

# 富銀融資租賃(深圳)股份有限公司 FY Financial (Shenzhen) Co., Ltd.

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

Stock Code: 8452

## INTERIM REPORT **2025**



## CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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 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 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 (the “**Directors**”, each a “**Director**”) of FY Financial (Shenzhen) Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”), collectively and individually, accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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 aspects and not misleading or deceptive; and there are no other matters the omission of which would make any statement herein or this report misleading.*



# CONTENTS

|           |                                                                                     |
|-----------|-------------------------------------------------------------------------------------|
| <b>2</b>  | Corporate Information                                                               |
| <b>4</b>  | Management Discussion and Analysis                                                  |
| <b>12</b> | Other Information                                                                   |
|           | <b>Condensed Consolidated Interim Financial Statements</b>                          |
| <b>16</b> | – Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income |
| <b>17</b> | – Condensed Consolidated Statement of Financial Position                            |
| <b>19</b> | – Condensed Consolidated Statement of Changes in Equity                             |
| <b>20</b> | – Condensed Consolidated Statement of Cash Flows                                    |
| <b>21</b> | – Notes to the Condensed Consolidated Interim Financial Statements                  |



# CORPORATE INFORMATION

## NAME OF COMPANY

FY Financial (Shenzhen) Co., Ltd.

## STOCK CODE

08452

## BOARD OF DIRECTORS

### Executive Directors

Mr. Li Peng (Chairman)  
Mr. Weng Jianxing  
Ms. Gong Xiaoting

### Non-executive Directors

Mr. Peng Qilei  
Ms. Liu Jing

### Independent Non-executive Directors

Mr. Liu Shengwen  
Mr. Hon Leung  
Mr. Tong Qiang

## SUPERVISORY COMMITTEE

Mr. Zhu Xiaodong (Chairman)  
Mr. Liu Bing (Resigned on 31 March 2025)  
Ms. Li Juan (Appointed at the employee representatives' meeting on 31 March 2025)  
Mr. Sun Luran

## AUDIT COMMITTEE

Mr. Liu Shengwen (Chairman)  
Mr. Hon Leung  
Mr. Tong Qiang

## NOMINATION COMMITTEE

Mr. Tong Qiang (a member until 24 June 2025 and was appointed as the chairman on 24 June 2025)  
Mr. Hon Leung  
Ms. Gong Xiaoting (Appointed on 24 June 2025)  
Mr. Li Peng (Resigned as the chairman on 24 June 2025)

## REMUNERATION COMMITTEE

Mr. Liu Shengwen (Chairman)  
Mr. Hon Leung  
Mr. Peng Qilei

## JOINT COMPANY SECRETARIES

Ms. Gong Xiaoting  
Mr. Wong Wai Chiu

## AUTHORIZED REPRESENTATIVES

Mr. Weng Jianxing  
Mr. Wong Wai Chiu

## CORPORATE INFORMATION

**REGISTERED OFFICE**

Room 201, Block A  
No. 1 Qianwan First Road  
Qianhai Shenzhen-Hong Kong Cooperation Zone  
Shenzhen, Guangdong  
The People's Republic of China (the "PRC")

**HEAD OFFICE IN THE PRC**

Room 1603, Cheung Kei Building  
No. 128 Xinzhou 11th Street  
Futian District  
Shenzhen, Guangdong  
The PRC

**PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

40/F, Dah Sing Financial Centre  
No. 248 Queen's Road East  
Wanchai  
Hong Kong

**COMPANY WEBSITE**

[www.fyleasing.com](http://www.fyleasing.com)

**AUDITOR**

SHINEWING (HK) CPA Limited

**LEGAL ADVISERS****As to Hong Kong law**

Sidley Austin

**As to PRC law**

Beijing Tian Yuan Law Firm

**As to litigation advisor**

Guangdong Huatu Law Firm

**PRINCIPAL BANKERS**

China Everbright Bank  
Agricultural Bank of China Limited  
Bank of China Limited

**HONG KONG H SHARE REGISTRAR AND TRANSFER OFFICE**

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

\* If there is any inconsistency between the Chinese names of the entities, companies or legal entities incorporated in the PRC and their English translations, the Chinese names shall prevail. The English translations of the Chinese names of such entities, companies or legal entities are provided for illustration purposes only.

# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. BUSINESS

### 1.1 Business Review

During the first half of 2025, the Chinese economy has endured the pressure that increasing external impacts and mounting internal difficulties and challenges have brought about, and remained stable with a positive outlook, showcasing strong resilience. In addition, the geopolitical tensions and the increasing trade barriers disrupted the global supply chain, and the imbalance between supply and demand squeezed the profit margins of the entire industry chain, including the energy storage industry.

During the six months ended 30 June 2025 (the “**Reporting Period**”), the revenue of the Group amounted to approximately RMB46.61 million, representing a year-on-year increase of 84.96%, and recorded a net loss of approximately RMB1.39 million, compared with a net loss of approximately RMB2.97 million for the same period of last year.

The Group is principally engaged in the provision of financial leasing, factoring and advisory services, customer referral services, the supply of medical equipment, energy storage business and cross-border e-commerce business in the PRC.

During the Reporting Period, the Group’s finance leasing and factoring business, which serves small-and-medium-sized enterprises, continued to be cautious by adopting prudent financial management strategies and strengthening risk management measures to ensure the safety of funds. During the Reporting Period, the volume and revenue of the Group’s factoring business showcased a steady trend.

During the Reporting Period, the Group’s energy storage business remained committed to the strategic objective of “develop robust energy storage and optimise energy storage utilisation”, adhering to a dual-track development strategy focusing on both industrial and commercial energy storage and electric energy storage. In the industrial and commercial energy storage sector, the Group has prioritised the development of provincial and municipal sales teams, leveraging localised partnerships to effectively expand into core markets, rapidly increasing both the number of clients and the quality of projects. In the electric energy storage sector, the Group has targeted regional energy companies as its primary development focus, collaborating with upstream and downstream enterprises to provide clients with comprehensive, high-quality electric energy storage products and solutions. Through technical and service support, the Group has enhanced the overall competitiveness of both its enterprises and products.

During the Reporting Period, the Group adjusted its product operation strategy for its cross-border e-commerce business, delisting loss-making products and reducing sales of products with poor performance. At the same time, the Group continued to improve the sales volume and profitability of profitable products by adjusting its product pricing strategy, marketing strategy, and platform promotional activities. In the first half of the year, although the growth of the sales for this business slowed down, losses also decreased compared with the same period of last year.

### 1.2 BUSINESS PROSPECTS

Looking forward, the Group is cautiously optimistic about the long-term outlook of the businesses. The Group will continue to adopt a cautious approach towards the financial management strategy with the principle of prudence. Meanwhile, the Group will further press forward its energy storage business to expand its revenue base, ensure stable long-term growth for the Group and create the best value returns for the shareholders of the Company (the “**Shareholders**”).

## MANAGEMENT DISCUSSION AND ANALYSIS

## 2. FINANCIAL REVIEW

### 2.1 Overall performance

During the Reporting Period, the Group recorded a revenue of approximately RMB46.61 million, representing an increase of approximately 84.96% from approximately RMB25.20 million for the same period last year. The increase in revenue was mainly due to an increase in revenue from energy storage business and cross-border e-commerce business. In the first half of 2025, the Group recorded a net loss of approximately RMB1.39 million, whereas a net loss of approximately RMB2.97 million was recorded for the same period last year.

### 2.2 Cost of sales

During the Reporting Period, the Group's cost of sales amounted to approximately RMB33.71 million, representing an increase of approximately 169.24% from approximately RMB12.52 million for the same period last year, which was mainly due to an increase in cost of sales of energy storage business and cross-border e-commerce business during the Reporting Period.

### 2.3 Other income and gains

During the Reporting Period, other income and gains amounted to approximately RMB1.36 million, representing a decrease of approximately 47.54% from approximately RMB2.59 million for the same period last year, which was mainly due to a decrease in income from medical equipment maintenance service during the Reporting Period.

### 2.4 Operating expenses

During the Reporting Period, the Group's operating expenses amounted to approximately RMB3.59 million, representing an increase of approximately 36.64% from approximately RMB2.63 million for the same period last year, which was mainly due to an increase in promotion expenses and logistics and transportation expenses incurred by cross-border e-commerce business.

### 2.5 Administrative expenses

During the Reporting Period, administrative expenses amounted to approximately RMB9.38 million, representing a decrease of approximately 31.70% from approximately RMB13.74 million for the same period last year. The decrease was mainly due to cost control measures adopted to reduce administrative expenses.

## MANAGEMENT DISCUSSION AND ANALYSIS

**2. FINANCIAL REVIEW** (CONTINUED)**2.6 Impairment loss on accounts receivable**

Impairment loss of the Group mainly included the impairment losses on on financial lease receivables, receivables from sale and leaseback transactions, factoring receivables and other receivables (comprising trade receivables and receivables from operating lease), details of which are as follows:

|                                                                                               | 30 June<br>2025<br>RMB'000<br>(unaudited) | 31 December<br>2024<br>RMB'000<br>(audited) |
|-----------------------------------------------------------------------------------------------|-------------------------------------------|---------------------------------------------|
| Impairment loss (reversal of impairment loss) on financial lease receivables                  | 1,405                                     | (1,660)                                     |
| Impairment loss (reversal of impairment loss) on receivables from sale leaseback transactions | 151                                       | (1,985)                                     |
| (Reversal of impairment loss) impairment loss on factoring receivables                        | (205)                                     | 10,614                                      |
| Impairment loss on other receivables                                                          | –                                         | 2,652                                       |
| <b>Total impairment loss</b>                                                                  | <b>1,351</b>                              | <b>9,621</b>                                |

During the Reporting Period, provision for impairment of accounts receivable was approximately RMB1.35 million, while there was a provision for impairment of accounts receivable of approximately RMB1.37 million for the same period last year.

**2.7 Income tax expense**

During the Reporting Period, the Group's income tax expense was approximately RMB0.33 million, representing a decrease of approximately 70.36% from approximately RMB1.11 million for the same period last year, which was mainly due to a decrease in income tax provision during the Reporting Period.

**3. FINANCIAL CONDITIONS ANALYSIS**

As at 30 June 2025, the Group's total assets amounted to approximately RMB559.64 million, representing an increase of approximately 0.38% from that as at 31 December 2024. As at 30 June 2025, the accounts receivable amounted to approximately RMB333.33 million, accounting for approximately 59.56% of the Group's total assets.

As at 30 June 2025, the Group's total liabilities amounted to approximately RMB118.79 million, representing an increase of approximately 3.04% from that as at 31 December 2024. The gearing ratio, representing the total debt divided by total assets, was approximately 21.23% as at 30 June 2025 (31 December 2024: approximately 20.68%).

As at 30 June 2025, the carrying amount of the Group's bank borrowings repayable within one year amounted to RMB10.00 million and the fixed interest rate of such bank borrowings was 2.95% to 3.05% per annum (31 December 2024: RMB10.00 million).

## MANAGEMENT DISCUSSION AND ANALYSIS

#### 4. CASH FLOW ANALYSIS

The primary uses of the capital of the Group are to fund its financial and advisory business and trading operation business and to manage the working capital of its daily operations. During the Reporting Period, the Group had net cash generated from operating activities of approximately RMB0.53 million, as compared to a net cash used in operating activities of approximately RMB21.30 million over the same period last year. The net cash used in financing activities was approximately RMB0.48 million, as compared to a net cash generated from financing activities was approximately RMB4.23 million over the same period last year. The net cash generated from investing activities was approximately RMB1.56 million, as compared to a net cash used in investing activities of approximately RMB7.26 million over the same period last year.

#### 5. CAPITAL MANAGEMENT

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to equity holders. The Group actively and regularly reviews and manages its capital structure to maintain a balance between high returns and sound capital position and makes adjustments to the capital structure in light of changes in economic conditions. No changes were made by the Group in the objectives, policies or procedures of capital management during the Reporting Period.

#### 6. CAPITAL EXPENDITURE

Due to its business nature, the Group has minimal capital expenditures. The Group's capital expenditures principally consist of expenditures on office equipment. During the Reporting Period, the Group had no material capital expenditures.

#### 7. RISK MANAGEMENT AND INTERNAL CONTROL

During the Reporting Period, the Group is committed to maintaining comprehensive risk management and internal control systems that enhance the Company's overall strategy and promote the Company's risk control capabilities while addressing various risks, including credit risks, liquidity risks, interest risks, operational risks and legal compliance risks. During the Reporting Period, the Group has implemented a comprehensive and effective risk management system with stringent procedures and measures in place, including multi-level assessments and approval processes.

## MANAGEMENT DISCUSSION AND ANALYSIS

### 7. RISK MANAGEMENT AND INTERNAL CONTROL *(CONTINUED)*

The Company has set up an internal audit department to analyze and evaluate the Company's risk management and internal control systems. The results of internal audits and reviews will be reported to the audit committee of the Company (the "**Audit Committee**") and the Board. Within the scope of review on internal control, no significant control defects have been found. The review results have been reported to the Audit Committee and the Board.

The Board oversees and manages the overall risks associated with our operations. During the Reporting Period, the Board reviewed the effectiveness of risk management and internal control systems of the Group. The Board considered the risk management and internal control systems are effective and adequate in all material aspects in both design and operations. The Board oversees the risk management and internal control systems of the Group on an ongoing basis. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and provide only reasonable but not absolute assurance against material misstatement or loss.

The Company has developed and adopted different risk management procedures and guidelines with a clear division of power and responsibility. The Company would conduct self-assessment each year to confirm that all departments and the Company have properly complied with the risk management and internal control policy. During the Reporting Period, all departments conducted regular internal control evaluation to identify risks with potential impact on the Group's business and other aspects including major operational and financial procedures, regulatory compliance and information security. The risk assessment results and the proposed internal control measures have been submitted to the senior management and the general manager of the Company for review and approval. The senior management and the general manager of the Company are also responsible for supervising the effectiveness of implementation and future execution of the risk control measurement.

### 8. HUMAN RESOURCES

As at 30 June 2025, the Group had a total of 64 full-time employees, as compared to a total of 86 full-time employees as at 30 June 2024. The remuneration of the employees of the Group is determined based on the market conditions, work experience and employee performances. During the Reporting Period, the Group incurred employment benefit expenses (social insurance, housing fund and enterprise annuity) of approximately RMB0.52 million, representing a decrease of approximately 44.60% from approximately RMB0.94 million for the same period last year, which was mainly due to a decrease in the number of full-time employee. In compliance with applicable PRC laws and regulations, the Group has made contributions to social insurance funds (including pension, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for its employees. During the Reporting Period, the Group complied with all statutory social insurance and housing fund obligations applicable to it under PRC laws in all material aspects.

### 9. CONTINGENT LIABILITIES

As at 30 June 2025, the Group had no significant contingent liabilities (30 June 2024: nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

**10. CAPITAL COMMITMENTS**

Save as disclosed in the section headed “MATERIAL ACQUISITIONS OR DISPOSALS AND SIGNIFICANT INVESTMENTS” of item 13 below, as at 30 June 2025, the Group had no capital commitments which was contracted for but not yet incurred.

**11. LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

As at 31 December 2024 and 30 June 2025 the net current assets of the Group were approximately RMB294.83 million and RMB297.83 million respectively. As at 31 December 2024 and 30 June 2025, the cash and cash equivalents of the Group were approximately RMB26.08 million and RMB27.69 million respectively. As at 31 December 2024 and 30 June 2025, the carrying amount of the Group’s bank borrowings repayable within one year amounted to RMB10.00 million and RMB10.00 million respectively.

**12. EVENTS AFTER THE REPORTING PERIOD**

Save as disclosed in this report, there were no other significant events that might affect the Group after the Reporting Period.

**13. MATERIAL ACQUISITIONS OR DISPOSALS AND SIGNIFICANT INVESTMENTS****Material acquisitions or disposals**

On 16 May 2024, Shenzhen Huixin Zhida Technology Co., Ltd.\* (深圳匯信致達科技有限公司) (“**Huixin Zhida**”), a non-wholly owned subsidiary of the Company, entered into an assets transfer agreement (the “**Transfer Agreement 1**”) with Zhejiang Xinzhan Communication Technology Co., Ltd. (浙江新展通信技術有限公司) (“**Zhejiang Xinzhan**”), pursuant to which Huixin Zhida has conditionally agreed to sell, and Zhejiang Xinzhan has conditionally agreed to purchase 18 base stations constructed by Huixin Zhida at an aggregate consideration of RMB1,410,000 (before tax), subject to the consideration adjustment under the Transfer Agreement 1. In addition, Guangdong Yideng Engineering Construction Co., Ltd.\* (廣東壹登工程建設有限公司) (“**Guangdong Yideng**”), a non-wholly owned subsidiary of the Company, entered into an assets transfer agreement (the “**Transfer Agreement 2**”) with Zhejiang Xinzhan, pursuant to which Guangdong Yideng has conditionally agreed to sell, and Zhejiang Xinzhan has conditionally agreed to purchase 105 base stations constructed by Guangdong Yideng at an aggregate consideration of RMB8,750,000 (before tax), subject to the consideration adjustment under the Transfer Agreement 2. Please refer to the announcement of the Company dated 16 May 2024 for details.

The consideration under the Transfer Agreement 1 was adjusted to RMB999,670.5 after the adjustment of RMB410,329.5 taking into account the deduction of 3 base stations due to their dismantlement and the rental adjustments on certain base stations made by the operator, which was determined in accordance with the Transfer Agreement 1. The consideration under the Transfer Agreement 2 remained at RMB8,750,000. As of the date of this report, RMB856,063.35 and RMB5,777,126.91 had been received under the Transfer Agreement 1 and the Transfer Agreement 2, respectively, with the remaining to be settled by end of September 2025.

## MANAGEMENT DISCUSSION AND ANALYSIS

## 13. MATERIAL ACQUISITIONS OR DISPOSALS AND SIGNIFICANT INVESTMENTS

(CONTINUED)

Save as disclosed above, the Group had no other material acquisition or disposals of subsidiaries, associates or joint ventures during the Reporting Period.

## Significant investments

The Group's investment strategy or significant investments include: 1) investments that would enable the Group to indirectly engage in the industries with rapid development momentum and broad market prospects, which will bring investment returns and revenue to the Group; and 2) investments that would enable the Group to explore potential business cooperation opportunities.

Set out below are details of significant investments held by the Group, which represented 5% or more of the Group's total assets, as at 30 June 2025:

## Investment in an associate

| Name of investment                                             | Investment cost<br>(RMB '000) | Number of shares held<br>(shares) | As at 30 June 2025                                     |                                                                               | Six months ended 30 June 2025 |                                                      |                               |
|----------------------------------------------------------------|-------------------------------|-----------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------|------------------------------------------------------|-------------------------------|
|                                                                |                               |                                   | Approximate percentage of shares held in investees (%) | Approximate percentage of the carrying amount of the Group's total assets (%) | Carrying amount<br>(RMB '000) | Share of (loss) profit of an associate<br>(RMB '000) | Dividend income<br>(RMB '000) |
| Investment in an associate                                     |                               |                                   |                                                        |                                                                               |                               |                                                      |                               |
| – Shanghai KYMS Cloud Technology Co., Ltd. <sup>(Note 1)</sup> | 50,000                        | 12,626,262                        | 20.81%                                                 | 8.93%                                                                         | 45,760                        | (806)                                                | –                             |

## Financial assets at FVTPL

| Name of investment                                                        | Investment cost<br>(RMB '000) | Number of shares held<br>(shares) | As at 30 June 2025                                     |                                                                               | Six months ended 30 June 2025 |                                         |                               |
|---------------------------------------------------------------------------|-------------------------------|-----------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------|-----------------------------------------|-------------------------------|
|                                                                           |                               |                                   | Approximate percentage of shares held in investees (%) | Approximate percentage of the carrying amount of the Group's total assets (%) | Fair value<br>(RMB '000)      | gain (loss) of fair value<br>(RMB '000) | Dividend income<br>(RMB '000) |
| Zhuhai Huihe Guangjing Chuangye Investment Fund, L.P. <sup>(Note 2)</sup> | 30,000 <sup>(Note 4)</sup>    | N/A <sup>(Note 6)</sup>           | 33.57                                                  | 5.36%                                                                         | 18,207                        | –                                       | –                             |
| Beijing Shuncheng Health Investment Fund, L.P. <sup>(Note 3)</sup>        | 30,000 <sup>(Note 5)</sup>    | N/A <sup>(Note 7)</sup>           | 9.9%                                                   | 5.36%                                                                         | 22,202                        | –                                       | –                             |

## MANAGEMENT DISCUSSION AND ANALYSIS

**13. MATERIAL ACQUISITIONS OR DISPOSALS AND SIGNIFICANT INVESTMENTS***(CONTINUED)***Financial assets at FVTPL** (continued)

Note 1: Shanghai KYMS Cloud Technology Co., Ltd.\* (上海快易名商雲科技股份有限公司) (the “KYMS”) is principally engaged in the leasing of serviced offices and provision of supporting value-added services. In the future, KYMS will focus on building the benchmarking enterprise of the office industry and become a professional asset manager and leading operator in the office building sector.

Note 2: Zhuhai Huihe Guangjing Chuangye Investment Fund, L.P.\* (珠海匯合廣境創業投資基金(有限合夥)) mainly invests in unlisted enterprises in artificial intelligence, new generation information technology, biomedicine, intelligent manufacturing and other fields, sectors or industries. In the future, the fund will focus on investments in strategic emerging industries, focusing on companies with high growth, large markets, core technologies or high industry barriers. Currently, the fund has invested in several companies related to semiconductors and passenger car electronically controlled air suspension systems, and the business is developing well.

Note 3: Beijing Shuncheng Health Investment Enterprise (Limited Partnership)\* (北京順澄健康投資企業(有限合夥)) achieves investment returns through investing in the fields of medical equipment, medical services and other health related fields focusing on unlisted companies, the fund's future investment direction is mainly in the medical device industry and medical service industry, and it has already invested in several biotechnology and medical device related companies, all of which are industry leaders and have strong growth capabilities.

Note 4: As at 30 June 2025, the total amount contributed by all partners to the fund was RMB71.50 million. The Group contributed RMB6.00 million, RMB9.00 million and RMB9.00 million to the fund on 11 August 2021, 30 March 2022 and 29 March 2024, respectively, amounting to RMB24.00 million.

Note 5: The Group contributed RMB4.00 million and RMB26.00 million on 29 December 2021 and 22 September 2022, respectively.

Note 6: The Group contributed RMB24,000,000 out of the total capital commitment of RMB71,500,000 of such fund.

Note 7: The Group contributed RMB30,000,000 out of the total capital commitment of RMB303,000,000 of such fund.

**14. CHARGES ON ASSETS**

As at 30 June 2025, the Group did not have any charges on its assets.

**15. FOREIGN EXCHANGE EXPOSURE**

The Group's income and expenditure during the Reporting Period were principally denominated in RMB and most of the assets and liabilities as at 30 June 2025 were also denominated in RMB. During the Reporting Period, the Group did not experience any material impact or difficulties in liquidity on its operations resulting from the fluctuation in exchange rate and no hedging transaction or forward contract arrangement was made by the Group during the Reporting Period.

**16. FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

As at 30 June 2025, the Group has no specific plans to acquire any material investments or capital assets other than disclosed in the section headed “MATERIAL ACQUISITIONS OR DISPOSALS AND SIGNIFICANT INVESTMENTS” of item 13 above.

# OTHER INFORMATION

## AUDIT COMMITTEE

The Company established the Audit Committee on 25 April 2017 with written terms of reference in compliance with the requirements as set out in the GEM Listing Rules. The Audit Committee consists of three independent non-executive Directors, being Mr. Liu Shengwen, Mr. Hon Leung and Mr. Tong Qiang, with Mr. Liu Shengwen as the chairman.

The unaudited condensed consolidated interim financial statements and the interim report of the Group for the six months ended 30 June 2025 have been reviewed by the Audit Committee.

## DISCLOSURE OF INTERESTS

### Interests and short positions held by substantial Shareholders and other persons in the shares and underlying shares of the Company

As at 30 June 2025, to the best knowledge of the Directors, the following persons or corporations (other than the Directors, supervisors of the Company (the **"Supervisors"**) or chief executives of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the Securities and Futures Ordinance (the **"SFO"**):

| Name of Shareholder                                                                                                                           | Type of shares          | Nature of interest                   | Number of shares interested in the relevant type of shares of the Company <sup>(1)</sup> | Percentage (approximate) | Number of shares interested in the total share capital of the Company <sup>(1)</sup> | Percentage (approximate) |
|-----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------------|------------------------------------------------------------------------------------------|--------------------------|--------------------------------------------------------------------------------------|--------------------------|
| Beijing Municipality Dayuan Tiandi Property Development Co., Ltd. *<br>(北京市大苑天地房地產開發有限公司)<br>( <b>"Dayuan Tiandi"</b> ) <sup>(2)</sup>        | Domestic shares         | Beneficial owner                     | 80,000,000 (L)                                                                           | 66.67%                   | 80,000,000 (L)                                                                       | 22.26%                   |
| Mr. Zhao Dehua ( <b>"Mr. Zhao"</b> ) <sup>(2)</sup>                                                                                           | Domestic shares         | Interest of a controlled corporation | 80,000,000 (L)                                                                           | 66.67%                   | 80,000,000 (L)                                                                       | 22.26%                   |
| Mr. Gong Liang ( <b>"Mr. Gong"</b> ) <sup>(2)</sup>                                                                                           | Domestic shares         | Interest of a controlled corporation | 80,000,000 (L)                                                                           | 66.67%                   | 80,000,000 (L)                                                                       | 22.26%                   |
| Shenzhen Zhonglian Financial Holding Investment Development Co., Ltd. *<br>(深圳眾聯金控投資發展有限公司)<br>( <b>"Shenzhen Zhonglian"</b> ) <sup>(3)</sup> | Unlisted foreign shares | Beneficial owner                     | 70,445,200 (L)                                                                           | 47.12%                   | 70,445,200 (L)                                                                       | 19.60%                   |
|                                                                                                                                               | Domestic shares         | Beneficial owner                     | 5,000,000 (L)                                                                            | 4.17%                    | 5,000,000 (L)                                                                        | 1.39%                    |
| Hainan Mujing Chengyuan Technology Partnership (Limited Partnership)*<br>(海南木景誠苑科技合夥企業(有限合夥))( <b>"Mujing Chengyuan"</b> ) <sup>(3)</sup>     | Unlisted foreign shares | Interest of a controlled corporation | 70,445,200 (L)                                                                           | 47.12%                   | 70,445,200 (L)                                                                       | 19.60%                   |
|                                                                                                                                               | Domestic shares         | Interest of a controlled corporation | 5,000,000 (L)                                                                            | 4.17%                    | 5,000,000 (L)                                                                        | 1.39%                    |
| Mr. Gong Changjiu <sup>(3)</sup>                                                                                                              | Unlisted foreign shares | Interest of a controlled corporation | 70,445,200 (L)                                                                           | 47.12%                   | 70,445,200 (L)                                                                       | 19.60%                   |
|                                                                                                                                               | Domestic shares         | Interest of a controlled corporation | 5,000,000 (L)                                                                            | 4.17%                    | 5,000,000 (L)                                                                        | 1.39%                    |

## OTHER INFORMATION

## DISCLOSURE OF INTERESTS (CONTINUED)

| Name of Shareholder                                                                                  | Type of shares          | Nature of interest                   | Number of shares interested in the relevant type of shares of the Company <sup>(1)</sup> | Percentage (approximate) | Number of shares interested in the total share capital of the Company <sup>(1)</sup> | Percentage (approximate) |
|------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------------|------------------------------------------------------------------------------------------|--------------------------|--------------------------------------------------------------------------------------|--------------------------|
| Mr. Xu Dongsheng ("Mr. Xu") <sup>(3)</sup>                                                           | Unlisted foreign shares | Interest of a controlled corporation | 70,445,200 (L)                                                                           | 47.12%                   | 70,445,200 (L)                                                                       | 19.60%                   |
|                                                                                                      | Domestic shares         | Interest of a controlled corporation | 5,000,000 (L)                                                                            | 4.17%                    | 5,000,000 (L)                                                                        | 1.39%                    |
| Beijing Youke Yu Technology Development Co., Ltd.*<br>(北京優科玉科技發展有限公司)<br>("Youke Yu") <sup>(4)</sup> | Unlisted foreign shares | Beneficial owner                     | 46,714,200 (L)                                                                           | 31.25%                   | 46,714,200 (L)                                                                       | 13.00%                   |
| Beijing Xinmao Licheng Trading Co., Ltd.*<br>(北京鑫茂立成商貿有限公司)<br>("Xinmao Licheng") <sup>(4)</sup>     | Unlisted foreign shares | Interest of a controlled corporation | 46,714,200 (L)                                                                           | 31.25%                   | 46,714,200 (L)                                                                       | 13.00%                   |
| Mr. Guo Lidong ("Mr. Guo") <sup>(4)</sup>                                                            | Unlisted foreign shares | Interest of a controlled corporation | 46,714,200 (L)                                                                           | 31.25%                   | 46,714,200 (L)                                                                       | 13.00%                   |
| Mr. Yan Wenge ("Mr. Yan") <sup>(4)</sup>                                                             | Unlisted foreign shares | Interest of a controlled corporation | 46,714,200 (L)                                                                           | 31.25%                   | 46,714,200 (L)                                                                       | 13.00%                   |
| Beijing Hengsheng Rongcheng Trading Co., Ltd.*<br>(北京恆盛融誠商貿有限公司) <sup>(5)</sup>                      | Unlisted foreign shares | Beneficial owner                     | 32,340,600 (L)                                                                           | 21.63%                   | 32,340,600 (L)                                                                       | 9.00%                    |
| Ms. Wu Yue <sup>(5)</sup>                                                                            | Unlisted foreign shares | Interest of a controlled corporation | 32,340,600 (L)                                                                           | 21.63%                   | 32,340,600 (L)                                                                       | 9.00%                    |
| KKC Capital Limited                                                                                  | H shares                | Investment manager                   | 9,408,000 (L)                                                                            | 10.47%                   | 9,408,000 (L)                                                                        | 2.62%                    |
| KKC Capital SPC – KKC Capital High Growth Fund Segregated Portfolio                                  | H shares                | Beneficial owner                     | 9,408,000 (L)                                                                            | 10.47%                   | 9,408,000 (L)                                                                        | 2.62%                    |
| A Plus Capital Management Limited                                                                    | H shares                | Investment manager                   | 9,318,000 (L)                                                                            | 10.37%                   | 9,318,000 (L)                                                                        | 2.59%                    |
| Tiger Capital Fund SPC – Tiger Global SP                                                             | H shares                | Beneficial owner                     | 9,318,000 (L)                                                                            | 10.37%                   | 9,318,000 (L)                                                                        | 2.59%                    |

## Notes:

- (1) The letter "L" denotes the person's long position in the shares. As at 30 June 2025, the Company issued a total of 359,340,000 shares, including 120,000,000 domestic shares, 89,840,000 H shares and 149,500,000 unlisted foreign shares.
- (2) Dayuan Tiandi is owned as to 55% by Mr. Zhao and 45% by Mr. Gong. By virtue of the SFO, Mr. Zhao and Mr. Gong are deemed to be interested in the shares held by Dayuan Tiandi.
- (3) Shenzhen Zhonglian is owned as to 90% by Mujing Chengyuan and 10% by Mr. Gong Changjiu. Mujing Chengyuan is in turn owned as to 51% by Mr. Gong Changjiu and 49% by Mr. Xu. By virtue of the SFO, Mr. Gong Changjiu and Mr. Xu are deemed to be interested in the shares held by Shenzhen Zhonglian. As informed by Shenzhen Zhonglian, its name has been changed to Shenzhen Zhonglian Jinxin Commercial Service Co., Ltd.\* (深圳眾聯金信商務服務有限公司).

## OTHER INFORMATION

### DISCLOSURE OF INTERESTS *(CONTINUED)*

Notes: *(continued)*

- (4) Youke Yu is owned as to 20% by Mr. Guo and 80% by Xinmao Licheng. Xinmao Licheng is in turn owned as to 50% by Mr. Guo and 50% by Mr. Yan. By virtue of the SFO, Xinmao Licheng, Mr. Guo and Mr. Yan are deemed to be interested in the shares held by Youke Yu.
- (5) Beijing Hengsheng Rongcheng Trading Co., Ltd. is wholly owned by Ms. Wu Yue. By virtue of the SFO, Ms. Wu Yue is deemed to be interested in the shares held by Beijing Hengsheng Rongcheng Trading Co., Ltd.

Save as disclosed above, as at 30 June 2025, the Directors were not aware of any other person or corporation which had any interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

### Interests and short positions held by Directors, Supervisors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations

As at 30 June 2025, none of the Directors, Supervisors or chief executive of the Company had an interest or short position in the shares, underlying shares or debentures of the Company or its associated corporation as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules (which shall be deemed to apply to the Supervisors to the same extent as it applies to the Directors).

### DIVIDEND

The Board did not recommend any interim dividend for the Reporting Period.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company (including sale of treasury shares).

There are no treasury Shares held by the Company (whether held directly or deposited in the Central Clearing and Settlement System or otherwise) as at 30 June 2025 and up to the date of this report.

### COMPETING INTERESTS

None of the Directors, controlling shareholders of the Company and their respective close associates (as defined in the GEM Listing Rules) had any interests in any business which competes or may compete with the business of the Group or any other conflicts of interest which such person has or may have with the Group which must be disclosed in this report as at 30 June 2025.

### DIRECTORS' AND SUPERVISORS' SECURITIES TRANSACTIONS

The Group has adopted a code of conduct regarding securities transactions by the Directors and Supervisors (the "Code of Conduct") on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry with all Directors and Supervisors, all Directors and Supervisors confirmed that they had complied with the required standard of dealings and the Code of Conduct during the six months ended 30 June 2025.

### CHANGES IN DIRECTORS' AND SUPERVISORS' INFORMATION

There is no change in the Directors' and Supervisors' information required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

## OTHER INFORMATION

## CORPORATE GOVERNANCE

The Group recognises the vital importance of good corporate governance to its success and sustainability. The Company is committed to achieving a high standard of corporate governance practices as an essential component of high quality and has introduced corporate governance practices appropriate to the operation and growth of its business. The Company has applied the principles set out in the Corporate Governance Code (the “**CG Code**”) as contained in Appendix C1 to the GEM Listing Rules.

## CULTURE AND VALUES

A healthy corporate culture is critical to the realization of the Group’s vision and strategy. The Board is responsible for fostering a corporate culture with the following core principles and ensuring that the Company’s vision, values and business strategies are aligned with the corporate culture.

### 1. Integrity and Code of Conduct

The Group stays committed to maintaining high standards of business ethics and corporate governance in all our activities and operations. Directors, management and employees are required to act in a lawful, ethical and responsible manner and the required standards and codes are clearly set out in the training materials for all new employees and have been incorporated into various policies, such as the Group’s Employee Handbook that includes the Group’s Code of Conduct therein and the Group’s Anti-Corruption Policy and Whistleblowing Policy. The Company conducts training from time to time for the purpose of reinforcing the necessary standards of ethics and integrity.

### 2. Integrity, Responsibility, Innovation and Dedication

The Group believes that a culture characterized with commitment to employee development, workplace safety and health, diversity and sustainability can create a sense of commitment and dedication to the Group, which lays a solid foundation for a strong and productive workforce that can attract, develop and retain the best talent, and strengthens the innovative thinking and dedication of its employees, thereby enhancing the Company’s efficiency. In addition, the Company’s strategies in business development and management aim at achieving long-term, stable and sustainable growth, as well as focus on environmental, social and governance to some extent.

During the Reporting Period, in the opinion of the Board, the Company has complied with all code provisions set out in Part 2 of the CG Code, save and except for the deviation from code provision C.2.1.

Under code provision C.2.1, the roles of chairman and chief executive officer should be separate and performed by different individuals. Presently, the Company does not have a position with the title “chief executive officer”. The role of general manager of the Company is to carry out the duties of a chief executive officer. Mr. Li Peng is the chairman of the Board and the general manager of the Company. Since Mr. Li Peng has demonstrated suitable management and leadership capabilities along with his thorough understanding of the Group’s business since his appointment as a Director and the general manager of the Company in 2012 and 2015, respectively, the Board believes that vesting both the roles of chairman of the Board and general manager of the Company in Mr. Li can facilitate the execution of the Group’s business strategies and maximizes the effectiveness of its operations. In addition, as all major decisions are made in consultation with the members of the Board and relevant Board committees, and there are three independent non-executive Directors offering independent perspectives, the Board is of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board shall nevertheless review its structure from time to time to ensure that appropriate action is being taken as and when appropriate.

## SHARE INCENTIVE SCHEME

During the Reporting Period, the Group had no share incentive scheme.

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

For the six months ended 30 June 2025

|                                                                                                                                   | Notes | Six months ended 30 June       |                                |
|-----------------------------------------------------------------------------------------------------------------------------------|-------|--------------------------------|--------------------------------|
|                                                                                                                                   |       | 2025<br>RMB'000<br>(unaudited) | 2024<br>RMB'000<br>(unaudited) |
| <b>Continuing operation</b>                                                                                                       |       |                                |                                |
| <b>Revenue</b>                                                                                                                    | 5     | <b>46,613</b>                  | 25,202                         |
| Cost of sales                                                                                                                     |       | (33,712)                       | (12,521)                       |
| <b>Gross profit</b>                                                                                                               |       | <b>12,901</b>                  | 12,681                         |
| Other income, gains and losses                                                                                                    | 6     | 1,356                          | 2,585                          |
| Operating expenses                                                                                                                |       | (3,591)                        | (2,628)                        |
| Administrative expenses                                                                                                           |       | (9,382)                        | (13,737)                       |
| Impairment loss on finance lease receivables and accounts receivables, net                                                        |       | (1,351)                        | (1,377)                        |
| Finance cost                                                                                                                      |       | (194)                          | (113)                          |
| Share of (loss) profit of an associate                                                                                            |       | (806)                          | 794                            |
| <b>Loss before income tax</b>                                                                                                     | 7     | <b>(1,067)</b>                 | (1,795)                        |
| Income tax expense                                                                                                                | 9     | (329)                          | (1,110)                        |
| <b>Loss for the year from continuing operation</b>                                                                                |       | <b>(1,396)</b>                 | (2,905)                        |
| <b>Discontinued operations</b>                                                                                                    |       |                                |                                |
| Profit (loss) after tax for the period from discontinued operations                                                               | 8     | 2                              | (68)                           |
| <b>Loss and total comprehensive expenses for the period:</b>                                                                      |       | <b>(1,394)</b>                 | (2,973)                        |
| <b>(Loss) profit and total comprehensive (expenses) income for the period attributable to:</b>                                    |       |                                |                                |
| – Owners of the Company                                                                                                           |       | (1,137)                        | 258                            |
| – Non-controlling interests                                                                                                       |       | (257)                          | (3,231)                        |
|                                                                                                                                   |       | <b>(1,394)</b>                 | (2,973)                        |
| <b>(Loss) profit and total comprehensive (expenses) income for the period attributable to owners of the Company arising from:</b> |       |                                |                                |
| – Continuing operations                                                                                                           |       | (1,138)                        | 150                            |
| – Discontinued operations                                                                                                         |       | 1                              | 108                            |
| <b>Total comprehensive (expenses) income for the period</b>                                                                       |       | <b>(1,137)</b>                 | 258                            |
| <b>(Loss) Earnings per share</b>                                                                                                  | 10    | <b>RMB cents</b>               | RMB cents                      |
| Basic and Diluted (RMB cents)                                                                                                     |       |                                |                                |
| – Continuing operations                                                                                                           |       | (0.32)                         | 0.04                           |
| – Discontinued operations                                                                                                         |       | –                              | 0.03                           |

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the six months ended 30 June 2025

|                                                                       | NOTES | 30 June<br>2025<br>RMB'000<br>(unaudited) | 31 December<br>2024<br>RMB'000<br>(audited) |
|-----------------------------------------------------------------------|-------|-------------------------------------------|---------------------------------------------|
| <b>Non-current assets</b>                                             |       |                                           |                                             |
| Plant and equipment                                                   | 12    | 8,193                                     | 9,024                                       |
| Intangible asset                                                      |       | 1,258                                     | 1,405                                       |
| Accounts receivables                                                  | 15    | –                                         | 801                                         |
| Right-of-use assets                                                   | 12    | 880                                       | 702                                         |
| Financial assets at fair value through profit or loss ("FVTPL")       | 13    | 69,465                                    | 71,075                                      |
| Interest in an associate                                              |       | 44,954                                    | 45,760                                      |
| Goodwill                                                              |       | 1,638                                     | 1,638                                       |
| Deferred tax assets                                                   |       | 17,076                                    | 17,076                                      |
|                                                                       |       | 143,464                                   | 147,481                                     |
| <b>Current assets</b>                                                 |       |                                           |                                             |
| Inventories                                                           |       | 8,024                                     | 10,704                                      |
| Finance lease receivables                                             | 14    | 418                                       | 2,010                                       |
| Accounts receivables                                                  | 15    | 333,329                                   | 313,150                                     |
| Prepayments, deposits and other receivables                           |       | 12,909                                    | 16,325                                      |
| Amounts due from related companies                                    |       | 22,900                                    | 30,850                                      |
| Amount due from a non-controlling interest                            |       | 1,900                                     | 1,900                                       |
| Tax receivables                                                       |       | 1,031                                     | 1,062                                       |
| Cash and cash equivalents                                             |       | 27,690                                    | 26,077                                      |
|                                                                       |       | 408,201                                   | 402,078                                     |
| <b>Assets classified as held for sale</b>                             | 8     | 7,977                                     | 7,977                                       |
|                                                                       |       | 416,178                                   | 410,055                                     |
| <b>Total assets</b>                                                   |       | 559,642                                   | 557,536                                     |
| <b>Current liabilities</b>                                            |       |                                           |                                             |
| Trade and other payables                                              | 16    | 98,306                                    | 94,075                                      |
| Contract liabilities                                                  |       | 220                                       | 372                                         |
| Bank borrowings                                                       | 17    | 10,000                                    | 10,000                                      |
| Lease liabilities                                                     |       | 315                                       | 493                                         |
| Tax payables                                                          |       | 6,129                                     | 6,912                                       |
|                                                                       |       | 114,970                                   | 111,852                                     |
| <b>Liabilities associated with assets classified as held for sale</b> |       | 3,377                                     | 3,377                                       |
|                                                                       |       | 118,347                                   | 115,229                                     |
| <b>Net current assets</b>                                             |       | 297,831                                   | 294,826                                     |
| <b>Total assets less current liabilities</b>                          |       | 441,295                                   | 442,307                                     |

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the six months ended 30 June 2025

|                                                     |       | 30 June<br>2025<br>RMB'000<br>(unaudited) | 31 December<br>2024<br>RMB'000<br>(audited) |
|-----------------------------------------------------|-------|-------------------------------------------|---------------------------------------------|
|                                                     | NOTES |                                           |                                             |
| <b>Non-current liabilities</b>                      |       |                                           |                                             |
| Lease liabilities                                   |       | 438                                       | 56                                          |
|                                                     |       | 438                                       | 56                                          |
| <b>Net assets</b>                                   |       | 440,857                                   | 442,251                                     |
| <b>Capital and reserves</b>                         |       |                                           |                                             |
| Share capital                                       | 18    | 359,340                                   | 359,340                                     |
| Reserves                                            |       | 76,495                                    | 77,632                                      |
|                                                     |       | 435,835                                   | 436,972                                     |
| <b>Equity attributable to owners of the Company</b> |       |                                           |                                             |
| Non-controlling interests                           |       | 5,022                                     | 5,279                                       |
| Total equity                                        |       | 440,857                                   | 442,251                                     |

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

|                                                                        | Attributable to owners of the Company |                                         |                                          |                                            |                             | Total          | Non-controlling interests | Total equity   |
|------------------------------------------------------------------------|---------------------------------------|-----------------------------------------|------------------------------------------|--------------------------------------------|-----------------------------|----------------|---------------------------|----------------|
|                                                                        | Share capital<br>RMB'000              | Merger reserve<br>RMB'000<br>(note (a)) | Capital reserve<br>RMB'000<br>(note (b)) | Statutory reserve<br>RMB'000<br>(note (c)) | Retained profits<br>RMB'000 |                |                           |                |
| <b>At 1 January 2025 (audited)</b>                                     | <b>359,340</b>                        | <b>1,582</b>                            | <b>31,240</b>                            | <b>18,476</b>                              | <b>26,334</b>               | <b>436,972</b> | <b>5,279</b>              | <b>442,251</b> |
| Loss and total comprehensive expenses for the period                   | –                                     | –                                       | –                                        | –                                          | (1,137)                     | (1,137)        | (257)                     | (1,394)        |
| <b>At 30 June 2025 (unaudited)</b>                                     | <b>359,340</b>                        | <b>1,582</b>                            | <b>31,240</b>                            | <b>18,476</b>                              | <b>25,197</b>               | <b>435,835</b> | <b>5,022</b>              | <b>440,857</b> |
| At 1 January 2024 (audited)                                            | 359,340                               | 1,582                                   | 31,240                                   | 18,476                                     | 33,207                      | 443,845        | 6,961                     | 450,806        |
| Other comprehensive expenses                                           | –                                     | –                                       | –                                        | –                                          | –                           | –              | –                         | –              |
| Profit (loss) and total comprehensive income (expenses) for the period | –                                     | –                                       | –                                        | –                                          | 258                         | 258            | (3,231)                   | (2,973)        |
| At 30 June 2024 (unaudited)                                            | 359,340                               | 1,582                                   | 31,240                                   | 18,476                                     | 33,465                      | 444,103        | 3,730                     | 447,833        |

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

|                                                                               | Six months ended 30 June |             |
|-------------------------------------------------------------------------------|--------------------------|-------------|
|                                                                               | 2025                     | 2024        |
|                                                                               | RMB'000                  | RMB'000     |
|                                                                               | (unaudited)              | (unaudited) |
| <b>Cash flows from (used in) operating activities</b>                         | <b>1,558</b>             | (19,938)    |
| Interest received                                                             | 85                       | 248         |
| Income tax paid                                                               | (1,112)                  | (1,609)     |
| Net cash from (used in) operating activities                                  | 531                      | (21,299)    |
| <b>Cash flows from investing activities</b>                                   |                          |             |
| Purchase of financial assets at FVTPL                                         | –                        | (9,000)     |
| Purchase of property, plant and equipment                                     | (24)                     | (446)       |
| Purchase of intangible assets                                                 | (25)                     | –           |
| Deposit received from disposal of assets                                      | –                        | 2,188       |
| Proceeds from partial refund of financial assets at FVTPL                     | 1,610                    | –           |
| Net cash from (used in) investing activities                                  | 1,561                    | (7,258)     |
| <b>Cash flows from financing activities</b>                                   |                          |             |
| Capital elements of lease rentals paid                                        | (458)                    | (667)       |
| Interest elements of lease rentals paid                                       | (21)                     | (105)       |
| Proceeds from bank borrowing                                                  | 5,000                    | 5,000       |
| Repayment of bank borrowing                                                   | (5,000)                  | –           |
| Net cash (used in) from financing activities                                  | (479)                    | 4,228       |
| Net increase (decrease) in cash and cash equivalents                          | 1,613                    | (24,329)    |
| Cash and cash equivalents at beginning of period                              | 26,077                   | 62,263      |
| Cash and cash equivalents end of period, represented by bank balance and cash | 27,690                   | 37,934      |

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 1. GENERAL INFORMATION

FY Financial (Shenzhen) Co., Ltd. ("**the Company**") was established in the People Republic of China (the "**PRC**") on 7 December 2012 as a sino-foreign equity joint venture enterprise and was converted to a joint stock company with limited liability under the Company Law of the People's Republic of China (the "**PRC**") on 10 September 2015. The address of its registered office is Room 201, Block A, No.1, Qianwan First Road, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen, Guangdong, the PRC and the principal place of business is Room 1603, Cheung Kei Building, No.128 Xinzhou 11th Street, Futian District, Shenzhen, Guangdong, the PRC. The Company listed shares ("**H Shares**") have been listed on the GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 23 May 2017.

The Company is principally engaged in financial leasing, advisory services, customer referral while the principal subsidiaries are principally engaged in financial leasing, provision of factoring and advisory services, customer referral, the supply of medical equipment, investment holding and energy storage business in the PRC.

## 2. BASIS OF PREPARATION

The condensed consolidated financial statements of the Group and its subsidiaries (hereinafter collectively referred to as the "**Group**") for the six months ended 30 June 2025 have 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**") and the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**").

The condensed consolidated financial statements of the Group for the six months ended 30 June 2025 are presented in Renminbi ("**RMB**"), which is also the functional currency of the principal subsidiaries of the Group where the primary economic environment is in the PRC.

## 3. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("**HKFRSs**")

### Application of amendments to HKFRSs

The condensed consolidated financial statements have been prepared on the historical cost basis except for financial instruments, which are measured at fair values or revalued amounts, as appropriate. The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

In the current interim period, the Group has applied, for the first time, the following new and amendments to Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the HKICPA which are effective for the Group's financial year beginning 1 January 2025:

Amendments to HKAS 21

Lack of Exchangeability

The above standards did not have any impact on the Group's accounting policies and are not expected to significantly affect the current and future periods.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 4. SEGMENT INFORMATION

## (a) Reportable segments

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group has three (six months ended 30 June 2024: Three) reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

- The financial and advisory business comprises (a) direct finance leasing; (b) sale-leaseback; (c) factoring; (d) advisory services; (e) customer referral; and (f) investment holding.
- The trading operation business comprises trading of electronic products.
- The energy storage business comprises (a) trading of energy storage systems; (b) energy storage solution and general contracting and (c) provision of energy storage business.

During the six months ended 30 June 2024, the Group disposed of the interest in 5G base station business segment which was presented as "discontinued operations". The following segment information of the Group's business segment does not include the discontinued operations in both periods.

|                                                                                                       | Financial and advisory business |             | Trading operation business |             | Energy storage business  |             | Total                    |             |
|-------------------------------------------------------------------------------------------------------|---------------------------------|-------------|----------------------------|-------------|--------------------------|-------------|--------------------------|-------------|
|                                                                                                       | Six months ended 30 June        |             | Six months ended 30 June   |             | Six months ended 30 June |             | Six months ended 30 June |             |
|                                                                                                       | 2025                            | 2024        | 2025                       | 2024        | 2025                     | 2024        | 2025                     | 2024        |
|                                                                                                       | RMB'000                         | RMB'000     | RMB'000                    | RMB'000     | RMB'000                  | RMB'000     | RMB'000                  | RMB'000     |
|                                                                                                       | (Unaudited)                     | (Unaudited) | (Unaudited)                | (Unaudited) | (Unaudited)              | (Unaudited) | (Unaudited)              | (Unaudited) |
| Continuing operations                                                                                 |                                 |             |                            |             |                          |             |                          |             |
| Revenue from external customers                                                                       | 6,816                           | 11,699      | 14,066                     | 12,453      | 25,731                   | 1,050       | 46,613                   | 25,202      |
| Inter-segment revenue                                                                                 | -                               | -           | -                          | -           | -                        | -           | -                        | -           |
| Reportable segment revenue                                                                            | 6,816                           | 11,699      | 14,066                     | 12,453      | 25,731                   | 1,050       | 46,613                   | 25,202      |
| Reportable segment profit/(loss)                                                                      |                                 |             |                            |             |                          |             |                          |             |
| before income tax                                                                                     | 663                             | 5,073       | (770)                      | (1,549)     | (960)                    | (5,319)     | (1,067)                  | (1,795)     |
| Bank interest income                                                                                  | 55                              | 107         | -                          | 65          | 30                       | 76          | 85                       | 248         |
| Depreciation of plant and equipment                                                                   | 44                              | 52          | 12                         | 1           | 799                      | 1,318       | 855                      | 1,371       |
| Depreciation of right-of-use assets                                                                   | 276                             | 315         | -                          | 32          | 229                      | 228         | 505                      | 575         |
| Amortisation of intangible asset                                                                      | 170                             | 275         | 2                          | -           | -                        | -           | 172                      | 275         |
| Provision for (reversal of) impairment loss on finance lease receivables and account receivables, net | 1,351                           | 1,490       | -                          | (108)       | -                        | (5)         | 1,351                    | 1,377       |
| Income tax expense                                                                                    | 329                             | 1,115       | -                          | (11)        | -                        | 6           | 329                      | 1,110       |

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 4. SEGMENT INFORMATION (Continued)

## (b) Geographic information

The Company was incorporated in the PRC and the principal place of the Group's operations is the PRC. All the Group's revenue and non-current assets are principally attributable to the PRC.

## (c) Information about major customers

No customers contributed 10% or more of the Group's revenue for the six months ended 30 June 2025 (2024: RMB N/A from energy storage business segment).

## 5. REVENUE

An analysis of the Group's revenue for the years from continuing operations is as follows:

|                                               | Six months ended 30 June       |                                |
|-----------------------------------------------|--------------------------------|--------------------------------|
|                                               | 2025<br>RMB'000<br>(Unaudited) | 2024<br>RMB'000<br>(Unaudited) |
| <b>Continuing operations</b>                  |                                |                                |
| <b>Revenue from contracts with customers:</b> |                                |                                |
| Energy storage service income                 | 25,731                         | 1,050                          |
| Sales of goods – electronic products          | 14,066                         | 12,453                         |
|                                               | <b>39,797</b>                  | 13,503                         |
| <b>Revenue from other sources</b>             |                                |                                |
| Finance lease income                          | –                              | 9                              |
| Income from sale-leaseback transactions       | 540                            | 111                            |
| Factoring income                              | 6,276                          | 11,579                         |
|                                               | <b>6,816</b>                   | 11,699                         |
|                                               | <b>46,613</b>                  | 25,202                         |

Disaggregation of revenue from contracts with customers by timing of recognition.

|                                             | Six months ended 30 June       |                                |
|---------------------------------------------|--------------------------------|--------------------------------|
|                                             | 2025<br>RMB'000<br>(Unaudited) | 2024<br>RMB'000<br>(Unaudited) |
| <b>Timing of revenue recognition</b>        |                                |                                |
| – At a point in time                        | 14,066                         | 12,453                         |
| – Overtime                                  | 25,731                         | 1,050                          |
|                                             | <b>39,797</b>                  | 13,503                         |
| Total revenue from contracts with customers | <b>39,797</b>                  | 13,503                         |

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 6. OTHER INCOME AND GAINS AND LOSSES

|                                                       | Six months ended 30 June |              |
|-------------------------------------------------------|--------------------------|--------------|
|                                                       | 2025                     | 2024         |
|                                                       | RMB'000                  | RMB'000      |
|                                                       | (Unaudited)              | (Unaudited)  |
| <b>Continuing operations</b>                          |                          |              |
| <b>Other income, gains and losses</b>                 |                          |              |
| Bank interest income                                  | 85                       | 248          |
| Value added tax ("VAT") refund                        | –                        | 3            |
| Exchange gain or loss, net                            | 153                      | –            |
| Maintenance service income                            | 1,027                    | 1,901        |
| Imputed interest income on trade receivables          | –                        | 82           |
| Penalty charged to customers                          | –                        | 113          |
| Change in fair value of financial asset of FVTPL, net | –                        | 236          |
| Others                                                | 91                       | 2            |
|                                                       | <b>1,356</b>             | <b>2,585</b> |

## 7. LOSS BEFORE TAX

Loss before tax is arrived at after charging:

|                                                                                  | Six months ended 30 June |               |
|----------------------------------------------------------------------------------|--------------------------|---------------|
|                                                                                  | 2025                     | 2024          |
|                                                                                  | RMB'000                  | RMB'000       |
|                                                                                  | (Unaudited)              | (Unaudited)   |
| <b>Costs of sales:</b>                                                           |                          |               |
| – Depreciation of plant and equipment                                            | 681                      | 815           |
| – Cost of inventories sold                                                       | 33,031                   | 11,706        |
|                                                                                  | <b>33,712</b>            | <b>12,521</b> |
| <b>Staff cost (including directors' emoluments)</b>                              |                          |               |
| – Comprise:                                                                      |                          |               |
| – Salaries, allowances and benefits in kind                                      | 6,215                    | 7,816         |
| – Discretionary bonuses                                                          | 56                       | 632           |
| – Contribution to defined contribution retirement plan                           | 518                      | 935           |
|                                                                                  | <b>6,789</b>             | <b>9,383</b>  |
| <b>Depreciation of plant and equipment</b>                                       | <b>174</b>               | <b>556</b>    |
| <b>Depreciation of right-of-use assets</b>                                       | <b>505</b>               | <b>575</b>    |
| <b>Expenses relating to short-term leases</b>                                    | <b>114</b>               | <b>120</b>    |
| <b>Impairment loss on finance lease receivables and account receivables, net</b> | <b>1,351</b>             | <b>1,377</b>  |

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 8. DISCONTINUED OPERATIONS

On 16 May 2024, the Group entered into an asset transfer agreement with an independent third party whereby the Group agreed to dispose all base stations constructed by its subsidiaries, Shenzhen Huixin Zhida Technology Co., Ltd. (深圳匯信致達科技有限公司) (“**Huixin**”) at cash consideration of RMB1,410,000 (adjusted to RMB999,670.5 during the six months ended 2025) and Guangdong Yideng Engineering Construction Co., Ltd. (廣東壹登工程建設有限公司) (“**Yideng**”) at cash consideration of RMB8,750,000 for the use of the third party telecommunications operators, including the base station equipment and auxiliary facilities owned by Huixin and Yideng. In order to reduce the operating and maintenance costs of the base stations and to avoid potential loss resulting from the decrease in value of base stations, the directors of the Company considered that the disposal of assets offer an opportunity for the Group to optimize its resources allocation and enhance the quality and efficiency of its operations, which will be beneficial to the overall development of the Group. Details please refer to announcement dated 16 May 2024. After the disposal of assets, the Group is discontinued its operations of 5G base stations.

As at 30 June 2025, the disposal has not yet been completed. The Group expected the disposal to be completed in coming twelve months. The assets and liabilities of Huixin and Yideng as at 30 June 2025 and 2024 were classified as assets and liabilities of a disposal group held for sale and the results of Huixin and Yideng have been presented as loss from discontinued operation.

|                                                       | Six months ended 30 June       |                                |
|-------------------------------------------------------|--------------------------------|--------------------------------|
|                                                       | 2025<br>RMB'000<br>(Unaudited) | 2024<br>RMB'000<br>(Unaudited) |
| Revenue                                               | –                              | 808                            |
| Cost of sales                                         | –                              | (686)                          |
| Gross profit                                          | –                              | 122                            |
| Other income and gains                                | 297                            | 203                            |
| Operating expenses                                    | (45)                           | (5)                            |
| Administrative expenses                               | (250)                          | (381)                          |
| Reversal of impairment loss on accounts receivables   | –                              | 4                              |
| Profit (loss) before tax from discontinued operations | 2                              | (57)                           |
| Income tax expenses                                   | –                              | (11)                           |
| Profit (loss) for the period                          | 2                              | (68)                           |

The following assets and liabilities were classified as held for sale in relation to the discontinued operations as at 30 June 2025:

|                                                                                            | Six months ended<br>30 June 2025<br>RMB'000<br>(Unaudited) |
|--------------------------------------------------------------------------------------------|------------------------------------------------------------|
| <b>Analysis of assets and liabilities over which control was lost:</b>                     |                                                            |
| Property, plant and equipment                                                              | 4,216                                                      |
| Goodwill                                                                                   | 109                                                        |
| Right of use assets                                                                        | 3,652                                                      |
| Total assets classified as held for sale                                                   | 7,977                                                      |
| Lease liabilities and total liabilities associated with assets classified as held for sale | (3,377)                                                    |

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 9. INCOME TAX EXPENSE

|                          | Six months ended 30 June |             |
|--------------------------|--------------------------|-------------|
|                          | 2025                     | 2024        |
|                          | RMB'000                  | RMB'000     |
|                          | (Unaudited)              | (Unaudited) |
| <b>Income tax</b>        |                          |             |
| – Current period         | 329                      | 1,074       |
| <b>Deferred tax</b>      |                          |             |
| – Charged for the period | –                        | 36          |
| Income tax expense       | 329                      | 1,110       |

The Company and its subsidiaries are incorporated in the PRC subject to the enterprise income tax in the PRC.

Provision for the enterprise income tax in the PRC is calculated based on a statutory tax rate of 25% of the estimated assessable profits as determined in accordance with the relevant income tax law in the PRC in the current and prior period.

## 10. (LOSS) EARNINGS PER SHARE

## For continuing and discontinued operations

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

|                                                                                                                                 | 30 June 2025 | 31 December 2024 |
|---------------------------------------------------------------------------------------------------------------------------------|--------------|------------------|
|                                                                                                                                 | RMB'000      | RMB'000          |
|                                                                                                                                 | (Unaudited)  | (Audited)        |
| (Loss) profit for the year attributable to owners of the Company for the purpose of basic and diluted earnings (loss) per share |              |                  |
| From continuing operations                                                                                                      | (1,138)      | (7,463)          |
| From discontinued operations                                                                                                    | 1            | 590              |
| Number of ordinary shares for the purpose of basic and diluted (loss) earnings per share                                        | 359,340,000  | 359,340,000      |
| Basic and diluted (loss) earnings per share (RMB cents per share)                                                               |              |                  |
| From continuing operations                                                                                                      | (0.32)       | (2.08)           |
| From discontinued operations                                                                                                    | –            | 0.17             |
| Total basic earnings (loss) per share                                                                                           | (0.32)       | (1.91)           |

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 11. DIVIDENDS

No dividend was paid or proposed for the six months ended 30 June 2025 (six months ended 30 June 2024: nil), and no dividend has been proposed since the end of the Reporting Period.

## 12. PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2025, additions to plant and equipment and right-of-use assets amounted to RMB24,000 (six months ended 30 June 2024: RMB446,000) and RMB683,000 (six months ended 30 June 2024: RMB11,000) respectively. No plant and equipment was written off or disposed for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

## 13. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

|                                                                                                                                       | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|------------------------------------------|
| – Preference shares of an unlisted investment, Pachira (Zhuhai Hengqin) Information Technology Co., Ltd (“ <b>Pachira</b> ”) (note a) | 5,723                                  | 5,723                                    |
| – Ordinary shares in Zhuhai Huihe Guangjing Chuangye investment Fund, L.P. (“ <b>Zhuhai Huihe</b> ”) (note b)                         | 18,207                                 | 19,817                                   |
| – Ordinary shares in Beijing Shuncheng Health investment Fund, L.P. (“ <b>Beijing Shuncheng</b> ”) (note c)                           | 22,202                                 | 22,202                                   |
| – Ordinary shares in Shenzhen Divbio Pharmaceutical Co., Ltd (“ <b>Shenzhen Divbio</b> ”) (note d)                                    | 14,350                                 | 14,350                                   |
| – Ordinary shares in Yixing Xiangyi Venture Capital Partnership (“ <b>Yixing</b> ”) (note e)                                          | 8,983                                  | 8,983                                    |
|                                                                                                                                       | 69,465                                 | 71,075                                   |

Reconciliation for financial asset at FVTPL based on significant unobservable inputs (Level 2 and Level 3) are as follows:

|                                                               | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|---------------------------------------------------------------|----------------------------------------|------------------------------------------|
| At the beginning of year                                      | 71,075                                 | 63,102                                   |
| (Withdrawal) addition (note b)                                | (1,610)                                | 9,000                                    |
| Net loss on change in fair value recognised in profit or loss | –                                      | (1,027)                                  |
| At the end of period/year                                     | 69,465                                 | 71,075                                   |

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 13. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes:

- (a) The financial assets represent 0.5973% (2024: 0.5973%) interest of preferences shares in a private company incorporated in the PRC with investment cost of RMB5,000,000. Upon initial recognition, the financial assets are measured at FVTPL. There is no gain or loss on fair value of the financial assets (2024: gain on fair value of RMB288,000) for the period ended 30 June 2025.
- (b) The financial assets represent a 33.57% interest in a fund incorporated in the PRC (2024: 33.5664%). Pursuant to the limited partnership agreement, the total investment amounted to RMB30,000,000. The Group partially received a refund of the capital investment of RMB1,610,000 during the period ended 30 June 2025, there was no change in ownership after this withdrawal. There was no gain or loss on fair value of the financial assets (2024: loss on fair value of RMB1,565,000) for the period ended 30 June 2025.
- (c) The financial assets represent 9.9% (2024: 9.9%) interest in a fund incorporated in the PRC with investment cost of RMB30,000,000. There is no gain or loss on fair value of the financial assets (2024: loss on fair value of RMB2,303,000) for the period ended 30 June 2025.
- (d) The financial assets represent 4.504% (2024: 4.504%) interest in a private company incorporated in the PRC with investment cost of RMB8,000,000. There is no gain or loss in fair value of the financial assets (2024: gain on fair value of RMB3,050,000) for the period ended 30 June 2025.
- (e) The financial assets represent 12.9631% (2024: 12.9631%) interest in a fund incorporated in the PRC with investment cost of RMB10,000,000. There is no gain or loss of the financial assets (2024: loss on fair value of RMB497,000) for the period ended 30 June 2025.

## 14. FINANCE LEASE RECEIVABLES

|                                        | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|----------------------------------------|----------------------------------------|------------------------------------------|
| Finance lease receivables comprises:   |                                        |                                          |
| Within one year                        | 13,511                                 | 14,375                                   |
| Less: unearned finance income          | (2,721)                                | (3,398)                                  |
| Present value of minimum lease payment | 10,790                                 | 10,977                                   |
| Less: allowance for credit losses      | (10,372)                               | (8,967)                                  |
|                                        | 418                                    | 2,010                                    |

Analysed as:

|                | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|----------------|----------------------------------------|------------------------------------------|
| Current assets | 418                                    | 2,010                                    |

Certain of the plant and machinery of the Group are leased out under finance leases.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 14. FINANCE LEASE RECEIVABLES (Continued)

The following is a credit quality analysis of finance lease receivables. In the event that an instalment repayment of a finance lease receivables is overdue for more than 30 days, the entire outstanding balance of the finance lease receivables is classified as overdue. If the instalment repayment is overdue within 30 days, only the balance of this instalment is classified as overdue.

|                             | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|-----------------------------|----------------------------------------|------------------------------------------|
| Overdue and credit-impaired |                                        |                                          |
| Overdue over 180 days       | 418                                    | 2,010                                    |

Movements of the impairment loss on finance lease receivables are as follows:

|                                                                              | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|------------------------------------------------------------------------------|----------------------------------------|------------------------------------------|
| At beginning of year                                                         | 8,967                                  | 10,627                                   |
| Impairment loss (reversal of) impairment loss recognised for the period/year | 1,405                                  | (1,660)                                  |
| At end of period/year                                                        | 10,372                                 | 8,967                                    |

The loss allowance was measured at an amount equal to lifetime expected credit losses under the simplified approach. The changes in the loss allowance was mainly due to the reversal of loss allowance for those balances had been settled during the year.

## 15. ACCOUNTS RECEIVABLES

|                                                            | Notes | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|------------------------------------------------------------|-------|----------------------------------------|------------------------------------------|
| Receivables from sales-leaseback                           | (a)   | 6,574                                  | 7,854                                    |
| Factoring receivables with recourse                        | (b)   | 215,241                                | 205,351                                  |
| Trade receivables                                          | (c)   | 108,567                                | 96,340                                   |
| Receivables from operating leases                          | (d)   | 2,947                                  | 4,406                                    |
| Total accounts receivables, less allowance for credit loss |       | 333,329                                | 313,951                                  |

Analysis for reporting purpose as:

|                    | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|--------------------|----------------------------------------|------------------------------------------|
| Current assets     | 333,329                                | 313,150                                  |
| Non-current assets | –                                      | 801                                      |
|                    | 333,329                                | 313,951                                  |

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

15. ACCOUNTS RECEIVABLES *(Continued)*

Notes:

## (a) Receivables from sales-leaseback

The following is an ageing analysis of receivables from sales-leaseback net of allowance for credit losses based on the schedule to repay of the receivables since the effective date of the relevant sale-leaseback contracts, as at the end of the reporting period.

|                           | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|---------------------------|----------------------------------------|------------------------------------------|
| Current and within 1 year | 6,574                                  | 7,854                                    |

The Group allows an average credit period of 30 to 60 days (2024: 30 to 60 days) to its customers.

The following is a credit quality analysis of receivables from sale-leaseback transaction. In the event that an instalment repayment of a receivable from sale-leaseback transaction is overdue more than 30 days, the entire outstanding balance of the receivables from sale-leaseback transaction is classified as overdue.

|                                                   | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|---------------------------------------------------|----------------------------------------|------------------------------------------|
| Overdue and credit-impaired<br>– Overdue 181 days | 13,789                                 | 14,918                                   |
|                                                   | 13,789                                 | 14,918                                   |
| Less: Allowance for credit losses                 | (7,215)                                | (7,064)                                  |
|                                                   | 6,574                                  | 7,854                                    |

The Group, acts as a buyer-lessor, does not recognise the transferred asset, as the sale-leaseback transaction does not satisfy the requirements of HKFRS 15 as a sale but accounted for as financing arrangement under HKFRS 9.

The overdue interest rate is charged at fixed rate 0.1% per date (2024: 0.1% per day).

The effective interest rates of the receivables from sale-leaseback transactions are 6.14% as at 30 June 2025 (2024: 6.14% to 12.82% per annum).

Movements of impairment loss on receivables from sale-leaseback transaction are as follows:

|                                                                              | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|------------------------------------------------------------------------------|----------------------------------------|------------------------------------------|
| At beginning of year                                                         | 7,064                                  | 25,404                                   |
| Impairment loss (reversal of impairment loss) recognised for the period/year | 151                                    | (1,985)                                  |
| Written off                                                                  | –                                      | (16,355)                                 |
| At end of period/year                                                        | 7,215                                  | 7,064                                    |

The loss allowance was measured at an amount equal to 12 month and lifetime expected credit losses under the general approach for receivables from sale-leaseback transaction. The changes in the loss allowance was mainly due to written off of receivables from sale-leaseback transactions at the reporting date.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 15. ACCOUNTS RECEIVABLES (Continued)

Notes: (Continued)

## (b) Factoring receivables

The following is an ageing analysis of factoring receivables net of allowance for credit losses based on the schedule to repay of the receivables since the effective date of the relevant factoring contracts as at the end of the reporting period.

|               | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|---------------|----------------------------------------|------------------------------------------|
| Within 1 year | 215,241                                | 205,351                                  |

Analysis for reporting purpose as:

|         | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|---------|----------------------------------------|------------------------------------------|
| Current | 215,241                                | 205,351                                  |

The Group allows an average credit period of 0 to 30 days (2024: 0 to 30 days) to its customers.

The following is a credit quality analysis of factoring receivables. In the event that an instalment repayment of a factoring receivable is overdue, the entire outstanding balance of the factoring receivables is classified as overdue.

|                                     | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|-------------------------------------|----------------------------------------|------------------------------------------|
| Neither overdue nor credit-impaired | 78,163                                 | 177,000                                  |
| Overdue and not credit-impaired     |                                        |                                          |
| – Overdue 30 days to 90 days        | 79,000                                 | 6,500                                    |
| Overdue and not credit-impaired     |                                        |                                          |
| – Overdue 90 days to 180 days       | 28,000                                 | –                                        |
| Overdue and credit-impaired         |                                        |                                          |
| – Overdue over 180 days             | 48,296                                 | 40,274                                   |
|                                     | 233,459                                | 223,774                                  |
| Less: Allowance for credit losses   | (18,218)                               | (18,423)                                 |
|                                     | 215,241                                | 205,351                                  |

The overdue interest rate is charged at fixed rate 0.1% per day (2024: 0.1% per day).

The effective interest rates of the above factoring receivables ranged mainly from 5.09% to 10.47% per annum as at 31 December 2024 (2024: 10.18% to 12.73% per annum).

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

15. ACCOUNTS RECEIVABLES *(Continued)*

Notes: (Continued)

## (b) Factoring receivables (Continued)

As at 30 June 2025, the Group hold collateral of the factoring receivables with a carrying amount of RMB333,777,000 (2024: RMB334,097,000) over the factoring receivables.

Movements of impairment loss on factoring receivables are as follows:

|                                                                              | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|------------------------------------------------------------------------------|----------------------------------------|------------------------------------------|
| At beginning of year                                                         | 18,423                                 | 9,398                                    |
| (Reversal of impairment loss) impairment loss recognised for the period/year | (205)                                  | 10,614                                   |
| Written off                                                                  | –                                      | (1,589)                                  |
| At end of period/year                                                        | 18,218                                 | 18,423                                   |

The loss allowance was measured at an amount equal to 12 month and lifetime expected credit losses under the general approach for factoring receivables. The changes in the loss allowance was mainly due to change of the credit quality on factoring receivables at the reporting date under the expected credit loss model.

## (c) Trade receivables

The following is an ageing analysis of trade receivables net of allowance for credit losses based on the invoice date, at the end of the reporting period.

|                | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|----------------|----------------------------------------|------------------------------------------|
| 0 – 30 days    | 30,036                                 | 82,935                                   |
| 30 – 90 days   | 47,021                                 | 4,704                                    |
| 90 – 180 days  | 26,956                                 | 4,791                                    |
| 180 – 365 days | 3,188                                  | 3,109                                    |
| Over 365 days  | 1,366                                  | 801                                      |
|                | 108,567                                | 96,340                                   |

Analysis for reporting purpose as:

|             | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|-------------|----------------------------------------|------------------------------------------|
| Current     | 108,567                                | 95,539                                   |
| Non-current | –                                      | 801                                      |
|             | 108,567                                | 96,340                                   |

The Group allows an average credit period of 0 to 30 days (2024: 0 to 30 days) to its customers.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 15. ACCOUNTS RECEIVABLES (Continued)

Notes: (Continued)

## (c) Trade receivables (Continued)

The following is a credit quality analysis of trade receivables. In the event that an instalment repayment of trade receivable is overdue, the entire outstanding balance of the trade receivables is classified as overdue.

|                                     | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|-------------------------------------|----------------------------------------|------------------------------------------|
| Neither overdue nor credit-impaired | 30,036                                 | 78,694                                   |
| Overdue but not credit-impaired     |                                        |                                          |
| Overdue within 30 days              | –                                      | 7,590                                    |
| Overdue 30 days to 90 days          | 47,021                                 | 2,077                                    |
| Overdue 91 days to 180 days         | 26,956                                 | 5,479                                    |
| Overdue and credit impaired         |                                        |                                          |
| Overdue 181 days                    | 8,035                                  | 5,981                                    |
|                                     | 112,048                                | 99,821                                   |
| Less: Allowance for credit losses   | (3,481)                                | (3,481)                                  |
|                                     | 108,567                                | 96,340                                   |

Movements of impairment loss on trade receivables area as follows:

|                                              | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|----------------------------------------------|----------------------------------------|------------------------------------------|
| At beginning of year                         | 3,481                                  | 1,156                                    |
| Impairment of recognised for the period/year | –                                      | 3,451                                    |
| Written off                                  | –                                      | (1,126)                                  |
|                                              |                                        |                                          |
| At end of period/year                        | 3,481                                  | 3,481                                    |

The loss allowance was measured at an amount equal to lifetime expected credit losses under the simplified approach for trade receivables. The changes in the loss allowance was mainly due to the loss allowance and written off on trade receivables at the reporting date under the expected credit loss model.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

15. ACCOUNTS RECEIVABLES *(Continued)*

Notes: (Continued)

## (d) Receivables from operating leases

The following is an ageing analysis of receivables from operating leases net of allowance for credit losses based on the schedule to repay of the receivables as at the end of the reporting period.

|           | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|-----------|----------------------------------------|------------------------------------------|
| 0-30 days | 2,947                                  | 4,406                                    |
| Current   | 2,947                                  | 4,406                                    |

The Group allows an average credit period of 0 to 30 days (2024: 0 to 30 days) to its customers.

The following is a credit quality analysis of receivables from operating lease. In the event that an instalment repayment of receivables from operating lease is overdue, the entire outstanding balance of the receivables from operating lease is classified as overdue.

|                                     | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|-------------------------------------|----------------------------------------|------------------------------------------|
| Neither overdue nor credit-impaired | 27                                     | 1,723                                    |
| Overdue but not credit-impaired     |                                        |                                          |
| Overdue 30 days to 90 days          | –                                      | 2,691                                    |
| Overdue 90 days to 180 days         | 1,660                                  | –                                        |
| Overdue over 180 days               | 1,268                                  | –                                        |
| Less: Allowance for credit losses   | 2,955<br>(8)                           | 4,414<br>(8)                             |
|                                     | 2,947                                  | 4,406                                    |

Movements of the impairment loss on receivables from operating lease are as follows:

|                                                | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|------------------------------------------------|----------------------------------------|------------------------------------------|
| At beginning of year                           | 8                                      | 4                                        |
| Impairment loss recognised for the period/year | –                                      | 4                                        |
| At end of period/year                          | 8                                      | 8                                        |

The loss allowance was measured at an amount equal to 12 month expected credit loss under the general approach for receivables from operating lease. The changes in the loss allowance was mainly due to loss allowance on receivables from operating leases at the reporting date under the expected credit loss model.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 16. TRADE AND OTHER PAYABLES

|                                       | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|---------------------------------------|----------------------------------------|------------------------------------------|
| Trade payables (note a)               | 88,780                                 | 86,814                                   |
| Accruals                              | 78                                     | 1,707                                    |
| Deposits from finance lease customers | 266                                    | 582                                      |
| VAT payables                          | 3,615                                  | 4,166                                    |
| Others                                | 5,567                                  | 806                                      |
|                                       | 98,306                                 | 94,075                                   |

Notes:

- (a) The ageing analysis of trade payables of the Group, based on invoice dates, at the end of the reporting period:

|               | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|---------------|----------------------------------------|------------------------------------------|
| Within 1 year | 88,780                                 | 86,814                                   |

The average credit period on purchases of goods is 30 days (2024: 30 days) for the period ended 30 June 2025. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

## 17. BANK BORROWINGS

|                                                              | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|--------------------------------------------------------------|----------------------------------------|------------------------------------------|
| Unsecured bank borrowings classified as current liabilities  | 10,000                                 | 10,000                                   |
| Carrying amount of bank borrowings repayable within one year | 10,000                                 | 10,000                                   |

As at 30 June 2025, the bank borrowings were denominated in RMB, bore interest at fixed rate ranged from 2.95% to 3.05% (2024: 3.05% to 3.2%) per annum and repay within one year for the purpose of operating use.

## 18. SHARE CAPITAL

|                                                                                                                            | Number of shares | RMB'000 |
|----------------------------------------------------------------------------------------------------------------------------|------------------|---------|
| Registered domestic share capital and H Shares:<br>At 1 January 2024, 31 December 2024, 1 January 2025<br>and 30 June 2025 | 359,340,000      | 359,340 |

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 19. RELATED PARTY TRANSACTIONS

- (a) Saved as disclosed elsewhere in the condensed consolidated interim financial statements, the Group has the following significant related party transactions and balances with related party.

| Name of related parties | Nature of transactions            | Six months ended               |                                |
|-------------------------|-----------------------------------|--------------------------------|--------------------------------|
|                         |                                   | 2025<br>RMB'000<br>(Unaudited) | 2024<br>RMB'000<br>(Unaudited) |
| Dayuan Tiandi           | Income from factoring transaction | 212                            | 381                            |
| Longding Huayuan        | Income from factoring transaction | 546                            | 1,098                          |
|                         | Lease payment                     | 82                             | 82                             |
|                         | Interest on lease liabilities     | 4                              | 7                              |

Detail of amount due from related company is as follows:

| Name of related parties    | 30 June 2025<br>RMB'000<br>(Unaudited) | 31 December 2024<br>RMB'000<br>(Audited) |
|----------------------------|----------------------------------------|------------------------------------------|
| Longding Huayuan           |                                        |                                          |
| Factoring receivables      | 22,900                                 | 22,900                                   |
| Less: Impairment allowance | –                                      | –                                        |
|                            | 22,900                                 | 22,900                                   |
| Dayuan Tiandi              |                                        |                                          |
| Factoring receivables      | –                                      | 7,950                                    |
| Less: Impairment allowance | –                                      | –                                        |
|                            | –                                      | 7,950                                    |
| Total                      | 22,900                                 | 30,850                                   |

Notes:

- (i) Longding Huayuan is a wholly-owned subsidiary of Dayuan Tiandi, which is also a shareholder, which 22.26% interest in of the Company. The loss allowance was measured at an amount equal to 12 months expected credit losses for sale leaseback and factoring receivables.
- (ii) The amounts due from related companies are trade nature with credit period of 0 to 30 days (31 December 2024: 0 to 30 days), unsecured and interest-free.
- (iii) During the six months ended 30 June 2025, the Group entered into a three-year lease in respect of property leased for own use from a related company of the Group. The amount of rent payable by the Group under the lease is RMB14,000 per month. As at 30 June 2025, the carrying amount of such lease liabilities is approximately RMB121,000 (31 December 2024: RMB200,000). During the six months ended 30 June 2025, the Group has made lease payment of RMB82,000 to the related company (during year ended 31 December 2024: RMB165,000).

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 19. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Members of key management including the Directors whose emoluments are as follows:

|                                              | Six months ended |             |
|----------------------------------------------|------------------|-------------|
|                                              | 2025             | 2024        |
|                                              | RMB'000          | RMB'000     |
|                                              | (Unaudited)      | (Unaudited) |
| Salaries, allowances and benefit in kind     | 1,216            | 855         |
| Contributions to defined contribution scheme | 58               | 55          |
|                                              | 1,274            | 910         |

## 20. CAPITAL COMMITMENT

|                                      | 30 June 2025 | 31 December 2024 |
|--------------------------------------|--------------|------------------|
|                                      | RMB'000      | RMB'000          |
|                                      | (Unaudited)  | (Audited)        |
| Contracted for but not yet incurred: |              |                  |
| Commitments for investment in a fund | 12,023       | 6,000            |

## 21. CONTINGENT LIABILITIES

As at 30 June 2025, the Group does not have any significant contingent liabilities (31 December 2024: nil).

## 22. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of the Reporting Period. For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 22. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (CONTINUED)

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

|                                               |         | Six months ended 30 June 2025 |         |         |
|-----------------------------------------------|---------|-------------------------------|---------|---------|
|                                               | Level 1 | Level 2                       | Level 3 | Total   |
|                                               | RMB'000 | RMB'000                       | RMB'000 | RMB'000 |
| <b>(Unaudited)</b>                            |         |                               |         |         |
| <b>Financial asset at FVTPL</b>               |         |                               |         |         |
| – Preference shares of an unlisted investment | –       | –                             | 5,723   | 5,723   |
| – Interests in Zhuhai Huihe                   | –       | –                             | 18,207  | 18,207  |
| – Interests in Beijing Shuncheng              | –       | –                             | 22,202  | 22,202  |
| – Interests in Shenzhen Divbio                | –       | 14,350                        | –       | 14,350  |
| – Interests in Yixing                         | –       | –                             | 8,983   | 8,983   |
| Total                                         | –       | 14,350                        | 55,115  | 69,465  |

|                                               | 31 December 2024   |                    |                    |                  |
|-----------------------------------------------|--------------------|--------------------|--------------------|------------------|
|                                               | Level 1<br>RMB'000 | Level 2<br>RMB'000 | Level 3<br>RMB'000 | Total<br>RMB'000 |
| (Audited)                                     |                    |                    |                    |                  |
| Financial asset at FVTPL                      |                    |                    |                    |                  |
| – Preference shares of an unlisted investment | –                  | –                  | 5,723              | 5,723            |
| – Interests in Zhuhai Huihe                   | –                  | –                  | 19,817             | 19,817           |
| – Interests in Beijing Shuncheng              | –                  | –                  | 22,202             | 22,202           |
| – Interests in Shenzhen Divbio                | –                  | 14,350             | –                  | 14,350           |
| – Interests in Yixing                         | –                  | –                  | 8,983              | 8,983            |
| Total                                         | –                  | 14,350             | 56,725             | 71,075           |

There were no transfers between levels during the period/year.