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

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8525)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026 AND CONTINUED SUSPENSION OF TRADING

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Directors**") of Baiying Holdings Group Limited (the "**Company**" and its subsidiaries, the "**Group**") is pleased to announce the unaudited interim results of the Group for the six months ended 30 June 2026. This announcement, containing the full text of the 2026 interim report of the Company (the "**Report**"), complies with the relevant requirements of The Rules Governing the Listing of Securities on GEM (the "**GEM Listing Rules**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") in relation to information to accompany preliminary announcement of interim results. Printed version of the Report containing the information required by the GEM Listing Rules will be delivered to the shareholders of the Company (if needed) and available for viewing on the websites of the Stock Exchange at www.hkexnews.hk and of the Company at www.byleasing.com in due course.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company (the "**Shares**") on the Stock Exchange has been suspended with effect from 9:00 a.m. on 9 June 2025 and will remain suspended until the trading of the Shares is allowed to resume by the Stock Exchange after re-compliance with Rule 17.26 of the GEM Listing Rules, fulfilment of the resumption guidance and full compliance with the GEM Listing Rules to the satisfaction of the Stock Exchange.

Further announcement(s) will be made by the Company to update the shareholders of the Company on the progress of the resumption as and when appropriate and in accordance with the requirements of the GEM Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

By Order of the Board
Baiying Holdings Group Limited
Zhou Shiyuan
Chairman

Fujian Province, the PRC, 17 August 2026

As of the date of this announcement, the executive Directors are Mr. Zhou Shiyuan, Mr. Huang Dake and Ms. Lin Zhenyan; the non-executive Director is Mr. Ke Jinding; and the independent non-executive Directors are Mr. Li Yao, Mr. Tu Liandong and Mr. Xie Mianbi.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange's website at www.hkexnews.hk for at least 7 days from the date of its posting and on the Company's website at www.byleasing.com.

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

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Definitions

In this report, unless the context otherwise requires, the following terms shall have the meanings set out below.

"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
"Director(s)"	the director(s) of the Company
"Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited
"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, 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
"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

"Reporting Period"	the six months ended 30 June 2026
"RMB"	Renminbi, the lawful currency for the time being of the PRC
"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
"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)
"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

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
Mr. Tu Liandong
Mr. Xie Mianbi

AUDIT COMMITTEE

Mr. Tu Liandong *(Chairman)*
Mr. Xie Mianbi
Mr. Ke Jinding

REMUNERATION COMMITTEE

Mr. Xie Mianbi *(Chairman)*
Mr. Li Yao
Mr. Huang Dake

NOMINATION COMMITTEE

Mr. Xie Mianbi *(Chairman)*
Mr. Tu Liandong
Ms. Lin Zhenyan

JOINT COMPANY SECRETARIES

Ms. Shi Jingyi
Ms. Kwan Lok Yan *(ACG, HKACG)*

AUTHORISED REPRESENTATIVES

Mr. Huang Dake
Ms. Kwan Lok Yan

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COMPANY’S WEBSITE

www.byleasing.com

STOCK CODE

8525

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1001-1010, North Tower
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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

Agricultural Bank of China (Dongdu Branch)
No. 77 Dongdu Road
Siming District, Xiamen
Fujian Province
PRC

China Everbright Bank (Xiamen Branch)
China Everbright Bank Building
No. 81 Hubin South Road
Siming District, Xiamen
Fujian Province
PRC

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

Management Discussion and Analysis

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 on developing the finance leasing business, we also actively look for opportunities to expand into other areas of business. In February 2025, we 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 as part of our financial services. This line of business has been contributing to the Group's revenue since then.

In January 2021, we commenced our packaging and paper products trading business.

We served 134 customers located in 21 provinces in China for the six months ended 30 June 2026. Our revenue increased from approximately RMB16.8 million for the six months ended 30 June 2025 to approximately RMB40.6 million for the six months ended 30 June 2026. We recorded a profit of approximately RMB15.5 million for the six months ended 30 June 2026, as compared to a profit of approximately RMB4.8 million for the six months ended 30 June 2025. For the six months ended 30 June 2026, (i) revenue generated from our financial services was approximately RMB34.0 million among which the revenue generated from our financial information services was approximately RMB18.1 million; and (ii) revenue generated from packaging and paper products trading was approximately RMB6.7 million.

Financial Services

Finance Leasing Services

We primarily offer two types of finance leasing services to our customers, namely, direct finance leasing and sale-leaseback. Direct finance leasing is mainly used to satisfy the needs of our customers to commence new projects, expand production, or 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 a sale-leaseback transaction, our customers sell the assets they own to us to finance their working capital, and we lease those assets back to them. Typically, we enter into finance leasing agreements with our customers that sets out major terms, including the leased asset, purchase price, lease term, payment schedule, security deposit (if any), management fee (if any), title transfer clause and insurance for the leased asset, which are usually borne 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 six months ended 30 June 2026, our revenue from finance leasing services was approximately RMB15.9 million, accounting for approximately 39.1% of our total revenue.

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

	For the six months ended 30 June 2026	For the year ended 31 December 2025
Average monthly balance of interest-generating receivables arising from finance leasing services *(RMB'000)*		
– Direct finance leasing	**2,135**	929
– Sale-leaseback	**440,896**	204,277
Range of interest rate per annum		
– Direct finance leasing	**7.2% to 12.8%**	7.2% to 12.5%
– Sale-leaseback	**6.3% to 15.6%**	6.5% to 15.6%

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

	As of 30 June 2026 ***RMB'000***	As of 31 December 2025 *RMB'000*
Neither overdue nor credit-impaired	**2,935**	630
Overdue but not credit-impaired		
– Overdue within 30 days (inclusive)	**–**	–
– Overdue 31 to 90 days (inclusive)	**–**	–
– Overdue above 90 days	**–**	–
Overdue and credit-impaired	**4,359**	4,399
Net amount of finance lease receivables	**7,294**	5,029
Allowances for impairment losses	**(4,142)**	(4,080)
Carrying amount of finance lease receivables	**3,152**	949

Our net amount of finance lease receivables classified as overdue and credit-impaired decreased slightly from approximately RMB4,399,000 as of 31 December 2025 to approximately RMB4,359,000 as of 30 June 2026 mainly because of the recovery of overdue finance lease receivables.

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

	As of 30 June 2026 *RMB'000*	As of 31 December 2025 *RMB'000*
Neither overdue nor credit-impaired	**483,171**	337,373
Overdue but not credit-impaired		
– Overdue within 30 days (inclusive)	**–**	–
– Overdue 31 to 90 days (inclusive)	**–**	–
– Overdue above 90 days	**–**	–
Overdue and credit-impaired	**2,278**	2,488
Net amount of receivables from sale-leaseback transaction	**485,449**	339,861
Allowances for impairment losses	**(8,865)**	(6,380)
Carrying amount of finance lease receivables	**476,584**	333,481

Our receivables from sale-leaseback transaction classified as overdue and credit-impaired decreased from approximately RMB2.5 million as of 31 December 2025 to approximately RMB2.3 million as of 30 June 2026 mainly due to the recovery of 3 items of receivables of approximately RMB0.7 million from sale-leaseback transactions that were overdue for more than 90 days, partially offset by the addition of 2 items of receivables of approximately RMB0.5 million.

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 30 June 2026			
	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	**2,935**	**–**	**4,359**	**7,294**
Allowances for impairment losses	**(53)**	**–**	**(4,089)**	**(4,142)**
Carrying amount of finance lease receivables	**2,882**	**–**	**270**	**3,152**
Receivables from sale-leaseback transaction	**483,171**	**–**	**2,278**	**485,449**
Allowances for impairment losses	**(8,586)**	**–**	**(279)**	**(8,865)**
Carrying amount of receivables from sale-leaseback transaction	**474,585**	**–**	**1,999**	**476,584**

	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

Factoring Services
For the six months ended 30 June 2026, 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 periods indicated:

	For the six months ended 30 June 2026 ***RMB'000***	For the year ended 31 December 2025 *RMB'000*
Average monthly balance of factoring receivables *(RMB'000)*	**1,983**	1,983
Range of interest rate	**8%**	8%

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

	As of 30 June 2026 Stage I 12-month ECL *RMB'000*	Stage II Lifetime ECL *RMB'000*	Stage III Lifetime ECL *RMB'000*	Total *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 2025 Stage I 12-month ECL *RMB'000*	Stage II Lifetime ECL *RMB'000*	Stage III Lifetime ECL *RMB'000*	Total *RMB'000*
Factoring receivables	–	–	1,983	1,983
Allowances for impairment losses	–	–	(1,983)	(1,983)
Carrying amount of factoring receivables	–	–	–	–

Financial Information Services

We have been providing financial information services to small and medium-sized financial consultancies in China through Baishun IT since February 2025. Such services are software-centric, consultation-supported technology solutions. We assist financial consultancies to reach entities with financing needs and swiftly and accurately distribute the matched finance leasing needs to those consultancies.

For the six months ended 30 June 2026, revenue from financial information services was approximately RMB18.1 million, accounting for approximately 44.4% of our total revenue.

Packaging and Paper Products Trading

We conducted our packaging and paper products trading business through Baiying Paper since January 2021. For the six months ended 30 June 2026, 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 six months ended 30 June 2026, revenue from sales of packaging and paper products was approximately RMB6.7 million, accounting for approximately 16.4% of our total revenue.

The cost of sales of packaging and paper products was approximately RMB6.6 million for the six months ended 30 June 2026, all of which consisting of procurement cost of approximately RMB6.6 million.

For the six months ended 30 June 2026, the gross profit of packaging and paper products trading business was approximately RMB0.1 million and the gross profit margin was approximately 1.2%.

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 six months ended 30 June 2026:

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 six months ended 30 June 2026.
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 six months ended 30 June 2026.
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 six months ended 30 June 2026.
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 six months ended 30 June 2026.
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 six months ended 30 June 2026.
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 six months ended 30 June 2026.
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 six months ended 30 June 2026.
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 six months ended 30 June 2026.

Key requirements	Compliance status
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 six months ended 30 June 2026.
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 six months ended 30 June 2026.
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 fixed-income securities investment business carried out by a finance leasing company shall not exceed 20% of its net assets. The aggregate balance of the finance leasing businesses conducted by the finance leasing company with a single lessee or a single related party shall not exceed 30% of its net assets. The aggregate balance of the finance leasing businesses conducted by the finance 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 finance leasing company and the aggregate balance of the finance leasing businesses conducted by the finance leasing company with such shareholder shall not exceed 30% of its net assets.	Our Group complied with such requirement for the six months ended 30 June 2026.

Financial Overview

Results of Operations

Revenue

Our revenue consists of interest income, income from financial information services, 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; our income from financial information services 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 derived from sales of packaging paper. The following table sets forth our revenue by business type for the periods indicated:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Interest income:		
Finance leasing services	**15,897**	7,353
– Direct finance leasing	**106**	35
– Sale-leaseback	**15,791**	7,318
Income from financial information services:	**18,062**	4,330
Income from packaging and paper products trading business:		
Sales of packaging paper	**6,682**	5,073
Total	**40,641**	16,756

Our revenue increased from approximately RMB16.8 million for the six months ended 30 June 2025 to approximately RMB40.6 million for the six months ended 30 June 2026 mainly due to (i) the increase in income from our financial information services of approximately RMB13.7 million; (ii) the increase in income from our finance leasing services of approximately RMB8.5 million; and (iii) the increase in income from packaging and paper products trading business of approximately RMB1.6 million.

Other Income, Other Gains and Losses

Our other income, other gains and losses mainly consists of 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 approximately RMB2.2 million for the six months ended 30 June 2025 to RMB-0.06 million for the six months ended 30 June 2026 primarily due to (i) the decrease in investment income of approximately RMB0.4 million; and (ii) gain on disposal of one finance lease receivable with amount of approximately RMB4.5 million and loss on waiver of the interest portion of one factoring receivable with amount of approximately RMB2.0 million, which accured during the six months ended 30 June 2025 but not during the six months ended 30 June 2026.

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 0.81 times as of 30 June 2026. The gearing ratio is a measure of financial leverage. It represents total interest-bearing borrowings divided by total equity as of 30 June 2026.

Our interest expenses increased from approximately RMB0.9 million for the six months ended 30 June 2025 to approximately RMB3.9 million for the six months ended 30 June 2026 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 periods indicated:

	For the six months ended 30 June	
	2026 ***RMB'000***	2025 *RMB'000*
Staff cost	**1,760**	1,496
Legal expenses	**218**	220
Business travel and transportation expenses	**71**	38
Amortisation cost of intangible assets	**45**	31
Depreciation charge		
– owned property, plant and equipment	**5**	4
– right-of-use assets	**362**	117
Auditor's remuneration	**353**	368
Consulting expenses	**325**	83
Sundry expenses	**944**	518
Total administrative expenses	**4,083**	2,875

Our administrative expenses increased from approximately RMB2.9 million for the six months ended 30 June 2025 to approximately RMB4.1 million for the six months ended 30 June 2026 mainly due to (i) the increase in staff cost of approximately RMB0.3 million; (ii) the increase in depreciation expense of right-of-use assets of approximately RMB0.2 million, which arose from the expansion of office premises; and (iii) the increase in consulting expenses of approximately RMB0.2 million.

Selling and Distribution Expenses

Our selling and distribution expenses for the six months ended 30 June 2026 was approximately RMB0.04 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 periods indicated:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Finance lease receivables	**63**	949
Trade and other receivables	**74**	(154)
Loans and receivables	**2,485**	(708)
Total net impairment losses recognised	**2,622**	87

Our net impairment losses recognised increased from approximately RMB87,000 for the six months ended 30 June 2025 to approximately RMB2.6 million for the six months ended 30 June 2026 primarily due to the increase in loans and receivables.

For the six months ended 30 June 2026, 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 8 customers. We will commence legal or arbitral proceedings against all relevant counterparties once other means of debt recovery has failed, and we will apply 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 at 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 11 and 12 to the condensed 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 work 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 six months ended 30 June 2026, 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

Our income tax expense increased from income tax credit of approximately RMB7.0 million for the six months ended 30 June 2025 to income tax expense approximately RMB5.5 million for the six months ended 30 June 2026 primarily due to the increase in profit from financial services.

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 Period

We recorded a profit of RMB15.5 million for the six months ended 30 June 2026, as compared to a profit of RMB4.8 million for the six months ended 30 June 2025, primarily due to the noticeable increase in revenue from our financial services.

Liquidity and Capital Resources

We primarily fund 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 businesses 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 periods indicated:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Cash and cash equivalents at the beginning of the period	**34,460**	19,730
Net cash flows used in operating activities	**(120,640)**	(77,215)
Net cash flows generated from investing activities	**2,948**	49,825
Net cash flows generated from financing activities	**128,005**	33,188
Net increase in cash and cash equivalents	**10,313**	5,798
Effect of foreign exchange rate changes	**(1)**	(17)
Cash and cash equivalents at the end of the period	**44,772**	25,511

Net cash flows used in operating activities

For the six months ended 30 June 2026, we had net cash used in operating activities of approximately RMB120.6 million, primarily as a result of the combined effect of the changes in working capital, which consisted of: (i) the decrease in cash of approximately RMB143.1 million as a result of the substantial increase in loan and receivables; (ii) the decrease in cash of approximately RMB2.2 million as a result of the increase in finance lease receivables; (iii) the decrease in cash of approximately RMB7.0 million as a result of the increase in trade and other receivables; and (iv) the increase in cash of approximately RMB7.9 million as a result of the increase in trade and other liabilities.

Net cash flows generated from investing activities

For the six months ended 30 June 2026, our net cash generated from investing activities was approximately RMB2.9 million. Our cash inflow from investing activities was mainly derived from proceeds from disposal and redemption of investments of approximately RMB4.1 million. Our cash outflow from investing activities was mainly for the payments on acquisition of investments of approximately RMB1.2 million.

Net cash flows generated from financing activities

For the six months ended 30 June 2026, our net cash flows generated from financing activities was approximately RMB128.0 million. Our net cash flows generated from financing activities mainly consisted of proceeds from borrowings of approximately RMB283.6 million, partially offset by the repayment of borrowings of approximately RMB151.4 million.

Selected Items of the Condensed Consolidated Statement of Financial Position

	As of 30 June 2026 *RMB'000*	As of 31 December 2025 *RMB'000*
Non-current assets		
Finance lease receivables	**133**	–
Loans and receivables	**316,519**	230,734
Trade and other receivables	**1,528**	10
Property, plant and equipment	**947**	33
Intangible assets	**538**	583
Deferred tax assets	**7,665**	9,408
Total non-current assets	**327,330**	240,768
Current assets		
Finance lease receivables	**3,019**	949
Loans and receivables	**160,065**	102,747
Cash and cash equivalents	**44,772**	34,460
Trade and other receivables	**7,240**	1,742
Financial assets at fair value through profit or loss	**554**	3,424
Inventories	**225**	–
Total current assets	**215,875**	143,322
Current liabilities		
Borrowings	**35,000**	39,600
Trade and other liabilities	**11,757**	10,597
Income tax payable	**6,243**	3,754
Lease liabilities	**583**	–
Total current liabilities	**53,583**	53,951
Net current assets	**162,292**	89,371
Non-current liabilities		
Borrowings	**190,590**	53,800
Trade and other liabilities	**19,647**	12,765
Lease liabilities	**356**	–
Total non-current liabilities	**210,593**	66,565
Net assets	**279,029**	263,574

Our total current assets increased from approximately RMB143.3 million as of 31 December 2025 to approximately RMB215.9 million as of 30 June 2026 primarily due to the increase in loans and receivables, finance lease receivables, and cash and cash equivalents.

Our total current liabilities slightly decreased from approximately RMB54.0 million as of 31 December 2025 to approximately RMB53.6 million as of 30 June 2026 primarily due to the decrease in short-term borrowings.

Our net assets increased from approximately RMB263.6 million as of 31 December 2025 to approximately RMB279.0 million as of 30 June 2026 mainly due to the increase in profit for the period.

Finance Lease Receivables
Carrying amount of our finance lease receivables increased from approximately RMB0.9 million as of 31 December 2025 to approximately RMB3.2 million as of 30 June 2026. For the six months ended 30 June 2026, 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 from approximately RMB333.5 million as of 31 December 2025 to approximately RMB476.6 million as of 30 June 2026.

Inventories
Our inventories consist of goods in transit. As of 30 June 2026, inventories amounted to approximately RMB0.2 million.

Cash and Cash Equivalents
Cash and cash equivalents consist of our deposits with banks. Our cash and cash equivalents increased from approximately RMB34.5 million as of 31 December 2025 to approximately RMB44.8 million as of 30 June 2026 mainly due to the timely recovery of receivables from our finance leasing business.

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 30 June 2026 ***RMB'000***	As of 31 December 2025 *RMB'000*
Guaranteed deposits from lessees	**20,230**	12,966
VAT payable and other tax payable	**6,921**	6,455
Accounts payable	**266**	269
Accrued staff costs	**546**	1,693
Accrued liabilities	**296**	307
Contract liabilities	**1,037**	–
Other payables	**2,108**	1,672
Total trade and other liabilities	**31,404**	23,362

Our trade and other liabilities increased from approximately RMB23.4 million as of 31 December 2025 to approximately RMB31.4 million as of 30 June 2026. The increase is mainly due to the expansion of the finance leasing business, which led to an increase in guaranteed deposits received from lessees of approximately RMB7.3 million.

Financial Assets at Fair Value through Profit or Loss
For the six months ended 30 June 2026, 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 30 June 2026, the balance of wealth management products was approximately RMB0.6 million.

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

	As of 30 June 2026 ***RMB'000***[(1)]	As of 31 December 2025 *RMB'000*[(2)]
Bank borrowings:		
– within one year	**35,000**	39,600
– after one year but within two years	**–**	29,600
– after two years but within five years	**190,590**	24,200
Total	**225,590**	93,400

Notes:

(1) As of 30 June 2026, RMB20.0 million of the borrowings were guaranteed by a fellow subsidiary of the Group.

(2) As of 31 December 2025, RMB93.4 million of the borrowings were guaranteed by Fujian Septwolves Group.

Contingent Liabilities
As of 30 June 2026, we have no contingent liability.

Capital Expenditures
We did not have any capital expenditures for the six months ended 30 June 2026.

Capital Commitments
As of 30 June 2026, the Group had no outstanding commitments, contracted but not provided for in the financial statement.

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.

Off-balance Sheet Arrangements
As of 30 June 2026, we did not have any off-balance sheet arrangements.

MATERIAL INVESTMENTS, ACQUISITION AND DISPOSALS

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 six months ended 30 June 2026.

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 of 30 June 2026, we had no specific future plan for material investments or capital assets.

EMPLOYMENT AND EMOLUMENTS

As of the date of this report, our Group had 29 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 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 2026, we provide both online and offline training to our employees. In order to make the training more targeted and quantifiable, the Company provides training courses for all employees, covering areas such as finance, risk control, debt collection, industry research, and management skills. In addition, we have organized regular business and book-sharing sessions, where employees can choose topics on their own, conduct in-depth research, and present their findings to others. The sharing sessions not only encourage employees to pursue self-improvement during their spare time but also facilitate the sharing of successful experiences within the team. Through mentorship and mutual learning, we enhance interaction, improve the industry knowledge and overall competitiveness of our staff, and strengthen team cohesion.

CHARGES ON GROUP ASSETS

As of 30 June 2026, we did not have any charge over our assets.

PROSPECTS

In the face of a complex and volatile external environment and the impacts of technological changes, such as artificial intelligence, on traditional industries, the Group remains closely aligned with national policies and channels its capital and resources on its core financial services business. Leveraging its mature customer acquisition channels, credit assessment, and risk control systems, our finance leasing business has maintained steady growth while actively exploring business opportunities outside Fujian Province; meanwhile, our financial information services business has capitalized on the trend of digitalization to continuously expand into diversified financial service scenarios, offering more tailor-made integrated solutions to premium customers.

During the Reporting Period, the finance leasing and financial information services businesses of the Group have demonstrated synergistic effects. Our core finance leasing business continued to optimize its asset allocation structure, focusing on sectors such as new energy supporting equipment, construction machinery, textile equipment, and general production equipment. By serving state-owned enterprises and high-quality private enterprises with financing needs for equipment upgrades and technological transformation, the business has achieved steady growth; our financial information services business has successfully completed a smooth transition from exploratory phase to growth phase, achieving its milestone targets for customer acquisition. The paper business maintained stable operations, serving as a valuable contributor to the Group's revenue structure.

Looking ahead, the Group will continue to solidify the foundation of its finance leasing business while systematically advancing the development of its financial information services business, further unlocking the synergies between the two business lines in customer resources and risk control. We will continue to monitor macroeconomic policies and market developments, placing equal emphasis on compliant operations and risk management. We will continuously enhance our operational efficiency, serve the real economy, and create long-term value for our Shareholders and the society.

Other Information

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, internal controls and financial report matters, and the Company's policies and practices on corporate governance. This unaudited interim report has been reviewed by the Audit Committee. There is no disagreement by the Audit Committee with the accounting treatment adopted by the Company.

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 (including sale of treasury shares (as defined under the GEM Listing Rules), if any) during the Reporting Period. The Company did not have any treasury shares as at 30 June 2026.

INTERIM DIVIDEND

No dividend was paid, declared or proposed by the Group during the six months ended 30 June 2026.

COMPETING BUSINESS

None of the Directors, the Controlling Shareholders, or their respective close associates (as defined in the GEM Listing Rules) was engaged in any business which competes or was likely to compete, either directly or indirectly, with the business of the Company during the Reporting Period.

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 of the Company dated 30 June 2018.

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.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Our Group recognises the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of our Group so as to achieve high standards of corporate governance which are crucial to our development and safeguard the interests of our Shareholders. The Board and the management of the Company have adopted the code provisions (the "**Code Provisions**") of the Corporate Governance Code set out in Appendix C1 to the GEM Listing Rules and reviewed its corporate governance policies and compliance from time to time. During the Reporting Period, the Company has fully complied with the Code Provisions.

CONTINUING DISCLOSURE REQUIREMENTS UNDER THE GEM LISTING RULES

As of 30 June 2026, 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 report in accordance with Chapter 23 (including Rules 23.07 and 23.09) of the GEM Listing Rules.

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.

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, the day on which dealings in the Shares first commenced on GEM. As at the date hereof, the options available for grant by the Company are 27,000,000 Shares, representing 10% of the total issued Shares. As of 1 January 2026 and 30 June 2026, 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 30 June 2026, the Company has no outstanding share option under the Share Option Scheme.

EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any other material events after the Reporting Period.

UPDATES ON DIRECTORS' INFORMATION

There was no change in the information of the Directors required to be disclosed pursuant to Rule 17.50A(1) of the Listing Rules since the date of the Board meeting approving the 2025 annual report up to the date of the Board meeting approving this report.

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 dealings 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 throughout the Reporting Period. Pursuant to Rule 5.66 of the Code of Conduct, 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 was a Director.

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

As of 30 June 2026, 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 30 June 2026, 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 30 June 2026, 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:

Name	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 30 June 2026, 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 9 June 2025 and will remain suspended until the trading of the Shares is allowed to resume by the Stock Exchange after re-compliance with Rule 17.26 of the GEM Listing Rules, fulfilment of the resumption guidance and full compliance with the GEM Listing Rules to the satisfaction of the Stock Exchange.

Further announcement(s) will be made by the Company to update the Shareholders on the progress of the resumption as and when appropriate and in accordance with the requirements of the GEM Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Independent Review Report

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

INTRODUCTION

We have reviewed the interim financial report set out on pages 30 to 66 which comprises the condensed consolidated statement of financial position of Baiying Holdings Group Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") as of 30 June 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim Financial Reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on the interim financial report and to report our conclusion 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.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2026 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34.

Moore CPA Limited
Certified Public Accountants

Ng Ngai Yan
Practising Certificate Number: P07422

Hong Kong, 17 August 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 RMB (Unaudited)	 2025 RMB (Unaudited)
Continuing operations			
Sales revenue		**6,682,595**	5,072,847
Interest income		**15,896,796**	7,352,655
Service income		**18,061,918**	4,330,581
Revenue	*4*	**40,641,309**	16,756,083
Cost of sales and services		**(9,038,426)**	(4,962,051)
Other income and other gains or losses		**(64,849)**	2,158,785
Interest expenses		**(3,873,553)**	(883,948)
Impairment losses recognised	*6*	**(2,621,602)**	(87,296)
Administrative expense		**(4,082,907)**	(2,875,287)
Selling and distribution expenses		**(40,715)**	(33,055)
Profit before income tax	*7*	**20,919,257**	10,073,231
Income tax (expense)/credit	*8*	**(5,462,753)**	7,000,698
Profit for the period from continuing operations		**15,456,504**	17,073,929
Discontinued operation			
Loss for the period from discontinued operation	*5*	**–**	(12,302,136)
Profit for the period		**15,456,504**	4,771,793
Other comprehensive loss for the period, net of tax:			
Item that may be reclassified subsequently to profit or loss			
– Exchange differences on translation of financial statements of foreign operations		**(1,240)**	(17,383)
Total comprehensive income for the period		**15,455,264**	4,754,410

The notes on pages 36 to 66 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 19(a).

For the six months ended 30 June 2026

	Note	Six months ended 30 June	
		2026	2025
		RMB	RMB
		(Unaudited)	(Unaudited)
Profit/(loss) for the period from continuing operations attributable to:			
Equity shareholders of the Company		**15,566,396**	17,155,135
Non-controlling interests		**(109,892)**	(81,206)
		15,456,504	17,073,929
Profit/(loss) for the period attributable to:			
Equity shareholders of the Company		**15,566,396**	4,852,999
Non-controlling interests		**(109,892)**	(81,206)
		15,456,504	4,771,793
Total comprehensive income/(loss) for the period attributable to:			
Equity shareholders of the Company		**15,565,156**	4,835,616
Non-controlling interests		**(109,892)**	(81,206)
		15,455,264	4,754,410
Earnings per share	9		
From continuing and discontinued operations			
Basic and diluted (RMB cents)		**5.77**	1.80
From continuing operations			
Basic and diluted (RMB cents)		**5.77**	6.35

The notes on pages 36 to 66 form part of this interim financial report.

Condensed Consolidated Statement of Financial Position

At 30 June 2026

	Notes	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Non-current assets			
Property, plant and equipment	10	**946,507**	32,651
Intangible assets		**538,096**	582,897
Loans and receivables	11	**316,519,159**	230,734,455
Finance lease receivables	12	**133,023**	98
Trade and other receivables	13	**1,528,761**	9,651
Deferred tax assets		**7,664,939**	9,408,232
		327,330,485	240,767,984
Current assets			
Inventories	15	**224,559**	–
Loans and receivables	11	**160,064,692**	102,746,548
Finance lease receivables	12	**3,018,579**	948,488
Trade and other receivables	13	**7,240,578**	1,742,430
Financial assets at fair value through profit or loss	14	**554,179**	3,424,228
Cash and cash equivalents	16	**44,772,321**	34,460,168
		215,874,908	143,321,862
Current liabilities			
Borrowings	17	**35,000,000**	39,600,000
Trade and other liabilities	18	**11,757,689**	10,596,967
Lease liabilities		**582,735**	–
Income tax payable		**6,242,744**	3,754,137
		53,583,168	53,951,104
Net current assets		**162,291,740**	89,370,758
Total assets less current liabilities		**489,622,225**	330,138,742

The notes on pages 36 to 66 form part of this interim financial report.

At 30 June 2026

	Notes	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Non-current liabilities			
Borrowings	17	**190,590,000**	53,800,000
Lease liabilities		**356,348**	–
Trade and other liabilities	18	**19,646,492**	12,764,621
		210,592,840	66,564,621
NET ASSETS		**279,029,385**	263,574,121
CAPITAL AND RESERVES			
Share capital	19(b)	**2,301,857**	2,301,857
Share premium		**238,097,760**	238,097,760
Reserves		**36,507,313**	20,942,157
Total equity attributable to owners of the Company		**276,906,930**	261,341,774
Non-controlling interests		**2,122,455**	2,232,347
TOTAL EQUITY		**279,029,385**	263,574,121

Approved and authorised for issue by the board of directors on 17 August 2026.

Huang Dake
Director

Lin Zhenyan
Director

The notes on pages 36 to 66 form part of this interim financial report.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Attributable to equity shareholders of the Company									
	Share capital RMB	Share premium RMB	Capital reserve RMB	Surplus reserve RMB	Other reserve RMB	Exchange reserve RMB	(Accumulated losses)/ retained profits RMB	Total RMB	Non-controlling interests RMB	Total equity RMB
Balance at 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 the six months ended 30 June 2025:										
Profit/(loss) for the period	–	–	–	–	–	–	4,852,999	4,852,999	(81,206)	4,771,793
Other comprehensive loss	–	–	–	–	–	(17,383)	–	(17,383)	–	(17,383)
Total comprehensive (loss)/income	–	–	–	–	–	(17,383)	4,852,999	4,835,616	(81,206)	4,754,410
Disposal of subsidiaries *(Note 22)*	–	–	–	–	34,954,518	–	–	34,954,518	–	34,954,518
Balance at 30 June 2025 and 1 July 2025	2,301,857	238,097,760	(6,640,176)	10,139,301	34,954,518	1,504,235	(21,441,530)	258,915,965	2,340,891	261,256,856
Changes in equity for the six months ended 31 December 2025:										
Profit/(loss) for the year	–	–	–	–	–	–	2,305,891	2,305,891	(108,544)	2,197,347
Other comprehensive income	–	–	–	–	–	119,918	–	119,918	–	119,918
Total comprehensive income/(loss)	–	–	–	–	–	119,918	2,305,891	2,425,809	(108,544)	2,317,265
Appropriation to statutory reserve	–	–	–	446,407	–	–	(446,407)	–	–	–
Balance at 31 December 2025 and 1 January 2026	**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**
Changes in equity for the six months ended 30 June 2026:										
Profit/(loss) for the period	**-**	**-**	**-**	**-**	**-**	**-**	**15,566,396**	**15,566,396**	**(109,892)**	**15,456,504**
Other comprehensive loss	**-**	**-**	**-**	**-**	**-**	**(1,240)**	**-**	**(1,240)**	**-**	**(1,240)**
Total comprehensive (loss)/income	**-**	**-**	**-**	**-**	**-**	**(1,240)**	**15,566,396**	**15,565,156**	**(109,892)**	**15,455,264**
Balance at 30 June 2026	**2,301,857**	**238,097,760**	**(6,640,176)**	**10,585,708**	**34,954,518**	**1,622,913**	**(4,015,650)**	**276,906,930**	**2,122,455**	**279,029,385**

The notes on pages 36 to 66 form part of this interim financial report.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Notes	Six months ended 30 June **2026** **RMB** **(Unaudited)**	 2025 RMB (Unaudited)
Operating activities			
Cash used in operations		**(119,409,638)**	(76,025,523)
Taxes paid		**(1,230,853)**	(1,189,300)
Net cash used in operating activities		**(120,640,491)**	(77,214,823)
Investing activities			
Interest received from deposits with financial institutions		**82,404**	37,249
Proceeds from disposal and redemption of investments		**4,050,000**	20,333,446
Payments on acquisition of investments		**(1,170,000)**	(9,909,170)
Payments of purchase of intangible assets		**–**	(471,698)
Payments of purchase of property, plant and equipment		**(14,130)**	(88,339)
Repayment from a related party		**–**	27,718,265
Net proceeds received from disposal of subsidiaries	*22*	**–**	12,205,264
Net cash generated from investing activities		**2,948,274**	49,825,017
Financing activities			
Proceeds from borrowings		**283,590,000**	53,766,641
Repayment of borrowings		**(151,400,000)**	(20,020,000)
Payment of a loan security deposit	*13*	**(1,500,000)**	–
Capital element of lease rentals paid		**(327,640)**	(287,757)
Interest element of lease rentals paid		**(13,596)**	(16,004)
Other interest paid		**(2,343,154)**	(255,082)
Net cash generated from financing activities		**128,005,610**	33,187,798
Net increase in cash and cash equivalents		**10,313,393**	5,797,992
Cash and cash equivalents at 1 January		**34,460,168**	19,730,061
Effect of foreign exchange rate changes		**(1,240)**	(17,383)
Cash and cash equivalents at 30 June		**44,772,321**	25,510,670

The notes on pages 36 to 66 form part of this interim financial report.

Notes to the Unaudited Interim Financial Report

For the six months ended 30 June 2026

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

2. BASIS OF PREPARATION

This unaudited interim financial report has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange. It was authorised for issue on 17 August 2026.

The unaudited interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 3.

The preparation of an interim financial report in accordance with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This unaudited interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with HKFRS Accounting Standards.

3. CHANGES IN ACCOUNTING POLICIES

Application of amendments to HKFRS Accounting Standards

The Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA to this unaudited interim financial report for the current accounting period:

- Amendments to HKFRS 9 and HKFRS 7, Amendments to the Classification and Measurement of Financial Instruments

- Amendments to HKFRS 9 and HKFRS 7, Contracts Referencing Nature-dependent Electricity

- Amendments to HKFRS Accounting Standards, Annual Improvements to HKFRS Accounting Standards – Volume 11

This development does not have a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this unaudited interim financial report.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. 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 and sales of packaging and paper products in the People's Republic of China (the "PRC") during the reporting period. During six months ended 30 June 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 six months ended 30 June 2025 as follows does not include any amount for this discontinued operation, which is described in more details in Note 5:

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
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	**6,682,595**	5,072,847
Revenue from contract with customers within the scope of HKFRS 15, types of goods or services, recognised over time		
Service income		
Financial information services	**18,061,918**	4,330,581
Revenue from other source		
Interest income from		
Finance lease receivables	**105,563**	35,075
Receivables from sale – leaseback transaction under loans and receivables	**15,791,233**	7,317,580
	15,896,796	7,352,655
	40,641,309	16,756,083

For the six months ended 30 June 2026

4. REVENUE AND SEGMENT REPORTING (Continued)

(a) Disaggregation of revenue (Continued)

(i) The Group has no customer for six months ended 30 June 2026 and 2025 respectively, with whom transactions have exceeded 10% of the Group's aggregate revenues.

(ii) Revenue from sales of packaging and paper products is recognised when control of goods has transferred, being when the goods have been delivered as agreed in the sales contracts. Revenue from providing financial information services includes granting the right to access the financial information platforms and solutions to the customers and is recognised over time in accordance with the terms of the relevant contracts.

(b) Segment reporting

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 period ended 30 June 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 5 and 22. 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. Segment liabilities include borrowings, trade and other liabilities, lease liabilities, income tax payable with the exception of deferred tax 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.

4. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

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

The measure used for reporting segment profit or loss is “profit for the period”. To arrive at profit or loss for the period the Group’s profits or losses are further adjusted for items, such as other head office or corporate administration costs.

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 period is set out below:

	Six months ended 30 June 2026 (Unaudited)		
	Financial services RMB	Packaging and paper products trading RMB	Total RMB
Reportable segment revenue	**33,958,714**	**6,682,595**	**40,641,309**
Cost of sales and services	**(2,433,105)**	**(6,605,321)**	**(9,038,426)**
Other income, other gains and losses	**(64,849)**	**–**	**(64,849)**
Interest expenses	**(3,873,553)**	**–**	**(3,873,553)**
Impairment losses recognised	**(2,614,376)**	**(7,226)**	**(2,621,602)**
Administrative expense	**(3,230,657)**	**(8,938)**	**(3,239,595)**
Selling and distribution expenses	**–**	**(40,715)**	**(40,715)**
Reportable segment profit before income tax	**21,742,174**	**20,395**	**21,762,569**
Income tax expense	**(5,462,753)**	**–**	**(5,462,753)**
Reportable segment profit for the period	**16,279,421**	**20,395**	**16,299,816**
Reportable segment assets	**529,478,068**	**25,975,265**	**555,453,333**
Reportable segment liabilities	**262,655,338**	**21,258,696**	**283,914,034**

For the six months ended 30 June 2026

4. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

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

	Six months ended 30 June 2025 (Unaudited)		
	Financial services RMB	Packaging and paper products trading RMB	Total RMB
Reportable segment revenue	11,683,236	5,072,847	16,756,083
Cost of sales	–	(4,962,051)	(4,962,051)
Other income, other gains and losses	2,153,002	5,783	2,158,785
Interest expenses	(883,948)	–	(883,948)
Impairment losses (recognised)/reversed	(94,790)	7,494	(87,296)
Administrative expense	(2,591,825)	(82,716)	(2,674,541)
Selling and distribution expenses	–	(33,055)	(33,055)
Reportable segment profit before income tax	10,265,675	8,302	10,273,977
Income tax credit	6,998,397	2,301	7,000,698
Reportable segment profit for the period	17,264,072	10,603	17,274,675
Reportable segment assets	332,450,032	15,524,758	347,974,790
Reportable segment liabilities	87,929,119	10,322,779	98,251,898

(ii) Reportable segment profit or loss, assets and liabilities

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Profit for the period		
Reportable segment profit	**16,299,816**	17,274,675
Unallocated head office and corporate expenses	**(843,312)**	(200,746)
Consolidated profit	**15,456,504**	17,073,929

4. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(ii) Reportable segment profit or loss, assets and liabilities (Continued)

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Assets		
Continuing operations		
Reportable segment assets	**555,453,333**	375,880,830
Elimination of inter-segment receivables	**(20,033,650)**	(1,258,800)
	535,419,683	374,622,030
Deferred tax assets	**7,664,939**	9,408,232
Unallocated head office and corporate assets	**120,771**	59,584
Consolidated total assets	**543,205,393**	384,089,846
Liabilities		
Continuing operations		
Reportable segment liabilities	**283,914,034**	121,467,101
Elimination of inter-segment receivables	**(20,033,650)**	(1,258,800)
	263,880,384	120,208,301
Unallocated head office and corporate liabilities	**295,624**	307,424
Consolidated total liabilities	**264,176,008**	120,515,725

For the six months ended 30 June 2026

5. DISCONTINUED OPERATION

Loss for the period from discontinued operation:

	Six months ended 30 June 2025 RMB (Unaudited)
Loss for the period from:	
Manufacture and sale of vinegar and other condiment products *(Note)*	(12,302,136)

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"), 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 22.

The financial results for the period from 1 January 2025 to the date of Completion, which was a discontinued operation, included in the condensed consolidated statement of profit or loss and other comprehensive income and condensed consolidated statement of cash flows for the six months ended 30 June 2025 are set out below.

For the six months ended 30 June 2026

5. DISCONTINUED OPERATION (Continued)

	Six months ended 30 June 2025 RMB (Unaudited)
Sales revenue	2,008,462
Other revenue	687,480
Revenue	2,695,942
Cost of sales	(1,877,191)
Other income and other gains or losses	241,523
Interest expenses	(1,758,999)
Impairment losses reversed	187,729
Administrative expense	(6,177,741)
Selling and distribution expenses	(5,663,973)
Loss before income tax	(12,352,710)
Income tax credit	50,574
Loss for the period for discontinued operation	(12,302,136)

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

		Six months ended 30 June 2025 RMB (Unaudited)
(a)	**Staff cost**	
	Salaries, wages and other benefits	4,419,047
	Contributions to defined contribution retirement plan	604,240
	Subtotal	5,023,287
(b)	**Other items**	
	Amortisation cost of intangible assets	10,561
	Depreciation charge	
	– owned property, plant and equipment	2,236,131
	Less: transfer to inventories	(1,770,702)
	Charged to profit and loss	465,429
	– right-of-use assets	345,668
	Interest on lease liabilities	14,071
	Cost of inventories	1,877,191
	Legal expenses	77,025

For the six months ended 30 June 2026

5. DISCONTINUED OPERATION (Continued)

Cash flows from discontinued operation

	Six months ended 30 June 2025 RMB (Unaudited)
Net cash outflow from operating activities	(9,385,083)
Net cash inflow from investing activities	1,746,956
Net cash inflow from financing activities	1,652,488
Net cash outflow	(5,985,639)

6. IMPAIRMENT LOSSES RECOGNISED/(REVERSED)

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Continuing operations		
Loans and receivables	**2,484,767**	(707,919)
Finance lease receivables	**62,598**	949,006
Trade and other receivables	**74,237**	(153,791)
	2,621,602	87,296

For the six months ended 30 June 2026

7. PROFIT BEFORE INCOME TAX

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

	Note	Six months ended 30 June	
		2026	2025
		RMB	RMB
		(Unaudited)	(Unaudited)
Continuing operations			
(a) Staff cost			
Salaries, wages and other benefits		**3,814,462**	1,375,793
Contributions to defined contribution retirement plan		**354,721**	119,919
Subtotal		**4,169,183**	1,495,712
(b) Other items			
Gain on transfer of one finance lease receivable	*12*	**–**	(4,450,250)
Loss on waiver the interest part of one factoring receivable		**–**	2,000,855
Amortisation cost of intangible assets (included in administrative expenses)		**44,801**	31,437
Depreciation charge to profit or loss			
– owned property, plant and equipment		**4,835**	3,947
– right-of-use assets		**362,161**	117,326
Charged to profit and loss		**366,996**	121,273
Interest on lease liabilities		**13,596**	1,933
Auditor's remuneration		**353,045**	368,421
Legal expenses		**218,304**	220,184
Consulting expenses		**325,489**	82,895
Cost of inventories		**6,605,321**	4,962,051

For the six months ended 30 June 2026

8. INCOME TAX EXPENSE/(CREDIT)

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

	Six months ended 30 June	
	2026	2025
	RMB	RMB
	(Unaudited)	(Unaudited)
Continuing operations		
Current tax		
– PRC Enterprise Income Tax ("EIT") provision for the period	**3,744,425**	994,635
– Over-provision in respect of prior periods	**(24,965)**	(539,889)
Deferred tax		
– Reversal/(origination) of temporary differences	**1,743,293**	(7,455,444)
	5,462,753	(7,000,698)

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

	Six months ended 30 June	
	2026	2025
	RMB	RMB
	(Unaudited)	(Unaudited)
Profit before income tax	**20,919,257**	10,073,231
Tax on profit before income tax, calculated at the rates applicable in the jurisdictions concerned	**5,424,691**	2,452,725
Tax effect of non-deductible expenses	**1,605**	175,362
Tax effect of unused tax losses not recognised	**61,422**	48,604
Tax effect of deferred tax assets recognised	**–**	(9,137,500)
Over-provision in respect of prior period	**(24,965)**	(539,889)
Income tax expense/(credit) for the period	**5,462,753**	(7,000,698)

For the six months ended 30 June 2026

9. EARNINGS PER SHARE

The basic earnings per share for the period is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue of 270,000,000 (six months ended 30 June 2025: 270,000,000) during the interim period. There were no potential dilutive ordinary shares outstanding during the six months ended 30 June 2026 and 2025, and hence the diluted earnings per share are the same as basic earnings per share.

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

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Weighted average number of ordinary shares in issue during the period for basic earnings per share	**270,000,000**	270,000,000

(a) From continuing and discontinued operations

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

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Profit attributable to owners of the Company	**15,566,396**	4,852,999

(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:

	Six months ended 30 June	
	2026 RMB (Unaudited)	2025 RMB (Unaudited)
Profit attributable to owners of the Company	**15,566,396**	17,155,135

For the six months ended 30 June 2026

9. EARNINGS PER SHARE (Continued)

(c) From discontinued operations

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

	Six months ended 30 June	
	2026 **RMB** **(Unaudited)**	2025 RMB (Unaudited)
Loss attributable to owners of the Company	**N/A**	(12,302,136)
Loss per share Basic and diluted (RMB cents)	**N/A**	(4.56)

10. PROPERTY, PLANT AND EQUIPMENT

(a) Right-of-use assets

During the six months ended 30 June 2026, the Group entered into several lease agreements in the PRC, and therefore recognised the additions to right-of-use assets of RMB1,266,723 (six months ended 30 June 2025: RMB117,326).

(b) Acquisitions and disposals of owned assets

During the six months ended 30 June 2026, the Group acquired items of office equipment and machinery with a cost of RMB14,130 (six months ended 30 June 2025: RMB91,762).

During the six months ended 30 June 2026, no items of property, plant and equipment were disposed of by the Group. During the six months ended 30 June 2025, the Group disposed items of property, plant and equipment mainly resulted from the disposal of subsidiaries. Details refer to Notes 5 and 22.

(c) Impairment losses

No impairment loss of property, plant and equipment was recognised during the six months ended 30 June 2026 and 2025.

11. LOANS AND RECEIVABLES

	Notes	**As at 30 June 2026 RMB (Unaudited)**	As at 31 December 2025 RMB (Audited)
Factoring receivables with recourse		**1,983,050**	1,983,050
Less: Allowances for impairment losses	*(iv)*	**(1,983,050)**	(1,983,050)
Sub-total		**–**	–
Receivables from sale-leaseback transaction		**485,449,176**	339,861,561
Less: Allowances for impairment losses	*(iv)*	**(8,865,325)**	(6,380,558)
Sub-total		**476,583,851**	333,481,003
Total		**476,583,851**	333,481,003

Notes:

(i) The allowances for impairment losses of loans and receivables were provided on expected credit loss model. As at 30 June 2026, the overdue gross loans and receivables analysed by overdue period are as follows:

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Overdue above 90 days	**4,261,173**	4,472,044

For the six months ended 30 June 2026

11. LOANS AND RECEIVABLES (Continued)

Notes: (Continued)

(ii) Analysis for reporting purpose as:

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Non-current assets	**316,519,159**	230,734,455
Current assets	**160,064,692**	102,746,548
	476,583,851	333,481,003

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

	As at 30 June 2026 (Unaudited)			
	12-month ECL RMB	**Lifetime ECL (Not credit-impaired) RMB**	**Lifetime ECL (Credit-impaired) RMB**	**Total 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	**483,171,053**	**–**	**2,278,123**	**485,449,176**
Less: Allowances for impairment losses	**(8,586,419)**	**–**	**(278,906)**	**(8,865,325)**
Carrying amount of receivables from sale-leaseback transaction	**474,584,634**	**–**	**1,999,217**	**476,583,851**
Total carrying amount of loans and receivables	**474,584,634**	**–**	**1,999,217**	**476,583,851**

	As at 31 December 2025 (Audited)			
	12-month ECL RMB	Lifetime ECL (Not credit-impaired) RMB	Lifetime ECL (Credit-impaired) RMB	Total 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

11. LOANS AND RECEIVABLES (Continued)

Notes: (Continued)

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

	As at 30 June 2026 (Unaudited)			
	12-month ECL RMB	Lifetime ECL (Not credit-impaired) RMB	Lifetime ECL (Credit-impaired) RMB	Total RMB
Balance at 1 January	**6,120,140**	**–**	**2,243,468**	**8,363,608**
Transfer:				
Stage I to stage III	**(16,563)**	**–**	**16,563**	**–**
Net remeasurement of loss allowance	**7,940**	**–**	**15,107**	**23,047**
Partial settlement of receivables	**(899,456)**	**–**	**–**	**(899,456)**
New financial assets originated or purchased	**3,487,778**	**–**	**–**	**3,487,778**
Financial assets that have been derecognised due to settlement	**(113,420)**	**–**	**(13,182)**	**(126,602)**
Balance at 30 June (Unaudited)	**8,586,419**	**–**	**2,261,956**	**10,848,375**

	As at 31 December 2025 (Audited)			
	12-month ECL RMB	Lifetime ECL (Not credit-impaired) RMB	Lifetime ECL (Credit-impaired) 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 loses due to interest waiver	–	(636,272)	–	(636,272)
Charged to profit or loss	3,487,544	(636,272)	(884,094)	1,967,178
Write-offs	–	–	(3,861,800)	(3,861,800)
Balance at 31 December (Audited)	6,120,140	–	2,243,468	8,363,608

For the six months ended 30 June 2026

12. FINANCE LEASE RECEIVABLES

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Minimum finance lease receivables not later than one year		
Not later than one year	**7,336,387**	5,056,260
Later than one year and not later than five years	**137,441**	100
Gross amount of finance lease receivables	**7,473,828**	5,056,360
Less: Unearned finance income	**(179,534)**	(27,680)
Net amount of finance lease receivables	**7,294,294**	5,028,680
Less: Allowances for impairment losses	**(4,142,692)**	(4,080,094)
Carrying amount of finance lease receivables	**3,151,602**	948,586

Analysis for reporting purpose as:

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Non-current assets	**133,023**	98
Current assets	**3,018,579**	948,488
	3,151,602	948,586

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 RMB270,138 was arranged through an entrusted loan with properties as the collateral as at 30 June 2026 (31 December 2025: RMB270,138).

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.

12. FINANCE LEASE RECEIVABLES (Continued)

Overdue gross finance lease receivables analysed by overdue period:

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Overdue above 90 days	**4,359,442**	4,399,055

Finance lease receivables overdue related to a number of lessees failing to pay the instalments, but the Group could collect the remaining balance from lessees, the suppliers or the agents of the leased assets through guarantee or from the disposal of leased assets.

(a) Finance lease receivables and allowance for impairment losses

	As at 30 June 2026 (Unaudited)			
	12-month ECL RMB	**Lifetime ECL (Not credit-impaired) RMB**	**Lifetime ECL (Credit-impaired) RMB**	**Total RMB**
Net amount of finance lease receivables	**2,934,852**	**–**	**4,359,442**	**7,294,294**
Less: Allowances for impairment losses	**(53,388)**	**–**	**(4,089,304)**	**(4,142,692)**
Carrying amount of finance lease receivables	**2,881,464**	**–**	**270,138**	**3,151,602**

	As at 31 December 2025 (Audited)			
	12-month ECL RMB	Lifetime ECL (Not credit-impaired) RMB	Lifetime ECL (Credit-impaired) 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

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12. FINANCE LEASE RECEIVABLES (Continued)

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

	As at 30 June 2026 (Unaudited)			
	12-month ECL RMB	**Lifetime ECL (Not credit-impaired) RMB**	**Lifetime ECL (Credit-impaired) RMB**	**Total RMB**
Balance at 1 January	**11,596**	**–**	**4,068,498**	**4,080,094**
Net remeasurement of loss allowance	**47,448**	**–**	**20,806**	**68,254**
Partial settlement of receivables	**(5,656)**	**–**	**–**	**(5,656)**
Financial assets that have been derecognised due to settlement	**–**	**–**	**–**	**–**
Balance at 30 June (Unaudited)	**53,388**	**–**	**4,089,304**	**4,142,692**

	As at 31 December 2025 (Audited)			
	12-month ECL RMB	Lifetime ECL (Not credit-impaired) RMB	Lifetime ECL (Credit-impaired) RMB	Total 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)	–	–	(19,029,917)	(19,029,917)
Write-offs	–	–	(4,873,810)	(4,873,810)
Balance at 31 December (Audited)	11,596	–	4,068,498	4,080,094

Note:

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.

13. TRADE AND OTHER RECEIVABLES

	Notes	**As at 30 June 2026 RMB (Unaudited)**	As at 31 December 2025 RMB (Audited)
Non-current assets			
Rental deposits		**103,761**	9,651
Loan deposits	*(i)*	**1,500,000**	–
Less: allowances for impairment losses	*(ii)*	**(75,000)**	–
		1,425,000	–
		1,528,761	9,651
Current assets			
Trade receivables		**5,175,250**	687,973
Less: allowances for impairment losses	*(ii)*	**(7,226)**	(7,989)
	(iii)	**5,168,024**	679,984
Other receivables		**746,879**	776,613
Less: allowances for impairment losses	*(ii)*	**(375,053)**	(375,053)
		371,826	401,560
		5,539,850	1,081,544
Deductible value-added tax		**27,909**	165,966
Prepayment to a supplier	*(iv)*	**1,501,621**	–
Prepaid expenses		**102,641**	404,068
Prepayment for leased assets		**68,557**	90,852
		7,240,578	1,742,430
Total		**8,769,339**	1,752,081

Notes:

(i) It represents a loan security deposit of RMB1,500,000, which was placed into the borrower's account. This deposit serves as collateral for the Group's financing arrangement. The deposit is refundable subject to the fulfilment of contractual repayment obligations under the financing contract.

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13. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

(ii) Movements of allowances on loan deposits, trade receivables and other receivables

	As at 30 June 2026 (Unaudited)			As at 31 December 2025 (Audited)	
	Loan deposits RMB	**Trade receivables RMB**	**Other receivables RMB**	Trade receivables RMB	Other receivables RMB
At 1 January	**–**	**7,989**	**375,053**	362,643	526,650
Addition	**75,000**	**7,226**	**–**	–	262
Reversal	**–**	**(7,989)**	**–**	(190,873)	(146,348)
(Credited)/charged to profit or loss from continuing operations	**75,000**	**(763)**	**–**	(2,882)	(146,348)
(Credited)/charged to profit or loss from discontinuing operation	**–**	**–**	**–**	(187,991)	262
Disposal of subsidiaries	**–**	**–**	**–**	(163,781)	(5,511)
At 30 June/31 December	**75,000**	**7,226**	**375,053**	7,989	375,053

(iii) Ageing analysis of trade receivables

As of the end of the reporting period, the ageing analysis of trade receivables, net of allowances for impairment losses, based on invoice date, is as follows:

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Within 3 months	**5,168,024**	572,447
Over 3 months but within 6 months	**–**	107,537
Total	**5,168,024**	679,984

Trade receivables are due within 1-60 days from the date of billing. Trade receivable that are more than 60 days past due are requested to settle all outstanding balances before any further credit is granted.

(iv) Prepayment to a supplier represents amount paid in advance to a supplier for packing and paper products trading business. As at the date of issue of these condensed consolidated financial statements, the relevant goods have been received.

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14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Wealth management products *(note)*	**554,179**	3,424,228

Note: The above wealth management products were issued by commercial banks in the PRC. They were classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

15. INVENTORIES

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Finished goods	**224,559**	–

16. CASH AND CASH EQUIVALENTS

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Deposits with banks	**44,772,321**	34,460,168

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.

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17. BORROWINGS

	Notes	**As at 30 June 2026 RMB (Unaudited)**	As at 31 December 2025 RMB (Audited)
Bank loans			
– guaranteed	*(i)*	**20,000,000**	93,400,000
Other borrowings			
– borrowings from third parties	*(ii)*	**205,590,000**	–
Total borrowings		**225,590,000**	93,400,000

Analysis for reporting purpose as:

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Non-current liabilities	**190,590,000**	53,800,000
Current liabilities	**35,000,000**	39,600,000
	225,590,000	93,400,000

(i) As of 30 June 2026, loans amounted to RMB20,000,000 (31 December 2025: RMB93,400,000) was guaranteed by Fujian Septwolves Group Co.,Ltd., a related company of the Group and interest bearing 3.65% per annum. Details are disclosed in Note 23(e) to the condensed consolidated financial statements.

(ii) As of 30 June 2026, borrowings from certain independent third parties amounted to RMB205,590,000 (31 December 2025: nil) was interest bearing 4.2% per annum and repayable from 1 to 3 years. Loans amounted to RMB150,000,000 are secured by a loan security deposit of RMB1,500,000 as disclosed in Note 13(i).

17. BORROWINGS (Continued)

As at 30 June 2026 and 31 December 2025, the borrowings were repayable as follows:

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Within one year	**35,000,000**	39,600,000
After 1 year but within 2 years	**–**	29,600,000
After 2 years but within 5 years	**190,590,000**	24,200,000
	225,590,000	93,400,000

The ranges of effective interest rates on the Group's fixed-rate borrowings are as follows:

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Range of interest rates	**3.65%-4.20%**	3.00%-3.65%

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18. TRADE AND OTHER LIABILITIES

	Notes	**As at 30 June 2026 RMB (Unaudited)**	As at 31 December 2025 RMB (Audited)
Non-current liabilities			
Guaranteed deposits from lessees	*(i)*	**19,528,185**	12,764,499
VAT payable		**118,307**	122
		19,646,492	12,764,621
Current liabilities			
Guaranteed deposits from lessees	*(i)*	**701,800**	201,800
VAT payable and other tax payable		**6,802,497**	6,454,755
Accounts payable	*(ii)*	**266,347**	268,514
Accrued staff costs		**546,370**	1,692,768
Accrued liabilities		**295,624**	307,424
Contract liabilities		**1,037,250**	–
Other payables		**2,107,801**	1,671,706
		11,757,689	10,596,967
Total		**31,404,181**	23,361,588

Notes:

(i) Guaranteed deposits from lessees for reporting purpose:

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Current portion	**701,800**	201,800
Non-current portion	**19,528,185**	12,764,499
Total	**20,229,985**	12,966,299

(ii) As at 30 June 2026 and 31 December 2025, the accounts payable comprise of amounts RMB266,347 and RMB268,514 respectively, 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.

19. CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

No dividend was paid, declared or proposed by the Group during the six months ended 30 June 2026 (2025: nil).

(b) Share capital

	As at 30 June 2026 (Unaudited)		As at 31 December 2025 (Audited)	
	Number of shares	RMB	Number of shares	RMB
Ordinary shares, issued and fully paid:				
At 1 January	**270,000,000**	**2,301,857**	270,000,000	2,301,857
At 30 June/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 Group. All ordinary shares rank equally with regard to the Group's residual assets.

(c) 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 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 six months period ended 30 June 2026.

20. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) 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.

For the six months ended 30 June 2026

20. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

(a) Financial assets and liabilities measured at fair value (Continued)

	Level 1 RMB	**Level 2** RMB	**Level 3** RMB	**Total** RMB
At 30 June 2026 (Unaudited)				
Financial assets at fair value through profit or loss				
– Wealth management products	**–**	**554,179**	**–**	**554,179**
At 31 December 2025 (Audited)				
Financial assets at fair value through profit or loss				
– Wealth management products	–	3,424,228	–	3,424,228

During the six months ended 30 June 2026, 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.

(b) 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 reporting period.

21. COMMITMENTS

As at 30 June 2026, the Group had no material capital commitments (31 December 2025: nil).

22. DISPOSAL OF SUBSIDIARIES

As described in Note 5, 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)

Gain on disposal of subsidiaries

	Six months ended 30 June 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

For the six months ended 30 June 2026

22. DISPOSAL OF SUBSIDIARIES (Continued)

Net cash inflow arising from the Disposal

	Six months ended 30 June 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 Disposal of	(771,666)
Net cash inflow arising from the Disposal	12,205,264

23. 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 Jixiang Property Management* (廈門花開吉祥物業管理有限公司) (“Huakai Jixiang Property Management”)
	Quanzhou Henghe Investment Development Co., Ltd.* (泉州市恒禾投資發展有限公司) (“Henghe Investment”)
	Xiamen Zhipuxing Information Service Co., Ltd.* (廈門知璞行信息服務有限公司) (“Xiamen Zhipuxing Information”)
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.

23. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) Remuneration for key management personnel

Remuneration for key management personnel of the Group is as follows:

	Six months ended 30 June	
	2026	2025
	RMB	RMB
	(Unaudited)	(Unaudited)
Key management personnel remuneration	**904,481**	391,871

(c) Related parties transactions

The Group entered into below transactions in the ordinary course of business under normal commercial terms and at the market rates.

	Six months ended 30 June	
	2026	2025
	RMB	RMB
	(Unaudited)	(Unaudited)
Guarantee fee		
– Fujian Septwolves Group	**207,644**	86,667
Rental and property management fee		
– Septwolves Asset Management	**362,161**	122,207
– Henghe Investment	**–**	1,714
– Huakai Jixiang Property Management	**106,756**	55,209

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23. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(d) Balance with related parties

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Trade related		
Prepayment for leased assets		
– Jingong Machinery	**68,557**	68,557
Deposit for rental and property management		
– Septwolves Asset Management	**107,057**	29,298
– Huakai Jixiang Property Management	**26,000**	9,651
Accounts payable and trade payable		
– Huakai Jixiang Property Management	**65**	2,000
– Septwolves Asset Management	**3,671**	3,903
Non-trade related		
Other receivables		
– Zijiang Capital	**93,707**	97,448
Other payables		
– Jingong Machinery	**208,037**	16,657
– Xiamen Zhipuxing Information	**–**	86,746
Payable for guarantees		
– Fujian Septwolves Group	**220,102**	–

(e) Guarantees provided by related parties

The guarantees provided by related party to the Group as the end of the period/year were as follows:

	As at 30 June 2026 RMB (Unaudited)	As at 31 December 2025 RMB (Audited)
Amount of maximum credit limit		
– Fujian Septwolves Group	**255,000,000**	265,000,000