 18 May 2026 are entitled to attend and vote at the AGM.

For determining the Shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed from Friday, 22 May 2026 to Wednesday, 27 May 2026, both days inclusive, during which period no transfer of Shares will be registered. The record date for determining the Shareholders' entitlement to the proposed final dividend will be Wednesday, 27 May 2026. In order to qualify for the proposed final dividend, all Share transfer documents accompanied by the relevant Share certificates must be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 21 May 2026.

DEFINITIONS

“AGM”	forthcoming annual general meeting of the Company to be held on Monday, 18 May 2026
“Audit Committee”	the audit committee of the Board
“BNPL”	Buy Now, Pay Later, a type of short-term financing that allows consumers to make purchases and pay for them at a future date
“Board”	the board of Directors
“CG Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules
“Company” or “our Company”	K Cash Corporation Limited (K Cash集團有限公司), an exempted company with limited liability incorporated in the Cayman Islands and the shares of which are listed on the Main Board of the Stock Exchange
“connected advances”	fundings passed on to us by our connected persons and related parties
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Global Offering”	the public offering of the Shares as defined and described in the Prospectus
“Group”, “our Group”, “we”, “our” or “us”	our Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“net interest margin”	interest income generated (net of interest expenses) divided by the average of the opening and closing monthly balance of the gross loan receivables during the year
“Personal Loan(s)”	unsecured loan(s) offered by our Group to individuals without any collaterals
“Prospectus”	the prospectus of the Company dated 27 November 2023 in relation to the listing of the Shares on the Main Board of the Stock Exchange
“Reporting Period”	the year ended 31 December 2025
“Shareholder(s)”	holder(s) of the Share(s)
“Shares”	the ordinary shares in the share capital of our Company
“SME Loan(s)”	unsecured loan(s) offered by our Group to small and medium enterprise(s) without security, subject to a personal guarantee typically provided by a director or shareholder of the borrower
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules

“Unsecured Property Owner Loan(s)” unsecured loan(s) offered by our Group to borrowers who are owners of properties but who do not provide any collaterals for the loan(s)

“%” per cent

By order of the Board
K Cash Corporation Limited
Lee Sheung Shing
Chairman

Hong Kong, 24 March 2026

As at the date of this announcement, the board of Directors of the Company comprises Mr. Lee Kun Tai Steven and Ms. Wong Cheuk Sze as executive Directors, Mr. Lee Sheung Shing, Ms. Lee Pik Tsong, Ms. Chan Wing Sze and Ms. Kan Pui Yan as non-executive Directors, and Prof. Hung Wai Man JP, Mr. Mak Wing Sum Alvin and Mr. Leung Ka Cheung as independent non-executive Directors.