Baiying Holdings Group Limited
百應控股集團有限公司

Annual Report

2025

(Incorporated in the Cayman Islands with limited liability)

Stock code: 8525

CHARACTERISTICS OF GEM

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Corporate Information

DIRECTORS

Executive Directors

Mr. Zhou Shiyuan *(Chairman)*
Mr. Huang Dake
Ms. Lin Zhenyan

Non-executive Director

Mr. Ke Jinding

Independent Non-executive Directors

Mr. Li Yao (appointed on 5 March 2025)
Mr. Tu Liandong
Mr. Xie Mianbi
Mr. Chen Chaolin (resigned on 5 March 2025)

AUDIT COMMITTEE

Mr. Tu Liandong *(Chairman)*
Mr. Xie Mianbi (appointed on 5 March 2025)
Mr. Ke Jinding
Mr. Chen Chaolin (resigned on 5 March 2025)

REMUNERATION COMMITTEE

Mr. Xie Mianbi *(Chairman)* (appointed on 5 March 2025)
Mr. Li Yao (appointed on 5 March 2025)
Mr. Huang Dake
Mr. Chen Chaolin (resigned on 5 March 2025)

NOMINATION COMMITTEE

Mr. Xie Mianbi *(Chairman)* (appointed on 5 March 2025)
Mr. Tu Liandong
Ms. Lin Zhenyan (appointed on 5 March 2025)
Mr. Zhou Shiyuan (resigned on 5 March 2025)

JOINT COMPANY SECRETARIES

Ms. Shi Jingyi (appointed on 24 December 2025)
Ms. Kwan Lok Yan *(ACG, HKACG)* (appointed on 24 December 2025)
Ms. Yang Lexing (resigned on 24 December 2025)
Ms. Ng Ka Man *(ACG, HKACG)* (resigned on 24 December 2025)

AUTHORISED REPRESENTATIVES

Mr. Huang Dake
Ms. Kwan Lok Yan (appointed on 24 December 2025)
Ms. Ng Ka Man (resigned on 24 December 2025)

REGISTERED OFFICE

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Hutchins Drive
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Grand Cayman, KY1-1111
Cayman Islands

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COMPANY WEBSITE

www.byleasing.com

STOCK CODE

8525

AUDITOR

Moore CPA Limited
Certified Public Accountants
(Registered Public Interest Entity Auditor)
1001-1010, North Tower
World Finance Centre
Harbour City, 19 Canton Road
Tsim Sha Tsui, Kowloon
Hong Kong

LEGAL ADVISERS TO THE COMPANY

YYC Legal LLP (as to Hong Kong laws)

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKERS

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Siming District, Xiamen
Fujian Province
PRC

China Everbright Bank (Xiamen Branch)
China Everbright Bank Building
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Siming District, Xiamen
Fujian Province
PRC

Bank of China (Hong Kong) Limited
1 Garden Road
Hong Kong

Financial Summary

The following is a summary of the results of our Group for each of the years ended 31 December 2021, 2022, 2023, 2024 and 2025 and the assets and liabilities of our Group as of 31 December 2021, 2022, 2023, 2024 and 2025.

RESULTS

	Year ended 31 December				
	2021 *RMB'000*	2022 *RMB'000*	2023 *RMB'000*	2024 *RMB'000*	**2025** ***RMB'000***
Revenue	38,625	28,172	36,027	33,719	**45,433**
(Loss)/Profit before tax	(9,299)	(16,971)	(16,459)	(12,467)	**14,427**
Income tax credit/(expense)	2,206	(9,350)	326	(4,875)	**4,844**
(Loss)/profit for the year	(7,093)	(26,321)	(16,133)	(17,342)	**19,271**
ASSETS AND LIABILITIES					
Total assets	357,396	318,957	278,819	376,858	**384,090**
Total liabilities	75,767	63,868	39,889	155,310	**120,516**
Net assets	281,629	255,089	238,929	221,548	**263,574**

Note:

Revenue, (Loss)/Profit before tax, Income tax credit/(expense), (Loss)/profit for the year for 2025 refer to those from continuing operations.

Chairman's Statement

Dear Shareholders,

Looking back at 2025, the global economy moved forward amidst divergence, with growth momentum slowing in developed economies, while emerging markets demonstrated considerable resilience. As inflationary pressures eased, major economies successively embarked on interest rate cut cycles, injecting liquidity into the markets. However, intensified geopolitical tensions and technological competition continued to exert influence on the global economy. Adhering to the general principle of "making progress while maintaining stability", China's economy focused on expanding domestic demand and optimising the industrial structure, providing structural opportunities for market participants.

Over the past year, the Group completed the disposal of its vinegar business. This important strategic move allowed the Group to concentrate its resources and management attention on its principal business of financial services, and has yielded encouraging results. Despite the increasingly stringent regulatory environment for the finance leasing industry, the Group leveraged its years of accumulated industry experience and mature operational management model to achieve dual growth in both business scale and revenue, while strictly controlling risks. The total amount advanced for the year increased by over 70% compared to the previous year, and the operating revenue grew by nearly 140% year-on-year. At the same time, building on our years of accumulated experience in finance leasing and risk control, we actively expanded our financial information services business. This business not only contributed considerable revenue to the Group but also serves as a significant driver for the further development of our future financial services business.

Baiying Paper continued to play its connecting role within the industrial chain, deepening relationships with existing customers and actively exploring new cooperation opportunities. Facing market price fluctuations and demand changes, it maintained a steady operational tempo, contributing consistent cash flow to the Group.

The Group continuously improved its corporate governance mechanisms. In accordance with the relevant laws, regulations and regulatory frameworks, and under the supervision of the Board, it consistently strengthened its compliance awareness and risk prevention capabilities, providing long-term value for investors. Concurrently, the Group did not relax its focus on environmental protection and social responsibility, progressively integrating the concept of sustainable development into its daily operations.

Looking ahead to 2026, we will continue to focus on our principal business of financial services. We will cultivate and refine our operations within the finance leasing sector, nurture and enhance our financial information service capabilities, while ensuring the stable development of the paper business. In the coming year, the Group will continue to face challenges with a prudent risk attitude, seize opportunities with a pragmatic operational approach, and create value for Shareholders under the premise of compliant operations by continuously optimising resource allocation and improving operational efficiency. We will also remain attuned to the needs of the real economy, supporting industrial upgrades with professional financial services, and fulfilling our corporate social responsibilities.

Baiying Holdings Group Limited
Zhou Shiyuan
Chairman and Executive Director

25 March 2026

Management Discussion and Analysis

Industry Overview

Regulation of the domestic financial leasing industry continues to tighten, with policies guiding financial leasing companies to return to their core business. Meanwhile, the differentiation among financial leasing companies is gradually intensifying: leading commercial leasing companies leverage their shareholders' industrial backgrounds and professional asset operation capabilities to establish advantages in specific sectors, while some institutions with foreign backgrounds maintain their competitiveness by relying on cross-border funding channels; since third-party leasing companies face relatively high funding costs, their path forward lies in attracting customers through a comprehensive service system and a high level of professionalism, thereby engaging in differentiated competition with large leasing companies. Therefore, in addition to traditional business areas, financial leasing companies should actively establish a presence in sectors such as green energy, high-end equipment, and technological innovation. Concurrently, they should enhance their full life-cycle risk control capabilities centered on leased assets and leverage their accumulated business and risk control experience to explore new business directions, thereby gradually adapting to the new regulatory environment and market competition.

The paper products industry is at a key threshold, moving from traditional manufacturing towards the integration of green and intelligent operations. Packaging paper, cultural paper, and household paper constitute the fundamentals of the industry, while emerging consumption scenarios such as e-commerce logistics and instant retail have become the new engines driving growth. Against the backdrop of the deep penetration of the national "dual-carbon" goal, the continuous improvement of the waste paper recycling system, the flexible use of pulp futures tools, and the accelerated advancement of the integrated forest-paper model have jointly catalyzed the in-depth integration of the industrial chain. Currently, key economic indicators, ranging from the CPI and PPI to industrial profits, are showing sustained marginal improvements, confirming that the economy is gradually moving toward recovery. The macroeconomic rebound is expected to drive demand for paper. Combined with industry-specific factors such as new production capacity and inventory levels, the paper industry is already showing signs of a turnaround from the bottom of the cycle, the industry is gradually shedding its old model of extensive development and moving towards a new stage of more intensive, green, and high-quality development.

Business Overview

We are a finance leasing company in Fujian Province primarily dedicated to providing equipment-based financing solutions to our customers. We provide customized services to meet specific needs and requirements of our customers by closely interacting with them to determine the appropriate interest rates, repayment plans and terms of our services based on their businesses, cash flows and source of payment. Our customers are mainly SMEs and entrepreneurial individuals, and also include reputable large enterprises. While our Group remains focused in developing the finance leasing business and factoring business, we also actively look for opportunities to expand into other areas of business. In 2025, we established Baishun IT and commenced the provision of financial information services to small and medium-sized financial intermediaries in the PRC through a comprehensive SaaS-based intelligent CRM system. This line of finance information services has begun contributing to the Company's revenue since March 2025. On 23 April 2020, we established Qiaoxin, a vinegar manufactory in the PRC to diversify our business. Qiaoxin commenced commercial operation in 2022 and production and sales of vinegar and other products in 2023. In June 2025, we sold Qiaoxin to an associate of our three ultimate individual Controlling Shareholders at a consideration of RMB13.5 million. For details, please refer to the sub-section headed "Connected Transactions and Continuing Connected Transactions" set out in section headed "Report of the Directors" of this annual report.

On 13 January 2021, we established Baiying Paper to expand our business portfolio into the packaging and paper products trading industry.

For the year ended 31 December 2025, we served 90 customers located in 19 provinces in China in relation to our financial services and packaging and paper products trading business. Our revenue increased from RMB22.4 million for the year ended 31 December 2024 to RMB45.4 million for the year ended 31 December 2025. We have returned to profitability and recorded a net profit of approximately RMB7.0 million for the Reporting Period, as compared with a net loss of RMB17.3 million for the year ended 31 December 2024.

Financial Services

Finance Leasing Services

We primarily offered two types of finance leasing services, namely, direct finance leasing and sale-leaseback, to our customers. Direct finance leasing is mainly used to satisfy the need of our customers to commence new projects, expand production, make advancements in technology and have finance demands to purchase new equipment. Sale-leaseback is primarily used by our customers to fund their business operations. Through sale-leaseback, our customers sell the assets, of which they have the ownership, to us to finance their working capital and then we lease the sold assets back. We usually enter into financial leasing agreements with our customers which sets out major terms such as the leased asset concerned, purchase price of the leased asset, term of the lease, the payment schedule of the lease payments, security deposit (if any), management fee (if any), transfer of title clause and insurance for the leased asset, which will usually be paid by our customers. In addition, depending on the credit profile of our customers, we may require our customers to provide other collaterals, such as immovable property. For the year ended 31 December 2025, our revenue from finance leasing services was RMB18.9 million, accounting for 41.6% of our total revenue.

The following table sets forth average monthly balance of the interest-generating receivables arising from finance leasing services and the range of corresponding effective interest rate for the years indicated:

	As of 31 December	
	2025	2024
Average monthly balance of interest-generating receivables arising from finance leasing services *(RMB'000)*		
– Direct finance leasing	**749**	101
– Sale-leaseback	**266,285**	92,468
Range of interest rate per annum		
– Direct finance leasing	**7.2% to 12.5%**	10.5% to 14.4%
– Sale-leaseback	**6.5% to 14.5%**	6.5% to 15.6%

The following tables set forth the credit quality analysis of our finance lease receivables as of the date indicated:

	As of 31 December	
	2025	2024
Neither overdue nor credit-impaired	**630**	1,214
Overdue but not credit-impaired		
– Overdue within 30 days (inclusive)	**–**	–
– Overdue 31 to 90 days (inclusive)	**–**	–
– Overdue above 90 days	**–**	–
Overdue and credit-impaired	**4,399**	41,104
Net amount of finance lease receivables	**5,029**	42,318
Allowances for impairment losses	**(4,080)**	(26,895)
Carrying amount of finance lease receivables	**949**	15,423

Our net amount of finance lease receivables classified as overdue and credit-impaired decreased from RMB41.1 million as of 31 December 2024 to RMB4.4 million as of 31 December 2025.

The following table sets forth the credit quality analysis of receivables from sale-leaseback transactions as of the dates indicated:

	As of 31 December	
	2025	2024
Neither overdue nor credit-impaired	**337,373**	171,143
Overdue but not credit-impaired		
– Overdue within 30 days (inclusive)	**–**	–
– Overdue 31 to 90 days (inclusive)	**–**	–
– Overdue above 90 days	**–**	–
Overdue and credit-impaired	**2,488**	8,118
Net amount of finance lease receivables	**339,861**	179,261
Allowances for impairment losses	**(6,380)**	(7,639)
Carrying amount of finance lease receivables	**333,481**	171,622

Our receivables from sale-leaseback transaction classified as overdue and credit-impaired decreased from RMB8.1 million as of 31 December 2024 to RMB2.5 million as of 31 December 2025 mainly due to the recovery of receivables of approximately RMB5.6 million from sale-leaseback transactions that were overdue for more than 90 days.

The allowances for impairment losses of finance lease receivables and receivables from sale-leaseback transaction were provided on expected credit loss model. The following tables set forth our loss allowance as of the dates indicated:

	As of 31 December 2025			
	Stage I 12-month ECL *RMB'000*	**Stage II Lifetime ECL** *RMB'000*	**Stage III Lifetime ECL** *RMB'000*	**Total** *RMB'000*
Net amount of finance lease receivables	**630**	**–**	**4,399**	**5,029**
Allowances for impairment losses	**(12)**	**–**	**(4,068)**	**(4,080)**
Carrying amount of finance lease receivables	**618**	**–**	**331**	**949**
Receivables from sale-leaseback transaction	**337,373**	**–**	**2,488**	**339,861**
Allowances for impairment losses	**(6,120)**	**–**	**(260)**	**(6,380)**
Carrying amount of receivables from sale-leaseback transaction	**331,253**	**–**	**2,228**	**333,481**

	As of 31 December 2024			
	Stage I 12-month ECL *RMB'000*	Stage II Lifetime ECL *RMB'000*	Stage III Lifetime ECL *RMB'000*	Total *RMB'000*
Net amount of finance lease receivables	1,214	–	41,104	42,318
Allowances for impairment losses	(19)	–	(26,876)	(26,895)
Carrying amount of finance lease receivables	1,195	–	14,228	15,423
Receivables from sale-leaseback transaction	171,143	–	8,118	179,261
Allowances for impairment losses	(2,633)	–	(5,006)	(7,639)
Carrying amount of receivables from sale-leaseback transaction	168,510	–	3,112	171,622

Factoring Services

For the year ended 31 December 2025, we did not record any revenue from factoring services.

The following table sets forth the average monthly balance of our factoring services and the range of corresponding interest rate for the years indicated:

	For the year ended 31 December	
	2025	2024
Average monthly balance of factoring receivables *(RMB'000)*	**1,983**	19,099
Range of interest rate	**8%**	8%

The following tables set forth our loss allowance as of the dates indicated:

	As of 31 December 2025			
	Stage I 12-month ECL	**Stage II Lifetime ECL**	**Stage III Lifetime ECL**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***
Factoring receivables	**–**	**–**	**1,983**	**1,983**
Allowances for impairment losses	**–**	**–**	**(1,983)**	**(1,983)**
Carrying amount of factoring receivables	**–**	**–**	**–**	**–**

	As of 31 December 2024			
	Stage I 12-month ECL	Stage II Lifetime ECL	Stage III Lifetime ECL	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Factoring receivables	–	2,121	1,983	4,104
Allowances for impairment losses	–	(636)	(1,983)	(2,619)
Carrying amount of factoring receivables	–	1,485	–	1,485

Advisory Services

For year ended 31 December 2025, we have not recorded any revenue from advisory services.

Lease Portfolio

Lease Portfolio by Industry

The following table sets forth our net amount of receivables arising from finance leasing services by industry as of the dates indicated:

	As of 31 December			
	2025		2024	
	RMB'000	**%**	*RMB'000*	%
Wholesale and retail	**83,422**	**24.2**	138,157	62.4
Services[(1)]	**183,208**	**53.1**	35,061	15.8
Manufacturing	**15,492**	**4.5**	24,656	11.1
Real estate	**13,551**	**3.9**	15,552	7.0
Construction	**29,229**	**8.5**	1,376	0.6
Transport, storage and post	**19,218**	**5.6**	5,957	0.4
Others[(2)]	**770**	**0.2**	821	27.0
Net amount of receivables arising from finance leasing services	**344,890**	**100**	221,579	100

Notes:

(1) Include equipment leasing, commercial services, software and information technology services.

(2) Include water, environment, public facilities management and electricity, heat, gas and water production and supply industries.

Lease Portfolio by Exposure Size

We primarily offered equipment-based finance leases, the terms of which generally ranged from 12 to 36 months, and the size of which generally ranged from RMB0.2 million to RMB40.0 million. The following table sets forth net amount of our receivables arising from finance leasing services by exposure size as of the dates indicated:

	As of 31 December			
	2025		2024	
	RMB'000	**%**	*RMB'000*	%
Up to RMB1.0 million	**7,075**	**2.0**	10,167	4.6
Over RMB1.0 million to RMB3.0 million (inclusive)	**2,261**	**0.7**	9,289	4.2
Over RMB3.0 million to RMB5.0 million (inclusive)	**45,551**	**13.2**	11,801	5.3
Over RMB5.0 million to RMB30.0 million (inclusive)	**259,899**	**75.4**	126,006	56.9
Over RMB30.0 million[(1)]	**30,104**	**8.7**	64,316	29.0
Net amount of receivables arising from finance leasing services	**344,890**	**100**	221,579	100

Note:

(1) The net amount of receivables arising from finance leasing services over RMB30.0 million as of 31 December 2025 related to one finance leasing agreement. The contract exceeding RMB30.0 million related to one finance leasing contract in 2025.

Lease Portfolio by Security

The following table sets forth net amount of our receivables arising from finance leasing services by security as of the dates indicated:

	As of 31 December			
	2025		2024	
	RMB'000	**%**	*RMB'000*	%
Guaranteed leases	**190,057**	**55.1**	192,882	87.0
Collateral-backed leases with guarantee	**22,478**	**6.5**	26,276	11.9
Supplier-backed leases	**132,355**	**38.4**	2,421	1.1
Collateral-backed leases	**–**	**–**	–	–
Net amount of receivables arising from finance leasing services	**344,890**	**100**	221,579	100

Size and diversity of customers

For the year ended 31 December 2025, the net amount of our receivables arising from finance leasing services from our five largest customers was RMB132.4 million, accounting for 38.4% of our net amount of receivables arising from finance leasing services.

Financial Information Services

In February 2025, the Group established Baishun IT, and commenced the provision of financial information services to small and medium-sized financial intermediaries in the PRC during the Reporting Period through a comprehensive SaaS-based intelligent CRM system, a software that assists financial intermediaries in connecting lenders and borrowers. The income from this line of business includes subscription fees and usage fees for the CRM system.

For the year ended 31 December 2025, our revenue from financial information services was RMB8.2 million, accounting for 18.1% of our total revenue.

Manufacture and Sale of Vinegar and Other Condiment Products

We commenced the manufacture and sale of vinegar and other condiment products through Qiaoxin since January 2022. For the year ended 31 December 2025, the products we sold to our customers were vinegar and other condiment products and our customers were large-scale supermarkets, food distributors and retail customers. In June 2025, we sold Qiaoxin to an associate of our Controlling Shareholder for a consideration of RMB13.5 million. For details, please refer to the sub-section headed "Connected Transactions and Continuing Connected Transactions" set out in section headed "Report of the Directors" of this annual report.

The vinegar business was disposed of in June 2025 and is therefore reported as a discontinued operation.

Packaging and Paper Products Trading

We conducted our packaging and paper products trading business through Baiying Paper since January 2021. For the year ended 31 December 2025, the products we sold to our customers were packaging paper and all of our customers were either in the paper industry or were trading companies.

For the year ended 31 December 2025, the revenue from sales of packaging and paper products was RMB18.3 million, accounting for 40.2% of our total revenue.

The cost of sales of packaging and paper products was RMB18.1 million for the year ended 31 December 2025 consisting of the procurement cost of RMB18.1 million.

For the year ended 31 December 2025, the gross profit of packaging and paper products trading business was RMB0.2 million and the gross profit margin was approximately 0.8%.

Compliance with Key Regulatory Requirements

The following table summarizes the key statutory capital requirements and lending restrictions applicable to us and our compliance status for the year ended 31 December 2025:

Key requirements	Compliance status
A foreign-funded finance leasing company shall not provide in any form of direct or indirect financing for local governments' financing platform companies that undertake public welfare duties.	Our Group complied with such requirement for the year ended 31 December 2025.
The total assets of the foreign investor(s) of a foreign-funded finance leasing company shall not be less than US$5 million and the foreign investor(s) shall not be in insolvency and ordinarily shall have been existed more than one year.	Our Group complied with such requirement for the year ended 31 December 2025.
The registered capital of a foreign-funded finance leasing company shall not be less than US$10 million and the proportion of the foreign investment shall not be lower than 25%.	Our Group complied with such requirement for the year ended 31 December 2025.
A foreign-funded finance leasing company shall have professional staff. Its senior management team shall have professional qualifications and no less than three years of experience in the relevant industries.	Our Group complied with such requirement for the year ended 31 December 2025.
The term of operation of a foreign-funded finance leasing company shall generally not exceed 30 years.	Our Group complied with such requirement for the year ended 31 December 2025.
A foreign-funded finance leasing company shall contain the words "finance leasing" (融資租賃) in its corporate name and shall not contain the words "financial lease" (金融租賃) in its corporate name or its business scope.	Our Group complied with such requirement for the year ended 31 December 2025.
A finance leasing company can conduct guarantee business only in relation with its leasing transactions, but shall not contain the word "guarantee" in its corporate name and shall not take guarantee business as its main business.	Our Group complied with such requirement for the year ended 31 December 2025.

Key requirements	Compliance status
A finance leasing company shall not engage in deposit taking (吸收存款), lending (發放貸款), entrusted lending (受託發放貸款), and without the approval of the competent authority, shall not engage in inter-bank borrowing and is prohibited from carrying out illegal fund-raising activities under the disguise of finance leasing in any circumstances.	Our Group complied with such requirement for the year ended 31 December 2025.
As a general practice and according to the Measures for the Administration of Entrusted Loans of Commercial Banks (商業銀行委託貸款管理辦法) and General Rules for Loans (貸款通則), a company is allowed to entrust a commercial bank to provide loans to a third party.	Our Group complied with such requirement for the year ended 31 December 2025.
A finance leasing company shall not accept any property to which a lessee has no disposal rights or on which any mortgage has been created, or which has been sealed or seized by any judicial organs, or whose ownership has any other defects as the subject matter of a sale-leaseback transaction.	Our Group complied with such requirement for the year ended 31 December 2025.
Risk assets of a finance leasing company shall not exceed eight times of its total net assets. The portion of assets under finance leasing and other leasing of a finance leasing company shall not be less than 60% of its total assets. The fix-income securities investment business carried out by a finance leasing company shall not exceed 20% of its net assets. The aggregate balance of the financial leasing businesses conducted by the financial leasing company with a single lessee or a single related party shall not exceed 30% of its net assets. The aggregate balance of the financial leasing businesses conducted by the financial leasing company with all related parties shall not exceed 50% of its net assets. The balance of financing with a single shareholder and its related parties shall not exceed the shareholder’s capital contribution to the financial leasing company and the aggregate balance of the financial leasing businesses conducted by the financial leasing company with such shareholder shall not exceed 30% of its net assets.	Our Group complied with such requirement for the year ended 31 December 2025.
A company engaged in food production, food sales and catering services should be licensed according to the applicable laws.	Our Group complied with such requirement for the year ended 31 December 2025.

Financial Overview

Results of Operations

Revenue

Our revenue consists of interest income, financial information service income and income from sales of packaging and paper products.

During the Reporting Period, our interest income consisted of interests in installments and one-time management fees received from our finance leasing and factoring services; our financial information service income represented the subscription fees and usage fees received from our financial information services; and all of our income from packaging and paper products trading business were driven from sales of packaging paper. The following table sets forth our revenue by business type for the years indicated:

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Interest Income:		
Finance leasing services		
– Direct finance leasing	**61**	43
– Sale-leaseback	**18,844**	7,397
Financial Information Service Income:		
Subscription fees and usage fees	**8,244**	–
Income from packaging and paper products trading business:		
Sales of packaging paper	**18,284**	14,967
Total	**45,433**	22,407

Our revenue increased from RMB22.4 million for the year ended 31 December 2024 to RMB45.4 million for the year ended 31 December 2025 mainly due to (i) the significant increase in income from our finance leasing services of RMB11.5 million, and (ii) the commencement of the new financial information service segment contributing RMB8.2 million.

Other Income, Other Gains and Losses

Our other income, other gains and losses mainly consists of government grants, interest income from deposits with financial institutions and net loss from financial assets at fair value through profit or loss.

Our other income, other gains and losses decreased from RMB3.4 million for the year ended 31 December 2024 to RMB2.6 million for the year ended 31 December 2025 primarily due to (i) the gain on transfer one finance lease receivable with amount of RMB4.5 million; and (ii) the offsetting effect of the net loss on waiver of interest of factoring receivable.

Interest Expenses

Our interest expenses mainly consist of interest expenses on our interest-bearing borrowings and imputed interest expense on interest-free guaranteed deposits from lessees. We incur interest expenses on borrowings which are principally used to fund our finance leasing business.

Our gearing ratio was 0.35 times as of 31 December 2025 and 0.58 times as of 31 December 2024. The gearing ratio is a measure of financial leverage. It represents total interest-bearing borrowings divided by total equity as of 31 December 2025.

Our interest expenses increased from RMB2.7 million (i.e. the figure presented in 2024 annual report, including the interest expenses from discontinued operations) for the year ended 31 December 2024 to RMB2.8 million for the year ended 31 December 2025 mainly due to the increase in average monthly balance of loans.

Administrative Expenses

Our administrative expenses primarily consist of staff cost, legal expenses, depreciation, property management expenses, amortization and auditor's remuneration. The table below sets forth the components of our operating expenses by nature for the years indicated:

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Staff cost	**3,306**	2,858
Legal expenses	**511**	437
Amortisation cost of intangible assets	**42**	66
Depreciation charge		
– owned property, plant and equipment	**8**	50
– right-of-use assets	**235**	109
Auditor's remuneration		
– audit services	**744**	821
– other services	**431**	365
Consulting expenses	**82**	146
Sundry expenses	**2,379**	407
Total administrative expenses	**7,738**	5,259

Our administrative expenses increased from RMB5.3 million for the year ended 31 December 2024 to RMB7.7 million for the year ended 31 December 2025 mainly due to (i) the increase in staff cost of RMB0.4 million; and (ii) the increase in sundry expenses of RMB2.0 million.

Selling and Distribution Expenses

Our selling and distribution expenses for the year ended 31 December 2025 was RMB0.03 million, all of which consisted of staff cost.

Net Impairment Losses Recognised

Our impairment losses charged mainly include impairment losses charged on finance lease receivables and loans and receivables. The table below sets forth our total impairment losses charged by asset type for the years indicated:

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Finance lease receivables	**1,088**	(51)
Trade and other receivables	**(149)**	(941)
Loans and receivables	**1,967**	(8,358)
Total net impairment losses recognised	**2,906**	(9,350)

Our net impairment losses recognised increased from a reversal of RMB9.4 million for the year ended 31 December 2024 to RMB2.9 million for the year ended 31 December 2025 primarily due to the increase in finance lease receivables.

For the year ended 31 December 2025, the impairment losses relating to our finance leasing business mainly consisted of finance lease receivables and loans and receivables which were overdue and credit-impaired, and such overdue and credit-impaired finance lease receivables and loans and receivables involved 11 default agreements (each, the "**Overdue and Credit-impaired Agreement**", collectively, the "**Overdue and Credit-impaired Agreements**") amongst 7 customers. We have commenced legal or arbitral proceedings against all relevant counterparties once other means of debt recovery has failed, and we have applied to the relevant courts to commence the enforcement procedure in attempt to recover the debt owed. We have also seized any security deposit collected in relation to the aforementioned default agreement and, depending on the value of the relevant asset and the ease of its disposal, have also applied to the court for recovering the relevant asset as a means of recovering part of the debt due.

As required by HKFRS 9, the Company performed impairment assessment in the end of the Reporting Period under the expected credit loss ("**ECL**") model on finance lease receivables and loans and receivables, and the accounting policy, key assumptions and inputs are stated in Notes 1(f)(vii) and 27(a) to the consolidated financial statements in this report. The main factor of our impairment recognition of the Overdue and Credit-impaired Agreements is the estimated recoverable amount.

In accordance with HKFRS 9, the Group classifies finance lease receivables and loans and receivables into three stages and made provisions for ECL, accordingly, depending on whether credit risk on that financial asset has increased significantly since initial recognition. The estimation of the amount of ECL of credit-impaired financial lease receivables and loans and receivables is based on the estimated net realisable value of any collateral provided or the estimated recovery rate from loss given default in relation to the Overdue and Credit-impaired Agreements, and if appropriate, adjusted by a discount rate depending on factors that were specific to the debtors and affecting the general economic conditions such as the nature of the collaterals, its geographical location, its rate of depreciation and cost, time and difficulty of disposal and further discounted by the estimated internal rate of return of each Overdue and Credit-impaired Agreement, as well as the estimated present value of cash flows generated from the collaterals.

Having considered the above, the Directors are of the view that such provisions of impairment were in line with the relevant accounting standards.

Risk assessment
We have implemented a comprehensive and effective risk management system with stringent procedures in place, including multi-level assessment and approval processes, to offer customers customised repayment plans and interest rates based on their respective credit profiles and historical transaction records. Before entering into agreements with our customers, we shall, regardless of the contract sum, conduct due diligence and risk assessments works as set out in our business process management ("**BPM**") regulations before entering into any financial leasing agreements. The major steps of our due diligence and risk assessments are set out below:

1. After understanding our potential customer's financing needs, we would request the potential customer to provide a series of documentation to prove that it is a legally valid entity and to understand the business production and financial situation of the potential client. Due diligence works including public searches, on-site visits, and due diligence interviews with various parties will also be conducted by our operations team to fully grasp the potential customer's financial status and business operations.

2. Upon preliminary review, the operations team will pass files which are deemed potentially feasible to the credit management department for further examination and review. Our credit management department shall conduct a full due diligence investigation and risk assessment, feasibility assessment, and raise any potential red flags, and produce a project investigation report, which shall be approved by the risk management department and provided for the project review committee's consideration.

3. Upon review of the relevant project investigation report, the project review committee shall resolve whether to proceed with the relevant project.

4. For projects which shall be proceeded with, the general manager shall also conduct a final on-site inspection.

For the year ended 31 December 2025, we had adhered to the procedures set out in the BPM and conducted regular post-grant reviews and stringent post-grant management in relation to all finance lease agreements with our customers.

Income Tax Expense/Credit
We recorded an income tax expense of RMB4.9 million for the year ended 31 December 2024 and an income tax credit of RMB4.8 million for the year ended 31 December 2025 primarily because of the pre-tax credit arising from the loss on disposal of Qiaoxin.

The Directors confirm that we have paid all relevant taxes and are not subject to any dispute or unresolved tax issues with the relevant tax authorities in the PRC.

Profit for the year
Our profit recognised a significant increase from loss of RMB17.3 million for the year ended 31 December 2024 to profit of RMB7.0 million for the year ended 31 December 2025 primarily due to the noticeable increase in revenue.

Liquidity and Capital Resources
We primarily funded our operations and expansions through our Shareholders' equity, interest-bearing borrowings and cash flows from our operations. Our liquidity and capital requirements primarily relate to our finance leasing and other working capital requirements. We monitor our cash flows and cash balance on a regular basis and strive to maintain liquidity that can meet our working capital needs while maintaining a healthy level of business scale and expansion.

Cash Flows
The following table sets forth a selected summary of our cash flow statement for the years indicated:

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Cash and cash equivalents at beginning of the year	**19,730**	13,649
Net cash flows used in operating activities	**(126,550)**	(109,812)
Net cash flows generated from/(used in) investing activities	**73,844**	(599)
Net cash flows generated from financing activities	**67,333**	116,532
Net increase in cash and cash equivalents	**14,627**	6,121
Effect of foreign exchange rate changes	**103**	(40)
Cash and cash equivalents at end of the year	**34,460**	19,730

Net cash flows used in operating activities
For the year ended 31 December 2025, we had net cash used in operating activities of RMB126.6 million, primarily as a result of operating loss before changes in working capital of RMB8.2 million and the combined effect of the changes in working capital, which consisted of: (i) the increase in cash of RMB4.8 million as a result of the decrease in trade and other receivables; (ii) the increase in cash of RMB1.9 million as a result of the decrease in inventories; (iii) the increase in cash of RMB7.6 million as a result of the increase in trade and other liabilities; (iv) the decrease in cash of RMB162.3 million as a result of the increase in loans and receivables; and (v) the increase in cash of RMB15.8 million as a result of the decrease in finance lease receivables.

Net cash flows generated from/(used in) investing activities
For the year ended 31 December 2025, our net cash generated from investing activities was RMB73.8 million. Our cash inflow from investing activities was mainly derived from (i) proceeds from disposal and redemption of investments of approximately RMB20.3 million; (ii) net cash arising from the disposal of Qiaoxin of approximately RMB12.2 million; and (iii) recovery of the outstanding amount due (or receivables) in relation to the disposal of Qiaoxin of approximately RMB55.4 million. Cash outflow from investing activities was mainly for the payments on acquisition of investments of approximately RMB11.0 million.

Net cash flows generated from financing activities
For the year ended 31 December 2025, our net cash flows generated from financing activities was RMB67.3 million. Our net cash flows used in financing activities consisted of repayment of borrowings of RMB76.9 million, partially offset by proceeds from borrowings of RMB147.1 million.

Selected Items of the Consolidated Statements of Financial Position

	As of 31 December	
	2025	2024
	RMB'000	*RMB'000*
Non-current assets		
Finance lease receivables	**0.098**	617
Loans and receivables	**230,734**	122,233
Trade and other receivables	**10**	1,240
Property, plant and equipment	**33**	112,492
Intangible assets	**583**	407
Deferred tax assets	**9,408**	4,120
Total non-current assets	**240,768**	241,109
Current assets		
Finance lease receivables	**949**	14,806
Cash and cash equivalents	**34,460**	19,730
Trade and other receivables	**1,742**	21,157
Loans and receivables	**102,747**	50,874
Inventories	**–**	15,970
Financial assets at fair value through profit or loss	**3,424**	13,212
Total current assets	**143,322**	135,749
Current liabilities		
Borrowings	**39,600**	96,980
Trade and other liabilities	**10,597**	17,769
Income tax payable	**3,754**	4,713
Lease liabilities	**–**	293
Total current liabilities	**53,951**	119,755
Net current assets	**89,371**	15,994
Non-current liabilities		
Borrowings	**53,800**	31,308
Trade and other liabilities	**12,765**	3,714
Lease liabilities	**–**	534
Total non-current liabilities	**66,565**	35,556
Net assets	**263,574**	221,547

Our total current assets increased from RMB135.7 million as of 31 December 2024 to RMB143.3 million as of 31 December 2025 primarily due to the increase in cash and cash equivalents of RMB14.7 million and the increase in loans and receivables of RMB51.9 million, partially offset by the decrease in inventories of RMB16.0 million, the decrease in trade and other receivables of RMB19.4 million, the decrease in financial assets at fair value through profit or loss of RMB9.8 million and the decrease in finance lease receivables of RMB13.9 million.

Our total current liabilities decreased from RMB119.8 million as of 31 December 2024 to RMB54.0 million as of 31 December 2025 primarily due to the decrease in borrowings of RMB57.4 million.

Our net assets increased from RMB221.5 million as of 31 December 2024 to RMB263.6 million as of 31 December 2025 mainly due to the decrease in our total liabilities and the increase in our total current assets.

Finance Lease Receivables

Carrying amount of our finance lease receivables decreased from RMB15.4 million as of 31 December 2024 to RMB0.9 million as of 31 December 2025 mainly because of the decrease in our direct finance leasing business. For the year ended 31 December 2025, all of our finance lease receivables were charged by fixed interest rates.

Loans and Receivables

Our loans and receivables mainly consist of our sale-leaseback transactions and factoring transactions. Our loans and receivables increased significantly from RMB173.1 million as of 31 December 2024 to RMB333.5 million as of 31 December 2025.

Inventories

As of 31 December 2024, our inventories consist of work in progress, finished goods and raw materials, and as of 31 December 2025, we did not have any inventories.

Cash and Cash Equivalents

Cash and cash equivalents consist of our deposits with banks. Our cash and cash equivalents increased from RMB19.7 million as of 31 December 2024 to RMB34.5 million as of 31 December 2025.

Trade and Other Liabilities

Our trade and other liabilities mainly include guaranteed deposits from lessees, accrued staff costs, VAT payable and other tax payable, and other payables. The following table sets forth our trade and other liabilities as of the dates indicated:

	As of 31 December	
	2025	2024
	RMB'000	*RMB'000*
Guaranteed deposits from lessees	**12,966**	5,192
VAT payable and other tax payable	**6,455**	6,706
Accounts payable	**269**	263
Accrued staff costs	**1,693**	3,838
Accrued liabilities	**307**	1,242
Trade payable	**–**	912
Payables for purchase of property, plant and equipment	**–**	1,265
Other payables	**1,672**	2,065
Total trade and other liabilities	**23,362**	21,483

Our trade and other liabilities increased from RMB21.5 million as of 31 December 2024 to RMB23.4 million as of 31 December 2025. The increase is mainly due to (i) the increase in guaranteed deposits from lessees of RMB7.8 million; (ii) the decrease in accrued staff costs of RMB2.1 million; (iii) the decrease in payables for purchase of property, plant and equipment of RMB1.3 million, (iv) the decrease in accrued liabilities of RMB0.9 million; and (v) the decrease in trade payables of RMB0.9 million.

Financial Assets at Fair Value through Profit or Loss
For the year ended 31 December 2025, our financial assets at fair value were primarily wealth management products.

We invest in wealth management products and listed securities with our paid-up capital, and the investment amount should match our capital structure in terms of scale and must not affect our ordinary business operations. All such financial assets, depending on their amounts and types, will be strictly reviewed and approved by our management at different levels. Our securities investment team conducts risk control and supervision over our investment to effectively manage the investment procedures. All these investment activities are subject to applicable laws and regulations. As of 31 December 2025, the balance of wealth management products were RMB3.4 million.

Indebtedness
Interest-bearing bank borrowings
The following table sets forth our outstanding borrowings as of the dates indicated:

	As of 31 December	
	2025	2024
	***RMB'000*[(1)]**	*RMB'000*[(2)]
Bank borrowings:		
– within one year	**39,600**	96,980
– after one year but within two years	**29,600**	2,000
– after two years but within five years	**24,200**	29,308
– after five years	**–**	–
Total	**93,400**	128,288

Notes:

(1) As of 31 December 2025, RMB93.4 million of the borrowings were secured by Septwolves Group.

(2) As of 31 December 2024, RMB33.3 million of the borrowings were guaranteed by pledge of property, plant and equipment.

Contingent Liabilities
As of 31 December 2025, we have no contingent liability.

Capital Expenditures

Our capital expenditures consist primarily of office equipment and right-of-use assets.

The following table sets forth our capital expenditures for the years indicated:

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Capital expenditures	**466**	28,509

Capital Commitments

As at 31 December 2025, the Group had no outstanding commitments, contracted but not provided for in the financial statement.

Key Financial Ratios

The table below sets out our key financial ratios as of the dates or for the years indicated:

	As of/for the year ended 31 December	
	2025	2024
Return on equity(1)	**2.64%**	-7.8%
Return on assets(2)	**1.81%**	-4.6%
Net profit margin(3)	**15.3%**	-77.4%
Debt to equity ratio(4)	**0.22**	0.49
Gearing ratio(5)	**0.35**	0.58
Net interest spread for finance leasing business(6)	**1.8%**	2.9%
Net interest margin(8)	**5.99%**	4.3%

Notes:

(1) Return on equity represents profit for the year by total equity as of the end of such year.

(2) Return on assets represents profit for the year by total assets as of the end of such year.

(3) Net profit margin represents profit for the year divided by revenue for the relevant year.

(4) Debt to equity ratio represents total interest-bearing borrowings, less cash and cash equivalents, divided by total equity as of the end of such year.

(5) Gearing ratio represents total interest-bearing borrowings divided by total equity as of the end of such year.

(6) Net interest spread for finance leasing business represents the difference between the interest income yield for finance leasing business and the interest expenses yield for finance leasing business.

(7) We utilized our own capital for factoring services and did not incur interest expenses for factoring services during the year. Therefore, the net interest income equals to the interest income and the net interest spread equals to the interest income yield for factoring services.

(8) Net interest margin is calculated by dividing net interest income by average monthly balance of the receivables related to our finance leasing services and factoring services and multiplied by 100%.

The net profit margin shows the amount of revenue that translates into profit. Our net profit margin increased from -77.4% for the year ended 31 December 2024 to 15.3% for the year ended 31 December 2025 primarily due to the significant increase in revenue for the year.

The debt to equity ratio identifies companies' leverage and risk for investors. Our debt to equity ratio decreased from 0.49 times as of 31 December 2024 to 0.22 times as of 31 December 2025, which is primarily attributable to the combined effect of the decrease in balance of borrowings and the increase in the Company's equity.

The gearing ratio is a measure of financial leverage. Our gearing ratio decreased from 0.58 times as of 31 December 2024 to 0.35 times as of 31 December 2025 mainly due to the decrease in the balance of borrowings.

The net interest margin indicates the efficiency of our funds invested in our finance leasing services and factoring services. Our net interest margin increased from 4.3% as of 31 December 2024 to 5.99% as of 31 December 2025 primarily because of the decline in China's Loan Prime Rate (LPR).

Foreign Currency Exposure

Since our Group's business activities are solely operated in the PRC and denominated in RMB, the Directors consider that our Group's risk in foreign exchange is insignificant.

MATERIAL INVESTMENTS, ACQUISITION AND DISPOSALS

In June 2025, we sold Qiaoxin to an associate of our three ultimate individual Controlling Shareholders at a consideration of RMB13.5 million. For details, please refer to the sub-section headed "Connected Transactions and Continuing Connected Transactions" set out in section headed "Report of the Directors" of this annual report. Except for the disposal of Qiaoxin, there were no material investments (including any investment with a value of 5% or more of the Company's total assets), acquisitions or disposals for the year ended 31 December 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND EXPECTED SOURCES OF FUNDING

Other than bank borrowings we obtained from commercial banks and save as disclosed in the section headed "Events after the Reporting Period" of this Report, we have no future plans for investments or external financing.

As at 31 December 2025, we had no specific future plan for material investments or capital assets.

EMPLOYMENT AND EMOLUMENTS

As of the date of this annual report, our Group had 27 full time employees, who were all based in China. Our employees' remuneration was paid with reference to their individual responsibility and performance, as well as the actual practice of the Company. We have made contributions to social insurance funds, including pension plans, medical insurance, work-related injury insurance, unemployment insurance, maternity insurance, and housing funds for our employees. As of the date of this annual report, we had complied with all applicable PRC laws and regulations in all material aspects.

We invest in continuing education and training programs for our management and other employees with a view to constantly upgrading their skills and knowledge. We also arrange for internal and external professional training programs to develop our employees' skills and knowledge. These programs include further educational studies, fundamental economics and finance knowledge, skills training, and professional development courses for our management personnel. New employees are required to attend induction training courses to ensure that they are equipped with the necessary skills to perform their duties.

In 2025, we provide both online and offline training to our employees. In order to make the training more targeted and quantifiable, the Company opened an educational resource account on the education platform to share with all employees, the content of which covers financial, negotiation, business etiquette, management skills, etc., with the form of clock-in learning to encourage employees to take the initiative to improve themselves in their leisure time. At the same time, we also planned reading sharing activities, and invited departments to take turns in recommending good reading materials. We have set up an experience sharing mechanism in our sales team, whereby experienced management and sales champions share their successful experiences, so as to pass on their experience, strengthen interaction and enhance team cohesion.

CHARGES ON GROUP ASSETS

As at 31 December 2025, we did not have any charge over our assets.

PROSPECTS

Looking ahead to 2026, global economic growth is expected to stabilise amidst a generally slow growth trend, with the gradual implementation of accommodative monetary policies in major economies anticipated to inject liquidity into the market. However, geopolitical tensions, persistent trade frictions, and the ongoing impact of technologies such as artificial intelligence on traditional industries continue to introduce uncertainties for the global economic recovery. The Chinese economy will focus on high-quality development, accelerate the cultivation of new productive forces, and further promote green and low-carbon transformation, providing strategic opportunities for the Group to deepen its presence in the finance leasing and financial information services sectors.

Benefiting from the strategic adjustment arising from the disposal of the vinegar business, the Group will further concentrate its financial resources, management attention, and business focus on the financial services segment in the new year. In addition to enhancing the scale of its finance leasing business, the Group will leverage its existing finance leasing experience and risk control expertise to expand its financial information services business, striving to establish it as a new growth driver for the Group. Baiying Paper's business will continue to deepen customer cooperation, pursue steady progress while ensuring stability, and maintain smooth and healthy business development.

In the coming year, the Group will uphold the concept of sustainable development, accurately grasp policy directions and market opportunities, adhere to the bottom line of compliant operations, and deepen its ESG governance practices. We will continue to optimise resource allocation efficiency, stimulate talent innovation, and create sustainable long-term value for our Shareholders and contribute to the stability and advancement of the real economy through more prudent operational strategies and superior operational efficiency.

Directors and Senior Management

DIRECTORS

Executive Directors

Mr. Zhou Shiyuan (周士淵) ("Mr. Zhou"), aged 37, is an executive Director and the chairman of the Board. Mr. Zhou is the son of Mr. Zhou Yongwei, one of our Controlling Shareholders. Mr. Zhou is responsible for our Group's strategic planning, overall operation and management of the Board, and provides strategic advice to the business and operation of our Group. He was appointed as a director of Xiamen Baiying in July 2016, and is currently the chairman and legal representative of Xiamen Baiying. He was appointed as the General Manager of Fujian Septwolves Group Co., Ltd.* (福建七匹狼集團有限公司) on 28 June 2025, responsible for its strategic planning, implementation and investment decision-making. Mr. Zhou was appointed as a chairman of the board of Fujian Qicheng Holding Co., Ltd.* (福建啟誠控股股份有限公司) in January 2015 which was principally engaged in asset investment consulting and management, and is currently responsible for the overall operation and equity investment and management. Mr. Zhou has also been serving as the chairman of Septwolves Group Holding from August 2022 to October 2024 and is currently responsible for strategic planning and executing operation and investment plan and decisions of Septwolves Group Holding. From July 2010 to August 2012, Mr. Zhou worked as an assistant to general manager of Hangho Land (Xiamen) Co., Ltd.* (恒禾置地(廈門)股份有限公司) which was principally engaged in real estate development and management, where he was responsible for cost control and procurement. Since 28 December 2021, he has been appointed a director of China National Gem & Jewellery Imp. & Exp. Co., Ltd. (stock code: 872775, a company listed on NEEQ since 20 April 2018).

Mr. Zhou completed General English Language Course (advanced level) and graduated from Leicester College in October 2007. Mr. Zhou studied business and marketing at the Birmingham City Business School of Birmingham City University in the 2008/2009 academic session. Mr. Zhou was elected as a deputy to the 13th Fujian Provincial People's Congress in January 2018. In December 2019, Mr. Zhou was elected as the chairman of the World Jinjiang Friendship Council* (世界晉江聯誼會理事會) and awarded the Fujian Youth May Fourth Medal* (福建青年五四獎章). In August 2020, he was elected as the member of All-China Youth Federation (中華全國青年聯合會). He was elected as a representative of the 14th Fujian Provincial People's Congress in January 2023. In June 2025, he was elected as a member of the Standing Committee of the 14th All-China Youth Federation (十四屆中華全國青年聯合會常務委員).

Ms. Lin Zhenyan (林珍燕) ("Ms. Lin"), aged 55, is an executive Director. Ms. Lin is responsible for financial planning, implementation advice, and supervision of our Group. Ms. Lin is the director of the finance department of Septwolves Holding Group Co., Ltd.* (七匹狼控股集團股份有限公司) since May 2024. She is responsible for strategic planning and investment project decision support, financial mechanism and system development, overall budget and cost control, financial reporting and compliance management, tax planning and compliance. Ms. Lin has been the director of the fund management department of Xiamen Septwolves Asset Management Co., Ltd.* (廈門七匹狼資產管理有限公司) since January 2021, which was principally engaged in business management consulting and investment consulting. She is responsible for capital strategy and planning, financing and capital operation, cashiering operation management (including daily fund collection and payment, cash management, bank account management, bill management). From September 2015 to December 2020, she served as the financial controller of Henghe Real Estate Xiamen Co., Ltd.* (恒禾置地廈門股份有限公司), which was principally engaged in real estate development. She is responsible for strategic planning and real estate project decision support, financial mechanism and system development, overall/full-cycle budget and cost control, funding and financing management, tax planning and compliance. From April 2014 to September 2015, she was assigned by Xiamen International Construction Co., Ltd.* (廈門國際建設股份有限公司) to the finance and fund management department of its subsidiary, Zhangzhou Shenghua Real Estate Development Co., Ltd.* (漳州市盛華物房地產開發有限公司) which was principally engaged in real estate development and operation, hotel investment and management, property management services, and sales of building materials (excluding hazardous chemicals) and engineering machinery. She is responsible for strategic planning and real estate project decision support, financial mechanism and system development, overall/full-cycle budget and cost control, funding and financing management, tax planning and compliance.

Ms. Lin obtained a master's degree in executive master of business administration from Xiamen University in December 2020 and graduated from Wuhan University of Technology in July 2005 with a major in accounting.

Mr. Huang Dake (黃大柯) ("Mr. Huang"), aged 55, our executive Director and the general manager, as well as our compliance officer since 20 October 2021, is the principal founder of our Group and has served as a director and the general manager of Xiamen Baiying since its incorporation in March 2010. Mr. Huang is primarily responsible for supervising the overall management, day-to-day operations and marketing management of our Group. Prior to joining our Group, he served as a deputy general manager of Xiamen Hongxin Boge Finance Leasing Co., Ltd.* (廈門弘信博格融資租賃有限公司) which was principally engaged in finance leasing from July 2008 to August 2009. Mr. Huang was responsible for business development and management. Mr. Huang also worked as an associate professor of Huaqiao University (華僑大學) from July 2006 to April 2017, where he was responsible for research and education projects.

Mr. Huang obtained his bachelor's degree in meteorological dynamics from Lanzhou University (蘭州大學) and his master's degree in quantitative economics from Huaqiao University (華僑大學) in June 1993 and July 2000, respectively. Mr. Huang also obtained a doctor's degree in economics from Xiamen University (廈門大學) in September 2006. Mr. Huang served as the chairman of Gansu Chamber of Commerce (Fujian branch) (福建省甘肅商會) from March 2015 to June 2020 and has served as a secretary of the Communist Party of China (中國共產黨) in Gansu Chamber of Commerce (Fujian branch) since July 2020. Mr. Huang served as a vice chairman of Xiamen Local Finance Association* (廈門地方金融協會) from December 2018 to December 2021. Mr. Huang also served as a member of Leasing Business Committee of China Association of Enterprises with Foreign Investment (中國外商投資企業協會租賃工作委員會) since January 2019. In 2021, he was honoured as a leading figure in finance of the year 2020 by Xiamen Municipal Association of Local Financial Institutions.

Non-executive Director

Mr. Ke Jinding (柯金鐤) ("Mr. Ke"), aged 50, is a non-executive Director. Mr. Ke is responsible for advising on and supervising the implementation of strategic planning of our Group. Mr. Ke held various positions in Jingong Machinery which was principally engaged in manufacturing engineering and fundamental agricultural machinery, including general manager, deputy sales general manager, assistant to general manager and etc. since July 1997.

Mr. Ke graduated with his diploma in business management from Huaqiao University (華僑大學) in July 1997. In October 2020, Mr. Ke elected as the chairman of supervisory committee of the second Quanzhou Equipment Manufacturing Association (泉州裝備製造業協會).

Independent Non-executive Directors

Mr. Li Yao (李堯) ("Mr. Li"), aged 40, is an independent non-executive Director since 5 March 2025. Mr. Li is responsible for supervising the compliance and corporate governance, and providing independent advice to the Board. He has over 15 years of experience in the banking and financial technology industries. Since March 2026, Mr. Li has been serving as a director and general manager of Alliance Chuan Group (BVI) Limited (串盟集團(BVI)有限公司). Since February 2024 and February 2025 to February 2026, Mr. Li has respectively served as a head of the Investment and Financing Department, and an external consultant and non-executive director of Samoyed Cloud Technology Group Holdings Limited (薩摩耶雲科技集團控股有限公司) ("**Samoyed Cloud Holdings**") where he is responsible for the group's investment and financing management. From January 2021 to February 2025, he served as an executive director of Samoyed Cloud Holdings. From March 2021 to February 2024, he served as a president of Samoyed Cloud Holdings, mainly in charge of the day-to-day operations and decision-making. Mr. Li served as a director of Shenzhen Samoyed Digital Technology Co., Ltd. (深圳薩摩耶數字科技有限公司) from January 2021 to July 2021. He served as a vice president and chief financial officer of Samoyed Cloud Holdings from February 2020 to March 2021 where he was responsible for business development and financial management. Mr. Li served as a deputy director and deputy general manager of the Financial Markets Department at Samoyed Cloud Holdings from August 2018 to February 2020 where he was responsible for business development. From February 2016 to August 2018, he served as a deputy manager of the Corporate Customer Team at China Merchants Bank Shenzhen Meilin Sub-branch (中國招商銀行深圳梅林支行). From March 2014 to February 2016, he was a deputy head of the Major Customer Department at China Merchants Bank Shenzhen Caiwuwei Sub-branch (中國招商銀行深圳蔡屋圍支行), responsible for corporate finance, cross-border finance, asset management and corporate wealth management. From January 2011 to March 2014, he served as a corporate account manager and international business officer at China Merchants Bank Shenzhen Branch (中國招商銀行深圳分行), handling corporate lending, crossborder finance and bill transactions. From April 2008 to December 2010, Mr. Li successively served as a teller, cashier and intern retail account manager at China Merchants Bank Shenzhen Chegongmiao Sub-branch (中國招商銀行深圳車公廟支行), responsible for counter services.

Mr. Li obtained a bachelor's degree in Management from Beijing Normal University (Zhuhai) (北京師範大學珠海分校), majoring in Franchise Operation Management in July 2008.

Mr. Tu Liandong (涂連東) ("Mr. Tu"), aged 57, is an independent non-executive Director since 19 June 2018. Mr. Tu is responsible for supervising the compliance and corporate governance, and providing independent advice to the Board. In November 2019, Mr. Tu was appointed as the chairman of the board and the general manager of Xiamen Jindongshi Investment Management Co,. Ltd.* (廈門金東石投資管理有限公司) and is primarily responsible for investment management and asset management. From June 2019 to March 2023, Mr. Tu was appointed as a director and the general manager of Xiamen Liemou Consulting Co., Ltd.* (廈門獵謀諮詢服務有限公司) and is primarily responsible for investment consulting and enterprise management consulting, among other things. From July 2018 to August 2019, Mr. Tu served as an executive director of Pingtan Comprehensive Experimental Zone Shichu Investment Management Co., Ltd.* (平潭綜合實驗區時初投資管理有限公司) which was principally engaged in investment and asset management, where he was responsible for investment management and asset management. From May 2018 to April 2019, Mr. Tu served as an executive director of Xiamen Shichu Investment Consulting Co., Ltd.* (廈門時初投資諮詢有限公司) which was principally engaged in investment consulting, enterprise management consulting and business information consulting, where he was responsible for investment consulting and financial consulting, among other things. From February 2018 to March 2023, Mr. Tu was appointed as executive director and general manager of Xiamen Xuankai Investment Operation Management Co., Ltd.* (廈門宣凱投資運營管理有限公司), a company principally engaged in investment management consulting, where he was responsible for investment management and investment consulting. Mr. Tu served as executive director of Xiamen Southern Qianhe Investment Management Co., Ltd.* (廈門南方謙和投資管理有限公司) which was principally engaged in investment and asset management from November 2016 to February 2018, where he was responsible for fund management and investment consultation. From July 2016 to November 2016, Mr. Tu served as a managing partner of Xiamen Fantai Investment Management Co., Ltd* (廈門泛泰創業投資管理有限公司) which was principally engaged in investment consulting, where he was responsible for investment. From May 2003 to July 2016, Mr. Tu served as a chief financial officer and partner of Xiamen Power Capital Consulting Co., Ltd.* (廈門高能投資諮詢有限公司) which was principally engaged in investment management, where he was responsible for listing guidance, investment consulting, financial advisory and fund management. Mr. Tu worked as principal staff member of CSRC Xiamen Bureau (中國證監會廈門證監局) from March 2002 to May 2003, where he was responsible for supervision on securities and futures businesses. From July 1997 to March 2002, Mr. Tu served as a Certified Public Accountant and partner of Xiamen Zhongxing Certified Public Accountants Co., Ltd.* (廈門中興會計師事務所有限公司), a company principal engaged in audit, capital verification and accounting consultation, where he was responsible for accounting and tax consulting and auditing and property valuation. Mr. Tu worked as lecturer of Jimei University (集美大學) from September 1993 to July 1997. From April 2017 to April 2023, Mr. Tu currently also serves as an independent non-executive director and chairman of the audit committee of Fujian Supertech Advanced Material Co., Ltd. (福建賽特新材股份有限公司) (stock code: 688398, a company listed on the Shanghai Stock Exchange since February 2020). Mr. Tu served as independent non-executive director and chairman of the audit committee of Guoanda Co., Ltd.* (國安達股份有限公司) (stock code: 300902, a company listed on the Shenzhen Stock Exchange) from September 2020 to June 2025. Mr. Tu served as an independent non-executive director of Xiamen Fengyun Technology Co., Ltd.* (廈門風雲科技股份有限公司) (stock code: 836460, a company listed on NEEQ) from August 2020 to January 2025. From June 2020, Mr. Tu has been an independent non-executive director and chairman of the audit committee of Chengtun Mining Group Co., Ltd. (盛屯礦業集團股份有限公司) (stock code: 600711, a company listed on the Shanghai Stock Exchange since May 1996). From December 2023, Mr. Tu serves as independent non-executive director and chairman of the audit committee of Xiamen Anne Corporation Limited (廈門安妮股份有限公司) (stock code: 2235, a company listed on Shenzhen Stock Exchange since May 2008).

Mr. Tu obtained his bachelor's degree in science from Fuzhou University (福州大學) and his master's degree in science from Xiamen University in July 1990 and September 1993, respectively. Mr. Tu also obtained the qualification of certified public accountants of the PRC in May 1997.

Mr. Xie Mianbi (謝綿陛) ("Mr. Xie"), aged 57, is an independent non-executive Director since 19 June 2018. Mr. Xie is responsible for supervising the compliance and corporate governance, and providing independent advice to the Board. Mr. Xie worked as a lecturer, vice professor and professor of JiMei University (集美大學) successively since August 1998. From August 1990 to July 1998, Mr. Xie worked as a lecturer of Sanming Medical and Polytechnic Vocational College (三明醫學科技職業學院) (formerly known as Fujian Sanming Textile Industry College* (福建三明紡織工業學校)) and Fujian Sanming Financial and Economics College* (福建三明財經學校).

Mr. Xie obtained his bachelor's degree in engineering mechanics from Northwestern Polytechnical University (西北工業大學) and his master's degree in finance from Xiamen University in July 1990 and December 1999, respectively. Mr. Xie also obtained a doctor's degree in economics from Xiamen University in June 2004.

Senior Management

Mr. Zhang Zhaowei (張兆偉) ("Mr. Zhang"), aged 52, is the deputy general manager of our Group. Mr. Zhang is responsible for sales and marketing matters of our Group. He has been the deputy general manager of Xiamen Baiying since 2011. Prior to joining our Group, Mr. Zhang worked as an analyst of HSBC Bank (Canada)* (加拿大滙豐銀行) from January 2008 to December 2009 where he was responsible for database maintenance and online application development. From September 2003 to August 2005, Mr. Zhang worked as an analyst of Lianhe Furniture Company* (聯合家具公司) which was principally engaged in sales of furniture and other products, where he was responsible for stock analysis and procurement. From July 1994 to May 2000, Mr. Zhang worked as a manager of Xiamen Xingsha Industrial General Company* (廈門星鯊實業總公司) which was principally engaged in production and sales of medicines and animal health products, where he was responsible for marketing and sales management.

Mr. Zhang graduated with a bachelor's degree in agricultural science from Huazhong Agricultural University (華中農業大學) in July 1994 and a master's degree in business administration from Xiamen University in June 2002. Mr. Zhang also obtained a bachelor of science degree in computer science from Simon Fraser University (西蒙弗雷澤大學) in September 2009.

Ms. Cai Shaofan (蔡少凡) ("Ms. Cai"), aged 34, joined the Company in July 2024 as the financial manager. She is primarily responsible for the preparation of the Group's consolidated financial reports, financial information disclosure for the listed company, and the daily management of the finance team, maintaining close communication with auditors and regulatory authorities. Ms. Cai has over 11 years of extensive experience in corporate finance.

Prior to joining Baiying Holdings, Ms. Cai served as the finance manager in the Finance Centre of Septwolves Group Holding from April 2017 to June 2024, where she was responsible for the financial work of the group's subsidiaries. Her core duties included fund management, accounting and financial reporting, tax declaration, and the preparation and execution analysis of annual budgets. From July 2014 to March 2017, she served as the Lead Accountant at Septwolves Holding Group Co., Ltd., primarily responsible for cost accounting, revenue recognition, and accounting treatment for multiple business segments, as well as participating in monthly and annual budget preparation and variance analysis. From May 2013 to June 2014, she worked as a Cashier at Xiamen Huarong Group Co., Ltd. (廈門華融集團有限公司), responsible for the daily management and reconciliation of the company's bank accounts, the receipt and custody of cash and negotiable instruments, and fund-related tasks such as foreign exchange settlement.

Ms. Cai graduated from Xiamen University (廈門大學) with a bachelor's degree in accounting in June 2013. Additionally, she obtained the Intermediate Accounting Professional Qualification in September 2018.

Mr. Lin Wuji (林戊己) ("Mr. Lin"), aged 42, has been the secretary of the Board since June 2025, and was appointed as a deputy general manager of the Group in July 2025. Mr. Lin is primarily responsible for the secretarial work of the Board, working closely with the Board and other senior management of the Group. Mr. Lin has approximately 17 years of experience in investment, securities affairs and corporate management.

Prior to joining the Company, Mr. Lin served as the Human Resources and Administration Director of Septwolves Group Holding from July 2020 to June 2025, where he was responsible for human resources and administration, group operations, strategy and organisational management. From October 2019 to June 2020, he served as Assistant to General Manager of Xiamen Septwolves Energy Conservation and Environmental Protection Industry Venture Capital Management Co., Ltd.* (廈門七匹狼節能環保產業創業投資管理有限公司), responsible for investment, mergers and acquisitions, fund raising and post-investment management. From March 2014 to September 2019, he served successively as Securities Affairs Representative and Secretary to the Board of Quanzhou Huixin Small Loan Co., Ltd.* (泉州匯鑫小額貸款有限公司), primarily responsible for the daily operations of the company's and the Board's securities affairs, corporate management, investor relations, etc. From October 2010 to February 2014, he served as a Senior Investment Manager at Xiamen Septwolves Venture Capital Co., Ltd.* (廈門七匹狼創業投資有限公司), mainly involved in venture capital investment, mergers and acquisitions, fund raising and post-investment management. From August 2008 to September 2010, Mr. Lin served as a Senior Analyst in the Strategic Research Department of Septwolves Group Holding, primarily responsible for industry analysis, macroeconomic research and investment recommendations.

Mr. Lin obtained his master's degree in business administration from Beihang University (北京航空航天大學) in June 2008, and his bachelor's degree in bioengineering from China Agricultural University (中國農業大學) in July 2006. In August 2013, Mr. Lin obtained the qualification of Board Secretary certified by the Shanghai Stock Exchange.

Ms. Wang Nuanying (王暖盈) ("Ms. Wang"), aged 30, joined the Company in March 2025 and has been serving as the General Manager of its subsidiary, Baishun IT. She was appointed as a deputy general manager of the Group in February 2026. Ms. Wang is primarily responsible for overseeing finance, legal affairs, product operations and related matters. Ms. Wang has extensive experience in corporate listing and the capital markets, and possesses a deep understanding of how internet platforms can enhance the efficiency of traditional financial intermediaries.

Prior to joining the Company, Ms. Wang worked at Shanghai Haoshang Internet Financial Information Service Company* (上海顥商互聯網金融信息服務公司) from July 2024 to February 2025, where she was responsible for financial intermediary business and CRM system application, accumulating a considerable network of client resources. From July 2022 to July 2024, she served as a Manager in the Investment Banking Department of China International Capital Corporation Limited (CICC) (中國國際金融股份有限公司), participating in large-scale A-share and Hong Kong IPO and refinancing projects across sectors including internet, consumer, logistics, and finance, thereby accumulating extensive experience in corporate listing and capital markets.

Ms. Wang obtained her master's degree in management from Tsinghua University (清華大學) in June 2022. She received her bachelor's degree in economics from Renmin University of China (中國人民大學) in June 2019.

Joint Company Secretary

Ms. Shi Jingyi (施靜儀) ("Ms. Shi"), aged 32, is one of our joint company secretaries of the Company since December 2025. Ms. Shi has more than 9 years of experience in risk management and legal matters. She is responsible for the legal affairs, project evaluation and execution, risk management, contract review and litigation of the Group, as well as the daily operations of the Company's securities affairs and the Board, and the Company's corporate governance and investor relations. Ms. Shi joined the Group in June 2025, initially as legal specialist. She then served as the risk control head and securities affairs officer before assuming her present role. Prior to joining the Group, Ms. Shi successively served as senior controller and supervisor in the risk control centre of Septwolves Group Holding from April 2020 to May 2025, during which she was responsible for the legal affairs, project evaluation, risk management, contract review and litigation of the company. From July 2019 to February 2020, she served as a lawyer at Fujian United Trust Law Firm* (福建聯合信實律師事務所), handling corporate compliance and litigation matters. From July 2017 to June 2019, she served as a lawyer at Fujian Tianheng United Law Firm (福建天衡聯合律師事務所), handling corporate compliance and litigation matters.

Ms. Shi graduated from Zhongnan University of Economics and Law* (中南財經政法大學) with a bachelor's degree in laws. She obtained the National Unified Legal Professional Qualification of China in August 2017 and became qualified to practice PRC lawyer in February 2019.

* *for identification purpose only*

Report of the Directors

The Board is pleased to present this report of Directors together with the audited consolidated financial statements of our Group for the year ended 31 December 2025 to the Shareholders.

SHARE OFFER

The Company was incorporated in the Cayman Islands on 5 June 2017 as an exempted company with limited liability under the Cayman Islands Companies Law. The Shares were listed on GEM on 18 July 2018.

PRINCIPAL BUSINESS AND PRINCIPAL PLACE OF BUSINESS

Our Group principally provides finance leasing services and financial information services to customers in the PRC. We are also engaged in packaging and paper products trading.

Our principal place of business and headquarters in the PRC is at Unit 2, 18/F, No. 77 Tai Nan Road, Siming District, Xiamen, Fujian, the PRC. Our principal place of business in Hong Kong is 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

BUSINESS REVIEW

A review of our Group's business for the year ended 31 December 2025 and a discussion on our Group's future business development as required by Schedule 5 to the Companies Ordinance (Chapter 622, the laws of Hong Kong) (the "**Companies Ordinance**") are set out in the sections of "Chairman's Statement" and "Management Discussion and Analysis" of this annual report. Such discussions form part of this Report of the Directors. Certain financial key performance indicators are provided in the section of "Financial Summary" of this annual report.

Important events affecting our Group that has occurred since the end of the Reporting Period are mentioned in the section headed "Events after the Reporting Period" of this Report of the Directors.

SUBSIDIARIES

Details of the subsidiaries of the Company are set out in note 15 to the consolidated financial statements of this annual report.

ENVIRONMENT, SOCIAL AND GOVERNANCE

Our Group strictly complies with the requirements of Environmental, Social and Governance ("**ESG**") Reporting Guide set out in Appendix C2 to the GEM Listing Rules, and our Group is committed to incorporating sustainable development principle into our corporate development strategies and daily operation and management and the goal of acting as a responsible corporate citizen. For details, please refer to the section headed "Environmental, Social and Governance Report" of this annual report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

Our Group persists in maintaining good corporate governance and operating in compliance with the relevant laws and regulations in the PRC, the rules and provisions of the Companies Ordinance, the GEM Listing Rules and the SFO in Hong Kong. For details, please refer to the subsection headed "Compliance with Key Regulatory Requirements" set out in the section headed "Management Discussion and Analysis" of this annual report.

KEY RELATIONSHIPS

Our Group endeavours to maintain sustainable development in the long run and continuously create value for our employees and customers. Our Group understands that employees are our valuable assets and the realization and enhancement of our employees' value will facilitate the achievement of our Group's overall goals. We provide comprehensive benefits package and continuing education and training programs for our employees.

Our Group also understands the importance of maintaining good relationships with our customers. We provide efficient and customized finance leasing services, satisfactory paper products and condiment products to our customers and handle their complaints in a timely manner to maintain the competitiveness of our services and our brand.

During the year ended 31 December 2025, we considered our relationship with employees was good and there was no significant and material dispute with our customers.

SEGMENT INFORMATION

Detail of segment information are set out in note 3 to the consolidated financial statements.

KEY RISK FACTORS

Credit Risk

As a finance leasing company dedicated to providing equipment-based financing solutions to SMEs and entrepreneurial individuals, credit risk is the most significant risk inherent in our business. Credit risk arises from a customer's inability or unwillingness to repay its financial obligations owed to us in a timely manner or at all.

Liquidity Risk

Liquidity risk refers to the risk of us not having sufficient funds to meet our liabilities as they fall due. This may arise from mismatch in amount or duration in respect of the maturity of our financial assets and liabilities. If any liquidity difficulty occurs, our business, financial condition and results of operations could be materially and adversely affected.

Political, Economic and Social Conditions

The majority of our operations and assets are located in China, and all of our revenue was derived from our business in China during the Reporting Period. Any negative changes in the political, economic or social conditions in China may have a material adverse effect on our present and future business operations.

These risks are not the only significant risks that may affect the value of the Shares. For more details, please refer to note 27 to the consolidated financial statements of this annual report.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2025, the revenue from our top five customers and the largest customer accounted for 40.0% and 11.0% of our total revenue, respectively.

As of 31 December 2025, we had transactions with 2 customers from packaging and paper products trading business which accounted for more than 60% of our total revenue. These customers are all SMEs principally engaged in the sales of pulp and paper products.

During the Reporting Period, we do not have any major supplier in our finance leasing business.

Purchases attributable to the Group's top five suppliers in relation to our packaging and paper products trading business accounted for approximately 100% of the total of such purchases for the year, and purchases from the largest supplier included therein amounted to approximately 42.4% of the total purchase.

To the best knowledge of the Directors, apart from a related party sets out in note 30 to the consolidated financial statements of this annual report, none of the Directors or their respective close associates or any Shareholders who own more than 5% of the Company's issued Shares, had any beneficial interest in any of our Group's five largest customers or suppliers during the year.

CONTINUING DISCLOSURE REQUIREMENTS UNDER THE GEM LISTING RULES

As of 31 December 2025, the Directors have confirmed that to the best of their knowledge and having made all reasonable enquiries: (i) there was no disclosure required under Rules 17.15 to 17.21 and Rule 17.43 of the GEM Listing Rules; (ii) there was no advance to an entity required to be disclosed under Rule 17.22 of the GEM Listing Rules; (iii) there was no pledging of shares by controlling shareholder(s) and no breach of loan agreement/loan covenants/default required to be disclosed under Rule 17.23 of the GEM Listing Rules; and (iv) the Group did not provide any financial assistance or guarantees to affiliated companies required to be disclosed under Rule 17.24 of the GEM Listing Rules. Details of the Company's share scheme(s), if any, are disclosed in this annual report in accordance with Chapter 23 (including Rules 23.07 and 23.09) of the GEM Listing Rules.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of our Group are set out in the section of "Financial Summary" of this annual report. This summary does not form part of the audited consolidated financial statements of our Group.

FINANCIAL STATEMENTS

The results of our Group for the year ended 31 December 2025 as of the date are set out in the consolidated financial statements of this annual report.

A discussion and analysis of our Group's performance during the Reporting Period and material factors underlying its results and financial position are set out in the section headed "Management Discussion and Analysis" of this annual report.

RESERVES

Details of movements in reserves of our Group during the Reporting Period are set out in the section headed "Consolidated Statement of Changes in Equity" of this annual report, of which details of reserves available for distribution to Shareholders are set out in note 26 to the consolidated financial statements of this annual report.

DIVIDEND POLICY

Subject to the applicable laws, rules, regulations and the Articles, the Company may distribute dividend by way of cash, share allotment or any other form in any currency to the Shareholders. Declaration of dividends is subject to the discretion of the Board, depending on our results of operations, working capital and capital requirements, as well as any other factors considered relevant. A separate resolution of the proposed dividend distribution plan will be submitted by the Board to the Shareholders at the general meeting for their consideration and approval. The distribution of dividend will be completed within three months upon the approval by the Shareholders at the general meeting.

DIVIDEND

The Board did not propose or recommend the distribution of any dividend for the year ended 31 December 2025. No Shareholder has waived or agreed to waive any dividends.

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain shareholder's entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 18 June 2026 to Wednesday, 24 June 2026, both days inclusive, during which period no Share transfers will be registered. In order to qualify for attending and voting at the AGM, all transfer documents accompanied by the relevant share certificates should be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration, no later than 4:30 p.m. on Wednesday, 17 June 2026.

BANK BORROWINGS AND OTHER BORROWINGS

Details of bank and other borrowings of our Group as of 31 December 2025 are set out in note 22 to the consolidated financial statements of this annual report.

SHARE CAPITAL

On 18 July 2018, the Company issued an aggregate of 67,500,000 Shares of HK$0.01 each at the offer price of HK$1.28 per Share by way of Share Offer. There was no change in share capital of the Company since the Listing Date. For more details, please refer to the section headed "Consolidated Statement of Changes in Equity" of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

The Company confirms that, as of 31 December 2025, it maintained the minimum public float as required under Rule 17.37B of the GEM Listing Rules. The Company relies on the Initial Prescribed Threshold (as defined in Rule 17.37B of the GEM Listing Rules) for compliance with Rule 17.37B of the GEM Listing Rules, where the minimum percentage threshold applicable to the Company is at least 25% of its total number of issued Shares.

As at 31 December 2025, the Company's public float was 35.36%.

As at 31 December 2025, the Company had one class of shares listed on the Stock Exchange, namely the Shares, and the composition of the ownership of the Shares in issue was as follows: (i) Controlling Shareholder(s) and their associates – 50.58%; (ii) substantial Shareholder(s) (other than the Controlling Shareholders and their associates) – 14.06%; and (iii) public Shareholders – 35.36%.

PRE-EMPTIVE RIGHTS

Pursuant to the Articles of Association and the laws of Cayman Islands, the Company is not subject to any pre-emptive rights requiring it to propose new issues to its existing Shareholders in proportion to their shareholdings.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

During the Reporting Period, there had been no convertible securities, options, warrants or other similar rights issued or granted by the Company and there had been no exercise of convertible securities, option, warrants or similar rights.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Reporting Period. The Company did not have any treasury Shares as at 31 December 2025.

EQUITY-LINKED AGREEMENTS

Save as disclosed in the subsection headed "Share Option Scheme", no equity-linked agreements were entered into by the Company or subsisted at any time during the year ended 31 December 2025.

DIRECTORS

The following table sets forth information relating to the Directors during the year ended 31 December 2025 and up to the date of this report:

Name	Age	Position	Appointment Date
Mr. Zhou Shiyuan (周士淵)	37	Chairman and executive Director	05 June 2017
Mr. Huang Dake (黃大柯)	55	Executive Director and general manager Compliance Officer	05 June 2017 20 October 2021
Ms. Lin Zhenyan (林珍燕)	55	Executive Director	10 December 2024
Mr. Ke Jinding (柯金鍚)	50	Non-executive Director	05 June 2017
Mr. Chen Chaolin (陳朝琳)	52	Independent non-executive Director	19 June 2018 (resigned on 5 March 2025)
Mr. Tu Liandong (涂連東)	57	Independent non-executive Director	19 June 2018
Mr. Xie Mianbi (謝綿陛)	57	Independent non-executive Director	19 June 2018
Mr. Li Yao (李堯)	40	Independent non-executive Director	5 March 2025

All existing Directors have been appointed for a fixed term of three years with a service contract. Pursuant to Article 84 of the Articles of Association and code provision (the "**Code Provisions**") B.2.2 of the Corporate Governance Code (the "**CG Code**") (Appendix C1 to the GEM Listing Rules), at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Pursuant to Article 83(3) of the Articles of Association, any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election. Accordingly, each of Mr. Zhou Shiyuan, Mr. Ke Jinding and Mr. Tu Liandong, being eligible, offers himself/herself for re-election at the AGM.

The Company has received, from each of the independent non-executive Directors, an annual confirmation of their independence pursuant to Rule 5.09 of the GEM Listing Rules and considers that all of the independent non-executive Directors are independent of the Company. On 5 March 2025, Mr. Li Yao was appointed as an independent non-executive Director. In accordance with Note 2 to GEM Rule 5.02D of the GEM Listing Rules, Mr. Li Yao obtained relevant legal advice on 5 March 2025. Mr. Li Yao has confirmed that he understood his obligations as a director of a listed issuer.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of Directors and senior management of the Company are set out in the section headed "Directors and Senior Management" of this annual report.

SERVICE CONTRACTS OF DIRECTORS

Each of the Directors has entered into a service contract with the Company for a term of three years. Our Group has not entered, and does not propose to enter, into any service contracts with any of the Directors in their respective capacities as Director which is not determinable by the employer within one year without the payment of compensation (other than statutory compensation).

INDEMNITY OF DIRECTORS

The Company has maintained appropriate Directors and senior officers liability insurance and the permitted indemnity provision as defined in section 469 of the Companies Ordinance for the benefit of the Directors is currently in force and was in force throughout the year ended 31 December 2025.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Details of the remuneration of the Directors and five highest paid individuals for the year ended 31 December 2025 are set out in notes 10 and 11 to the consolidated financial statements of this annual report.

The remuneration to Directors is subject to the Shareholders' approval at the general meeting. The emoluments payable to the Directors and senior management and their respective contractual terms under their employment contracts or service contracts are determined by the Board with recommendations of the remuneration committee of the Company (the "**Remuneration Committee**"), having regard to their performance, our Group's operating results and comparable market statistics. No Directors, or any of their respective associates, were involved in deciding their own remuneration.

The remuneration of the members of senior management for the year is set out by category as follows:

Remuneration Level	Number of senior management of the Company For the year ended 31 December 2025
No more than RMB0.5 million	**3**
More than RMB0.5 million but not exceeding RMB1 million (inclusive)	**1**
More than RMB1 million	**–**
Total	**4**

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of our Group were entered into or in existence during the year ended 31 December 2025.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in the subsection headed "Connected Transactions and Continuing Connected Transactions" in this report, none of the Directors or entities connected with a Director had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, nor did such transaction, arrangement or contract subsist during the Reporting Period.

CONTRACTS OF SIGNIFICANCE

Save as disclosed in the subsection headed "Related Party Transactions" in this report, there had been no contract of significance between the Company or any of its subsidiaries and a Controlling Shareholder or any of its subsidiaries, nor any contract of significance for the provision of services to the Company or any of its subsidiaries by a Controlling Shareholder or any of its subsidiaries.

COMPETING BUSINESS

The Board confirms that as at 31 December 2025, none of the Directors, the Controlling Shareholders and their respective close associates had any interest in a business which competes or may compete with the business of the Group, nor had any other conflicts of interest with the Group which are required to be disclosed under Rule 11.04 of the GEM Listing Rules during the Reporting Period.

PENSION SCHEME

Our Group participates in pension scheme administered and organized by the local municipal government of the PRC. Contributions to this pension scheme are charged to profit or loss as they became payable in accordance with the rules of the central pension scheme. Our Group has no obligation for the payment of pension benefits beyond the contributions described above. There was no forfeited contribution which may be used by the Group to reduce the contribution payable in the future years. Contributions to this pension scheme are calculated on the basis of 16.5% of payroll according to local rules.

COMPLIANCE WITH NON-COMPETITION UNDERTAKING

Each of Septwolves Holdings, Mr. Zhou Yongwei, Mr. Zhou Shaoxiong and Mr. Zhou Shaoming has confirmed to the Company that, during the Reporting Period, it/he has complied with the non-competition undertakings given by them to the Company on 20 June 2018, details of the non-competition undertakings were set out in the Prospectus.

The independent non-executive Directors have reviewed the status of compliance and enforcement of the non-competition undertakings and confirmed that all the undertakings thereunder have been complied with by each of Septwolves Holdings, Mr. Zhou Yongwei, Mr. Zhou Shaoxiong and Mr. Zhou Shaoming.

ARRANGEMENT FOR DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 31 December 2025 were rights to acquire benefits by means of acquisition of Shares in or debentures of the Company granted to any Director or their respective spouses or minor children, or were such rights exercised by them, or was the Company or any its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of Shares in, or debt securities (including debentures) of the Company or any other body corporate.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board and the management of the Company have adopted the Code Provisions of the CG Code and reviewed its corporate governance policies and their compliance from time to time. During the Reporting Period, the Company has fully complied with the Code Provisions. For details, please refer to the section headed "Corporate Governance Report" of this annual report.

SIGNIFICANT LEGAL PROCEEDINGS

As of 31 December 2025, we had total of 13 outstanding legal proceedings initiated by us. As these proceedings arose in the ordinary course of our management, the Directors are of the opinion that these proceedings will not have any material adverse effect on our business, financial condition or results of operations. During the Reporting Period, we dealt with a civil proceeding as a defendant in a dispute relating to our construction project in Yongchun County. The proceeding was accepted by the People's Court of Yongchun County, which ruled that we were not liable.

SHARE OPTION SCHEME

The share option scheme was adopted by the Company and approved by the Shareholders on 20 June 2018 (the "**Share Option Scheme**") for the primary purposes of enabling the Company to attract, retain and motivate talented participants and, to strive for future developments and expansion of our Group. Eligible participants of the Share Option Scheme include any employees, any executives, non-executive Directors (including independent non-executive Directors), advisors and consultants of our Group. The Share Option Scheme shall be valid and effective for a period of 10 years commencing on 20 June 2018 and will expire on 20 June 2028. As at the date of this annual report, the remaining life of the Share Option Scheme is approximately two years and three months.

The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other scheme(s) of the Company in aggregate shall not exceed 30% of the Shares in issue from time to time. In addition, under a refreshment of the 10% limit mentioned below is approved by the Shareholders pursuant to the GEM Listing Rules, the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other scheme(s) of the Company shall not in aggregate exceed 10% of all the issued Shares as of 18 July 2018, being the Listing Date. As at the date hereof, the options available for grant by the Company is 27,000,000 Shares, representing 10% of the total issued Shares. As at 1 January 2025 and 31 December 2025, the number of options available for grant under the scheme mandate of the share option scheme was 27,000,000.

The maximum number of Shares issued and to be issued upon exercise of the options granted to each eligible person in any 12-month period shall not exceed 1% of our Shares in issue on the last day of such 12-month period, unless approved by the Shareholders in accordance with the GEM Listing Rules.

An option shall be regarded as having been granted and accepted when the duplicate of the offer letter, comprising acceptance of the offer of the option, is duly signed by the grantee together with a remittance in favor of the Company of HK$1.00 by way of consideration for the grant thereof is received by the Company within a period of 30 days from the date of offer of the option, provided that no such offer may be accepted after the expiry of the scheme period or after the Share Option Scheme has been terminated.

There is no minimum period for which an option granted must be held before it can be exercised unless otherwise imposed by the Board. An option shall be exercised in whole or in part within the period, in respect of an option, commencing immediately after the business day on which the option is deemed to be granted and accepted in accordance to the Share Option Scheme (the "**Commencement Date**") and expiring on such date of the expiry of the option as our Board may in its absolute discretion determine and which shall not exceed 10 years from the Commencement Date but subject to the provisions for early termination thereof contained in the Share Option Scheme.

The exercise prices of the options will be determined by the Board in its absolute discretion but shall not be less than whichever is the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the offer date; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the offer date; and (iii) the nominal value of the Shares on the offer date.

No share options have been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption. As of 31 December 2025, the Company has no outstanding share option under the Share Option Scheme.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

For the year ended 31 December 2025, the following transactions constituted connected transaction(s) under the GEM Listing Rules:

Finance Lease Agreement with Jingong Machinery

On 24 January 2025, Xiamen Baiying (the "**Purchaser**"), a wholly owned subsidiary of the Company, entered into a finance lease agreement (the "**Finance Lease Agreement**") with Jingong Machinery in relation to a sale-leaseback transaction. Pursuant to the Finance Lease Agreement, Xiamen Baiying agreed to purchase the leaseback assets from Jingong Machinery at a consideration of RMB9,000,000 (the "**Consideration**") and lease the leaseback assets back to Jingong Machinery for a term of 36 months in return for lease payments. Please refer to the announcement of the Company dated 24 January 2025 for the principal terms of the Finance Lease Agreement.

During the Reporting Period, the total amount paid by Xiamen Baiying for acquiring the leaseback assets under the Finance Lease Agreement was RMB9.0 million; and the lease payments received by the Group under the Finance Lease Agreement during the Reporting Period amounted to RMB0.7 million.

Xiamen Baiying is principally engaged in finance leasing business and leasing business in the PRC. It is expected that the Finance Lease Agreement will enable the Group to earn an aggregate income of approximately RMB1.63 million over the three-year lease term.

As Jingong Machinery is directly owned as to 50% by Mr. Ke Shuiyuan (brother of Mr. Ke Jinding) and 50% by Mr. Ke Jinding (a non-executive Director and a substantial Shareholder), Jingong Machinery is a connected person of the Company under the GEM Listing Rules. Therefore, the transaction contemplated under the Finance Lease Agreement constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

The Directors (including the independent non-executive Directors) are of the view that the Finance Lease Agreement was entered into in the ordinary and usual course of business of the Group, on normal commercial terms and on terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Disposal of Qiaoxin

On 27 March 2025, Xiamen Baiying (the "**Vendor**") entered into a sale and purchase agreement (the "**Sale and Purchase Agreement**") with Sichuan Qingxiangyuan Condiment Co., Ltd.* (四川清香園調味品股份有限公司) (the "**Purchaser**"), pursuant to which Xiamen Baiying conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, the entire equity interest in Qiaoxin at a cash consideration of RMB13.5 million. Upon completion, Qiaoxin and its wholly owned subsidiary Qiaoxin Food (Xiamen) Co., Ltd.* (僑新食品(廈門)有限公司) would cease to be subsidiaries of the Company. In addition, the Purchaser shall, or shall procure Qiaoxin to, repay Xiamen Baiying the outstanding indebtedness in an aggregate amount of approximately RMB55.4 million within 90 days after completion. Please refer to the announcements of the Company dated 27 March 2025 and 1 April 2025 for the principal terms of the Sale and Purchase Agreement and other details in relation to the disposal. An extraordinary general meeting was held on 3 June 2025 in which the independent Shareholders approved the aforesaid disposal by an ordinary resolution. The disposal was completed on 13 June 2025.

During the Reporting Period, the consideration received by the Group in respect of the disposal of Qiaoxin was RMB13.5 million, and the outstanding indebtedness received by the Group during the Reporting Period amounted to RMB55.4 million.

As the Purchaser is an associate of the Company's Controlling Shareholders, the Purchaser is a connected person of the Company under the GEM Listing Rules. Therefore, the disposal of Qiaoxin constituted a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. It also constituted a major transaction under Chapter 19 of the GEM Listing Rules.

Save as disclosed above, for the year ended 31 December 2025, the Company had no connected transactions that are required reporting, annual reviews, announcement and independent Shareholders' approval in compliance with the requirements under Chapter 20 of the GEM Listing Rules.

RELATED PARTY TRANSACTIONS

Save as disclosed in the subsection headed "Connected Transactions and Continuing Connected Transaction" in this report, none of the related party transactions set out in note 29 to the consolidated financial statements constitute connected transactions or continuing connected transactions, which are subject to the reporting, annual review, announcement and/or independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed above, in the section headed "Management Discussion and Analysis", the Board is not aware of any other material events after the Reporting Period.

DONATION

No charitable and other donations were made by our Group during the year ended 31 December 2025.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") has reviewed and discussed with the management the accounting principles and practices adopted by the Company, the Company's internal controls and financial report matters, and the Company's policies and practices on corporate governance. This annual report has been reviewed and agreed by the Audit Committee. There is no disagreement by the Audit Committee with the accounting treatment adopted by the Company.

AUDITOR

The consolidated financial statements for the years ended 31 December 2023, 2024 and 2025 were audited by Moore CPA Limited ("**Moore**"), who shall retire and, being eligible, offer itself for re-appointment. A resolution for the re-appointment of Moore as an auditor of the Company is to be proposed at the AGM.

Moore was appointed as an auditor of the Company at the annual general meeting held on 28 June 2023 to fill the vacancy following the retirement of KPMG.

Save as disclosed above, there has been no change in the auditor of the Company during the preceding three years.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SECURITIES

As of 31 December 2025, the interests or short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations, within the meaning of Part XV of the SFO which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Name	Position	Nature of interest	Number of Shares[1]	Percentage in the total issued share capital
Mr. Ke Jinding[2]	Non-executive Director	Interest in controlled corporation	37,968,750 Shares (L)	14.06%
Mr. Huang Dake[3]	Executive Director	Interest in controlled corporation	12,430,934 Shares (L)	4.60%

Notes:

(1) The letter "L" denotes a person's long position (as defined under Part XV of the SFO) in the Shares or the shares in the share capital of the relevant associated corporation.

(2) Zijiang Capital is directly interested in approximately 14.06% of the issued Shares. The disclosed interest represents the interest in the Company held by Zijiang Capital, which is in turn held as to 40%, 40% and 20% by Mr. Ke Shuiyuan, Mr. Ke Jinding and Mr. Ke Zijiang, respectively. Therefore, Mr. Ke Jinding is deemed to be interested in Zijiang Capital's interest in the Company by virtue of the SFO.

(3) HDK Capital is directly interested in approximately 4.60% of the issued Shares. The disclosed interest represents the interest in the Company held by HDK Capital, which is wholly owned by Mr. Huang Dake. Therefore, Mr. Huang Dake is deemed to be interested in HDK Capital's interest in the Company by virtue of the SFO.

Save as disclosed above, as of 31 December 2025, none of the Directors and chief executive of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations, within the meaning of Part XV of the SFO, which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which will be required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As of 31 December 2025, the persons or corporations (other than a Director or the chief executive of the Company) who had an interest or short position in the Shares and underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO were as follows:

Shareholders	Nature of interest	Number of Shares[(1)]	Percentage in the total issued share capital
Mr. Zhou Yongwei[(2)]	Interest in controlled corporation	124,143,908 Shares (L)	45.98%
Septwolves Holdings	Beneficial owner	118,968,750 Shares (L)	44.06%
Zijiang Capital	Beneficial owner	37,968,750 Shares (L)	14.06%
Mr. Ke Shuiyuan[(3)]	Interest in controlled corporation	37,968,750 Shares (L)	14.06%
Shengshi Capital	Beneficial owner	15,885,500 Shares (L)	5.88%
Mr. Wong Po Nei[(4)]	Interest in controlled corporation	15,885,500 Shares (L)	5.88%

Notes:

(1) The letter “L” denotes a person’s long position (as defined under Part XV of the SFO) in the Shares.

(2) The disclosed interest represents the interest in the Company held by Septwolves Holdings and SEPTWOLVES INTERNATIONAL GROUP LIMITED respectively. Septwolves Holdings is approximately 37.06%, 31.47% and 31.47% owned by Mr. Zhou Yongwei, Mr. Zhou Shaoxiong and Mr. Zhou Shaoming, respectively. SEPTWOLVES INTERNATIONAL GROUP LIMITED is approximately 82.86% indirectly owned by Fujian Septwolves Group, which in turn is approximately 37.82% owned by Mr. Zhou Yongwei. Therefore, Mr. Zhou Yongwei is deemed to be interested in Septwolves Holdings’ and SEPTWOLVES INTERNATIONAL GROUP LIMITED’s respective interest in the Company by virtue of the SFO.

(3) The disclosed interest represents the interest in the Company held by Zijiang Capital, which is in turn held as to 40%, 40% and 20% by Mr. Ke Shuiyuan, Mr. Ke Jinding and Mr. Ke Zijiang, respectively. Therefore, Mr. Ke Shuiyuan is deemed to be interested in Zijiang Capital’s interest in the Company by virtue of the SFO.

(4) The disclosed interest represents the interest in the Company held by Shengshi Capital, which is wholly owned by Mr. Wong Po Nei. Therefore, Mr. Wong Po Nei is deemed to be interested in Shengshi Capital’s interest in the Company by virtue of the SFO.

Save as disclosed above, as of 31 December 2025, the Directors were not aware of any other person or corporation having an interest or short position in Shares and underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Monday, 9 June 2025 and will remain suspended until the trading of the Shares is allowed to resume by the Stock Exchange following the Company's re-compliance with Rule 17.26 of the GEM Listing Rules, fulfilment of any resumption guidance that may be set by the Stock Exchange and full compliance with the GEM Listing Rules to the satisfaction of the Stock Exchange. Please refer to the announcement of the Company dated 8 June 2025 for further details.

On behalf of the Board

Zhou Shiyuan
Chairman and executive Director
25 March 2026

Corporate Governance Report

The Company is committed to maintaining high standards of corporate governance and protecting the interests of its Shareholders in an open manner. The Board and the management of the Company has adopted the Code Provisions of the CG Code set out in Appendix C1 to the GEM Listing Rules and review its corporate governance practice from time to time to ensure the maintenance of high standards of business ethics and corporate governance practices. During the Reporting Period, the Company has fully complied with the Code Provisions.

COMPOSITION OF THE BOARD OF DIRECTORS

The Board is committed to providing effective and responsible leadership for the Company. The Directors, individually and collectively, must act in good faith and in the best interests of the Company and its Shareholders. The Board has established three Board committees, namely the Audit Committee, the Remuneration Committee and the nomination committee of the Company (the "**Nomination Committee**") (each a "**Board Committee**" and collectively the "**Board Committees**"), to oversee different areas of the Company's affairs.

As of 31 December 2025, the Board comprised three executive Directors, namely, our chairman Mr. Zhou Shiyuan, Ms. Lin Zhenyan and Mr. Huang Dake, one non-executive Director, namely, Mr. Ke Jinding, and three independent non-executive Directors, namely, Mr. Li Yao, Mr. Tu Liandong and Mr. Xie Mianbi.

Their biographical details are set out in the section headed "Directors and Senior Management" of this annual report. A list of the Directors identifying their roles and functions is available on the websites of the Stock Exchange and the Company.

There is no financial, business, family or other material or relevant relationships among members of the Board and members of the senior management of the Company.

DUTIES OF THE BOARD OF DIRECTORS AND THE SENIOR MANAGEMENT

The Board is responsible for our Group's strategic planning, advising on and supervising the implementation of strategic planning and overall operation of our Group. The Board is also responsible for developing, reviewing and monitoring the policies and practices on corporate governance and legal and regulatory compliance of our Group, and the training and continuous professional development of Directors and senior management of the Company. The Directors make decisions objectively in the joint interests of the Company and its Shareholders.

The Board has delegated the authority and responsibility for implementing its business strategies and managing the daily operations of the Company's businesses to the executive Directors and members of senior management of the Company. The functions and power that are so delegated are reviewed periodically to ensure that they remain appropriate. In addition, the Board has established Board Committees and has delegated to these Board Committees various responsibilities as set out in their respective terms of reference. Further details of these committees are set out in section headed "Board Committees" in this report.

Each of the Board members can have separate and independent access to the Company's senior management to fulfill their duties. Independent professional advice can be sought to assist the relevant Directors to discharge their duties at our Group's expense upon their request.

The senior management of the Company is primarily responsible for the administrative matters of the Board, risk management matters, financial and accounting matters and sales and marketing matters of the Company.

All Directors are required to declare to the Board upon their first appointment, the directorships or other positions they are concurrently holding at other companies or organizations. These interests are updated on an annual basis and when necessary.

Within the year, the Board held 7 meetings to review our financial information, review and monitor the policies and practices on corporate governance and legal and regulatory compliance of the Company. The senior management supervised the daily operations of the Company, identified and reported the potential risks to the Board.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Zhou Shiyuan is the chairman of the Board and is responsible for our Group's strategic planning, overall operation and managing the Board. The chairman is also responsible for ensuring good corporate governance practices.

Mr. Huang Dake, as the general manager of the Company, is responsible for supervising the overall management, daily operations and marketing management of our Group.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

In compliance with Rules 5.05(1) and 5.05A of the GEM Listing Rules, the Company has appointed three independent non-executive Directors, representing at least one-third of the Board. One of the independent non-executive Directors has the appropriate professional qualifications in accounting or related financial management expertise as required by Rule 5.05(2) of the GEM Listing Rules.

Each independent non-executive Director has submitted annual confirmation of his independence to the Company having regard to the criteria set under Rule 5.09 of the GEM Listing Rules. Based on such confirmations, the Company considers that all of the independent non-executive Directors are independent under these independence criteria and are capable of effectively exercising independent judgement. All independent non-executive Directors are identified in all corporate communications containing the names of Directors.

DIRECTORS' CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT

All Directors are aware of their responsibilities to the Shareholders and have exercised their duties with care, skill and diligence, in pursuit of the development of our Group.

All directors participated in the training provided by the Group's Hong Kong legal counsel on the CG Code and the GEM Listing Rules and on the corporate governance of listed companies and the proper fulfillment of the duties of directors, supervisors and senior managers. The relevant training covers the content and implementation requirements of the latest amendments to the CG Code and the GEM Listing Rules, as well as the principles, requirements and performance bottom line of corporate governance. Training records of all Directors have been provided to the joint company secretary of the Company.

A summary of training received by the Directors for the year ended 31 December 2025 is as follows:

Name of Directors	Latest Amendments to CG Code and GEM Listing Rules	Corporate Governance of Listed Companies and Proper Fulfillment of the Duties of Directors, Supervisors and Senior Managers
Executive Directors		
Mr. Zhou Shiyuan	√	√
Ms. Lin Zhenyan	√	√
Mr. Huang Dake	√	√
Non-executive Director		
Mr. Ke Jinding	√	√
Independent non-executive Directors		
Mr. Li Yao (appointed on 5 March 2025)	√	√
Mr. Tu Liandong	√	√
Mr. Xie Mianbi	√	√

DIRECTORS' TERM OF OFFICE, ELECTION AND RE-ELECTION

All existing Directors have been appointed for a fixed term of three years with a service contract. Pursuant to Article 84 of the Articles of Association and Code Provision B.2.2 of the CG Code, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years but shall be eligible for re-election.

DIRECTORS' INSURANCE

Our Group has arranged appropriate insurance cover in respect of potential legal actions against its Directors and officers.

BOARD COMMITTEES

The Board is supported by a number of committees, including the Audit Committee, Nomination Committee and Remuneration Committee. Each Board Committee has its defined and written terms of reference approved by the Board covering its duties, powers and functions. The terms of reference of the Audit Committee, Nomination Committee and Remuneration Committee are respectively available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company. All Board Committees are provided with sufficient resources to discharge their duties, including access to management or professional advice if considered necessary.

Audit Committee

The Audit Committee consists of three members, namely Mr. Tu Liandong (independent non-executive Director), Mr. Xie Mianbi (independent non-executive Director) and Mr. Ke Jinding (non-executive Director). An independent non-executive director, Mr. Tu Liandong, currently serves as the chairman of the Audit Committee. The three members are experienced in reviewing and analysing financial information and possess appropriate accounting and related financial management expertise. Therefore, the Company complies with the requirement under Rule 5.28 of the GEM Listing Rules.

The primary duties of the Audit Committee are to review our financial information, oversee the Company's financial reporting system, risk management and internal control systems, nominate and monitor external auditors, develop, review and monitor our corporate governance functions and to provide advice and comments to the Board.

The Audit Committee held 2 meetings for the year ended 31 December 2025. The Audit Committee has reviewed (i) the annual financial statements, results and report of our Group for the year ended 31 December 2024; (ii) the interim financial statements, results and report of our Group for the six month ended 30 June 2025; (iii) the significant issues on the financial reporting and compliance procedures, internal control and risk management systems and its effectiveness and (iv) selection and appointment of the external auditors. In the opinion of the Audit Committee, the preparation of the annual and interim results complied with the applicable accounting standards and requirements and adequate disclosure have been made.

Moore is the external auditor of the Company. The Audit Committee held a meeting with Moore, in the absence of the management of the Company, to discuss matters relevant to the audit. No matter of significance arose from this meeting. The Group has also established whistle-blowing channels which allows the Group's finance department and risk management department employees to report any misconduct behavior.

The reporting responsibilities are set out in the Independent Auditor's Report on pages 79 to 83 of this annual report.

Remuneration Committee

The Remuneration Committee comprises three members, namely Mr. Xie Mianbi (independent non-executive Director), Mr. Li Yao (independent non-executive Director) and Mr. Huang Dake (executive Director). Mr. Xie Mianbi currently serves as the chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee are to evaluate the performance, make recommendations on the remuneration of our senior management, executive Directors and non-executive Directors to members of the Board, review and approve compensation payable to executive Directors and management for any loss or termination of office, review and approve compensation arrangements relating to dismissal or removal of the Directors for misconduct and also review and approve matters related to share scheme.

The major objective of our remuneration policy is to develop and review the remuneration package of individual executive Director and senior management with reference to salaries paid by comparable companies, time commitment and responsibilities of the Directors and senior management, goals and objective of the Company, and recommend the remuneration proposals to the Board and ensure that no Director or any of his associates is involved in deciding his own remuneration.

The Remuneration Committee held 2 meetings for the year ended 31 December 2025. The Remuneration Committee has reviewed the remuneration of the newly appointed independent non-executive Director, the remuneration policy and structure relating to the Directors and senior management of the Company, assessing performance of our executive Directors, discussed and recommended the service contract and remuneration of newly appointed independent non-executive Director and the effectiveness of the Remuneration Committee.

All our Directors are entitled to a fixed Director's fee which was recommended by the Remuneration Committee, determined by the Board and approved by Shareholders.

Details of the remuneration of the Directors are set out in note 10 to the consolidated financial statements in this report.

Nomination Committee

The Nomination Committee consists of three members, namely Mr. Xie Mianbi (independent non-executive Director), Mr. Tu Liandong (independent non-executive Director) and Ms. Lin Zhenyan (executive Director). Mr. Xie Mianbi currently serves as the chairman of the Nomination Committee.

The primary duties of the Nomination Committee are to review the structure, size and composition of the Board and Board Committees and make recommendations on any proposed changes to the Board to complement the issuer's corporate strategy, identify individuals suitably qualified to become board members and make recommendations to the Board, assess the independence of independent non-executive Directors, determine and review the Board's diversity policy and nomination policy and recommend to the Board on the appointment or re-appointment of Directors.

When identifying suitable candidates for directorship, the Nomination Committee will carry out the selection process by making reference to skills, experience, education background, professional knowledge, personal integrity and time commitments of the proposed candidates, and also the Company's needs and other relevant statutory requirements and regulations required for the positions. All candidates much be able to meet the standards as set forth in Rules 5.01 and 5.02 of the GEM Listing rules. Qualified candidates will be recommended to the Board for approval.

The Nomination Committee held 2 meetings for the year ended 31 December 2025. The Nomination Committee has nominated the newly appointed independent non-executive Director, reviewed the terms of reference of the Nomination Committee, diversity policy of the Board and its effectiveness for the Company's development, and recommended to the Board on the re-election of Mr. Huang Dake, Ms. Lin Zhenyan, Mr. Xie Mianbi and Mr. Li Yao and the structure, size and composition of the Board, and assessed independence of the independent non-executive Directors.

BOARD MEETINGS

The Company intends to hold Board meetings regularly, at least four times a year. A notice will be given not less than 14 days for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting. A Director may attend the Board meeting in person, or appoint another Director in writing as his proxy to attend the Board meeting. The joint company secretaries of the Company are responsible for preparing and keeping the documents and records of Board meetings. Draft minutes with sufficient details of the matters considered and decisions reached and final versions of each Board meeting and Board Committee meeting will be sent to all Directors or committee members for their comments within a reasonable time after the date on which the meeting is held.

Apart from the above regular Board meetings of the year, the Board will meet from time to time on other occasions when a Board-level decision on a particular matter is required. The Directors will receive details of agenda items for decision in advance of each Board meeting. For all the other Board meeting, reasonable notice are given to all the Directors.

Under Code Provision C.1.6 of the CG Code, independent non-executive Directors and other non-executive Directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. During the Reporting Period, Mr. Ke Jinding, Mr. Li Yao, Mr. Tu Liandong and Mr. Xie Mianbi attended all Board and respective Board Committee meetings, as well as the general meetings of the Company held on 3 June 2025 and 19 June 2025.

In addition, in order to facilitate open discussion with all the independent non-executive Directors and to ensure independent views and input are considered, the chairman will, at the independent non-executive Directors' request, meet with them in the absence of executive Directors and senior management at least once a year after a regular Board meeting. The Board considered that such mechanism can effectively ensure independent views and input are available to the Board. The Board shall make an annual review of the implementation and effectiveness of such mechanism.

The attendance record of each of the meetings of the Board and Board Committees and general meetings held are set out in the table below. The Directors did not authorise any alternate Director to attend Board, Board Committee or general meetings.

	Attendance/Number of Meetings				
Name of Directors	**Board**	**Audit Committee**	**Nomination Committee**	**Remuneration Committee**	**General Meeting**
Executive Directors					
Mr. Zhou Shiyuan	7/7	N/A	N/A	N/A	2/2
Ms. Lin Zhenyan	7/7	N/A	2/2	N/A	2/2
Mr. Huang Dake	7/7	N/A	N/A	2/2	2/2
Non-executive Director					
Mr. Ke Jinding	7/7	2/2	N/A	N/A	2/2
Independent non-executive Directors					
Mr. Li Yao (appointed on 5 March 2025)	5/5	N/A	N/A	1/1	2/2
Mr. Tu Liandong	7/7	2/2	2/2	N/A	2/2
Mr. Xie Mianbi	7/7	2/2	2/2	2/2	2/2
Mr. Chen Chaolin (resigned on 5 March 2025)	2/2	0/0	N/A	1/1	N/A

GENERAL MEETINGS

During the year ended 31 December 2025, the Company convened one annual general meeting on 19 June 2025. All Directors attended this meeting. Furthermore, an extraordinary general meeting was convened on 3 June 2025, as detailed in the notice and circular dated 13 May 2025. All Directors attended these meetings.

UPDATES ON DIRECTORS' INFORMATION

Save as disclosed in the section headed "Directors and Senior Management" in this report, during the Reporting Period, there were no changes in the information of Directors which are required to be disclosed herein pursuant to Rule 17.50A(1) of the GEM Listing Rules.

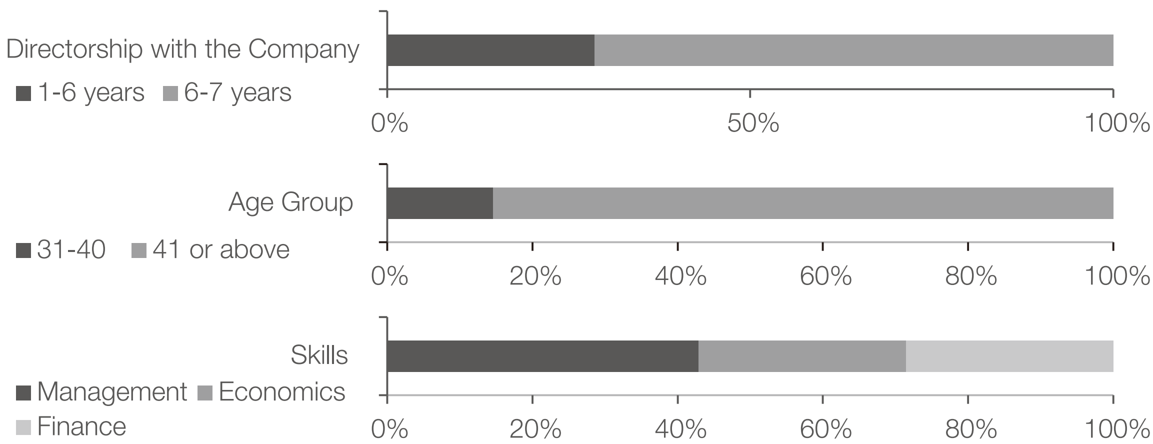
CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the Code Provision A.2.1 of the CG Code. During the Reporting Period, the Board reviewed the Company's corporate governance policies and practices, training and continuous professional development of the Directors and senior management, and the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of Code of Conduct, and the Company's compliance with the CG Code and the disclosures in this Corporate Governance Report.

DIVERSITY POLICY

The Board adopted a board diversity policy (the "**Board Diversity Policy**") which follows the practice as set out in the CG Code. The Board Diversity Policy aims to set out the approach to achieve diversity on the Board. Selection of candidates shall be based on a range of diversity perspectives, including but not limited to, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, relationship with other Board members and length of service. The Board and the Nomination Committee monitor, from time to time, the implementation of the policy, and reviews, at least annually, as appropriate, the policy to ensure the effectiveness of the policy. The Board has reviewed the implementation of the Board Diversity Policy. The Board had earlier set a target of having at least one female Director on the Board. With the appointment of Ms. Lin Zhenyan as an executive Director on 10 December 2024, this target has been successfully achieved, and the Board now meets the gender diversity requirement.

A series of practices have been put into place, including insisting in not using gender as a selection criteria in our recruitment process, increasing the quality of our recruitment, and offering equal occupational opportunities in management positions to female employees in order to ensure that we can attract and nurture a pool of talents to fulfill our board diversity goals.



A detailed breakdown of our employees by gender and age group is set out on page 71 of this annual report. The Board considers that gender diversity has been achieved across the entire workforce and remains committed to maintaining gender diversity at the workforce level.

NOMINATION POLICY

In order to nominate suitable candidates to the Board for it to consider and make recommendations to Shareholders for election at general meetings, the secretary of the Nomination Committee shall call a meeting with the list and information of the candidates. For proposing candidates to stand for election at a general meeting, a circular which contains the names, brief biographies, independence, proposed remuneration and any other information as required pursuant to the applicable laws and regulations, will be sent to the Shareholders. Other than the nomination recommended by the Board for election, the Shareholders can serve a notice in writing of the intention to propose that certain person for election as a Director within the lodgment period. The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.

The Nomination Committee has the discretion to nominate any person as it considers appropriate and in assessing the suitability of a proposed candidate, the criteria as set out below will be used as reference:

- Reputation and integrity;
- Experience and accomplishment in finance leasing industry, including but not limited to, business development, risk control, leaseback management, relationship with customers and etc.;
- Commitment in performing the duties as a director and a member of the Board committees (if applicable);
- Board diversity, including but not limited to, gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge, relationship with other Board members and length of service, and the potential contributions can be brought to the Board; and
- For the candidate who is currently an employee of the Company, his performance, contribution, employment period, integrated assessment, etc.

SERVICE CONTRACTS OF DIRECTORS

Each of the Directors has entered into a service contract with the Company and each service contract is for a term of three years. Directors shall be elected by our Shareholders at the general meeting with a term of three years. Each independent Director can be extended upon re-election.

Save as disclosed above, the Company has not entered, and does not propose to enter, into any service contracts with any of the Directors in their respective capacities as Directors which is not determinable by the employer within one year without the payment of compensation (other than statutory compensation).

REQUIRED STANDARD OF DEALINGS FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions of the Company by the Directors on terms no less exacting than the required standard of dealing concerning securities transaction by the directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "**Code of Conduct**") as its own code governing securities transactions of the Directors. Having made specific enquiry of all the Directors, all of them confirmed that they had fully complied with the required standard of dealings as set out in the Code of Conduct for the Reporting Period.

Pursuant to Rule 5.66 of the GEM Listing Rules, the Directors have also requested any employee of the Company or director or employee of any subsidiary of the Company who, because of his office or employment in the Company or any subsidiary, is likely to possess inside information in relation to the securities of the Company, not to deal in securities of the Company when he would be prohibited from dealing by the Code of Conduct as if he were a Director.

JOINT COMPANY SECRETARIES

Ms. Yang Lexing and Ms. Ng Ka Man resigned as the joint company secretaries of the Company; and Ms. Shi Jingyi ("**Ms. Shi**") and Ms. Kwan Lok Yan ("**Ms. Kwan**") appointed as joint company secretaries of the Company with effect from 24 December 2025. Ms. Shi Jingyi, the risk control head and securities affairs officer of the Group, is one of the joint company secretaries. Ms. Kwan Lok Yan, a senior manager of the corporate secretarial services in TMF Hong Kong Limited, the external service provider, is our joint company secretary. Ms. Shi has been designated as the primary contact person of Ms. Kwan at the Company. Both Ms. Shi and Ms. Kwan, as the joint company secretaries, have complied with the relevant professional training requirement under Rule 5.15 of the GEM Listing Rules.

Ms. Shi graduated from Zhongnan University of Economics and Law with a bachelor's degree in laws. She obtained the National Unified Legal Professional Qualification of China in August 2017 and became qualified to practice PRC lawyer in February 2019. Ms. Kwan obtained a bachelor's degree in business and management studies from University of Bradford. She is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

RESPONSIBILITIES OF FINANCIAL REPORTING

The Board acknowledges its responsibility to prepare our Group's financial statements which give a true and fair view of our Group's state of affairs, results and cash flows for the interim and annual reports and other disclosures according to the GEM Listing Rules, the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, and the disclosure requirements of the Companies Ordinance.

Our Group has selected appropriate accounting policies and has applied them consistently based on prudent and reasonable judgments and estimates. The senior management has provided the Board with all necessary explanations and information for the Board to make an implementation assessment of the Company's financial data and position and for the Board's consideration and approval. To the best knowledge of the Directors, there are no material uncertainties relating to events or conditions that may affect the business of our Group or cast doubts on its ability to continue as a going concern.

The responsibilities of Moore, the Company's external auditor, with respect to financial reporting are set out in the section headed "Independent Auditor's Report" of this annual report.

EXTERNAL AUDITOR AND AUDITOR'S REMUNERATION

Moore has been appointed as the external auditor of the Company on 28 June 2023 and provided an annual confirmation of their independence to the Audit Committee for the year ended 31 December 2025. They confirmed that they are not aware of any matters which could reasonably affect their independence.

The Audit Committee has been notified and has reviewed and approved of the nature and the service charges of these audit and non-audit services performed by Moore. For the year ended 31 December 2025, the remunerations paid or payable to Moore in respect of audit and non-audit services provided to our Group were (i) HK$0.8 million for the audit service; and (ii) HK$0.4 million for the non-audit service of interim review. The Audit Committee considered such services have no adverse effect on the independence of the external auditor.

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor under the annual review.

COMMUNICATION WITH SHAREHOLDERS

The Company aims to, via its corporate governance structure, provide all Shareholders an equal opportunity to exercise their rights in an informed manner and allow all Shareholders to engage actively with the Company. The Company ensures that information is appropriately disseminated to Shareholders on a timely basis in compliance with the GEM Listing Rules. The Company convenes the Shareholders' general meetings with the notice of the meeting and separate resolutions in printed form or electronic form by posting on the websites of the Stock Exchange and the Company in compliance with the CG code and the relevant rules and regulations.

The Company highly values the opinions, suggestions and concerns of the Shareholders. The chairman of the Board, Board Committees and the auditor will attend the annual general meeting to answer questions and Shareholders are provided with an opportunity to communicate face-to-face with the Directors.

CONVENING EXTRAORDINARY GENERAL MEETINGS

Pursuant to the Articles of Association, any Shareholder(s) at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition, and such meeting shall be held within two months after the deposit of such requisition. If the Board fails to proceed to convene such meeting within twenty-one days, such Shareholder(s) may do so in the same manner, and all reasonable expenses incurred by such Shareholder(s) as a result of the failure of the Board shall be reimbursed to the Shareholder(s) by the Company.

Shareholders could use the same way of convening an extraordinary general meeting as above to put forward proposals in details at general meetings. Any requisitions to convene extraordinary general meetings or proposals at general meetings can be sent to the Company for the attention of the joint company secretary of the Company at its principal place of business in Hong Kong at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

ENQUIRIES TO THE BOARD

The Company encourages Shareholders to attend Shareholders' meetings and make enquiries by either directly raising questions to the Board and Board Committees at the general meetings or providing written notice of such enquiries for the attention of the joint company secretary of the Company at its principal place of business in Hong Kong at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

CONSTITUTIONAL DOCUMENTS

Pursuant to the resolutions of the Shareholders passed on 20 June 2018, the Articles of Association was adopted with effect from the Listing Date and were amended pursuant to the resolution of the Shareholders passed at the extraordinary general meeting held on 19 June 2020 and the annual general meeting held on 28 June 2023.

The Articles of Association are available on the websites of the Stock Exchange and the Company.

INVESTOR RELATIONS

During the Reporting Period, the Company has maintained corporate transparency and communications with the Shareholders through timely distribution of financial reports, latest news, announcements and/or other publications. The Company adopted a communication policy of disclosing relevant information to shareholders and public in a timely manner:

- the Company makes announcements pursuant to the requirements of the GEM Listing Rules on the Exchange's website and the Company's website;

- the Company maintains a library of corporate information, including announcements, circulars and financial reports at the Company's website for reference purpose, which also provides an effective communication platform to keep the market abreast of the latest developments;

- the Company provides a forum at the annual general meetings for shareholders to meet and communicate with management; and

- reports and circulars are distributed to all registered Shareholders.

The Company welcomes suggestions from investors, stakeholders and the public. Shareholders can express their views to our Board by providing the same to the Company for the attention of the joint company secretary of the Company at its principal place of business in Hong Kong at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

The Company has reviewed the effectiveness of the Company's communication policy and is of the view that the communication policy of the Company is adequate in maintaining effective communication between Shareholders and the Company, given that the communication policy provides for the various communication channels disclosed above.

RISK MANAGEMENT AND INTERNAL CONTROL

During the Reporting Period, our Group is committed to maintaining comprehensive risk management and internal control systems that enhance our overall strategy and long-term strategic position while addressing various risks, including credit risks, market risks, operational risks, liquidity risks, strategic risks and reputational risks. Our Group has implemented a comprehensive and effective risk management system with stringent procedures and measures in place, including multi-level assessments and approval processes, to offer our customers customized repayment plans and interest rates based on their respective credit profiles and historical transaction records. The final review and approval are conducted by our risk management department and our general manager respectively. The major steps of our due diligence and risk assessments are set out below:

– After understanding our potential customer's financing needs, we would request the potential customer to provide a series of documentation to prove that it is a legally valid entity and to understand the business production and financial situation of the potential client. Due diligence works including public searches, on-site visits, and due diligence interviews with various parties will also be conducted by our operations team to fully grasp the potential customer's financial status and business operations.

– Upon preliminary review, the operations team will pass files which are deemed potentially feasible to the credit management department for further examination and review. Our credit management department shall conduct a full due diligence investigation and risk assessment, feasibility assessment, and raise any potential red flags, and produce a project investigation report, which shall be approved by the risk management department and provided for the project review committee's consideration.

– Upon review of the relevant project investigation report, the project review committee shall resolve whether to proceed with the relevant project.

– For projects which shall be proceeded with, the general manager shall also conduct a final on-site inspection.

We also, depending on the location of our customers, conduct regular post-grant reviews to monitor our customers' financial condition and the sustainability of their business operations. We adopt more stringent debt recovery and post-grant management when dealing with customers who has defaulted or with default risk to prevent the deterioration of default situation, and proactively communicate with customers on the onset regarding potential solutions. With regards to customers with severe defaults, our operations and risk management department will proactively explore potential solutions. For instance, our operations team will contact our customers 3 days before and on each payment date to remind our customers of payment, and will issue further letters if payment is not made. If the cases involve legal proceedings, our legal department will take charge and collect sufficient evidential documentation to assist in bringing legal actions. We have compiled and prepared, as well as regularly perfected according to regulatory requirements, internal control policies tailor-made to each of the specific business nature and industry of our business lines.

The Board oversees and manages the overall risks associated with our operations. Our risk management department is responsible for assessing, managing risks and discussing solutions at the operational level. The Audit Committee meets with the head of the risk management department to address material internal control defects (if any) and the results of risk assessment to the Board for its review. The Board oversees our Group's risk management and internal control systems on an ongoing basis. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board is responsible for the risk management and internal control systems and reviewing their effectiveness. The Board and the Audit Committee monitor the operation of the risk management and internal control system from time to time, and review the effectiveness thereof at least annually, to ensure that the system remains effective. For the year ended 31 December 2025, the Board has conducted a review of the effectiveness of the risk management and internal control system of the Group and considered the risk management and internal control systems were effective and adequate in all material aspects in both design and operation. Such annual review is conducted during the Board meeting held in March each year to review the annual results announcement and annual report, covering all material aspects including financial, operational and compliance controls, in compliance with the relevant requirements.

The Company is fully aware of its obligations under Chapter 17 of the GEM Listing Rules and the SFO and the overriding principle that inside information of the Company should be announced immediately. The Company reviews from time to time its internal policies and guidelines on inside information or potentially price sensitive information with reference to its own and industry circumstances and the Guidelines on Disclosure of Inside Information issued by the Securities and Futures Commission.

During the Reporting Period, the Company followed the rules and procedures on regulating the disciplines and actions of all employees in external media communications. The purpose of streamlining the communications of the Company with the media is to regulate all media communication activities, protect the interests of the Company and to keep inside information strictly confidential prior to its disclosure. The Company does not have in place an independent internal audit function as the Board is of the view that the appointment is not imminent under the current circumstances, taking into account the current structure and scope of the Company's operations.

Environmental, Social and Governance Report

INTRODUCTION

Baiying Holdings Group Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") is pleased to present the Environmental, Social and Governance report (the "**ESG Report**") of the Group in accordance with guidelines of Appendix C2 to the GEM Listing Rules. This ESG Report covers the overall performance of the Group in ESG aspects during the Reporting Period.

Our history can be traced back to March 2010, when our principal operating subsidiary, Xiamen Baiying Leasing Co. Ltd (廈門百應融資租賃有限責任公司) ("**Xiamen Baiying**"), was incorporated in Xiamen. We are a finance leasing company in Fujian Province, dedicated to providing equipment-based financing solutions to small and medium enterprises and entrepreneurial individuals. We were officially listed on GEM on 18 July 2018. To enhance our business diversity, we founded Qiaoxin, a condiment manufacturer focusing on edible vinegar, in the PRC on 23 April 2020. We established Baiying Paper, mainly engaged in the trading business of paper products, in the PRC on 13 January 2021. We established Baishun IT on 18 February 2025 to provide financial information services to small and medium-sized financial intermediaries in the PRC.

In the finance leasing business segment, we continue to provide customised services to meet specific needs and requirements of our customers by closely interacting with them to determine the appropriate interest rates, repayment plans and terms of our services based on their businesses, cash flows and source of payment. Over years, we have accumulated experience in meeting financing needs of customers from various sectors. We have over 1,000 customers spreading over more than 20 provinces since 2010. Since the establishment of Baiying Paper, we have cooperated with well-known paper mills in the industry to provide paper products to meet customer needs.

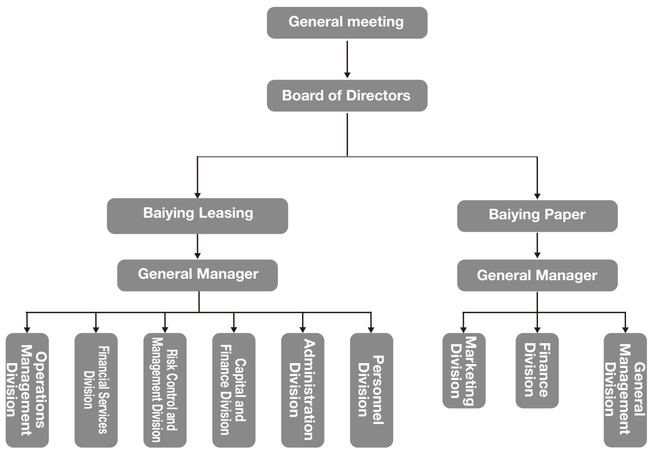
Looking ahead, we will focus on financial services sector. In terms of social responsibility, we will adhere to the development of inclusive finance, insist on serving SMEs and individuals, and constantly improve the scale and scope of services. As for environment, we will advocate environmental protection in an all-round way and reduce environmental costs. As far as corporate governance is concerned, we will actively improve the corporate management system and strengthen risk and compliance management. Meanwhile, we will actively serve the real economy, meet customer needs through trade transactions, so as to contribute to shaping a harmonious and sustainable community environment.

MESSAGE FROM THE BOARD

Governance Structure and Overall Approach

Our Group strictly complies with relevant laws and regulations, including but not limited to, the Company Law of the PRC (《中華人民共和國公司法》) and the GEM Listing Rules. We are committed to ensuring a sound corporate governance structure and maintaining a high standard of corporate governance to safeguard the interests of investors and other stakeholders (see "Corporate Governance Report" in this annual report for details).

The governance structure of the Group is as below:



In 2025, we continue to strengthen our ESG management and incorporate that into our business management to promote our Group's sustainable development, as well as realize and protect the most important interests of our investors, employees and other stakeholders. The Board proactively participates in relevant processes of ESG reporting, and are responsible for assessing and determining the ESG-related risk, ensuring the development of a suitable and effective ESG risk management and internal control system and finally approving the ESG policies and ESG Report. ESG executive team included the Group's management and representatives of administration and personnel departments. The team is responsible for preparing ESG Report and compiling information on relevant performance indicators, promoting the executor of ESG policies in all departments and reporting to the Board on the implementation of ESG projects. Under the supervision of the Board and ESG executive team, each department of the Company will actively work together for the implementation of ESG Report.

The Board is responsible for supervising the design, implementation and supervision of the risk management and internal control systems conducted by the management. The Board annually reviews the effectiveness of the risk management and internal control systems of our Group, assesses whether the risk management institutions, management process and staff deployment meet the requirements of the risk management, as well as supervises whether the overall regulatory requirements are satisfied in terms of finance, operation and compliance. The Board reports to the Shareholders the risk management and internal control work during the Reporting Period in the Corporate Governance Report annually.

REPORTING PRINCIPLES

This ESG report is prepared in accordance to the ESG Reporting Guide and the four reporting principles as set out in the Appendix C2 of the GEM Listing Rules.

Materiality	In consideration of the demands of internal and external stakeholders, the Group determines and prioritises the substantive environmental and social issues based on the requirements of the "ESG Reporting Guide" and the feedback from the questionnaire
Quantitative	The Group conducts and publicly report the quantitative measurement to correctly evaluate the effectiveness of ESG policies and measures
Balance	The report provides an unbiased picture of the Group's performance during the Reporting Period to avoid selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader
Consistency	The Group adopts consistency methodology and, where feasible, makes meaningful comparisons of ESG KPI. The relevant information of this report is extracted from statistics in the internal system of our Group

REPORTING BOUNDARY

The Board have reviewed financial impacts and discussed which entities or operations to be included in the ESG report on an annual basis. The scope of the report focuses on the Group's principal activities for the Reporting Period. The reporting boundary for the Reporting Period remains unchanged as that for the financial year 2024 and the relevant key subsidiaries include:

- **Xiamen Baiying** which focuses on finance leasing business and factoring business;
- **Baiying Paper** which focuses on the trading of packaging and paper products; and
- **Qiaoxin** which focuses on manufacture and sale of vinegar and other condiment products.

The KPIs required to be disclosed under the ESG Reporting Guide are included in the "Environmental Sustainability" and "Social Sustainability" sections of the Report. In addition to the reporting principles of the ESG Reporting Guide, the Report also discloses the relevant laws and regulations that have been complied with.

STAKEHOLDER ENGAGEMENT

We place great emphasis on fulfilling our environmental, social and governance responsibilities. Apart from ensuring our operation is conducted in compliance with the laws and regulations, our Group attaches great importance to communication with the stakeholders, including government, shareholders and investors, customers, suppliers and employees. By establishing an effective and diversified communication platform, we could timely understand their demands and actively make corresponding responses.

Stakeholders	Demands	Communication platform	Responses
Government	• Promoting economic development • Anti-corruption • Green operation	• Government document • Special report • Government visit receptions • On-site check	• Serving the real economy • Supporting the SMEs • Promoting paperless operation
Shareholders and investors	• Strengthen corporate governance	• General meeting • Regular notice • The Group's website	• Stable operation and optimisation of dividend distribution • Improving operation performance
Customers	• Safeguarding customers' information • Product quality assurance	• Regular communication • Regular visit • Customer feedback • Complaint mechanism	• Ensuring product quality • Improving service quality • Strengthening the protection of customer rights and interests • Enhancing the support for small and micro enterprises • Product information disclosure • Assuring product quality
Suppliers	• Fair procurement • Long-term stable partnerships • Mutual benefit and win win result	• Regular assessment • Customer-specified channels	• Refining management system of suppliers • Establishing long-term partnership with suppliers • Fair and open procurement principles
Employee	• Employee career development • Protecting employee rights and interests • Employee remuneration and benefits • Employee training	• Internal website • Employee training • Mailbox of the human resources department	• Protecting employees' basic rights and interests • Refining remuneration and incentive schemes • Listening to employees' opinions

MATERIALITY ASSESSMENT

In accordance with the ESG Reporting Guide issued by the Stock Exchange, the Group has formulated models to analyse environmental and social aspects. Through the aforementioned engagement activities and the subsequent internal analysis, the Company has identified and confirmed the material environmental and social issues applicable to the Group with reference to the main concerns of stakeholders, evaluated and weighted these environmental and social issues, and prioritised the relevant risks.

The Group adopted a three-steps process to identify, prioritise and validate the materiality analysis, as follows:

1. **Identification:** During the Reporting Period, the Group identified 30 issues by reviewing the previous stakeholder engagement and analysing the megatrend or international ESG standards.

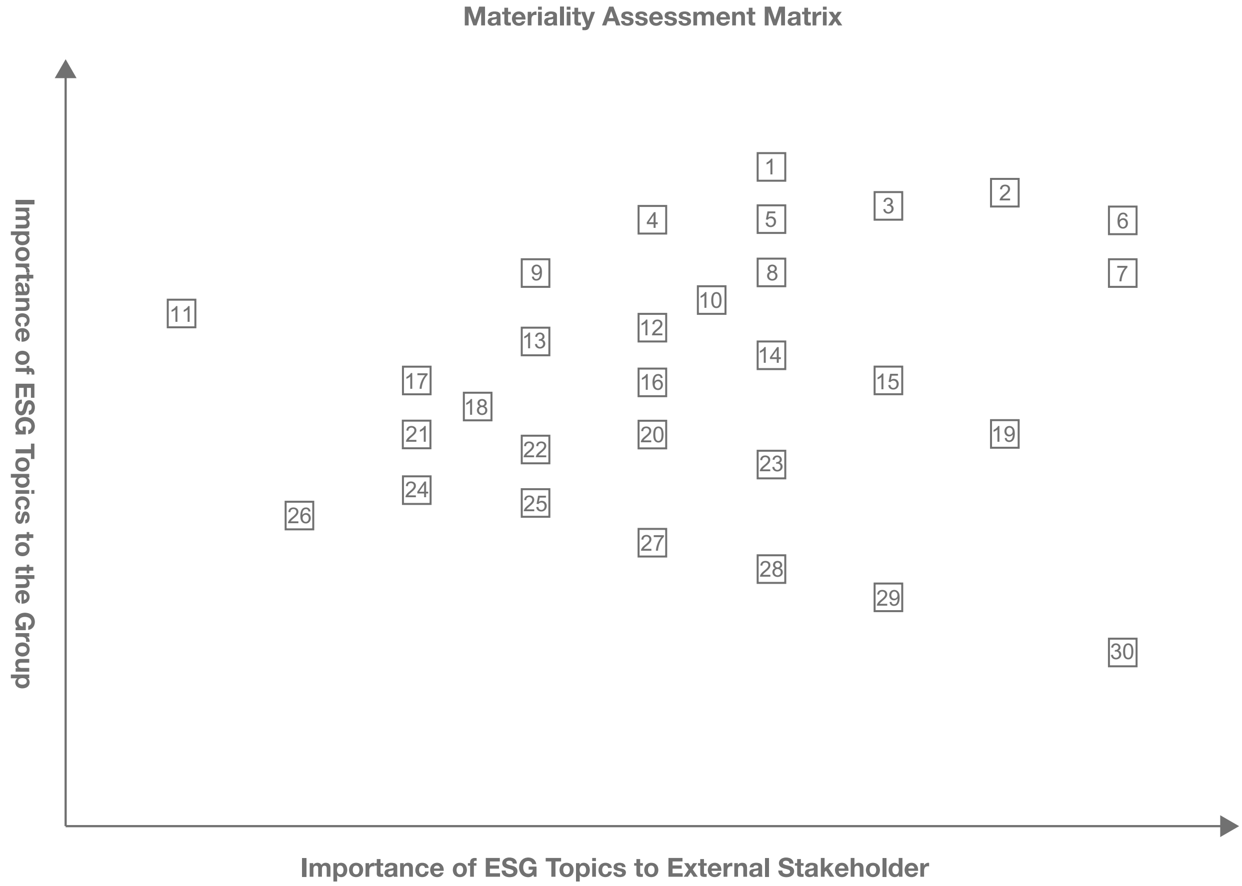
2. **Prioritisation:** Online surveys were conducted. External and internal stakeholders were engaged to understand the comprehensive materiality issues to the Group. ESG topics were ranked and prioritised based on the strategic importance to the business and stakeholders.

3. **Validation:** Feedback was discussed and validated by the Group to ensure that the results align with the Group's value.

The table below illustrates the significant ESG issues identified by the Group:

No.	ESG issue	No.	ESG issue
1.	Product health and safety	16.	Development of green leasing business
2.	Prevention of child and forced labour	17.	Water use
3.	Customer information and privacy	18.	Use of materials (e.g. paper, packaging, raw materials)
4.	Employee remuneration, benefits and rights (e.g. working hours, rest periods, working conditions)	19.	Mitigation measures to protect environment and natural resources
5.	Observing and protecting intellectual property rights	20.	Promotion of local employment
6.	Anti-corruption policies and whistle-blowing procedures	21.	Environmentally preferable products and services
7.	Occupational health and safety	22.	Environmental risks (e.g. pollution) and social risks (e.g. monopoly) of suppliers
8.	Employee development and training	23.	Selection and monitoring of suppliers
9.	Anti-corruption training for directors and staff	24.	Climate change
10.	Marketing communications (e.g. advertisement)	25.	Non-hazardous waste production
11.	Hazardous waste production	26.	Greenhouse gas emissions
12.	Customer satisfaction	27.	Community support (e.g. donation, volunteering)
13.	Product and service labelling	28.	Energy use (e.g. electricity, gas, fuel)
14.	Diversity and equal opportunity of employees	29.	Air emissions
15.	Scale of business development	30.	Number of concluded cases regarding corrupt practices, e.g. bribery, extortion, fraud and money laundering

The assessment results are summarised in the following graph:



The issues located at the top right corner are the relatively more important ESG areas. Based on the materiality analysis performed, the Group identified (i) Prevention of child and forced labour; (ii) Anti-corruption policies and whistle-blowing procedures; and (iii) Occupational health and safety, as issues with top importance. Given the high degree of concerns on the material issues mentioned above, the Group has carefully identified the risks and opportunities behind those matters and elaborated in detail under different sections of this ESG Report.

A. ENVIRONMENT

During the Reporting Period, for Xiamen Baiying and Baiying Paper, the usage of electricity in office area and travelling activities are the contributors to the air emissions and greenhouse gas (GHG) emissions of the Group while the production activities of Qiaoxin is considered as the key contributor to the Group's air emissions and usage of natural resources as the usage of natural gas, electricity and waters are unavoidable during its production process.

As an environmentally responsible corporation, we would conduct a comprehensive and detailed environmental assessment before commencement of new business in the past. In light of that, the Quanzhou Municipal Bureau of Ecology and Environment of Fujian Province recognises that the control measures proposed by the Group for exhaust gas, wastewater and solid waste that may be generated in the construction and production process can alleviate and control the adverse impact on the environment. During the Reporting Period, we continued to monitor and assess the environmental impact of our production activities on a monthly basis and we will continue to implement the same controls as we did in the past.

Our climate is changing rapidly. In the past decade, there has been a surge in natural disasters and extreme weather events which were caused by climate change. The Group's primary environmental objective for the forthcoming reporting periods is to sustain the current level of emissions including air and water pollutants, solid waste (hazardous and non-hazardous) and GHG emissions and prevent their significant increases. Nonetheless, the Group will actively monitor its performance in ESG aspects for analysis and may consider establishing achievable quantitative targets in the future.

We will identify and evaluate various environmental factors, effectively improve the efficiency of resource and energy use, reduce emissions of gas, wastewater and waste, and take the initiative to assume more environmental responsibilities.

During the Reporting Period, the Group continued to urge and encourage employees to implement a number of feasible measures, designed to achieve rational use of electricity, water conservation, low-carbon mobility and green office:

Rational Use of Electricity

- Use energy-efficient appliances, and switch off unnecessary lighting and replace incandescent lamps. Switch to low-power sleep mode when the equipment is not in use. Set reasonable air conditioning temperatures according to the weather, and maintain an indoor temperature of no less than 26 degrees in summer.
- Use air conditioners or heaters wisely, turn off the power when leaving the office for an extended period, and close doors and windows while using air conditioners or heaters to reduce air leakage.
- Make full use of natural lighting and avoid turning on the office lights during the day when there is enough natural light.
- Computers, printers, test equipment in laboratories and other of offices should be set to power-saving mode. Equipment that is unoccupied for an extended period or when leaving the office should be turned off to reduce standby energy consumption.

Water Conservation

- Post notices to remind employees to save water and turn the faucet to a low-flow whenever possible to raise the awareness of water conservation.
- Foster good water consumption habits and learn to recycle water resources.

Low-carbon Mobility

- Encourage employees to travel by public transportation to minimise the frequency of using official vehicles.
- Choose vehicles or new energy vehicles with low energy consumption and less pollution when acquiring new official vehicles.

Green Office

- Opt for paperless procedures wherever practicable, reduce the frequency of printing and faxes and promote two-sided printing and copying.
- Lower the brightness of the display in the extent not affecting the vision and turn off the display when not in use for an extended period.

A1 Emissions

Compliant emission is the Company's minimum standard. On this basis, the Group actively explores effective measures to reduce emissions. Relevant laws, regulations and standards include:

- Environmental Protection Law of the PRC (《中華人民共和國環境保護法》);
- Law on the Prevention and Control of Atmospheric Pollution of the PRC (《中華人民共和國大氣污染防治法》);
- Law on the Prevention and Control of Environmental Pollution by Solid Wastes of the PRC (《中華人民共和國固體廢物污染環境防治法》);
- Regulation on Safe Management of Hazardous Chemicals (危險化學品安全管理條例);
- Law on the Prevention and Control of Water Pollution of the PRC (《中華人民共和國水污染防治法》);
- The National Catalogue of Hazardous Wastes (《國家危險廢物名錄》);
- The Measure on the Prevention and Control of Environmental Pollution of Hazardous Chemical Waste (《危險化學廢物環境污染防治辦法》);
- The List of Hazardous Waste Management Measure (《危險廢物管理辦法清單》);
- Integrated Wastewater Discharge Standard (《污水綜合排放標準》); and
- Limits for Indirect Discharge of Nitrogen and Phosphorus Pollutants from Wastewater of Industrial Enterprises (《工業企業廢水氮、磷污染物間接排放限值》)

Based on the production process, the Group has formulated a strict emission management system to minimise environmental pollution, while monitoring emission data on a monthly basis.

The Group is committed to reducing emissions and promoting resource conservation with guidance on energy saving and environmental protection set out in the Staff Manual. Our management will continue to monitor business activities that generate air pollutants and GHG, and take measures if necessary.

Air emission management

Since 2018, the Group has focused on managing air emissions and greenhouse gas ("**GHG**") emissions, and has started recording and calculating the air and GHG emissions generated by our operations.

The logistics and transportation of Baiying Paper's paper trading are arranged by suppliers, while the logistics for Qiaoxin's products are scheduled through external transport fleets managed by the Group under the supplier management system.

During the Reporting Period, we identified that Qiaoxin's production activities and vehicle usage were the primary sources of air emissions for the Group.

In order to effectively manage emissions from production activities, including the standard dry flow, oxygen content and nitrogen oxides, Qiaoxin has engaged an independent party to conduct monthly inspections of the organised and arbitrary emissions at boiler exhaust funnels and at various sampling points. Based on the monthly inspection results, we have not identified any non-compliance related to the air emissions from our production activities during the Reporting Period.

During the Reporting Period, the Group's air emissions were calculated as follows:

Air emission[1, 2]	Unit	2024	2025	Percentage change
Emission of nitrogen oxides (NO_x)[3]	kg	7.77	**22.46**	189.06%
Emission of sulfur dioxides (SO_2)	kg	0.09	**0.02**	-77.78%
Particle emission	kg	0.57	**2.15**	277.19%

Notes:

1. The emission factor and calculation methodology were referenced to "How to Prepare an ESG Report? – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.

2. Due to the limitation of the collected data, the air emission calculation is limited to the usage of motor vehicle.

3. The increase in vehicle fuel consumption was mainly due to the procurement of a light-duty truck (electric vehicle) in December 2024.

GHG emission management

Regarding the GHG emission, our Scope I GHG emissions mainly arise from the direct emissions generated by the usage of diesel and petrol fuel of the official vehicles of the Group, usage of natural gas, refrigeration and air conditioning equipment by the Group; Scope II GHG emissions mainly arise from the indirect emissions generated from purchased electricity of the Group; and Scope III GHG emissions mainly arise from other indirect GHG emissions from employees' business travel by plane.

During the Reporting Period, the Group's GHG emissions were calculated as follows:

GHG emission[1]	Unit	2024	2025	Percentage change
Scope I: Direct GHG emission	tCO_2e	147.25	**4.65**	-96.84%
Scope II: Indirect GHG emission[2]	tCO_2e	300.66	**118.00**	-60.75%
Scope III: Other indirect GHG emission	tCO_2e	5.76	**2.45**	-57.47%
Total GHG emission	tCO_2e	453.67	**125.10**	-72.42%
Intensity of GHG emission[3]	tCO_2e/ production Unit	0.20	**0.72**	260.00%

Notes:

1. The emission factor and calculation methodology were referenced to "How to Prepare an ESG Report? – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange and the Guidance for Quantification and Reporting of the Organization's Greenhouse Gas Emissions in Shenzhen.

2. The emission factor was referenced to the "Announcement on the Release of 2022 Electricity Carbon Dioxide Emission Factors" by the Ministry of Ecology and Environment of the People's Republic of China.

3. With effect from 13 June 2025, Qiaoxin ceased to be a subsidiary of the Group. Accordingly, only its production data for the first half of 2025 has been included in the reporting scope. The change in reporting period and production volume has led to a higher intensity ratio for the year.

Waste

Solid waste management

To standardise the solid waste treatment process and prevent resource wastage, the Group has formulated the Waste Management Policy.

During the Reporting period, our hazardous waste is mainly office electronic waste such as ink cartridges, toner cartridges, batteries and ribbons. In order to properly dispose of hazardous wastes, we collect all used ink cartridges and toner cartridges and return them to suppliers for recycling. Most hazardous waste is recycled with the remaining amount considered minimal. We will continue monitoring the amount of hazardous waste and its treatment and consider making further disclosure after assessment.

Non-hazardous waste of our Group includes recyclable production waste, construction waste, general office waste and food waste.

The Group encourages its employees to segregate different types of solid waste before discarding them, to recycle some of the waste and reduce garbage incineration. Apart from the general office waste and food waste generated from office disposal and operations, our vinegar production process also generates waste, namely distiller grains and vinegar residue. Instead of direct disposal, we choose to enter into cooperation with a local swine farm company, under which distiller grains are recycled and sold to the company for the production of pig feed. Vinegar residue is recycled by suppliers and used as organic fertilizer.

Construction waste for the year was generated from the renovation of the main gate of the plant, mainly including steel bars, ordinary muck and others. Based on the management requirements, we deliver construction waste to the designated recycling stations for recycling in a standardised manner.

The Group's recycling practice shows our attitude towards maintaining an environmentally friendly value chain. In the future, we will continue to actively communicate and cooperate with relevant units and surrounding farmers.

During the Reporting Period, the Group's non-hazardous waste discharge was as follows:

Non-hazardous waste	**Unit**	2024	**2025**	**Percentage change**
Disposal				
General office waste	Tonnes	0.12	**0.05**	-58.33%
Food waste	Tonnes	0.25	**0.08**	-68.00%
Total	Tonnes	0.37	**0.13**	-64.86%
Recycle				
Production waste (distiller grains)	Tonnes	2.72	**0.00**	-100.00%
Production waste (vinegar residue)	Tonnes	0.63	**0.00**	-100.00%
Total		3.35	**0.00**	-100.00%
Other disposal operations				
Construction waste[2]	Tonnes	1.2	**0.00**	-100.00%

Notes:

1. No vinegar or alcoholic products were produced during the first half of 2025.

2. Construction waste was generated from the renovation of the main gate of the plant.

Wastewater management

There are two types of wastewater generated from Qiaoxin's production and operation process, namely production sewage and domestic sewage. Before sewage is discharged into the sewer system, the normal amount of pollutants in the wastewater should be lower than the limits stipulated in the Integrated Wastewater Discharge Standard (《污水綜合排放標準》) and Limits for Indirect Discharge of Nitrogen and Phosphorus Pollutants from Wastewater of Industrial Enterprises (《工業企業廢水氮、磷污染物間接排放限值》).

All production and domestic sewage generated by Qiaoxin are treated by the sewage treatment equipment to ensure to meet the required standards before being discharged into the municipal sewer system. For the wastewater generated during its production and operation, Qiaoxin is equipped with sewage treatment facilities that have a daily treatment capacity of 35 tonnes. Due to limitations in wastewater volume records, we may not be able to estimate the total amount of wastewater discharged or the total amount of water pollutants into the municipal sewage system.

In order to monitor the quality of wastewater generated from its production activities, Qiaoxin has engaged an independent party to conduct monthly inspections of the wastewater at the wastewater outfalls, which include the quantities of major pollutants in the wastewater, such as ammonia and nitrogen, chemical oxygen demand (COD_{cr}), biochemical oxygen demand (BOD_5), suspended solids (SS), total phosphorus and total nitrogen. Based on the monthly inspection results, we did not identify any non-compliance related to the wastewater from our production activities during the Reporting Period, with all sewage discharged into the municipal sewer system meeting the standards.

A2 Use of Resources

After continuous exploration and attempts, we have standardised the whole process of the utilisation of electricity, water, packaging materials and other resources in the production process of Qiaoxin, so as to increase resource use efficiency and reduce resource consumption in the operation process.

To encourage energy conservation, the Group has formulated relevant policies and regulations in the Staff Manual, including the relevant regulations on the office area, production area, canteen area and dormitory area, aiming to maximise the Company's efforts on energy saving.

During the Reporting Period, we collected the data regarding the use of resources of the headquarter of the Group and the principal place of business of the in-scope entities.

Energy consumption

The following table presents the use of energy of the in-scope entities during the Reporting Period:

Use of resources	Unit	2024	2025	Percentage change
Direct fuel consumption				
– Petrol	MWh	39.63	**16.40**	-58.62%
– Diesel	MWh	–	**–**	–
– Natural gas	MWh	647.58	**197.99**	-69.43%
Indirect energy consumption				
– Electricity consumption	MWh	560.31	**202.14**	-63.92%
Total energy use[1]	MWh	1,247.52	**416.53**	-66.61%
Intensity of energy use[2]	MWh/ production Unit	0.55	**2.37**	330.91%

Notes:

1. The decrease was primarily attributable to reduced production, resulting in lower energy consumption.

2. With effect from 13 June 2025, Qiaoxin ceased to be a subsidiary of the Group. Accordingly, only its production data for the first half of 2025 has been included in the reporting scope. The change in reporting period and production volume has led to a higher intensity ratio for the year.

The Group's energy consumption mainly derives from daily production at the factory and office operations. Reducing energy consumption will reduce air emission and GHG emission. Therefore, the Group encourages employees to reduce energy consumption, and provides energy-conservation guidance to them to ensure that its workforce complies with and implements energy-saving measures. In addition, the Group actively explores and adopts more environmentally friendly technologies in its business operations. The Group's measures on energy conservation are set out in the section "A. ENVIRONMENT" of this report.

Water consumption

The following table presents the water consumption of the in-scope entities during the Reporting Period:

Use of resources	Unit	2024	2025	Percentage change
Water consumption[1]	Tonnes	8,030.00	**2,382.00**	-70.34%
Intensity of water consumption[2]	Tonnes/ production unit	3.51	**13.56**	286.33%

Notes:

1. The reduction was mainly due to decreased production volume, which led to a corresponding decline in water consumption.

2. With effect from 13 June 2025, Qiaoxin ceased to be a subsidiary of the Group. Accordingly, only its production data for the first half of 2025 has been included in the reporting scope. The change in reporting period and production volume has led to a higher intensity ratio for the year.

The Group's water consumption mainly derives from daily production at the factory and office operations. The majority of our water comes from municipal water supplies and we do not encounter any problem in sourcing water.

According to production techniques and relevant local laws, regulations and standards, Qiaoxin has set out the rules for water usage by employees in the Staff Manual to ensure the scientific, rational, efficient and standardised use of water. In the meantime, we actively embrace water conservation culture, stepping up efforts on water saving.

The Group continues to monitor water consumption level and applies measures to ensure stable use of water. For further enhancement on utilisation efficiency of water, the Group's measures on energy conservation are set out in page 62 of this report.

Packaging materials

The sustainable management of packaging materials is critical to enhance the efficiency of resource usage. There are no packaging materials for Xiamen Baiying and Baiying Paper. The packaging materials used in the production of Qiaoxin are mainly glass, paper and plastic.

To enhance the efficiency of packaging materials, we will explore options for reducing, lightening, and substituting packaging materials to minimise their impact on the environment.

The following table presents the packaging material consumption of the in-scope entities during the Reporting Period:

Use of packaging materials	Unit	2024	2025	Percentage change
Glass	Tonnes	426.66	**189.65**	-55.55%
Paper	Tonnes	44.63	**14.97**	-66.46%
Plastic	Tonnes	8.10	**58.82**	626.17%
Total	Tonnes	479.39	**263.44**	-45.05%
Intensity of packaging materials[1]	Tonnes/usage	1.31	**1.50**	14.50%

Note:

1. With effect from 13 June 2025, Qiaoxin ceased to be a subsidiary of the Group. Accordingly, only its production data for the first half of 2025 has been included in the reporting scope. The change in reporting period and production volume has led to a higher intensity ratio for the year.

A3 Environment and Natural Resources

Due to the nature of its business, the Group's operations have the greatest impact on the environment. However, the Company continuously monitors the environmental effects of recycling and is committed to minimising its negative impact. We have incorporated energy saving performance, low carbon and recyclability into our procurement considerations. Furthermore, we raise our staff's awareness of environmental issues by incorporating environmental and low carbon cases into our Staff Manual. The Group focuses on sustainable development and upholds its commitment to operating in an environmentally friendly manner.

A4 Climate Change

Climate change continues to be a top global environmental issue, and investors are increasingly prioritising climate-related commitments. The Group is committed to assessing the impact of climate change on the Company's strategic planning and operational resilience, while actively managing related risks and seeking to seize development opportunities.

The Group's finance leasing customers are involved in industries like real estate construction, machinery and electronics, among which customers in the real estate construction industry may be directly affected by climate change. For example, extreme weather conditions (including typhoons and high temperatures) may lead to business interruptions, affecting construction progress and methods, thus exposing the Group to credit risk. Stimulated by the national policies, customers in other industries may consider leasing more energy-saving and eco-friendly machinery and equipment to reduce carbon emissions, which in turn mitigates negative impact on the climate.

Baiying Paper is principally engaged in the trading of paper products, which is also affected by climate change, such as extreme weather conditions that impede normal trading, posing credit risk to the Group. Goods transportation via vessels, trucks and planes around the world also increase GHG emission. In order to successfully address this challenge and promote a just and inclusive green transition, Baiying Paper needs to develop bold policies to facilitate coordination and incentivise businesses to actively decarbonise.

Qiaoxin is also facing the impacts of climate change. The risks identified after discussion include water scarcity affecting production; changes in climate patterns affecting the harvest of crops that are raw materials; and extreme weather that may impact the construction progress and methods of the project phase II.

In response to the above risks, we have discussed the possible climate impacts on the industries and service areas we are involved in, assessed the associated risks and opportunities, and communicated with stakeholders to understand their point of view. We also actively engage with our employees to encourage them to reduce carbon emissions from day-to-day operations where feasible. Moreover, we consider climate change in our procurement and production processes and encourage the use of low-carbon, energy-efficient materials and production methods.

B. SOCIAL

B1 Employment

The Group considers our employees as our most valuable asset for promoting the long-term and sustainable development of the Group. We strictly comply with relevant laws and regulations, such as the Labour Law of the PRC (《中華人民共和國勞動法》), the Labour Contract Law of the PRC (《中華人民共和國勞動合同法》) and the Social Insurance Law of the PRC (《中華人民共和國社會保險法》).

The Group has formulated the Staff Manual in accordance with the requirements of the Labour Law of the PRC, which covers human resources policies and working conditions, such as recruitment and promotion schemes, training, performance appraisal, remuneration and benefits, working hours, vacation and other leaves (including marriage leave, compassionate leave, maternity leave), equal opportunities, diversity and anti-discrimination. Such policies clearly define the rights and obligations of both parties and safeguard the legal rights of employees.

All of our employees are full time employees. The distribution of our workforce by gender, age group, education level and geographical region is as follows:

	Number of employees		Percentage change
	2024	**2025**	
Total workforce[1]	127	**27**	-78.74%
Employees by category			
Gender			
– Male	77	**15**	-80.52%
– Female	50	**12**	-76.00%
Age group			
– 30 or below	25	**8**	-68.00%
– 31–40	56	**10**	-82.14%
– 41 or above	46	**9**	-80.43%
Education level			
– Doctoral degree	1	**1**	0.00%
– Master degree	8	**2**	-75.00%
– Bachelor degree	42	**22**	-47.62%
– Vocational degree and others	76	**2**	-97.37%
Geographical region			
– Employees in Fujian Province	105	**16**	-84.76%
– Employees outside Fujian Province	22	**11**	-50.00%

Note:

1. With effect from 13 June 2025, Qiaoxin ceased to be a subsidiary of the Group. Therefore, the total workforce has decreased significantly.

The Group attaches great importance to and enhances the management of employee turnover. Pursuant to relevant national laws and regulations, the Group standardises the procedures for employee departures, safeguards the legitimate rights and interests of resigning employees and ensures the stable operation of the Group.

The employee turnover rate by gender, age group and geographical region is presented in the table below:

	Employee turnover rate (percentage)		Percentage change
	2024	2025	
Total turnover rate	35.43%	**25.93%**	-26.82%
Turnover rate by category			
Gender			
– Male	46.75%	**46.67%**	0.18%
– Female	18.00%	**0.00%**	-100.00%
Age group			
– 30 or below	60.00%	**12.50%**	-79.17%
– 31–40	23.21%	**40.00%**	72.34%
– 41 or above	36.96%	**22.22%**	-39.88%
Geographical region			
Mainland China	35.43%	**25.93%**	-26.81%

B2 Health and Safety

The Group has always attached great importance to the health and safety of its employees and has strictly complied with relevant laws and regulations, including the Labour Law of the PRC (《中華人民共和國勞動法》), the Law of the People's Republic of China on Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》), the Law of the People's Republic of China on Work Safety 《中華人民共和國安全生產法》).

In order to ensure the occupational health and safety of employees, the Group has formulated relevant policies and procedures, publishing management system notices on safety production and occupational health rules and regulations. We provide medical examination for our employees annually and purchase personal medical and accident insurance for them. In order to better protect employees' rights and interests, the Group has purchased additional traffic accident insurance and accident injury insurance for them this year. Additionally, we conduct regular fire drills and first aid training every year to improve employees' safety skills and prevent occupational safety risks of employees. In order to enhance the physical fitness of employees, the Company has organised various sport events and healthcare activities.

We implement a working hours system that limits work to no more than 8 hours per day and no more than 40 hours per week, which complies with the requirements of national and local government. We do not suggest overtime work and encourage employees to do exercise after work.

During the reporting year, Qiaoxin recorded one work-related injury at the workplace, resulting in a total of 52 lost workdays. From FY2023 to FY2025, there were no work-related fatalities recorded. There were no cases of non-compliance with health and safety laws and regulations.

The Group proactively carries out employee caring activities, including birthday celebrations, Women's Day and Children's Day theme activities, creating a quality working environment. It also focuses on work-life balance of employees by actively organising a variety of leisure activities, such as archery and skating, to develop friendships among employees, foster a united and friendly corporate culture and improve their sense of belonging and well-being outside of work.

B3 Development and Training

With great importance attached to employee training, the Group provides employees with diverse on-the-job training to enhance their work capabilities and strengthen the Group's competitiveness. In accordance with the requirements of the Staff Manual, induction and job skill training are provided for all newly recruited employees to help them familiarise with our corporate culture and group background. To raise awareness of anti-money laundering and warn against the risks of corruption and embezzlement, we arrange relevant training and provide knowledge updates for all staff. Based on the Group's development and work duties, team management training is provided to middle and senior management to strengthen team cohesion. To ensure the Group complies with finance and tax laws and regulations, various finance training is organised to keep finance staff abreast of the latest development in laws and regulations, including but not limited to the Golden Finance training and the certified public accountant training. The Group also participates in lectures organised by The Hong Kong Chartered Governance Institute to ensure listing compliance.

During the Reporting Period, 100% of the employees (2024: 90%) were provided with training. The percentage of employees trained by gender and employee category are shown as follows:

Category	Percentage of employees trained[1] 2024	2025	Percentage change
Gender			
– Male	59.84%	**100%**	67.11%
– Female	30.71%	**100%**	225.63%
Employee category			
Senior management	2.36%	**100%**	4,137.29%
Middle management	7.09%	**100%**	1,310.44%
General employees	81.10%	**100%**	23.30%

Note:

1. With effect from 13 June 2025, Qiaoxin ceased to be a subsidiary of the Group. Accordingly, the training-related data of Qiaoxin in 2025 has been excluded in the reporting scope. Therefore, the percentage of employees trained has increased significantly.

The total training hours completed by the employees of the Group were 290 hours (2024: 549 hours). The average training hours by gender and employee category are shown as follows:

Category	Average training hours[1] 2024	2025	Percentage change
Gender			
– Male	4.49	**8.30**	84.86%
– Female	5.33	**13.75**	157.97%
Employee category			
Senior management	18.83	**19.30**	2.50%
Middle management	9.94	**23.25**	133.90%
General employees	3.76	**5.56**	47.75%

Note:

1. With effect from 13 June 2025, Qiaoxin ceased to be a subsidiary of the Group. Accordingly, the training-related data of Qiaoxin in 2025 has been excluded in the reporting scope. Therefore, the average training hours have increased significantly.

The Group offers employees with career ladders not merely a job. In addition to diverse training, the Group encourages employees to enhance their own performance through a well-established performance appraisal system and management measures on promotion. Official evaluation on employees' performance will be conducted on an annual basis. Furthermore, employees will discuss the performance evaluation report for the year with the persons-in-charge of the departments they work in.

B4 Labour Standards

We treat applicants and employees fairly and equally, and provide equal employment opportunities for them regardless of race, gender, religion, age, marital status and other social identities. The Group prohibits the employment of child, forced or compulsory labour. We comply with the Law of the People's Republic of China on the Protection of Minors (《中華人民共和國未成年人保護法》) and Provisions on the Prohibition of Using Child Labour (《禁止使用童工規定》) and stipulate the basic requirement of employment in the Staff Manual that all employees shall be aged 18 or above.

During the Report Period, there was no event involved child employment or forced labour. If the Group identifies any instances of forced or child labour in the future, the relevant employment contracts will be immediately terminated, and the employees responsible for human resources management will face disciplinary action.

B5 Supply Chain Management

The Group has a total of 25 suppliers (2024: 31), of which 14 are from Fujian Province and 11 are outside the province. They mainly include suppliers who provide us with finance leasing equipment, suppliers of software and hardware such as office supplies, logistics service and insurance, and suppliers of paper products to Baiying Paper.

During 2025, the number of suppliers of the Group by geographical region is as follows:

Geographical region	2024	2025	Percentage change
In Fujian Province	25	**14**	-44.00%
Outside Fujian Province	6	**11**	83.33%
Total	31	**25**	-19.35%

Our Group believes that establishing sustainable supply chains and facilitating interaction and communication with suppliers can boost confidence in our Group and products among customers and other stakeholders. Therefore, our Group only sustains long-term cooperation relationships with suppliers which possess high credibility, stable reputation, high-quality products and services as well as sound records and act in compliance with laws. The quality and reliability of the raw materials provided by the supply chain can seriously affect the products of Qiaoxin, and can even have a significant impact on our business performance. In addition, by engaging with stakeholders and inviting them to participate in the materiality assessment process, we have identified “Supplier Management” as one of the material issues.

The Group regards business ethics as the first and foremost condition for long-term business operation and continues to attach great importance to the establishment of an honest and trustworthy corporate culture and work style. It has set up a system to require its employees to treat suppliers fairly and not to solicit or accept gifts or illegal rewards from suppliers. Additionally, it endeavours to create a fair, transparent, trustworthy and healthy business environment through the establishment of a multilevel and multi-channel reporting mechanism to fight against commercial bribery and other violations of the law and disciplinary actions.

We have formulated relevant management systems for evaluation, selection and supervision of suppliers. In regard to the supplier evaluation, suppliers which provide better quality will be opted for within reachable scope in a bid to cut down unnecessary loss and reduce resource waste. Meanwhile, considering environmental factors, our Group selects suppliers which produce products with low pollution and low energy consumption. Following the selection of suppliers, our Group will oversee the performance of suppliers on an ongoing basis. If there are issues concerning the quality, environment and social responsibility, our Group will immediately terminate its cooperation with them. Our Group is not aware of any significant actual or potential negative influences caused by any supplier’s lack of business ethics or improper environmental and labour protection measures.

B6 Product Responsibility

Improving Service Quality

As of the end of the Reporting Period, the Group operated two service lines: finance leasing and paper product trading. We offer customised finance leasing services according to the equipment required by customers' business operations, and provide customers with value-added consulting services. To proactively meet customer needs, we have developed a comprehensive procurement and sales management process for paper product trading services, aimed at controlling logistics during the intermediate stage. Our Group has extensive experience and a stable management team, enabling us to deliver reliable and efficient services to customers.

Our Group places great emphasis on opinions and complaints from each customer. Customer complaints and related matters are handled by the operation management department in a timely manner and reported to the general manager and deputy general manager. We will continue to optimise our complaint-handled mechanism, enhance service management standards and increase customers' satisfaction. During the reporting year, we received no complaints from customers.

Product Health and Safety

The Group adheres to stringent quality requirements at every stage of the production process from the procurement of raw materials to the finished products. It strictly complies with the requirements of the Food Safety Law of the People's Republic of China (《中華人民共和國食品安全法》) and relevant laws and regulations, controls the quality and safety of its products in terms of brewing process, equipment and environmental control, management structure, etc.. By implementing multi-dimensional quality control measures, we aim to ensure the food safety of our products. The Group's vinegar products will be subject to quality testing in accordance with the GB 18187-2000 National Standard for Brewing Vinegar (《GB 18187-2000釀造食醋國家標準》) and the GB 2719-2018 National Standard for Brewing Vinegar 《(GB 2719-2018 釀造食醋國家標準》), and Hongqujiu (yellow wine) products will be subject to quality testing in accordance with the GB 13662-2018 National Standard for Yellow Wine (《GB13662-2018黃酒國家標準》). Raw materials and finished products will be tested in the laboratory to ensure food safety.

During the Reporting Period, we had no recalls of sold or shipped products for safety and health reasons.

Well-functioning equipment and a clean production environment are necessary factors to ensure food safety. We carry out regular maintenance and overhaul tests on production equipment to ensure the accuracy and safety of equipment operation, and perform regular supervision and inspection on the hygiene of production environment, tools and equipment, employees' personal hygiene and other aspects to guarantee food safety.

Meanwhile, we will assign responsibility for maintaining the working environment to individuals and will penalize those who are negligent during production in accordance with relevant internal and external regulations. From the top down, we will take the initiative to identify and prevent the potential risks during raw material storage, production, shelf life of finished products, product labelling and product tracking.

Honours and Awards

During 2025, the Group and its subsidiary, Qiaoxin, received a number of recognitions and awards in relation to cultural tourism, product innovation, and brand development. Qiaoxin was accredited as a National AAA-level Tourist Attraction by the Quanzhou Municipal Bureau of Culture, Radio, Television and Tourism. Its product "Red Yeast Rice Aged Vinegar (Brewed Vinegar)" was awarded the Grand Gold Award at the Fourth "Zhongshi Cup" Fermented Food Innovation Competition, while "Qinggan Herbal Vinegar Beverage" received both the Silver Award and the Best Packaging Award at the same competition, organised by the National Food Fermentation Standardization Center and the Organising Committee of the Traditional Fermented Food Industry Development Conference.

In addition, several of Qiaoxin's gift box products were recognised in the 2025 "Fujian Gifts" Cultural and Creative Products and Tourism Commodities Selection, organised by the Fujian Tourism Association. The Small Bottle Vinegar Gift Box won the Bronze Award, while the Shuiyun Bottle Gift Box and the Yongri Changchun Gift Box each received an Excellence Award.

In terms of industrial influence, Qiaoxin actively joined various industry associations and became a member of the China Condiment Association in May 2022. Ms. Guo Shuangshuang, manager of the Culture and Tourism Division of the Company, served as the vice president of the Yongchun Aged Vinegar Association in December 2021, and became an executive director of the Fujian Food Industry Association in August 2022. Mr. Huang Dake, general manager of the Group, was recognised as "High-level Talents in Yongchun County (5th Level)" (永春縣高層次人才第五層次) in November 2021.

Protecting Consumers' Rights and Interests

We strictly comply with the Law on Protection of Consumers' Rights and Interests of the PRC (《中華人民共和國消費者權益保護法》), the Company Law of the PRC (《中華人民共和國公司法》) and the Civil Code of the PRC (《中華人民共和國民法典》). To protect legitimate rights and interests of customers and ensure the safety of customer information, we have formulated the Documentation Management System (《檔案管理制度》) and the Confidentiality System (《保密制度》). These systems set out official procedures for handling materials related to customers and the Group by employees. In addition, they are required to strictly comply with the relevant procedures. For instance, for confidential documents, information and other materials, we have set up a dedicated document office for storage, where any copying and extraction is prohibited without the approval of the general manager.

During the Reporting Period, the Group did not violate any laws and regulations regarding data protection and privacy rights.

B7 Anti-Corruption

All business operations of our Group comply with the national and local laws and standards regarding anti-bribery and anti-money laundering. In accordance with the Anti-Money Laundering Law of the PRC (《中華人民共和國反洗錢法》), the Anti-Money Laundering Regulations for Financial Institutions (《金融機構反洗錢規定》) and relevant regulations, we have established a series of internal policies and procedures, such as the Anti-money Laundering System (《反洗錢制度》) and the Code of Conduct regarding Anti-bribery and Anti-corruption (《反賄賂反腐敗行為準則》), to avoid the risks of financial crime.

As of 31 December 2025, there have been no corruption cases within our Group. Additionally, no outstanding or concluded litigations related to corruption have been brought against our Group or its employees.

Employees of our Group must strictly comply with the relevant local laws and regulations concerning anti-bribery and anti-corruption. Employees are required to report to senior management and the general management department and wait for instruction, if they encounter any conflicts of interest during their employment. Employees who violate any laws, regulations, or the Group's policies on bribery and corruption will have any confirmed cases dealt with seriously, and will be referred to the judicial authorities if national laws and regulations are violated.

The Group has established an anti-money laundering leadership team with the general manager as the team leader. The team is mainly responsible for the Group's anti-money laundering efforts, including developing a robust management system and overseeing the drafting and revision of relevant policies and procedures. The team also monitors and recommends on the information and development of the anti-money laundering efforts in accordance with business operations. Additionally, it regularly issues updates on the latest anti-money laundering laws, regulations, and case data, and conducts anti-money laundering awareness and training for our Directors and employees when necessary.

B8 Community Investment

Since its inception, the Group has been committed to making continuous contributions toward building a stable and sustainable society.

Since 2020, the Group has actively inherited and promoted intangible cultural heritage and is committed to the preservation and promotion of the brewing techniques of Yongchun Aged Vinegar. The Group has consistently focused on community engagement in past years and remains committed to contributing positively to society. Moving forward, the Group will continue to explore suitable opportunities to support community development and social initiatives.

Independent Auditor's Report

MOORE

Moore CPA Limited
1001-1010, North Tower, World Finance Centre,
Harbour City, 19 Canton Road,
Tsim Sha Tsui, Kowloon, Hong Kong

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To the Shareholders of Baiying Holdings Group Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Baiying Holdings Group Limited (the "**Company**") and its subsidiaries (the "**Group**") set out on pages 84 to 157, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("**HKSAs**") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "**Code**"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

<table>
<tr><th colspan="2">Allowances for impairment losses of finance lease receivables and loans and receivables
Refer to notes 16 and 17 to the consolidated financial statements.</th></tr>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>As at 31 December 2025, the carrying amounts of finance lease receivables and loans and receivables of the Group amounted to approximately RMB334.43 million in aggregate, representing approximately 87.07% of the Group's total assets. Allowances for impairment losses of finance lease receivables and loans and receivables amounting to approximately RMB12.44 million in aggregate, were provided by management.

The Group uses the expected credit loss ("ECL") model to calculate the loss allowance in accordance with HKFRS 9 Financial instruments ("HKFRS 9"). The Group classifies finance lease receivables and loans and receivables into three stages and recognises an impairment allowance based on the expected credit loss for the next 12 months or the entire lifetime of the receivable, depending on whether credit risk on that receivable has increased significantly since initial recognition.</td><td>Our audit procedures to assess allowances for impairment losses of finance lease receivables and loans and receivables included the followings:

• understanding and assessing the design, implementation and operating effectiveness of key internal controls of financial reporting over the approval, recording and monitoring of finance lease receivables and loans and receivables, the identification of the three stages of ECL model, and the measurement of impairment loss allowances;

• assessing the reliability of the ECL model used by management in determining allowances for impairment losses, and the appropriateness of the key parameters and assumptions in the ECL model, which includes the identification of whether a significant increase in credit risk has occurred since initial recognition or credit-impaired stage, probability of default, loss given default, exposure at default, adjustments for forward-looking information and other management adjustments;</td></tr>
</table>

KEY AUDIT MATTER (Continued)

Allowances for impairment losses of finance lease receivables and loans and receivables (continued)

Refer to notes 16 and 17 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
The determination of allowances for impairment losses using the ECL model is subject to a number of key parameters and assumptions, including the identification of whether a significant increase in credit risk has occurred since initial recognition or credit-impaired stage, estimates of probability of default, loss given default, exposures at default, adjustments for forward-looking information and other adjustment factors. Management's judgement is involved in the selection of those parameters and the application of the assumptions. We identified the impairment of finance lease receivables and loans and receivables as a key audit matter because of the inherent uncertainty and management's judgement involved and because of its significance to the financial results and capital of the Group.	• assessing the completeness and accuracy of data used for the key parameters in the ECL model; ➢ for key parameters derived from internal data relating to the finance leasing and loans agreements, by selecting samples and comparing individual finance lease receivables and loans and receivables information with the underlying agreements and other related documentation to assess the accuracy of compilation of the finance lease receivables and loans and receivables list; and ➢ for key parameters involving judgement, by seeking evidence from external sources and comparing to the Group's internal records including historical loss experience and type of collateral and leased asset. As part of these procedures, we assessed management's revisions to estimates and input parameters by comparing with prior period and considered the consistency of judgement. We compared the economic factors used in the models with market information to assess whether they were aligned with market and economic development. • for selected samples of finance lease receivables and loans and receivables that are credit-impaired, evaluating the rationality of the loss rate of default. In this process, we evaluated the appropriateness of management's assessment of the value of any property collateral held by the Group in comparison with market prices based on the location and use of the property and the prices of neighbouring properties. We also evaluated the timing and means of realisation of collateral, evaluated its forecast cash flows, assessed the viability of the Group's recovery plans and considered other repayment sources identified by the management; and • based on the above work, selecting samples to re-examine the accuracy of the calculation of impairment loss provisions for finance lease receivables and loans and receivables by using the ECL model.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors of the Company are assisted by the audit committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Company.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the audit committee, we determine the matter that was of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Moore CPA Limited
Certified Public Accountants

Ng Ngai Yan
Practising Certificate Number: P07422

Hong Kong, 25 March 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2025

(Expressed in Renminbi)

	Notes	2025 RMB	2024 RMB (Re-presented)
Continuing operations			
Sales revenue		**18,284,257**	14,967,388
Interest income		**18,905,239**	7,440,131
Service income		**8,243,983**	–
Revenue	3	**45,433,479**	22,407,519
Cost of sales and services		**(20,169,953)**	(14,593,006)
Other income and other gains or losses, net	5	**2,633,358**	3,442,038
Interest expenses	6	**(2,800,606)**	(442,742)
Net impairment losses (recognised)/reversed	7	**(2,906,313)**	9,350,360
Administrative expenses		**(7,737,769)**	(5,258,552)
Selling and distribution expenses		**(25,426)**	(57,203)
Profit before income tax	8	**14,426,770**	14,848,414
Income tax credit/(expense)	9	**4,844,506**	(4,870,923)
Profit for the year from continuing operations		**19,271,276**	9,977,491
Discontinued operation			
Loss for the year from discontinued operation	4	**(12,302,136)**	(27,319,260)
Profit/(loss) for the year		**6,969,140**	(17,341,769)
Other comprehensive income/(loss)			
Item that may be reclassified subsequently to profit or loss:			
– Exchange differences on translation of the financial statements of the subsidiaries		**5,380,811**	(4,746,479)
Item that will not be reclassified subsequently to profit or loss:			
– Exchange differences on translation of the financial statements of the Company		**(5,278,276)**	4,706,818
Other comprehensive income/(loss) for the year, net of tax		**102,535**	(39,661)
Total comprehensive income/(loss) for the year		**7,071,675**	(17,381,430)

For the year ended 31 December 2025
(Expressed in Renminbi)

	Notes	2025 RMB	2024 RMB (Re-presented)
Profit/(loss) for the year from continuing operations attributable to:			
Owners of the Company		**19,461,027**	9,928,902
Non-controlling interest		**(189,751)**	48,589
		19,271,276	9,977,491
Profit/(loss) for the year attributable to:			
Owners of the Company		**7,158,890**	(17,390,358)
Non-controlling interest		**(189,750)**	48,589
		6,969,140	(17,341,769)
Total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		**7,261,425**	(17,430,019)
Non-controlling interest		**(189,750)**	48,589
		7,071,675	(17,381,430)
Earnings/(loss) per share	12		
From continuing and discontinued operations			
Basic and diluted (RMB cents)		**2.65**	(6.44)
From continuing operations			
Basic and diluted (RMB cents)		**7.21**	3.68

Consolidated Statement of Financial Position

At 31 December 2025
(Expressed in Renminbi)

	Notes	**2025 RMB**	2024 RMB
Non-current assets			
Property, plant and equipment	*13*	**32,651**	112,491,833
Intangible assets	*14*	**582,897**	407,106
Loans and receivables	*16*	**230,734,455**	122,233,131
Finance lease receivables	*17*	**98**	617,218
Trade and other receivables	*18*	**9,651**	1,239,488
Deferred tax assets	*25(b)*	**9,408,232**	4,120,361
		240,767,984	241,109,137
Current assets			
Inventories	*20*	**–**	15,969,792
Loans and receivables	*16*	**102,746,548**	50,874,058
Finance lease receivables	*17*	**948,488**	14,805,686
Trade and other receivables	*18*	**1,742,430**	21,157,640
Financial assets at fair value through profit or loss	*19*	**3,424,228**	13,211,970
Cash and cash equivalents	*21*	**34,460,168**	19,730,061
		143,321,862	135,749,207
Current liabilities			
Borrowings	*22*	**39,600,000**	96,980,000
Trade and other liabilities	*23*	**10,596,967**	17,768,796
Lease liabilities	*24*	**–**	293,133
Income tax payable	*25(a)*	**3,754,137**	4,712,893
		53,951,104	119,754,822
Net current assets		**89,370,758**	15,994,385
Total assets less current liabilities		**330,138,742**	257,103,522

At 31 December 2025
(Expressed in Renminbi)

	Notes	2025 RMB	2024 RMB
Non-current liabilities			
Borrowings	*22*	**53,800,000**	31,307,871
Trade and other liabilities	*23*	**12,764,621**	3,713,947
Lease liabilities	*24*	**–**	533,776
		66,564,621	35,555,594
NET ASSETS		**263,574,121**	221,547,928
CAPITAL AND RESERVES			
Share capital	*26(c)*	**2,301,857**	2,301,857
Share premium	*26(d)*	**238,097,760**	238,097,760
Reserves	*26(e)*	**20,942,157**	(21,273,786)
Total equity attributable to owners of the Company		**261,341,774**	219,125,831
Non-controlling interests		**2,232,347**	2,422,097
TOTAL EQUITY		**263,574,121**	221,547,928

The consolidated financial statements on pages 84 to 157 were approved and authorised for issue by the board of directors on 25 March 2026 and are signed on its behalf by:

Huang Dake
Director

Lin Zhenyan
Director

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025
(Expressed in Renminbi)

	Attributable to owners of the Company									
	Share capital RMB (note 26(c))	Share premium RMB (note 26(d))	Capital reserve RMB (note 26(e)(i))	Surplus reserve RMB (note 26(e)(ii))	Other reserve RMB (note 29)	Exchange reserve RMB (note 26(e)(iii))	Accumulated losses RMB	Total RMB	Non-controlling interests RMB	Total equity RMB
Balance at 1 January 2024	2,301,857	238,097,760	(6,640,176)	9,364,503	–	1,561,279	(8,129,373)	236,555,850	2,373,508	238,929,358
Changes in equity for 2024:										
(Loss)/profit for the year	–	–	–	–	–	–	(17,390,358)	(17,390,358)	48,589	(17,341,769)
Other comprehensive loss	–	–	–	–	–	(39,661)	–	(39,661)	–	(39,661)
Total comprehensive (loss)/income	–	–	–	–	–	(39,661)	(17,390,358)	(17,430,019)	48,589	(17,381,430)
Appropriation to statutory reserve	–	–	–	774,798	–	–	(774,798)	–	–	–
Balance at 31 December 2024 and 1 January 2025	**2,301,857**	**238,097,760**	**(6,640,176)**	**10,139,301**	**-**	**1,521,618**	**(26,294,529)**	**219,125,831**	**2,422,097**	**221,547,928**
Changes in equity for 2025:										
Profit/(loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**7,158,890**	**7,158,890**	**(189,750)**	**6,969,140**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**102,535**	**-**	**102,535**	**-**	**102,535**
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**102,535**	**7,158,890**	**7,261,425**	**(189,750)**	**7,071,675**
Appropriation to statutory reserve	**-**	**-**	**-**	**446,407**	**-**	**-**	**(446,407)**	**-**	**-**	**-**
Disposal of subsidiaries	**-**	**-**	**-**	**-**	**34,954,518**	**-**	**-**	**34,954,518**	**-**	**34,954,518**
Balance at 31 December 2025	**2,301,857**	**238,097,760**	**(6,640,176)**	**10,585,708**	**34,954,518**	**1,624,153**	**(19,582,046)**	**261,341,774**	**2,232,347**	**263,574,121**

Consolidated Statement of Cash Flows

For the year ended 31 December 2025
(Expressed in Renminbi)

	Notes	2025 RMB	2024 RMB
Operating activities			
Cash used in operations	*21(b)*	**(124,102,643)**	(110,229,273)
Taxes (paid)/refunded	*25(a)*	**(2,447,666)**	417,474
Net cash used in operating activities		**(126,550,309)**	(109,811,799)
Investing activities			
Interest received from deposits with financial institutions		**112,624**	191,744
Proceeds from disposal and redemption of investments		**20,333,446**	162,939,637
Proceeds from disposal of property, plant and equipment		**–**	147,207
Payments on acquisition of investments		**(10,999,679)**	(131,854,300)
Payment of purchase of intangible assets		**(471,698)**	(122,567)
Payment of acquisition of land use right		**–**	(240,000)
Payment of purchase of property, plant and equipment		**(2,772,517)**	(31,661,053)
Net cash inflow arising from disposal of subsidiaries	*29*	**12,205,264**	–
Repayment from a former subsidiary		**55,436,530**	–
Net cash generated from/(used in) investing activities		**73,843,970**	(599,332)
Financing activities			
Proceeds from borrowings	*21(c)*	**147,166,640**	131,307,871
Repayment of borrowings	*21(c)*	**(76,920,000)**	(12,020,000)
Capital element of lease rentals paid	*21(c)*	**(461,369)**	(474,529)
Interest element of lease rentals paid	*21(c)*	**(17,243)**	(43,405)
Other interest paid	*21(c)*	**(2,434,117)**	(2,238,424)
Net cash generated from financing activities		**67,333,911**	116,531,513
Net increase in cash and cash equivalents		**14,627,572**	6,120,382
Cash and cash equivalents at 1 January		**19,730,061**	13,649,340
Effect of foreign exchange rate changes		**102,535**	(39,661)
Cash and cash equivalents at 31 December	*21(a)*	**34,460,168**	19,730,061

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

(a) General Information

The Company was incorporated in the Cayman Islands under the Companies Law, Cap. 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands as an exempted company with limited liability on 5 June 2017. The Company is an investment holding company and the address of registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business and headquarters in the PRC and Hong Kong are located at Unit 2, 18/F, No. 77 Tai Nan Road, Siming District, Xiamen, Fujian, the PRC, and 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong respectively.

The Company's issued shares have been listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 18 July 2018.

(b) Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards, which includes all Hong Kong Financial Reporting Standards ("**HKFRSs**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also include the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange.

The HKICPA has issued certain amendments to an HKFRS Accounting Standard that are first effective or available for early adoption for the current accounting period of the Group. Note 1(d) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these consolidated financial statements.

(c) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the "**Group**").

The preparation of consolidated financial statements in accordance with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The consolidated financial statements are presented in Renminbi ("**RMB**") and the functional currency of the Company is Hong Kong dollars ("**HK$**"). As the Group mainly operates in the PRC, RMB is used as the presentation currency of the consolidated financial statements.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRS Accounting Standards that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 2.

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(d) Changes in accounting policies

The HKICPA has issued the following amendments to an HKFRS Accounting Standard that are first effective for the current accounting period of the Group.

Amendments to HKAS 21	Lack of Exchangeability

The adoption of the above amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group's financial performance and position for the current and prior periods and/or the disclosures set out in these consolidated financial statements.

The Group has not adopted any new and amendments to HKFRS Accounting Standards that are not yet effective for the current accounting period (note 33).

(e) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 1(i)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

When the Group loses control of a subsidiary (except for disposal of subsidiaries by way of distribution in specie by the Company, where the disposed subsidiaries are ultimately under control of the same parties before and after the distribution), the gain or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for on the same basis as would be required if the relevant assets or liabilities were disposed of.

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(f) Financial instruments

(i) Recognition and initial measurement

The Group initially recognises financial asset or financial liability on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss ("**FVTPL**"), transaction costs that are directly attributable to its acquisition or issue. The fair value of a financial instrument at initial recognition is generally its transaction price.

(ii) Classification

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, fair value through other comprehensive income ("**FVOCI**") or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ("**SPPI**").

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

(iii) Derecognition

a. *Financial assets*

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

b. *Financial liabilities*

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(f) Financial instruments (Continued)

(iv) Credit losses from financial instruments and finance lease receivables

The Group recognises a loss allowance for expected credit losses (ECLs) on the following items:

– financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables, and loans and receivables); and

– finance lease receivables.

Other financial assets measured at fair value are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

– fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;

– variable-rate financial assets: current effective interest rate;

– loans and receivables: discount rate used in the measurement of loans and receivables;

– finance lease receivables: discount rate used in the measurement of the finance lease receivables.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(f) Financial instruments (Continued)

(iv) Credit losses from financial instruments and finance lease receivables (Continued)

Measurement of ECLs (Continued)

ECLs are measured on either of the following bases:

– 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and

– lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade and other receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises an allowance for impairment losses equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the allowance for impairment losses is measured at an amount equal to lifetime ECLs.

Significant increase in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

– failure to make payments of principal or interest on their contractually due dates;

– an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);

– an actual or expected significant deterioration in the operating results of the debtor; and

– existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(f) Financial instruments (Continued)

(iv) Credit losses from financial instruments and finance lease receivables (Continued)

Measurement of ECLs (Continued)

Significant increase in credit risk (Continued)

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

– significant financial difficulties of the debtor;

– a breach of contract, such as a default or past due event;

– it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation; or

– significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

Write-off policy

The gross carrying amount of a financial asset or finance lease receivable is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(g) Property, plant and equipment

The following items of property, plant and equipment held for own use are stated at cost less accumulated depreciation and impairment losses (see note 1(i)):

– right-of-use assets arising from leases over leasehold properties where the Group is not the registered owner of the property interest; and

– items of plant and equipment.

Construction in progress represents buildings and various machinery, plant and equipment under construction and pending installation, and is stated at cost less impairment losses (see note 1(h)). Cost comprises direct costs of construction as well as interest charges during the periods of construction.

Construction in progress is transferred to property, plant and equipment when the asset is substantially ready for its intended use. No depreciation is provided in respect of construction in progress.

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

Items may be produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management. The proceeds from selling any such items and the related costs are recognised in profit or loss.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

–	Plant	20 years
–	Right-of-use assets are depreciated over the unexpired term of lease	
–	Land use right of land (included in right-of-use assets)	50 years
–	Motor vehicles	4 years
–	Office equipment	3-5 years
–	Machinery	10 years

Where parts of an item of property, plant and equipment have different useful lives, the cost is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(h) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability. Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see note 1(i)).

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to financial assets. Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use assets, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

The Group presents right-of-use assets in "property, plant and equipment" and lease liabilities as a separate line item on consolidated statement of financial position.

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(h) Leased assets (Continued)

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

Rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Sale and leaseback transactions

The Group applies the requirements of HKFRS 15 to assess whether sale and leaseback transaction constitutes a sale by the Group.

The Group as a buyer-lessor

For a transfer of asset that does not satisfy the requirements of HKFRS 15 to be accounted for as a sale of asset, the Group as a buyer-lessor does not recognise the transferred asset and recognises a loans and receivable equal to the transfer proceeds within the scope HKFRS 9.

(i) Impairment of non-financial assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the non-financial assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased, if any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest Group of assets that generates cash inflows independently (i.e. a cash-generating unit). A portion of the carrying amount of a corporate asset (for example, head office building) is allocated to an individual cash-generating unit if the allocation can be done on a reasonable and consistent basis, or to the smallest Group of cash-generating units if otherwise.

(j) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are carried at the lower of cost and net realisable value:

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(k) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Borrowing costs are expensed in the period in which they are incurred.

(l) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(m) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Pursuant to the relevant laws and regulations the PRC, the Group's subsidiaries in the PRC have joined defined contribution schemes for the employees, such as basic pension scheme, housing fund, basic medical insurance, unemployment insurance, injury insurance and maternity insurance. The Group makes contributions to the above mentioned schemes at the applicable rates based on the amounts stipulated by the government organisation. The contributions are charged to the consolidated statement of profit or loss on an accrual basis.

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

(n) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(o) Revenue

Income is classified by the Group as revenue when it arises from the sales of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or a service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) ***Interest income***

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash payments and receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

(ii) ***Sale of goods***

Revenue is recognised when the customer takes possession of and accepts the products. If the products are a partial fulfilment of a contract covering other goods and/or services, then the amount of revenue recognised is an appropriate proportion of the total transaction price under the contract, allocated between all the goods and services promised under the contract on a relative stand-alone selling price basis.

The Group provides packaging and paper products trading services. The determination of whether revenue should be reported on a gross or net basis is based on an assessment of whether the Group is acting as the principal or an agent in the transactions. The Group is acting as the principal if it obtains control over the goods and services before they are transferred to customers. Generally, when the Group is primarily obligated in a transaction, is subject to inventory risk, has latitude in establishing prices, or has several but not all of these indicators, the Group acts as the principal and revenue is recorded on a gross basis.

Revenue from sales of vinegar and other condiment products are recognised when the control over the goods is transferred to customers, which is generally at the point in time when the goods leave the Group's own warehouses or designated warehouses for sales, in accordance with the terms of sales contracts with customers, since only by that time the Group passes control of the vinegar and other condiment products to the customer.

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(o) Revenue (Continued)

(iii) Financial information service income

The Group provides a customer relationship management system (the "**CRM System**") for its customers, being the small and medium-sized financial intermediaries in the PRC, to manage client data, automate workflow and integrate with third-party advertising platforms to reach out the entities with financing needs. The customers subscribe to the Group's CRM System at a monthly fee granting them the right to access to the system and the revenue is recognised over time throughout the subscription period. The monthly fees entitled to the Group comprise of the fixed basic subscription fee plus the variable usage fees from the customers who can reach out their potential clients (i.e. entities with financing needs) via the third-party advertising platforms in the CRM System, which is calculated at a fixed percentage on the advertising fee paid by the customers to the third-party advertising platforms.

(iv) Commission income from sales of vinegar and other condiment products

Commission income from sales of vinegar and other condiment products are recognised at point in time when the Group arranged the products owned by another party to the customers. The Group does not control the specified goods provided by another party before that goods are transferred to the customer. The Group recognised revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods to be provided by the other party.

(p) Government grants

Government grants are recognised in the consolidated statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

2. ACCOUNTING JUDGEMENT AND ESTIMATES

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

(a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgement:

– Note 1(f)(iv): establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporating forward-looking information into measurement of ECL and selection and approval of models used to measure ECL.

(b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2025 is included in the following notes.

– Note 1(f)(iv): the management reviews its finance lease receivables and loans and receivables to assess impairment on a regular basis. The methodologies and assumptions used in estimating the ECL are reviewed regularly. This includes the selection of models, inputs and determination of whether the credit risk of an asset has significantly increased by taking into account forward-looking information. The impairment provision of ECL is sensitive to changes in estimates which involve high degree of judgment and uncertainty. The net carrying amounts of finance lease receivables and loans and receivables of the Group as at 31 December 2025 were amounted to RMB948,586 (2024: RMB15,422,904) and RMB333,481,003 (2024: RMB173,107,189) respectively. Allowances for impairment losses of finance lease receivables and loans and receivables as at 31 December 2025 were amounted to RMB4,080,094 (2024: RMB26,895,456) and RMB8,363,608 (2024: RMB10,258,230) respectively.

– Note 1(g): the management determines the estimated useful lives and related depreciation charges for the property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of the property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. The net carrying amount of property, plant and equipment of the Group as at 31 December 2025 was amounted to RMB32,651 (2024: RMB112,491,833).

– Note 1(n): recognition of deferred tax assets: the management has established subsidiaries in several regions. Deferred tax assets should generally be recognised for deductible temporary differences relating to subsidiaries respectively, unless the Group is able to control the timing of the reversal of the temporary differences or to determine it is probable that the temporary differences would not be reversed in the foreseeable future. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised for each subsidiary, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The net carrying amount of deferred tax assets of the Group recognised in the consolidated statement of financial position as at 31 December 2025 was amounted to RMB9,408,232 (2024: RMB4,120,361).

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

3. REVENUE AND SEGMENT REPORTING

(a) Disaggregation of revenue

The principal activities of the Group are providing equipment based financing solutions, financial information services to customers, sales of packaging and paper products and manufacture and sales of vinegar and other condiment products in the People's Republic of China (the "**PRC**"). During the year ended 31 December 2025, manufacture and sales of vinegar and other condiment products was classified as a discontinued operation, so the amount of each significant category of revenue recognised during the years ended 31 December 2025 and 2024 as follows does not include any amounts for this discontinued operation, which is described in more details in note 4:

	2025 RMB	2024 RMB
Continuing operations		
Revenue from contract with customers within the scope of HKFRS 15, types of goods or services, recognised at point in time		
Sales of products arising from		
Sales of packaging and paper products	**18,284,257**	14,967,388
Revenue from contract with customers within the scope of HKFRS 15, types of services, recognised over time		
Service income arising from		
Financial information services	**8,243,983**	–
Revenue from other source		
Interest income from		
Finance lease receivables	**61,180**	43,156
Receivables from sale – leaseback transaction under loans and receivables	**18,844,059**	7,396,975
	18,905,239	7,440,131
	45,433,479	22,407,519

(i) The Group has one (2024: one) customer for the year ended 31 December 2025, with whom transactions have exceeded 10% of the Group's aggregate revenues. Such revenue from the customers is set out below:

	2025 RMB	2024 RMB
Customer A (Packaging and paper products trading segment)	**7,433,391**	–
Customer B (Packaging and paper products trading segment)	*	5,743,628

Note: *Revenue from the customer was less than 10% in the respective year.

(ii) All sales of products and services are completed within one year. As presented under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

3. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting

The Company is an investment holding company and the principal place of the Group's operation is in the PRC. For the purpose of segment information disclosures under HKFRS 8, the Group regarded the PRC as its country of domicile. All the Group's revenue and non-current assets are principally attributable to the PRC, being the single geographical region.

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management, being the chief operating decision maker, for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments. During the year ended 31 December 2025, manufacture and sales of vinegar and other condiment products was classified as a discontinued operation, so the following segment information does not include any amounts for this discontinued operation, which is described in more details in notes 4 and 29. No operating segments have been aggregated to form the following reportable segments.

- Financial services segment: providing financial leasing service and financial information services in the PRC; and

- Packaging and paper products trading segment: the Group set up Fujian Baiying Paper Co., Ltd. ("**Baiying Paper**") to diversify the business of the Group. The main business of Baiying Paper is sales of packaging and paper products in the PRC.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of deferred tax assets and certain head office and corporate assets. Segment liabilities include borrowings, trade and other liabilities, lease liabilities, income tax payable with the exception of certain head office and corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit or loss is "profit/(loss) for the year". To arrive at profit or loss for the year the Group's profits or losses are further adjusted for items, such as other head office or corporate administration costs.

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(Expressed in Renminbi unless otherwise indicated)

3. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

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

The information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2025 and 2024 is set out below.

Continuing operations

	For the year ended 31 December 2025		
	Financial services RMB	Packaging and paper products trading RMB	Total RMB
Reportable segment revenue	**27,149,222**	**18,284,257**	**45,433,479**
Cost of sales and services	**(2,030,062)**	**(18,139,891)**	**(20,169,953)**
Other income and other gains or losses, net	**2,667,716**	**(994)**	**2,666,722**
Interest expenses	**(2,800,606)**	**–**	**(2,800,606)**
Impairment losses (recognised)/reversed	**(2,917,184)**	**10,871**	**(2,906,313)**
Administrative expense	**(5,477,281)**	**(184,381)**	**(5,661,662)**
Selling and distribution expenses	**–**	**(25,426)**	**(25,426)**
Reportable segment profit/(loss) before income tax	**16,591,805**	**(55,564)**	**16,536,241**
Income tax credit	**4,843,222**	**1,284**	**4,844,506**
Reportable segment profit/(loss) for the year	**21,435,027**	**(54,280)**	**21,380,747**
Reportable segment assets	**360,642,168**	**15,238,662**	**375,880,830**
Reportable segment liabilities	**111,294,949**	**10,172,152**	**121,467,101**

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(Expressed in Renminbi unless otherwise indicated)

3. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

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

	For the year ended 31 December 2024 (Re-presented)		
	Financial services RMB	Packaging and paper products trading RMB	Total RMB
Reportable segment revenue	7,440,131	14,967,388	22,407,519
Cost of sales	–	(14,593,006)	(14,593,006)
Other income and other gains or losses, net	3,388,472	32,768	3,421,240
Interest expenses	(435,631)	(7,111)	(442,742)
Impairment losses reversed	9,348,941	1,419	9,350,360
Administrative expense	(2,531,224)	(224,797)	(2,756,021)
Selling and distribution expenses	–	(57,203)	(57,203)
Reportable segment profit before income tax	17,210,689	119,458	17,330,147
Income tax expense	(4,859,440)	(11,483)	(4,870,923)
Reportable segment profit for the year	12,351,249	107,975	12,459,224
Reportable segment assets	266,173,567	15,640,131	281,813,698
Reportable segment liabilities	43,534,420	10,257,521	53,791,941

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(Expressed in Renminbi unless otherwise indicated)

3. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(ii) Reconciliations of reportable segment profit or loss, assets and liabilities

	2025 RMB	2024 RMB (Re-presented)
Profit for the year		
Reportable segment profit	**21,380,747**	12,459,224
Unallocated head office and corporate expenses	**(2,109,471)**	(2,481,733)
Consolidated profit	**19,271,276**	9,977,491

	2025 RMB	2024 RMB (Re-presented)
Assets		
Continuing operations		
Reportable segment assets	**375,880,830**	281,813,698
Elimination of inter-segment receivables	**(1,258,800)**	(16,703,351)
	374,622,030	265,110,347
Deferred tax assets	**9,408,232**	3,074,816
Unallocated head office and corporate assets	**59,584**	489,745
Assets relating to discontinued operation	**–**	108,183,436
Consolidated total assets	**384,089,846**	376,858,344

	2025 RMB	2024 RMB (Re-presented)
Liabilities		
Reportable segment liabilities	**121,467,101**	53,791,941
Elimination of inter-segment payable	**(1,258,800)**	(16,703,351)
	120,208,301	37,088,590
Unallocated head office and corporate liabilities	**307,424**	362,938
Liabilities relating to discontinued operation	**–**	117,858,888
Consolidated total liabilities	**120,515,725**	155,310,416

For the year ended 31 December 2025
(Expressed in Renminbi unless otherwise indicated)

3. REVENUE AND SEGMENT REPORTING (Continued)

(c) Other segment information

Continuing operations

	For the year ended 31 December 2025		
	Financial services RMB	**Packaging and paper products trading RMB**	**Total RMB**
Depreciation of property, plant and equipment and right-of-use assets	**(242,295)**	**(319)**	**(242,614)**
Impairment losses recognised of loans and receivables	**(1,967,178)**	**–**	**(1,967,178)**
Impairment losses recognised of finance lease receivables	**(1,088,365)**	**–**	**(1,088,365)**
Impairment losses reversed/(recognised) of trade and other receivables	**160,101**	**(10,871)**	**149,230**

	For the year ended 31 December 2024 (Re-presented)		
	Financial services RMB	Packaging and paper products trading RMB	Total RMB
Depreciation of property, plant and equipment and right-of-use assets	(158,732)	(319)	(159,051)
Impairment losses reversed of loans and receivables	8,357,853	–	8,357,853
Impairment losses reversed of finance lease receivables	50,991	–	50,991
Impairment losses reversed of trade and other receivables	940,097	1,419	941,516
Gain on disposal of property, plant and equipment	9,627	–	9,627

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(Expressed in Renminbi unless otherwise indicated)

4. DISCONTINUED OPERATION

Loss for the year from discontinued operation:

	2025 RMB	2024 RMB
Loss for the year from:		
Manufacture and sale of vinegar and other condiment products (note)	**(12,302,136)**	(27,319,260)

Note: On 27 March 2025, Xiamen Baiying Leasing Co., Ltd (廈門百應融資租賃有限責任公司, the "**Vendor**"), an indirect wholly-owned subsidiary of the Company and Sichuan Qingxiangyuan Condiment Co., Ltd. (四川清香園調味品股份有限公司, the "**Purchaser**" or the "**Sichuan Qingxiangyuan**"), a limited liability company established in the PRC, entered into a sale and purchase agreement, pursuant to which the Vendor conditionally agreed to sell, and the Purchaser conditionally agreed to acquire, the entire equity interest in the Fujian Yongchun Qiaoxin Brewing Co., Ltd. (福建永春僑新釀造有限責任公司, the "**Disposal Target**"), an indirect wholly-owned subsidiary of the Company, at a consideration of RMB13,450,000 in cash (the "**Disposal**"). In addition, the Purchaser shall, or shall procure the Disposal Target to, repay the Vendor in full the outstanding indebtedness in the aggregate amount of approximately RMB55,436,000 owing by the Disposal Target to the Vendor within 90 days after the Completion. Both the Vendor and the Purchaser are indirect non wholly-owned subsidiaries of Fujian Septwolves Group Co., Ltd. (福建七匹狼集團有限公司).

The Disposal was completed on 13 June 2025 (the "**Completion**"). After the Completion, the Disposal Target and its subsidiaries (collectively, the "**Disposal Target Group**") would cease to be subsidiaries of the Company and the financial results of the Disposal Target Group would no longer be consolidated into the financial statements of the Group. Accordingly, the Group would cease to engage in the business of the Disposal Target Group, representing the entirety of the Group's manufacture and sale of vinegar and other condiment products business upon Completion. Details of the disposal of the entire equity interest in Disposal Target are set out in note 29.

The financial results for the period from 1 January 2025 to the date of Completion, which was a discontinued operation, included in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows for the year ended 31 December 2025 are set out below.

The comparative figures in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flows have been restated to re-present the Group's manufacture and sale of vinegar and other condiment products business as a discontinued operation.

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(Expressed in Renminbi unless otherwise indicated)

4. DISCONTINUED OPERATION (Continued)

	Period from 1 January 2025 to 13 June 2025 RMB	Year ended 31 December 2024 RMB
Sales revenue	**2,008,462**	10,579,949
Other revenue	**687,480**	731,797
Revenue	**2,695,942**	11,311,746
Cost of sales	**(1,877,191)**	(7,111,099)
Other income and other gains, net	**241,523**	360,726
Interest expenses	**(1,758,999)**	(2,210,825)
Impairment losses reversed/(recognised)	**187,729**	(133,861)
Administrative expense	**(6,177,741)**	(14,473,190)
Selling and distribution expenses	**(5,663,973)**	(15,058,560)
Loss before income tax	**(12,352,710)**	(27,315,063)
Income tax credit/(expense)	**50,574**	(4,197)
Loss for the period/year and total comprehensive loss from discontinued operation attributable to owners of the Company	**(12,302,136)**	(27,319,260)

Loss for the period/year from discontinued operation has been arrived at after charging/(crediting):

		Note	Period from 1 January 2025 to 13 June 2025 RMB	Year ended 31 December 2024 RMB
(a)	**Staff cost**			
	Salaries, wages and other benefits		**4,419,047**	8,744,123
	Contributions to defined contribution retirement plan		**604,240**	841,296
	Subtotal		**5,023,287**	9,585,419
(b)	**Other items**			
	Amortisation cost of intangible assets		**10,560**	33,432
	Depreciation charge			
	– owned property, plant and equipment		**2,247,493**	5,243,557
	Less: transfer to inventories		**(1,770,702)**	(4,231,203)
	Charged to profit or loss		**476,791**	1,012,354
	– right-of-use assets		**344,716**	837,429
	Interest on lease liabilities		**14,071**	41,690
	Cost of inventories	*20*	**1,877,191**	7,111,099
	Consulting expenses		**380,182**	273,615
	Legal expenses		**77,025**	166,410

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(Expressed in Renminbi unless otherwise indicated)

4. DISCONTINUED OPERATION (Continued)

Cash flows from discontinued operation

	Period from 1 January 2025 to 13 June 2025 RMB	Year ended 31 December 2024 RMB
Net cash (outflow)/inflow from operating activities	**(9,385,083)**	3,422,561
Net cash inflow/(outflow) from investing activities	**1,746,956**	(24,195,007)
Net cash inflow from financing activities	**1,652,488**	27,184,486
Net cash (outflow)/inflow	**(5,985,639)**	6,412,040

5. OTHER INCOME AND OTHER GAINS OR LOSSES, NET

	Notes	**2025 RMB**	2024 RMB (Re-presented)
Continuing operations			
Net (loss)/gain from financial assets at fair value through profit or loss		**(254,391)**	3,183,043
Interest income from deposits with financial institutions		**111,768**	168,123
Government grants	*(i)*	**373,933**	22,353
Foreign exchange (losses)/gains		**(34,570)**	20,081
Gain on transfer of finance lease receivable	*17(b)(i)*	**4,450,250**	–
Loss on waiver of interest of factoring receivable	*(ii)*	**(2,000,855)**	–
Others		**(12,777)**	48,438
		2,633,358	3,442,038

Notes:

(i) During the years ended 31 December 2025 and 2024, the government grants mainly represented the unconditional value-add tax reimbursement and enterprise development support received from PRC local government authorities.

(ii) During the year ended 31 December 2025, the Group entered into a modification agreement with a customer, of which with accrued interest of RMB2,000,855 being waived. Upon the agreement, the Group recognised a loss on waiver of interest of factoring receivable of RMB2,000,855.

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6. INTEREST EXPENSES

	2025 RMB	2024 RMB (Re-presented)
Continuing operations		
Borrowings	**2,219,451**	102,377
Imputed interest expense on interest-free guaranteed deposits from lessees	**577,983**	338,650
Interest on lease liabilities	**3,172**	1,715
	2,800,606	442,742

7. NET IMPAIRMENT LOSSES RECOGNISED/(REVERSED)

	Notes	2025 RMB	2024 RMB (Re-presented)
Continuing operations			
Loans and receivables	*16(iv)*	**1,967,178**	(8,357,853)
Finance lease receivables	*17(b)*	**1,088,365**	(50,991)
Trade and other receivables	*18(i)*	**(149,230)**	(941,516)
		2,906,313	(9,350,360)

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8. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	Note	**2025 RMB**	2024 RMB (Re-presented)
Continuing operations			
(a) Staff cost (including director's emolument)			
Salaries, wages and other benefits		**5,071,350**	2,639,277
Contributions to defined contribution retirement plan		**264,344**	219,217
Sub-total		**5,335,694**	2,858,494
(b) Other items			
Cost of inventories	*20*	**18,139,891**	14,593,006
Amortisation cost of intangible assets charge to profit or loss			
– cost of service		**33,804**	–
– administrative expenses		**42,435**	66,257
Depreciation charge to profit or loss			
– owned property, plant and equipment		**7,962**	50,366
– right-of-use assets		**234,652**	108,685
Auditor's remuneration			
– audit services		**744,035**	820,640
– other services		**430,762**	364,729
Consulting expenses		**82,441**	145,892
Legal expenses		**510,501**	436,670
Gain on disposal of property, plant and equipment		**–**	(9,627)

9. INCOME TAX (CREDIT)/EXPENSE

(a) Taxation in the consolidated statement of profit or loss and other comprehensive income:

	Notes	**2025 RMB**	2024 RMB (Re-presented)
Continuing operations			
Current			
PRC Enterprise Income Tax ("**EIT**") provision for the year		**1,490,194**	1,610,480
Over provision in prior years		**(1,284)**	(14,477)
	25(a)	**1,488,910**	1,596,003
Deferred tax			
– (Origination)/reversal of temporary differences	*25(b)*	**(6,333,416)**	3,274,920
		(4,844,506)	4,870,923

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9. INCOME (CREDIT)/TAX EXPENSE (Continued)

(b) Reconciliation between income tax (credit)/expense and accounting profit at applicable tax rates:

	Note	2025 RMB	2024 RMB (Re-presented)
Profit before income tax from continuing operation		**14,426,770**	14,848,414
Tax on profit before income tax, calculated at the rates applicable in the jurisdictions concerned		**2,831,728**	4,308,645
Tax effect of non-deductible expenses	*(i)*	**177,503**	566,622
Tax effect of unused losses not recognised		**21,147**	–
Tax effect of deferred tax assets recognised		**(7,874,687)**	–
Tax effect of deductible temporary difference not recognised		**1,087**	10,133
Over provision in prior years		**(1,284)**	(14,477)
Income tax (credit)/expense for the year		**(4,844,506)**	4,870,923

(i) Non-deductible expenses consist of entertainment and welfare expenses, which exceed the tax deduction limits in accordance with PRC tax regulations.

(ii) Pursuant to the rules and regulation of the Cayman Islands and the British Virgin Islands (the "**BVI**"), the Group is not subject to any income tax in the Cayman Islands and the BVI, respectively.

(iii) No provision for Hong Kong Profits Tax has been made for the Company and Byleasing Capital Limited (the "**Byleasing Capital**") as the Company and Byleasing Capital had not derived any income subject to Hong Kong Profits Tax during the year (2024: nil).

(iv) Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

(v) Pursuant to the EIT Law and its related regulations, non-PRC-resident enterprises are levied withholding tax at 10% (unless reduced by tax treaties/arrangements) on dividends receivable from PRC enterprises for profits earned since 1 January 2008. Distributions of earnings generated prior to 1 January 2008 are exempt from such withholding tax.

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10. DIRECTORS' EMOLUMENTS

	Year ended 31 December 2025				
	Fees RMB	Salaries, allowances and benefits in kind RMB	Discretionary bonuses RMB	Retirement Scheme contributions RMB	Total RMB
Executive Directors					
Zhou Shiyuan (周士淵)	–	–	–	–	–
Lin Zhenyan (林珍燕)	–	–	–	–	–
Huang Dake (黃大柯)	–	474,983	81,600	20,537	577,120
Non-executive Director					
Ke Jinding (柯金鏞)	–	–	–	–	–
Independent non-executive Directors					
Tu Liandong (涂連東)	60,000	–	–	–	60,000
Xie Mianbi (謝綿陛)	60,000	–	–	–	60,000
Chen Chaolin (陳朝琳) (resigned on 5 March 2025)	15,000	–	–	–	15,000
Li Yao (李堯) (appointed on 5 March 2025)	45,000	–	–	–	45,000
Total	180,000	474,983	81,600	20,537	757,120

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(Expressed in Renminbi unless otherwise indicated)

10. DIRECTORS' EMOLUMENTS (Continued)

	Year ended 31 December 2024				
	Fees RMB	Salaries, allowances and benefits in kind RMB	Discretionary bonuses RMB	Retirement Scheme contributions RMB	Total RMB
Executive Directors					
Zhou Shiyuan (周士淵)	–	–	–	–	–
Chen Xinwei (陳欣慰) (resigned on 10 December 2024)	–	–	–	–	–
Lin Zhenyan (林珍燕) (appointed on 10 December 2024)	–	–	–	–	–
Huang Dake (黃大柯)	–	481,615	32,640	20,537	534,792
Non-executive Director					
Ke Jinding (柯金鏰)	–	–	–	–	–
Independent non-executive Directors					
Tu Liandong (涂連東)	60,000	–	–	–	60,000
Xie Mianbi (謝綿陛)	60,000	–	–	–	60,000
Chen Chaolin (陳朝琳)	60,000	–	–	–	60,000
Total	180,000	481,615	32,640	20,537	714,792

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

During the years ended 31 December 2025 and 2024, there were no amounts paid or payable by the Group to the directors or any of the highest paid individuals set out in note 11 below as an inducement to join or upon joining the Group or as a compensation for loss of office.

There were no arrangements under which a director waived or agreed to waive any emoluments for both years.

With effect from 5 March 2025, Mr. Chen Chaolin (陳朝琳) has resigned as an independent non-executive director and Mr. Li Yao (李堯) has been appointed as an independent non-executive director.

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11. INDIVIDUAL WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, there is one (2024: one) director of the Group whose emoluments are disclosed in note 10.

The aggregate of the emoluments in respect of the other individuals for the years ended 31 December 2025 and 2024 are as follows:

	2025 RMB	2024 RMB
Salaries, allowances and benefits in kind	**967,208**	1,203,199
Discretionary bonuses	**187,667**	71,013
Retirement scheme contributions	**72,316**	81,325
Total	**1,227,191**	1,355,537

The emoluments of the four (2024: four) individuals with the highest emoluments are all within the following band:

	2025	2024
Nil – HK$1,000,000	**4**	4

12. EARNINGS/(LOSS) PER SHARE

The basic earnings/(loss) per share for the year is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue of 270,000,000 (2024: 270,000,000) during the year. There were no potential dilutive ordinary shares outstanding during the years ended 31 December 2025 and 2024, and hence the diluted earnings/(loss) per share are the same as basic earnings/(loss) per share.

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

	2025	2024
Weighted average number of ordinary shares in issue during the year for basic and diluted earnings/(loss) per share	**270,000,000**	270,000,000

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(Expressed in Renminbi unless otherwise indicated)

12. EARNINGS/(LOSS) PER SHARE (Continued)

(a) From continuing and discontinued operations

The calculation of the basic and diluted earnings/(loss) per share attributable to owners of the Company is based on the following:

	2025 RMB	2024 RMB
Profit/(loss) attributable to owners of the Company	**7,158,890**	(17,390,358)

(b) From continuing operations

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

	2025 RMB	2024 RMB
Profit attributable to owners of the Company	**19,461,027**	9,928,902

(c) From discontinued operation

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

	2025 RMB	2024 RMB
Loss attributable to owners of the Company	**(12,302,136)**	(27,319,260)
Loss per share		
Basic and diluted (RMB cents)	**(4.56)**	(10.12)

(Expressed in Renminbi unless otherwise indicated)

13. PROPERTY, PLANT AND EQUIPMENT

	Plant RMB *Note (i)*	Construction in progress RMB	Office equipment RMB	Motor vehicles RMB	Machinery RMB	Right-of-use assets RMB *Note (ii)*	Total RMB
Cost							
As at 1 January 2024	47,968,533	3,524,876	3,871,993	898,790	21,392,413	24,047,384	101,703,989
Additions	3,132,700	23,221,074	111,811	289,134	1,514,631	443,798	28,713,148
Transfer from construction in progress	210,044	(754,844)	–	–	544,800	–	–
Disposal	–	–	(338,300)	(817,332)	–	–	(1,155,632)
As at 31 December 2024 and 1 January 2025	51,311,277	25,991,106	3,645,504	370,592	23,451,844	24,491,182	129,261,505
Additions	–	2,674,302	98,750	–	6,000	307,057	3,086,109
Disposal of subsidiaries	(51,311,277)	(28,665,408)	(3,512,795)	(370,592)	(23,457,844)	(24,563,588)	(131,881,504)
Derecognition upon expiry	–	–	–	–	–	(234,651)	(234,651)
As at 31 December 2025	**–**	**–**	**231,459**	**–**	**–**	**–**	**231,459**
Accumulated depreciation							
As at 1 January 2024	(4,417,882)	–	(1,770,014)	(773,976)	(3,616,192)	(969,623)	(11,547,687)
Charge for the year	(2,398,694)	–	(629,030)	(64,961)	(2,201,238)	(946,114)	(6,240,037)
Eliminated on disposals	–	–	314,701	703,351	–	–	1,018,052
As at 31 December 2024 and 1 January 2025	(6,816,576)	–	(2,084,343)	(135,586)	(5,817,430)	(1,915,737)	(16,769,672)
Charge for the year	(1,015,450)	–	(279,914)	(28,613)	(931,478)	(579,368)	(2,834,823)
Disposal of subsidiaries	7,832,026	–	2,165,449	164,199	6,748,908	2,260,454	19,171,036
Derecognition upon expiry	–	–	–	–	–	234,651	234,651
As at 31 December 2025	**–**	**–**	**(198,808)**	**–**	**–**	**–**	**(198,808)**
Net carrying amount							
As at 31 December 2024	44,494,701	25,991,106	1,561,161	235,006	17,634,414	22,575,445	112,491,833
As at 31 December 2025	**–**	**–**	**32,651**	**–**	**–**	**–**	**32,651**

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13. PROPERTY, PLANT AND EQUIPMENT (Continued)

Notes:

(i) As at 31 December 2024, certain of the Group's plants with aggregate net book value of RMB44,318,151 was pledged to secure the Group's certain bank borrowings as set out in note 22(i).

(ii) Right of use assets include land use right which was fully paid and lease of premises under lease liabilities. The land use right has an estimated useful life of 50 years and lease of premises has lease term of two to three years for the year ended 31 December 2024. The carrying amounts of land use right and lease of premises were RMB21,821,998 and RMB753,447 respectively as at 31 December 2024. There is no restrictions or covenants in the lease agreements.

During the year ended 31 December 2025, the Group entered into lease agreements with costs of RMB307,057 (2024: RMB203,798) respectively. No land use right agreement was entered into during the year (2024: RMB240,000).

As at 31 December 2024, certain of the Group's land use right with aggregate net book value of RMB21,586,399 was pledged to secure the Group's certain bank borrowings as set out in note 22(i).

14. INTANGIBLE ASSETS

	2025 RMB	2024 RMB
Cost		
At the beginning of the year	**1,176,721**	1,054,154
Additions	**471,698**	122,567
Disposal of subsidiaries	**(253,462)**	–
At the end of the year	**1,394,957**	1,176,721
Accumulated amortisation		
At the beginning of the year	**769,615**	669,926
Charge for the year	**86,799**	99,689
Disposal of subsidiaries	**(44,354)**	–
At the end of the year	**812,060**	769,615
Carrying amount		
At the beginning of the year	**407,106**	384,228
At the end of the year	**582,897**	407,106

Intangible assets mainly represent the CRM system and the enterprise system software. The estimated useful life of the intangible assets is 10 years.

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15. INTERESTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

						Proportion of ownership interest				
						2025		2024		
Name of company	Place and date of incorporation/ establishment	Place of incorporation and kind of legal entity	Place of operation	Registered capital	Paid-in capital	Held by the Company	Held by the subsidiary	Held by the Company	Held by the subsidiary	Principal activities
Byleasing Capital	BVI 15 June 2017	BVI Ltd.	Hong Kong	US$1	US$1	**100%**	**-**	100	–	Investment holding
Hong Kong Byleasing Holding Co., Limited ("**Hong Kong Byleasing**")	Hong Kong 8 January 2015	Hong Kong Ltd.	Hong Kong	RMB100,000,000	RMB100,000,000	**-**	**100%**	–	100%	Investment holding
Xiamen Baiying Leasing Co., Ltd.* (廈門百應融資租賃有限責任公司) ("**Xiamen Baiying**")	People's Republic of China 9 March 2010	The PRC Ltd.	People's Republic of China	RMB237,000,000	RMB237,000,000	**-**	**100%**	–	100%	Finance leasing
Shanghai Baiying Brewing Co., Ltd.* (上海百應釀造有限公司) ("**Shanghai Baiying**")	People's Republic of China 11 January 2019	The PRC Ltd.	People's Republic of China	RMB50,000,000	RMB50,000,000	**-**	**100%**	–	100%	Commercial factoring
Fujian Yongchun Qiaoxin Brewing Co., Ltd.* (福建永春僑新釀造有限責任公司)#	People's Republic of China 23 April 2020	The PRC Ltd.	People's Republic of China	RMB50,000,000	RMB50,000,000	**-**	**-**	–	100%	Manufacture and sale of vinegar and other condiment products
Fujian Baiying Paper Co., Ltd.* (福建百應紙業有限公司) ("**Baiying Paper**")	People's Republic of China 13 January 2021	The PRC Ltd.	People's Republic of China	RMB30,000,000	RMB30,000,000	**-**	**55%**	–	55%	Packaging and paper products trading
Qiaoxin Food (Xiamen) Co., Ltd.* (僑新食品（廈門）有限公司) ("**Qiaoxin Food**")#	People's Republic of China 5 September 2023	The PRC Ltd.	People's Republic of China	RMB50,000,000	RMB5,600,000	**-**	**-**	–	100%	Sales of vinegar
Xiamen Baishun Information Technology Co., Ltd.* (廈門市柏順信息科技有限公司) ("**Xiamen Baishun**")^	People's Republic of China 18 February 2025	The PRC Ltd.	People's Republic of China	RMB10,000,000	RMB10,000,000	**-**	**100%**	–	N/A	Financial information service

* The English translation of these entities' names is for reference only. The official names of these entities are in Chinese.

^ The subsidiary was set up during the year ended 31 December 2025.

\# The subsidiaries were disposed during the year ended 31 December 2025.

None of the subsidiaries had issued debt securities at the end of the year.

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16. LOANS AND RECEIVABLES

	2025 RMB	2024 RMB
Factoring receivables with recourse	**1,983,050**	4,103,957
Less: Allowances for impairment losses	**(1,983,050)**	(2,619,322)
Sub-total	**–**	1,484,635
Receivables from sale-leaseback transaction	**339,861,561**	179,261,462
Less: Allowances for impairment losses	**(6,380,558)**	(7,638,908)
Sub-total	**333,481,003**	171,622,554
Total	**333,481,003**	173,107,189

(i) The allowances for impairment losses of loans and receivables were provided on expected credit loss model. As at 31 December 2025, the overdue gross loans and receivables analysed by overdue period are as follows:

	2025 RMB	2024 RMB
Overdue above 90 days	**4,472,044**	10,101,682

(ii) Analysis for reporting purpose as:

	2025 RMB	2024 RMB
Non-current assets	**230,734,455**	122,233,131
Current assets	**102,746,548**	50,874,058
	333,481,003	173,107,189

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16. LOANS AND RECEIVABLES (Continued)

(iii) Loans and receivables and allowance for impairment losses are as follows:

	As at 31 December 2025			
	Stage I	**Stage II**	**Stage III**	
	12-month ECL	**Lifetime ECL**		**Total**
	RMB	**RMB**	**RMB**	**RMB**
Factoring receivables	**–**	**–**	**1,983,050**	**1,983,050**
Less: Allowances for impairment losses	**–**	**–**	**(1,983,050)**	**(1,983,050)**
Carrying amount of factoring receivables	**–**	**–**	**–**	**–**
Receivables from sale-leaseback transaction	**337,372,567**	**–**	**2,488,994**	**339,861,561**
Less: Allowances for impairment losses	**(6,120,140)**	**–**	**(260,418)**	**(6,380,558)**
Carrying amount of receivables from sale-leaseback transaction	**331,252,427**	**–**	**2,228,576**	**333,481,003**
Total carrying amount of loans and receivables	**331,252,427**	**–**	**2,228,576**	**333,481,003**

	As at 31 December 2024			
	Stage I	Stage II	Stage III	
	12-month ECL	Lifetime ECL		Total
	RMB	RMB	RMB	RMB
Factoring receivables	–	2,120,907	1,983,050	4,103,957
Less: Allowances for impairment losses	–	(636,272)	(1,983,050)	(2,619,322)
Carrying amount of factoring receivables	–	1,484,635	–	1,484,635
Receivables from sale-leaseback transaction	171,142,830	–	8,118,632	179,261,462
Less: Allowances for impairment losses	(2,632,596)	–	(5,006,312)	(7,638,908)
Carrying amount of receivables from sale-leaseback transaction	168,510,234	–	3,112,320	171,622,554
Total carrying amount of loans and receivables	168,510,234	1,484,635	3,112,320	173,107,189

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16. LOANS AND RECEIVABLES (Continued)

(iv) Movements of allowance for impairment losses on loans and receivables:

	As at 31 December 2025			
	Stage I 12-month ECL RMB	**Stage II Lifetime ECL RMB**	**Stage III RMB**	**Total RMB**
Balance at 1 January	**2,632,596**	**636,272**	**6,989,362**	**10,258,230**
Transfer:				
Stage I to stage III	**(26,805)**	**–**	**26,805**	**–**
Net remeasurement of loss allowance	**258,556**	**–**	**463,424**	**721,980**
Partial settlement of receivables	**(1,055,218)**	**–**	**(100,623)**	**(1,155,841)**
New financial assets originated or purchased	**4,311,011**	**–**	**–**	**4,311,011**
Financial assets that have been derecognised due to settlement	**–**	**–**	**(1,273,700)**	**(1,273,700)**
Reversal of impairment losses due to waiver of interest of factoring receivables	**–**	**(636,272)**	**–**	**(636,272)**
Charged to profit or loss	**3,487,544**	**(636,272)**	**(884,094)**	**1,967,178**
Write-offs (note)	**–**	**–**	**(3,861,800)**	**(3,861,800)**
Balance at 31 December	**6,120,140**	**–**	**2,243,468**	**8,363,608**

	As at 31 December 2024			
	Stage I 12-month ECL RMB	Stage II Lifetime ECL RMB	Stage III RMB	Total RMB
Balance at 1 January	772,178	11,013,827	6,830,078	18,616,083
Transfer:				
Stage I to stage III	(20,629)	–	20,629	–
Net remeasurement of loss allowance	(27,433)	–	212,474	185,041
Partial settlement of receivables	(126,323)	(10,374,000)	(17,584)	(10,517,907)
New financial assets originated or purchased	2,242,392	–	–	2,242,392
Financial assets that have been derecognised due to settlement	(207,589)	(3,555)	(56,235)	(267,379)
Balance at 31 December	2,632,596	636,272	6,989,362	10,258,230

Note:

During the year ended 31 December 2025, the Group wrote off loans and receivables of RMB3,861,800, pursuant to the court's ruling, the relevant debtor has no enforceable assets, related loss allowance of RMB 3,861,800 has been written off accordingly.

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17. FINANCE LEASE RECEIVABLES

	2025 RMB	2024 RMB
Minimum finance lease receivables		
Not later than one year	**5,056,260**	44,263,156
Later than one year and not later than five years	**100**	653,320
Gross amount of finance lease receivables	**5,056,360**	44,916,476
Less: Unearned finance income	**(27,680)**	(2,598,116)
Net amount of finance lease receivables	**5,028,680**	42,318,360
Less: Allowances for impairment losses	**(4,080,094)**	(26,895,456)
Carrying amount of finance lease receivables	**948,586**	15,422,904
Present value of minimum finance lease receivables		
Not later than one year	**5,028,580**	41,691,288
Later than one year and not later than five years	**100**	627,072
Total	**5,028,680**	42,318,360

Analysis for reporting purpose as:

	2025 RMB	2024 RMB
Non-current assets	**98**	617,218
Current assets	**948,488**	14,805,686
	948,586	15,422,904

Analysis by security:
Finance lease receivables are mainly secured by leased assets which are used in infrastructure, manufacturing, construction and other industries, lessees' deposits and leased assets repurchase arrangement where applicable.

Additional collateral may be obtained from lessees to secure their repayment obligation and such collateral include residential properties, car parks, etc. Due to restriction of the collateral registration procedure, finance lease receivables with carrying amount of RMB270,137 was arranged through an entrusted loan with properties as the collateral as at 31 December 2025 (2024: RMB422,089).

Lessees' deposits are calculated and collected based on a certain percentage of the entire value of the lease contract. The deposits are returned to the lessees in full by end of lease period according to the terms of the lease contracts. The balance of the customers' deposits can also be applied and used to settle any outstanding lease payments for the corresponding lease contract.

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17. FINANCE LEASE RECEIVABLES (Continued)

Overdue gross finance lease receivables analysed by overdue period:

	2025 RMB	2024 RMB
Overdue above 90 days	**4,399,055**	41,103,996

Finance lease receivables overdue related to a number of lessees failing to pay the instalments, but the Group could collect the remaining balance from the guaranteed deposits from lessees, the suppliers under the leased assets repurchase arrangements or from the disposal of leased assets.

(a) Finance lease receivables and allowances for impairment losses:

	As at 31 December 2025			
	Stage I 12-month ECL RMB	Stage II Lifetime ECL RMB	Stage III RMB	Total RMB
Net amount of finance lease receivables	**629,625**	**–**	**4,399,055**	**5,028,680**
Less: Allowances for impairment losses	**(11,596)**	**–**	**(4,068,498)**	**(4,080,094)**
Carrying amount of finance lease receivables	**618,029**	**–**	**330,557**	**948,586**

	As at 31 December 2024			
	Stage I 12-month ECL RMB	Stage II Lifetime ECL RMB	Stage III RMB	Total RMB
Net amount of finance lease receivables	1,214,364	–	41,103,996	42,318,360
Less: Allowances for impairment losses	(19,082)	–	(26,876,374)	(26,895,456)
Carrying amount of finance lease receivables	1,195,282	–	14,227,622	15,422,904

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17. FINANCE LEASE RECEIVABLES (Continued)

(b) Movements of allowances for impairment losses on finance lease receivables

	As at 31 December 2025			
	Stage I	**Stage II**	**Stage III**	
	12-month ECL	**Lifetime ECL**		**Total**
	RMB	**RMB**	**RMB**	**RMB**
Balance at 1 January	**19,082**	**–**	**26,876,374**	**26,895,456**
Net remeasurement of loss allowance	**1,702**	**–**	**1,247,245**	**1,248,947**
Partial settlement of receivables	**(9,188)**	**–**	**(92,740)**	**(101,928)**
Financial assets that have been derecognised due to settlement	**–**	**–**	**(58,654)**	**(58,654)**
Charged to profit or loss	**(7,486)**	**–**	**1,095,851**	**1,088,365**
Financial assets that have been derecognised due to transfer (note (i))	**–**	**–**	**(19,029,917)**	**(19,029,917)**
Write-offs (note (ii))	**–**	**–**	**(4,873,810)**	**(4,873,810)**
Balance at 31 December	**11,596**	**–**	**4,068,498**	**4,080,094**

	As at 31 December 2024			
	Stage I	Stage II	Stage III	
	12-month ECL	Lifetime ECL		Total
	RMB	RMB	RMB	RMB
Balance at 1 January	2,364	9,061	26,935,022	26,946,447
Transfer:				
Stage II to Stage III	–	(9,061)	9,061	–
Net remeasurement of loss allowance	–	–	42,838	42,838
Partial settlement of receivables	–	–	(110,547)	(110,547)
New financial assets originated or purchased	19,082	–	–	19,082
Financial assets that have been derecognised due to settlement	(2,364)	–	–	(2,364)
Balance at 31 December	19,082	–	26,876,374	26,895,456

Note:

(i) On 30 June 2025, Xiamen Baiying Leasing Co., Ltd. (廈門百應融資租賃有限責任公司) (the "**Xiamen Baiying**"), an indirect wholly owned subsidiary of the Company, entered into the creditor's rights transfer agreement with Xiamen International Trust Co., Ltd. (廈門國際信託有限公司) (the "**Xiamen International Trust**"), a limited liability company incorporated in the PRC and a financial institution approved by China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會), pursuant to which Xiamen Baiying agreed to transfer to Xiamen International Trust the creditors' rights with the gross amount of approximately RMB32,579,667 at the consideration of RMB18,000,000. The Group has recorded a gain of RMB4,450,250 in respect of the disposal of the creditor's rights, representing the excess of the consideration of RMB18,000,000 over the net carrying value of the creditor's rights of RMB13,549,750, which was the gross amount of RMB32,579,667 less expected credit loss of RMB19,029,917.

(ii) During the year ended 31 December 2025, the Group wrote off loans and receivables of RMB4,873,810, pursuant to the court's ruling, the relevant debtor has no enforceable assets, related loss allowance has been written off accordingly.

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18. TRADE AND OTHER RECEIVABLES

	Notes	2025 RMB	2024 RMB
Non-current assets			
Prepayments for sale channels		**–**	1,107,191
Rental deposits		**9,651**	132,297
		9,651	1,239,488
Current assets			
Trade receivables		**687,973**	7,906,041
Less: Allowances for impairment losses	*(i)*	**(7,989)**	(362,643)
	(ii)	**679,984**	7,543,398
Other receivables		**776,613**	1,252,952
Less: Allowances for impairment losses	*(i)*	**(375,053)**	(526,650)
		401,560	726,302
		1,081,544	8,269,700
Deductible value-added tax		**165,966**	10,249,456
Prepayment for sale channels		**–**	1,666,842
Prepaid expenses		**404,068**	880,790
Prepayment for leased assets		**90,852**	90,852
		1,742,430	21,157,640
Total		**1,752,081**	22,397,128

Notes:

(i) Movements of allowances on trade and other receivables

	2025			2024 (Re-presented)		
	Interest receivables RMB	**Trade receivables RMB**	**Other receivables RMB**	Interest receivables RMB	Trade receivables RMB	Other receivables RMB
At 1 January	**–**	**362,643**	**526,650**	70,977	226,705	1,399,266
Addition	**–**	**–**	**262**	–	215,438	27,771
Reversal	**–**	**(190,873)**	**(146,348)**	(70,977)	(79,500)	(900,387)
(Credited)/charged to profit or loss from continuing operations	**–**	**(2,882)**	**(146,348)**	(70,977)	(1,419)	(869,120)
(Credited)/charged to profit or loss from discontinued operation	**–**	**(187,991)**	**262**	–	137,357	(3,496)
Disposal of subsidiaries	**–**	**(163,781)**	**(5,511)**	–	–	–
At 31 December	**–**	**7,989**	**375,053**	–	362,643	526,650

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18. TRADE AND OTHER RECEIVABLES (Continued)

Notes (Continued):

(ii) The following is an ageing analysis of trade receivables, net of allowances for impairment losses, presented based on the invoice date at the end of the year:

	2025 **RMB**	2024 RMB
Within 3 months	**572,447**	5,516,243
Over 3 months but within 6 months	**107,537**	101,750
Over 6 months but within 1 year	**–**	404,539
Over 1 year but within 2 years	**–**	1,520,866
At the end of the year	**679,984**	7,543,398

Trade receivables are due within 1-60 days from the date of billing. Trade receivables that are more than 60 days past due are requested to settle all outstanding balances before any further credit is granted. The following is an ageing analysis of trade receivables, net of provision for credit loss allowances, presented based on the past due dates:

As at 1 January 2024, trade receivables from contracts with customers amounted to RMB6,847,068.

	2025 **RMB**	2024 RMB
Current (not past due)	**572,447**	5,501,909
Less than 3 months past due	**53,759**	70,711
3-6 months past due	**53,778**	277,464
6-12 months past due	**–**	1,693,314
At the end of the year	**679,984**	7,543,398

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19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RMB	2024 RMB
Wealth management products (note)	**3,424,228**	3,382,858
Listed securities in the PRC	**–**	9,829,112
	3,424,228	13,211,970

Note: The above wealth management products were issued by commercial banks in the PRC. They were classified as FVTPL as their contractual cash flows are not solely payments of principal and interest.

20. INVENTORIES

	2025 RMB	2024 RMB
Raw materials	**–**	1,357,515
Work in progress	**–**	11,227,053
Finished goods	**–**	3,385,224
	–	15,969,792

The analysis of the amount of inventories included in profit or loss is as follows:

	2025 RMB	2024 RMB
Carrying amount of inventories sold from:		
continuing operations	**18,139,891**	14,593,006
discontinued operations	**1,877,191**	7,111,099
	20,017,082	21,704,105

21. CASH AND CASH EQUIVALENTS

(a) Cash and cash equivalents comprise:

	2025 RMB	2024 RMB
Deposits with banks	**34,460,168**	19,730,061

The Group's main operation in the PRC are conducted in RMB. RMB is not a freely convertible currency and the remittance of RMB out of the PRC is subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

Bank balances carry interests at prevailing market rate ranging from 0.05% to 1.00% (2024: 0.1% to 1.00%) per annum.

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21. CASH AND CASH EQUIVALENTS (Continued)

(b) Reconciliation of profit/(loss) before income tax to cash used in operations:

	Notes	**2025 RMB**	2024 RMB
Profit before income tax from continuing operations		**14,426,770**	14,848,414
Loss before income tax from discontinued operations	*4*	**(12,352,710)**	(27,315,063)
		2,074,060	(12,466,649)
Adjustments for:			
Net loss/(gain) from financial assets at fair value through profit or loss		**211,305**	(3,198,653)
Interest income from deposits with financial institutions		**(112,624)**	(191,744)
Gain on transfer of finance lease receivable	*5*	**(4,450,250)**	–
Loss on waiver of interest of factoring receivable	*5*	**2,000,855**	–
Interest expense		**4,559,605**	2,653,567
Net impairment losses recognised/(reversed)		**2,718,584**	(9,216,499)
Depreciation		**1,064,121**	2,008,834
Amortisation		**86,799**	99,689
Gain on disposal of property, plant and equipment	*8(b)*	**–**	(9,627)
Operating profit/(loss) before changes in working capital		**8,152,455**	(20,321,082)
Changes in working capital:			
Decrease in inventories		**1,914,907**	4,842,321
Increase in loans and receivables		**(162,340,991)**	(95,890,090)
Decrease/(increase) in finance lease receivables		**15,835,348**	(1,011,006)
Decrease in trade and other receivables		**4,759,707**	4,740,190
Increase/(decrease) in trade and other liabilities		**7,575,931**	(2,589,606)
Cash used in operations		**(124,102,643)**	(110,229,273)

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21. CASH AND CASH EQUIVALENTS (Continued)

(c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	2025					
	Bank loans RMB *(Note 22)*	Advance from a related party RMB *(Note 22)*	Other borrowings from third parties RMB *(Note 22)*	Interest payables (included in trade and other liabilities) RMB	Lease liabilities RMB *(Note 24)*	Total RMB
As at 1 January 2025	53,287,871	15,000,000	60,000,000	44,345	826,909	129,159,125
Changes from financing cash flow:						
Proceeds from borrowings	100,266,640	46,900,000	–	–	–	147,166,640
Repayment of borrowings	(30,020,000)	(46,900,000)	–	–	–	(76,920,000)
Other interest paid	(1,321,591)	–	(1,068,181)	(44,345)	–	(2,434,117)
Capital element of lease rentals paid	–	–	–	–	(461,369)	(461,369)
Interest element of lease rentals paid	–	–	–	–	(17,243)	(17,243)
Total changes from financing cash flows	68,925,049	–	(1,068,181)	(44,345)	(478,612)	67,333,911
Other changes:						
Increase in lease liabilities from entering into new leases during the year	–	–	–	–	307,057	307,057
Interest expense	1,321,591	–	1,068,181	1,574,607	17,243	3,981,622
Disposal of subsidiaries	(30,134,511)	(15,000,000)	(60,000,000)	(750,473)	(672,597)	(106,557,581)
As at 31 December 2025	93,400,000	–	–	824,134	–	94,224,134

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21. CASH AND CASH EQUIVALENTS (Continued)

(c) Reconciliation of liabilities arising from financing activities (Continued)

	2024					
	Bank loans RMB *(note 22)*	Advance from a related party RMB *(note 22)*	Other borrowings from third parties RMB *(note 22)*	Interest payables (included in trade and other liabilities) RMB	Lease liabilities RMB *(note 24)*	Total RMB
As at 1 January 2024	9,000,000	–	–	11,257	1,097,640	10,108,897
Changes from financing cash flow:						
Proceeds from borrowings	46,307,871	15,000,000	70,000,000	–	–	131,307,871
Repayment of borrowings	(2,020,000)	–	(10,000,000)	–	–	(12,020,000)
Other interest paid	(725,210)	–	(1,501,957)	(11,257)	–	(2,238,424)
Capital element of lease rentals paid	–	–	–	–	(474,529)	(474,529)
Interest element of lease rentals paid	–	–	–	–	(43,405)	(43,405)
Total changes from financing cash flows	43,562,661	15,000,000	58,498,043	(11,257)	(517,934)	116,531,513
Other changes:						
Increase in lease liabilities from entering into new leases during the year	–	–	–	–	203,798	203,798
Interest expense	725,210	–	1,501,957	44,345	43,405	2,314,917
As at 31 December 2024	53,287,871	15,000,000	60,000,000	44,345	826,909	129,159,125

(d) Total cash outflow for leases

Amounts included in the consolidated statement of cash flows for leases comprise the following:

	2025 RMB	2024 RMB
Within financing cash flows	**478,612**	517,934

These amounts relate to the following:

	2025 RMB	2024 RMB
Lease rentals paid	**478,612**	517,934

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22. BORROWINGS

	Notes	2025 RMB	2024 RMB
Bank loans			
– secured	*(i)*	–	7,000,000
– guaranteed	*(ii)*	93,400,000	19,980,000
– secured and guaranteed	*(i)(ii)*	–	26,307,871
		93,400,000	53,287,871
Other borrowings			
– advance from a related party	*(iii)*	–	15,000,000
– borrowings from third parties	*(iv)*	–	60,000,000
		–	75,000,000
Total		93,400,000	128,287,871

Analysis for reporting purpose as:

	2025 RMB	2024 RMB
Non-current liabilities	53,800,000	31,307,871
Current liabilities	39,600,000	96,980,000
	93,400,000	128,287,871

(i) As of 31 December 2024, one loan amounted to RMB7,000,000 was interest bearing of 4% per annum, repayable according to the repayment schedule by June 2028 and was secured by pledge of certain property, plant and equipment of the Group with carrying amounts of RMB44,318,151 as detailed in note 13(i).

As of 31 December 2024, loans amounted to RMB26,307,871 were interest bearing of 0.1% to 3.1% per annum, repayable according to the repayment schedule by December 2032 and were secured by pledge of certain land use right of the Group with carrying amounts of RMB21,586,399 as detailed in note 13(ii).

(ii) As of 31 December 2025, loans amounted to RMB93,400,000 (2024: RMB46,287,871) was interest bearing of 3.00% to 3.65% (2024: 0.10% to 3.10%). In accordance with the repayment schedule, the borrowings are repayable quarterly from March 2026 to September 2028, and was guaranteed by Fujian Septwolves Group Co., Ltd., a related company of the Company. Details are disclosed in note 30 to the consolidated financial statements.

(iii) As of 31 December 2024, advance from a related company, Fujian Septwolves Group Co., Ltd., amounted to RMB15,000,000 was interest bearing of 4% per annum and repayable within 1 year.

(iv) As of 31 December 2024, borrowings from certain independent third parties amounted to RMB60,000,000 was interest bearing of 5% per annum and repayable within 1 year.

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22. BORROWINGS (Continued)

As at 31 December 2025 and 2024, the borrowings were repayable as follows:

	2025 RMB	2024 RMB
Within one year	**39,600,000**	96,980,000
After 1 year but within 2 years	**29,600,000**	2,000,000
After 2 year but within 5 years	**24,200,000**	12,536,603
After 5 years	**–**	16,771,268
	93,400,000	128,287,871

The ranges of effective interest rates on the borrowings are as follows:

	2025 RMB	2024 RMB
Range of interest rates	**3.00%-3.65%**	0.10%-5.00%

23. TRADE AND OTHER LIABILITIES

	Notes	2025 RMB	2024 RMB
Non-current liabilities			
Guaranteed deposits from lessees	*(i)*	**12,764,499**	3,622,000
VAT payable		**122**	91,947
		12,764,621	3,713,947
Current liabilities			
Guaranteed deposits from lessees	*(i)*	**201,800**	1,570,043
VAT payable and other tax payable		**6,454,755**	6,613,798
Accounts payable	*(ii)*	**268,514**	262,611
Accrued staff costs		**1,692,768**	3,838,105
Accrued liabilities		**307,424**	1,241,603
Trade payable	*(iii)*	**–**	911,668
Payables for purchase of property, plant and equipment		**–**	1,265,277
Other payables		**1,671,706**	2,065,691
		10,596,967	17,768,796
Total		**23,361,588**	21,482,743

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23. TRADE AND OTHER LIABILITIES (Continued)

(i) Guaranteed deposits from lessees for reporting purpose:

	2025 RMB	2024 RMB
Current portion	**201,800**	1,570,043
Non-current portion	**12,764,499**	3,622,000
Total	**12,966,299**	5,192,043

(ii) The accounts payable on 31 December 2025 are RMB268,514 (2024: RMB262,611), to be repaid to certain equipment suppliers under the leased assets repurchase arrangements. As such, there was no relevant invoice or demand notes as the basis to the ageing analysis. Alternatively, from the perspective of credit term, all the accounts payable were payable on demand.

(iii) As at 31 December 2024, the ageing analysis of trade payables amounted to RMB769,613, based on the invoice date, is within 3 months; RMB38,114 is within 3 to 6 months; RMB72,496 is within 6 to 12 months; and RMB31,445 is over 12 months. Due to the Completion of Disposal disclosed in notes 4 and 29, there is no trade payables as at 31 December 2025.

24. LEASE LIABILITIES

As at 31 December 2025, the lease liabilities were repayable as follows:

	2025 RMB	2024 RMB
Within 1 year	**–**	293,133
After 1 year but within 2 years	**–**	311,406
After 2 years but within 5 years	**–**	222,370
	–	533,776
	–	826,909

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25. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Income tax payable

	Notes	2025 RMB	2024 RMB
At the beginning of the year		**4,712,893**	2,699,416
Provision for income tax for the year		**1,488,910**	1,596,003
Income tax (paid)/refunded		**(2,447,666)**	417,474
At the end of the year		**3,754,137**	4,712,893

(b) Deferred tax assets and liabilities recognised:

(i) Movement of each component of deferred tax assets and liabilities

The components of deferred tax assets and liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

Deferred tax arising from:	Allowance for impairment losses RMB	Revenue recognition RMB	Fair value change gains and losses RMB	Asset-related government grant RMB	Tax losses RMB	Others RMB	Total RMB
At 1 January 2024	6,561,628	(1,082,077)	905,085	507,572	–	507,270	7,399,478
Charged to profit or loss from continuing operations	(2,337,590)	(300,679)	(615,853)	–	–	(20,798)	(3,274,920)
Credited/(Charged) to profit or loss from discontinued operation	33,465	–	(325)	(55,704)	–	18,367	(4,197)
At 31 December 2024 and at 1 January 2025	4,257,503	(1,382,756)	288,907	451,868	–	504,839	4,120,361
(Charged)/credited to profit or loss from continuing operations	(1,457,325)	205,378	(289,231)	–	7,874,687	(93)	6,333,416
(Charged)/credited to profit or loss from discontinued operation	(46,932)	–	324	(27,852)	–	125,034	50,574
Disposal of subsidiaries	(42,323)	–	–	(424,016)	–	(629,780)	(1,096,119)
At 31 December 2025	**2,710,923**	**(1,177,378)**	**-**	**-**	**7,874,687**	**-**	**9,408,232**

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25. INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

(b) Deferred tax assets and liabilities recognised: (Continued)

(ii) Reconciliation to the consolidated statement of financial position

	2025 **RMB**	2024 RMB
Deferred tax assets	**10,585,610**	5,503,117
Deferred tax liabilities	**(1,177,378)**	(1,382,756)
Net deferred tax assets recognised in the consolidated statement of financial position	**9,408,232**	4,120,361

(c) Deferred tax liabilities not recognised

At 31 December 2025, temporary differences relating to the undistributed profits of subsidiaries amounted to RMB62,524,390 (2024: RMB45,235,105). Deferred tax liabilities of RMB6,252,439 (2024: RMB4,523,511) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that these profits will not be distributed in the foreseeable future.

(d) Deferred tax assets not recognised

At 31 December 2024, temporary differences relating to the loss of segment of manufacture and sale of vinegar and other condiment products amounted to RMB55,959,648. Deferred tax assets of RMB13,989,912 have not been recognised in respect of cumulative tax losses as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses will expire within 5 years when such losses were incurred under current tax legislation.

(e) Deferred tax assets recognised

During the year ended 31 December 2025, deferred tax assets of RMB7,874,687 (2024:nil) were recognised in respect of unused tax losses with amount of RMB31,498,748 (2024:nil) to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

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26. CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

The Company	Share capital RMB	Share premium RMB	Exchange reserve RMB	Accumulated losses RMB	Total equity RMB
Balance at 1 January 2024	2,301,857	238,097,760	15,975,610	(39,423,488)	216,951,739
Changes in equity for 2024					
Total comprehensive income/(loss) for the year	–	–	4,706,818	(2,446,512)	2,260,306
Balance at 31 December 2024 and 1 January 2025	2,301,857	238,097,760	20,682,428	(41,870,000)	219,212,045
Changes in equity for 2025					
Total comprehensive loss for the year	–	–	(5,278,276)	(2,011,732)	(7,290,008)
At 31 December 2025	2,301,857	238,097,760	15,404,152	(43,881,732)	211,922,037

(b) Dividends

There were no dividends payable or proposed to equity shareholders of the Company attributable to the years ended 31 December 2025 and 2024.

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26. CAPITAL, RESERVES AND DIVIDENDS (Continued)

(c) Share capital

	2025 Number of shares	2025 RMB	2024 Number of shares	2024 RMB
Ordinary shares, issued and fully paid:				
At 1 January	**270,000,000**	**2,301,857**	270,000,000	2,301,857
At 31 December	**270,000,000**	**2,301,857**	270,000,000	2,301,857

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(d) Share premium

The share premium represents the difference between the par value of the shares of the Company and consideration for the issuance of the shares of the Company. Under the Companies Law of the Cayman Islands, the share premium account of the Company is distributed to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company would be in a position to pay off its debts as they fall due in the ordinary course of business.

(e) Reserves

(i) Capital reserve

The capital reserve mainly represented the difference between the share capital and share premium of the Company and the paid-in capital of Xiamen Baiying, net of the increase of RMB1,321,238 in the Group's total equity arising from reorganisation in prior years.

(ii) Surplus reserve

The entities established in the PRC are required to appropriate 10% of its net profit, as determined under the China Accounting Standards for Business Enterprises and other relevant regulations issued by the Ministry of Finance of the PRC ("**MOF**"), to the statutory surplus reserve until the balance reaches 50% of the registered capital.

Subject to the approval of equity holders of the entities established in the PRC, statutory surplus reserves may be used to net off against accumulated losses, if any, and may be converted into capital, provided that the balance of statutory surplus reserve after such capitalisation is not less than 25% of the registered capital before capitalisation.

After making the appropriation to the statutory surplus reserve, the Group may also appropriate its net profit to the discretionary surplus reserve upon approval by shareholders.

(iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

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26. CAPITAL, RESERVES AND DIVIDENDS (Continued)

(f) Distributability of reserves

At 31 December 2025, the aggregate amount of reserves available for distribution to owners of the Company was RMB194,216,028 (2024: RMB196,227,760).

(g) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for equity holders/shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between a higher equity holder/shareholders returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

There were no changes in the Group's approach to capital management during the year ended 31 December 2025.

27. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, market and liquidity risks arise in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practice used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk arises from a customer's inability or unwillingness to meet its financial obligations to make timely payments. Credit risk is considered as one of the most significant risk to the Group's business operations. Management therefore carefully manages its exposure to credit risk. Credit risk primarily arises from finance leasing business.

Credit risk management

The Group establishes industry risk management framework and measurements which the Group will perform research by industry, implement credit evaluation, estimate the value on lease assets, monitor lessee business status and evaluate the impact from change in technology to lease assets, to strengthen the credit risk control and management.

The Group enters into transactions only with recognised and creditworthy third parties. In accordance with the policies of the Group, the Group examines and verifies the credit risk of all customers with which the Group has credit transactions. In addition, the Group monitors and controls the leases receivable regularly to mitigate the risk of significant exposures from non-performing assets. The Group reduces the loss from non – performing assets through legal remedies such as litigation or arbitration, or achieves rapid realisation through disposing of non-performing assets to independent third-party asset management companies.

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27. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

Measurement of Expected Credit Loss (ECL)

In accordance with HKFRS 9, the Group classifies finance lease receivables and loans and receivables into three stages and makes provisions for expected credit losses, accordingly, depending on whether credit risk on that financial assets has increased significantly since initial recognition.

(i) *Stage of financial instruments*

The three stages are defined as follows:

– Stage I (12-month ECL): A financial instrument of which the credit risk has not significantly increase since initial recognition. The amount equal to 12-month ECL is recognised as loss allowance;

– Stage II (Lifetime ECL not credit-impaired): A financial instrument with a significant increase in credit risk since initial recognition but is not considered to be credit-impaired, indicators usually include financial asset overdue more than 31 days but less than 91 days. The amount equal to lifetime ECL is recognised as loss allowance; and

– Stage III (Lifetime ECL credit-impaired): A financial instrument is considered to be credit-impaired as at statement of financial position date, indicators usually include financial asset overdue more than 91 days. The amount equal to lifetime ECL is recognised as loss allowance.

(ii) *Description of parameters, assumptions, and estimation techniques*

ECL is measured at an amount equal to 12-month ECL or lifetime ECL depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired.

ECL is the product of the Probability of Default ("**PD**"), Loss Given Default ("**LGD**"), and Exposure at Default ("**EAD**"), considering the time value of money. Related definitions are as follows:

– Probability of Default (PD): is an estimate of the likelihood of default over 12 months or lifetime horizon;

– Loss Given Default (LGD): is the proportion of the loss arising on default to the exposure at default;

– Exposure at Default (EAD): represents the expected exposure in the event of a default. The EAD of a financial asset is its gross carrying amount at the time of default.

The assumptions underlying the ECL calculation, such as how the PDs and LGDs change are periodically monitored and reviewed by the Group. These figures are generally derived from internally developed statistical models and other historical data and they are adjusted to reflect probability – weighted forward-looking information.

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27. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

Measurement of Expected Credit Loss (ECL) (Continued)

(iii) Forward-looking information contained in ECL

According to the risk characteristics of financial assets, the Group identifies macro indicators related to credit risks, and establishes regression models. The Group uses forward-looking information that is available without undue cost or effort and predict the macro-economic assumptions. External information includes macro-economic data, forecast information issued by government or regulatory agencies, for example, gross domestic fixed investment, consumer price index and M2 money supply, etc. The Group measures PD as a weighted average of PD under optimistic, neutral and pessimistic scenarios, with the combination of the LGD of different business, the Group calculates the forward-looking adjusted ECL.

As at the end of 2025, the Group conducted stress testing on the macro-economic data used in forward-looking measurement. When the weights of optimistic scenario increase by 10% and neutral scenario decrease by 10% or pessimistic scenario increase by 10% and neutral scenario decrease by 10%, the impact on the Group's ECL is insignificant.

Other financial assets of the Group include cash and cash equivalents, trade receivable and other financial assets. The credit risk of these financial assets arises from the counterparty's inability to meet its obligations. The maximum exposure to credit risk is equal to the carrying amounts of these assets.

Maximum credit risk exposure

Maximum exposure to credit risk before collateral held and other credit enhancement is as follows:

	2025 RMB	2024 RMB
Financial assets		
Loans and receivables	**333,481,003**	173,107,189
Finance lease receivables	**948,586**	15,422,904
Trade and other receivables	**1,091,195**	8,401,997
Cash and cash equivalents	**34,460,168**	19,730,061
	369,980,952	216,662,151

The above table represents a worst case scenario of credit risk exposure to the Group as at 31 December 2025 and 2024, without taking account of any collateral held or other credit enhancements attached.

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27. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

Concentration risk of credit exposure

An analysis of finance lease receivables by industry is set out below:

	2025 RMB	%	2024 RMB	%
Services	**3,867,302**	**77%**	3,867,302	9%
Wholesale and retailing	**1,161,378**	**23%**	36,600,371	87%
Manufacturing	**–**	**–**	1,827,066	4%
Construction	**–**	**–**	23,621	*
Total	**5,028,680**	**100%**	42,318,360	100%

An analysis of loans and receivables by industry is set out below:

Factoring receivables

	2025 RMB	%	2024 RMB	%
Wholesale and retailing	**–**	**–**	2,120,907	52%
Manufacturing	**1,983,050**	**100%**	1,983,050	48%
Total	**1,983,050**	**100%**	4,103,957	100%

Receivables from sales-leaseback

	2025 RMB	%	2024 RMB	%
Rental and business services	**130,615,270**	**38%**	24,949,590	14%
Manufacturing	**15,488,254**	**5%**	22,829,237	13%
Wholesale and retailing	**82,263,875**	**24%**	101,556,952	57%
Ecological protection and environmental management	**769,483**	*****	819,483	*
Services	**48,725,868**	**14%**	6,244,099	3%
Transportation, warehousing and postal services	**19,217,697**	**6%**	5,956,777	3%
Real estate	**13,550,519**	**4%**	15,551,637	9%
Others	**29,230,595**	**9%**	1,353,687	1%
	339,861,561	**100%**	179,261,462	100%

* Below 1%

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27. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

Receivables from sales-leaseback (Continued)

The following table provides information about the Group's overall ECL rate for trade receivables:

	As at 31 December 2025			As at 31 December 2024		
	Expected loss rate	**Gross carrying Amount**	**Loss Allowance**	Expected loss rate	Gross carrying Amount	Loss Allowance
Current (not past due)	**0.41%**	**574,777**	**2,330**	2.93%	5,668,166	166,257
Past due within 1 year	**5.00%**	**113,196**	**5,659**	8.75%	2,184,796	191,078
Past due over 1 year but within 2 years	**–**	**–**	**–**	10.00%	53,079	5,308
		687,973	**7,989**		7,906,041	362,643

The following table provides information about the Group's overall ECL rate for loans and receivables:

	As at 31 December 2025			As at 31 December 2024		
	Expected loss rate	**Gross carrying amount**	**Loss allowance**	Expected loss rate	Gross carrying amount	Loss allowance
Factoring receivables						
Stage II	**–**	**–**	**–**	30%	2,120,907	636,272
Stage III	**100%**	**1,983,050**	**1,983,050**	100%	1,983,050	1,983,050
		1,983,050	**1,983,050**		4,103,957	2,619,322
Receivables from sale-leaseback transaction						
Stage I	**1.81%**	**337,372,567**	**6,120,140**	1.54%	171,142,830	2,632,596
Stage III	**10.46%**	**2,488,994**	**260,418**	61.66%	8,118,632	5,006,312
		339,861,561	**6,380,558**		179,261,462	7,638,908
		341,844,611	**8,363,608**		183,365,419	10,258,230

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27. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

Receivables from sales-leaseback (Continued)

The following table provides information about the Group's overall ECL rate for finance lease receivables:

	As at 31 December 2025			As at 31 December 2024		
	Expected loss rate	Gross carrying amount	Loss allowance	Expected loss rate	Gross carrying amount	Loss allowance
Stage I	**1.84%**	**629,625**	**11,596**	1.57%	1,214,364	19,082
Stage III	**92.49%**	**4,399,055**	**4,068,498**	65.39%	41,103,996	26,876,374
		5,028,680	**4,080,094**		42,318,360	26,895,456

The following table provides information about the Group's overall ECL rate for other receivables:

	As at 31 December 2025			As at 31 December 2024		
	Expected loss rate	Gross carrying amount	Loss allowance	Expected loss rate	Gross carrying amount	Loss allowance
Stage I	**48.29%**	**776,613**	**375,053**	42.03%	1,252,952	526,650

In addition, the Group performs impairment assessment under ECL model on other receivables based on the credit spread at 12-month ECL. As at 31 December 2025 and 2024, the Group's bank balances are substantially deposited with major financial institutions incorporated in the PRC, of which the management believes are high credit quality without significant credit risk.

(b) Market risk

Market risk arises when the adverse changes in market prices (and interest rates) lead to losses from the Group's business. The Group's market risk mainly arises from currency risk and interest rate risk.

(i) Currency risk

As the Group's principal activities are carried out in the PRC, the Group's transactions are mainly denominated in Renminbi, which is not freely convertible into foreign currencies. All foreign exchange transactions involving Renminbi must take place through the People's Bank of China or other institutions authorised to buy and sell foreign exchange. The exchange rates adopted for the foreign exchange transactions are the rates of exchange quoted by the People's Bank of China that are determined largely by supply and demand.

The Group's exposure to currency risk primarily arises from cash balances denominated in a foreign currency, i.e. a currency other than the functional currency of the operation to which the transaction related. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded during the assessment.

The directors consider the Group's exposure to foreign currency risk is not significant during the reporting period.

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27. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) Market risk (Continued)

(ii) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rate. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rate. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its cash flow risks.

The following table details the interest rate profile of the Group's interest-bearing financial instruments as at 31 December 2025 and 2024.

	2025 RMB	2024 RMB
Fixed rate financial instruments		
Financial assets/(liabilities)		
Loans and receivables	**333,481,003**	173,107,189
Finance lease receivables	**948,586**	15,422,904
Bank borrowings	**(93,400,000)**	(53,287,871)
Other borrowings	**–**	(75,000,000)
Lease liabilities	**–**	(826,909)
	241,029,589	59,415,313
Variable rate financial instruments:		
Financial assets		
Cash and cash equivalents	**34,460,168**	19,730,061
Net exposure	**275,489,757**	79,145,374

The following table illustrates the potential impact of a parallel upward or downward shift of 100 basis points in all financial instruments' yield rate on the Group's retained profits, based on the Group's positions of variable interest-generating assets at the end of 31 December 2025 and 2024.

	2025 RMB	2024 RMB
Retained profits		
+ 100 basis points	**258,451**	147,975
– 100 basis points	**(258,451)**	(147,975)

(iii) price risk

The Group's price risk arises from wealth management products (2024: arises from wealth management products and listed securities in the PRC) whose fair values are affected by changes in market prices, including equity prices, interest rates and prices of underlying investment assets. If the market prices of the underlying assets had been 10% higher/lower (2024: higher/lower), all other variables held constant, the Group's profit before income tax for the year ended 31 December 2025 would increase/decrease by RMB342,423 (2024: loss before income tax would decrease/increase by RMB338,286), mainly due to the change in fair value of these bank wealth management products.

For the year ended 31 December 2025
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27. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) Liquidity risk

Management regularly monitors the Group's liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and long term. The Company has obtained the financial supporting from its substantial shareholder to provide sufficient financial resources to the Company so as to enable the Company both to meet in full its financial obligations as they fall due and to carry on its normal business without a significant curtailment of operations for a period of at least twelve months from the date of this consolidated financial statements. The following tables show the remaining contractual maturities at the end of the each reporting period of the Group's financial assets and financial liabilities, which are based on contractual undiscounted cash flows and the earliest date the Group can be required to pay:

	Indefinite/ Overdue/ On demand RMB	Within 1 year RMB	1 to 2 years RMB	2 to 5 years RMB	Total undiscounted Cash flows RMB	Carrying amounts RMB
Loans and receivables	**4,657,755**	**131,649,920**	**76,979,879**	**164,557,639**	**377,845,193**	**333,481,003**
Finance lease receivables	**4,402,940**	**653,320**	**100**	**–**	**5,056,360**	**948,586**
Trade and other receivables	**1,361,041**	**113,196**	**–**	**–**	**1,474,237**	**1,091,195**
Financial assets at fair value through profit or loss	**3,424,228**	**–**	**–**	**–**	**3,424,228**	**3,424,228**
Cash and cash equivalent	**34,460,168**	**–**	**–**	**–**	**34,460,168**	**34,460,168**
Total financial assets	**48,306,132**	**132,416,436**	**76,979,979**	**164,557,639**	**422,260,186**	**373,405,180**
Borrowings	**–**	**42,990,546**	**31,590,974**	**25,114,447**	**99,695,967**	**93,400,000**
Trade and other liabilities	**1,940,220**	**201,800**	**3,647,095**	**9,117,404**	**14,906,519**	**14,906,519**
Total financial liabilities	**1,940,220**	**43,192,346**	**35,238,069**	**34,231,851**	**114,602,486**	**108,306,519**
Net exposure	**46,365,912**	**89,224,090**	**41,741,910**	**130,325,788**	**307,657,700**	**265,098,661**

	As at 31 December 2024						
	Indefinite/ Overdue/ On demand RMB	Within 1 year RMB	1 to 2 years RMB	2 to 5 years RMB	Over 5 years RMB	Total undiscounted Cash flows RMB	Carrying amounts RMB
Loans and receivables	14,441,679	57,607,872	1,290,100	134,733,950	–	208,073,601	173,107,189
Finance lease receivables	43,609,836	653,320	653,320	–	–	44,916,476	15,422,904
Trade and other receivables	842,121	6,627,021	1,728,800	93,348	–	9,291,290	8,401,997
Financial assets at fair value through profit or loss	13,211,970	–	–	–	–	13,211,970	13,211,970
Cash and cash equivalent	19,730,061	–	–	–	–	19,730,061	19,730,061
Total financial assets	91,835,667	64,888,213	3,672,220	134,827,298	–	295,223,398	229,874,121
Borrowings	–	100,052,988	2,465,684	14,337,793	17,723,118	134,579,583	128,287,871
Trade and other liabilities	539,937	5,535,353	1,008,962	2,613,038	–	9,697,290	9,697,290
Lease liabilities	–	321,805	327,170	225,265	–	874,240	826,909
Total financial liabilities	539,937	105,910,146	3,801,816	17,176,096	17,723,118	145,151,113	138,812,070
Net exposure	91,295,730	(41,021,933)	(129,596)	117,651,202	(17,723,118)	150,072,285	91,062,051

(Expressed in Renminbi unless otherwise indicated)

27. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) Fair values

(i) Financial assets and liabilities measured at fair value

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

- Level 3 valuations: Fair value measured using significant unobservable inputs.

Fair value hierarchy:

	At 31 December 2025			
	Level 1 RMB	**Level 2 RMB**	**Level 3 RMB**	**Total RMB**
Financial assets at fair value through profit or loss				
– Wealth management products	**–**	**3,424,228**	**–**	**3,424,228**

	At 31 December 2024			
	Level 1 RMB	Level 2 RMB	Level 3 RMB	Total RMB
Financial assets at fair value through profit or loss				
– Wealth management products	–	3,382,858	–	3,382,858
– Listed securities	9,829,112	–	–	9,829,112
	9,829,112	3,382,858	–	13,211,970

During the years ended 31 December 2025 and 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

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27. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) Fair values (Continued)

(ii) Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of wealth management products is determined with reference to the quotation published by the issuing bank as at the end of the year.

(iii) Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The fair value of financial assets and financial liabilities which are at amortised cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in financial statements approximate their fair values due to short maturity.

28. COMMITMENTS

Commitments outstanding at 31 December 2025 not provided for in the consolidated financial statements were as follows:

	2025 **RMB**	2024 RMB
Contracted for:		
Assets under construction	**–**	9,508,224

29. DISPOSAL OF SUBSIDIARIES

As described in note 4, on 27 March 2025, the Vendor and the Purchaser entered into a sale and purchase agreement of the Disposal which was completed on 13 June 2025. Upon the Completion, the Disposal Target Group ceased to be subsidiaries of the Company and the financial results of the Disposal Target Group were no longer consolidated into the financial statements of the Group.

The net assets of the Disposal Target Group disposed of at the date of Completion were as follows:

	As at date of Completion RMB
Property, plant and equipment	**112,710,468**
Intangible assets	**209,108**
Deferred tax asset	**1,096,119**
Financial assets at fair value through profit or loss	**242,670**
Trade and other receivables	**16,215,765**
Cash and cash equivalent	**771,666**
Inventory	**15,825,587**
Bank and other borrowings	**(105,134,511)**
Trade and other liabilities	**(63,241,863)**
Lease liabilities	**(672,597)**
Net liabilities disposed of	**(21,977,588)**

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(Expressed in Renminbi unless otherwise indicated)

29. DISPOSAL OF SUBSIDIARIES (Continued)

Gain on disposal of subsidiaries

	2025 RMB
Cash consideration	**13,450,000**
Costs on expense upon the Disposal	**(473,070)**
Net proceeds received from the Disposal	**12,976,930**
Add: Net liabilities disposed of	**21,977,588**
Gain on disposal of subsidiaries*	**34,954,518**

* As at the date of Completion, the net proceeds received from the Disposal was RMB12,976,930, and the net liabilities of the Disposal Target was RMB21,977,588, resulted in gain on disposal of subsidiaries with amount of RMB34,954,518, which was recorded in other reserve in the consolidated financial statements of the Group as the disposal of subsidiaries was considered as an equity transaction.

Net cash inflow arising from the Disposal

	2025 RMB
Cash consideration	**13,450,000**
Costs on expense upon the Disposal	**(473,070)**
Net proceeds received from the Disposal	**12,976,930**
Less: Cash and bank balances disposed of	**(771,666)**
Net cash inflow arising from the Disposal	**12,205,264**

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30. MATERIAL RELATED PARTY TRANSACTIONS

(a) Name and relationship with related parties

Relationship	Name of the entities
One of ultimate controlling shareholders of the Group	Mr. Zhou Yongwei (周永偉先生)
A company controlled by Zhou Yongwei, Zhou Shaoxiong and Zhou Shaoming who are blood brothers and jointly control the Septwolves Group Holding	Septwolves Group Holding Co., Ltd.* (七匹狼控股集團股份有限公司) (“**Septwolves Group Holding**”)
	Fujian Septwolves Group Co., Ltd.* (福建七匹狼集團有限公司) (“**Fujian Septwolves Group**”)
	Xiamen Septwolves Asset Management Co., Ltd.* (廈門七匹狼資產管理有限公司) (“**Septwolves Asset Management**”)
	Xiamen Huakai Fugui Property Management* (廈門花開富貴物業管理有限公司) (“**Huakai Fugui Property Management**”)
	Henghe Property (Fujian) Co., Ltd. (恒禾物業(福建)有限公司)* (“**Henghe Property**”)
	(Xiamen) Aviation Food Co., Ltd.* (聯華(廈門)航空食品有限責任公司) (“**Lianhua Food**”)
	Quanzhou Henghe Investment Development Co., Ltd.* (泉州市恒禾投資發展有限公司) (“**Henghe Investment**”)
	Xiamen Huakai Jixiang Property Management* (廈門花開吉祥物業管理有限公司) (“**Huakai Jixiang Property Management**”)
	Xiamen Zhipuxing Information Service Co., Ltd.* (廈門知璞行信息服務有限公司) (“**Xiamen Zhipuxing Information**”)
	Sichuan Qingxiangyuan Condiments Co., Ltd.* (四川清香園調味品股份有限公司) (“**Sichuan Qingxiangyuan**”)
	Septwolves Group Finance Co., LTD* (福建七匹狼集團財務有限公司) (“**Fujian Septwolves Group Finance**”)
	Fujian Septwolves Industry Co., Ltd.* (福建七匹狼實業股份有限公司) (“**Fujian Septwolves Industry**”)

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30. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) Name and relationship with related parties (Continued)

Relationship	Name of the entities
A company controlled by Zhou Yongwei, Zhou Shaoxiong and Zhou Shaoming who are blood brothers and jointly control the Septwolves Group Holding (Continued)	Rich & Fortune (Hong Kong) Investment Co., Limited* (滙鑫富（香港）投資有限公司) ("**Rich & Fortune (Hong Kong) Investment**")
A company controlled by Zhou Yongwei and Chen Xinwei	Fujian Baiying Pawn Co., Ltd.* (福建百應典當有限公司) ("**Fujian Baiying Pawn**")
A company controlled by Zhou Yongwei	Quanzhou Baiying Investment Holding Co., LTD* (泉州市百應投資控股有限公司) ("**Quanzhou Baiying Investment Holding**")
A company controlled by Chen Xinwei	Xiamen Siming Baiying Small Loan Co., LTD* (廈門思明百應小額貸款有限公司) ("**Xiamen Siming Baiying Small Loan**")
One of shareholders of the Group	Zijiang Capital Limited ("**Zijiang Capital**")
A company of which 50% interest held by Ke Jinding	Fujian Jingong Machinery Co., Ltd.* (福建晉工機械有限公司) ("**Jingong Machinery**")

* The English translation of the names of these entities is for reference only. The official names of the entities are in Chinese.

(b) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Group's directors as disclosed in note 10 and certain of the highest paid employees as disclosed in note 11, is as follows:

	2025 RMB	2024 RMB
Short-term employee benefits	**1,173,326**	1,281,356
Post-employment benefits	**61,610**	69,751
	1,234,936	1,351,107

Total remuneration is included in "staff costs" (see note 8(a)).

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30. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(c) Related party transactions

The Group entered into below transactions in the ordinary course of business under normal commercial terms and at the market rates.

	2025 RMB	2024 RMB
Interest expense and guarantee fee		
– Septwolves Group Holding	–	40,283
– Fujian Septwolves Group	300,311	103,372
Rental and property management fee		
– Septwolves Asset Management	252,433	122,400
– Huakai Fugui Property Management	–	51,398
– Henghe Property	–	243,340
– Lianhua Food	–	113,284
– Henghe Investment	2,571	–
– Huakai Jixiang Property Management	109,956	–
Service fee		
– Septwolves Group Holding	–	56,202
– Xiamen Zhipuxing Information	81,836	
Purchase of condiment products		
– Sichuan Qingxiangyuan	–	823,230
Sales commission income		
– Sichuan Qingxiangyuan	–	731,797
Sales income		
– Sichuan Qingxiangyuan	–	306,740
– Fujian Baiying Pawn	–	276
– Fujian Septwolves Group Finance	–	6,045
– Fujian Septwolves Industry	–	96,478
– Septwolves Group Holding	–	47,055
– Quanzhou Baiying Investment Holding	–	1,312
– Huakai Fugui Property Management	–	3,873
– Xiamen Siming Baiying Small Loan	–	506

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30. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(d) Balance with related parties

	2025 RMB	2024 RMB
Trade related		
Trade receivables		
– Sichuan Qingxiangyuan	–	58,656
– Septwolves Group Holding	–	4,292
Other receivables		
– Septwolves Asset Management	–	18,960
Prepayment for leased assets		
– Jingong Machinery	**68,557**	68,557
Deposit for rental and property management		
– Septwolves Asset Management	**29,298**	29,298
– Huakai Jixiang Property Management	**9,651**	9,651
– Lianhua Food	–	4,500
Accounts payable and trade payable		
– Sichuan Qingxiangyuan	–	43,984
– Septwolves Group Holding	–	56,288
– Lianhua Food	–	18,900
– Huakai Jixiang Property Management	**2,000**	–
– Septwolves Asset Management	**3,903**	–
Non-trade related		
Other receivables		
– Zijiang Capital	**97,448**	99,910
– Sichuan Qingxiangyuan	–	7,189
Other payables		
– Jingong Machinery	**16,657**	3,062
– Septwolves Group Holding	–	3,286
– Rich & Fortune (Hong Kong) Investment	–	55,562
– Xiamen Zhipuxing Information	**86,746**	–
Interest receivables from a related party		
– Fujian Septwolves Group	–	14,795
Payable for guarantees		
– Fujian Septwolves Group	–	58,292
Advances from a related party		
– Fujian Septwolves Group	–	15,000,000

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(Expressed in Renminbi unless otherwise indicated)

30. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(e) Guarantees provided by related parties

The guarantees provided by related party to the Group as the end of the year were as follows:

	2025 RMB	2024 RMB
– Fujian Septwolves Group	**265,000,000**	120,000,000

31. COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	Notes	2025 RMB	2024 RMB
Non-current assets			
Interests in subsidiaries		**226,145,452**	231,769,850
Current assets			
Cash and cash equivalents		**41,804**	21,279
Current liabilities			
Other liabilities		**14,265,219**	12,579,084
Net current liabilities		**(14,223,415)**	(12,557,805)
Total assets less current liabilities		**211,922,037**	219,212,045
NET ASSETS		**211,922,037**	219,212,045
CAPITAL AND RESERVES			
Share capital	*26(c)*	**2,301,857**	2,301,857
Share premium		**238,097,760**	238,097,760
Reserves		**(28,477,580)**	(21,187,572)
TOTAL EQUITY	*26(a)*	**211,922,037**	219,212,045

The financial statements were approved by the board of directors on 25 March 2026 and were signed on its behalf by:

Huang Dake
Director

Lin Zhenyan
Director

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32. EVENTS AFTER THE REPORTING DATE

There were no significant events after the reporting period that require additional disclosure or adjustments.

33. POSSIBLE IMPACT OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE FOR THE PERIOD ENDED 31 DECEMBER 2025

Up to the date of issue of new and these consolidated financial statements, the HKICPA has issued a number of new and amendments to HKFRS Accounting Standards, which are not yet effective for the year ended 31 December 2025 and which have not been early adopted in these consolidated financial statements. These developments include the following which may be relevant to the Group.

		Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosures in Financial Statements	1 January 2027
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

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

HKFRS 18 Presentation and Disclosure of Financial Statements

HKFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. Whilst many of the requirements will remain consistent, the new standard introduces new requirements to present specified categories and defined subtotals in the consolidated statement of comprehensive income; provide disclosures on management-defined performance measures in the notes to the consolidated financial statements and improve aggregation and disaggregation of information to be disclosed in the primary financial statements and the notes. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the consolidated statement of comprehensive income and disclosures in the future financial statements. The Group is currently assessing the impact that HKFRS 18 will have on the Group's consolidated financial statements.

Definitions

In this report, unless the context otherwise requires, the following terms shall have the meanings set out below.

"AGM"	the annual general meeting of the Company to be held at Unit 2, 18/F, No. 77 Tai Nan Road, Siming District, Xiamen, Fujian Province, the PRC at 10 a.m. on 24 June 2026
"Articles" or "Articles of Association"	the amended and restated articles of association of the Company as amended from time to time
"Baishun IT"	Xiamen Baishun Information Technology Limited* (廈門市柏順信息科技有限公司), a company established in the PRC on 18 February 2025, a subsidiary of the Company
"Baiying Paper"	Fujian Baiying Paper Product Co., Ltd.* (福建百應紙業有限公司), a company established in the PRC on 13 January 2021, a subsidiary of the Company
"Board" or "Board of Directors"	the board of Directors of the Company
"BVI"	the British Virgin Islands
"China" or "PRC"	the People's Republic of China, but for the purpose of this annual report and for geographical reference only and except where the context requires, references in this report to "China" and "PRC" do not apply to Taiwan, Macau Special Administrative Region and Hong Kong
"Company"	Baiying Holdings Group Limited (百應控股集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 5 June 2017, the Shares of which are listed on GEM (stock code: 8525)
"Controlling Shareholder(s)"	has the meaning ascribed thereto under the GEM Listing Rules and in case of the Company, refers to Septwolves Holdings, Mr. Zhou Yongwei, Mr. Zhou Shaoxiong and Mr. Zhou Shaoming
"CRM"	customer relationship management
"Director(s)"	the director(s) of the Company
"Fujian Province" or "Fujian"	Fujian Province (福建省), a province located in the southeastern coast of China
"Fujian Septwolves Group"	Fujian Septwolves Group Co., Ltd.* (福建七匹狼集團有限公司), a company established in the PRC, is approximately 37.82% owned by Mr. Zhou Yongwei, a controlling Shareholder, 31.09% owned by Mr. Zhou Shaoxiong and 31.09% owned by Mr. Zhou Shaoming
"GEM"	GEM of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"Group","we", "us" or "our"	the Company and its subsidiaries from time to time

"HDK Capital"	HDK Capital Limited, a company incorporated in BVI with limited liability on 26 May 2017
"HKFRSs"	Hong Kong Financial Reporting Standards
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Branch Share Registrar"	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company
"Hong Kong dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Independent Third Party(ies)"	independent third party(ies) who are not connected person(s) (as defined in the GEM Listing Rules) of the Company and are independent of and not connected with the Company and its Directors, chief executive, and any shareholder who is entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company, or any of its subsidiaries or their respective associates
"Jingong Machinery"	Fujian Jingong Machinery Co., Ltd.* (福建晉工機械有限公司), a company established in the PRC with limited liability on 27 August 1993, which was owned as to 50% by Mr. Ke Jinding, non-executive Director and 50% by Mr. Ke Shuiyuan
"Listing Date"	18 July 2018, the day on which the Shares dealings in the Shares first commenced on GEM
"Prospectus"	the prospectus of the Company dated 30 June 2018 in connection with the Share Offer
"Qiaoxin"	Fujian Yongchun Qiaoxin Brewing Co., Ltd. (福建永春僑新釀造有限責任公司), a company established in the PRC on 23 April 2020, a former indirectly wholly-owned subsidiary of the Company before the disposal
"Reporting Period"	the period for year ended 31 December 2025
"RMB"	Renminbi, the lawful currency for the time being of the PRC
"SaaS"	Software as a Service
"Septwolves Group Holding"	Septwolves Group Holding Co., Ltd.* (七匹狼控股集團股份有限公司), a company incorporated in the PRC with limited liability on 25 February 2000, which is principally engaged in project investment and asset management
"Septwolves Holdings"	Septwolves Holdings Limited, a company incorporated in BVI with limited liability on 26 May 2017
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time

"Shanghai Baiying"	Shanghai Baiying Commercial Factoring Co., Ltd.* (上海百應商業保理有限責任公司), a company established in the PRC with limited liability on 11 January 2020, an indirectly wholly-owned subsidiary of the Company
"Share(s)"	ordinary share(s) with a par value of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Share Offer"	the offer of shares for subscription in Hong Kong pursuant to the terms of the Prospectus in 2018
"Shengshi Capital"	Shengshi Capital Limited, a company incorporated in BVI with limited liability on 26 May 2017
"SMEs"	small and medium-sized enterprise(s), as defined in the Statistics on the Measures for Classification of Large, Medium, Small and Miniature Enterprises (2017) (統計上大中小微型企業劃分辦法 (2017))
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"VAT"	Value added tax
"Xiamen Baiying"	Xiamen Baiying Leasing Co., Ltd.* (廈門百應融資租賃有限責任公司), a company established in the PRC with limited liability on 9 March 2010, an indirectly wholly-owned subsidiary of the Company
"Zijiang Capital"	Zijiang Capital Limited, a company incorporated in BVI with limited liability on 26 May 2017

* *for identification purpose only*

Baiying Holdings Group Limited
百應控股集團有限公司