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佐力科創小額貸款股份有限公司
(**Zuoli Kechuang Micro-finance Company Limited**)*

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

(Stock Code: 6866)

**UNAUDITED CONSOLIDATED RESULTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020**

The board (the “**Board**”) of directors (the “**Directors**”) of 佐力科創小額貸款股份有限公司 (Zuoli Kechuang Micro-finance Company Limited*) (the “**Company**”) is pleased to announce the unaudited results of the Company and its subsidiaries (the “**Group**”) for the nine months ended 30 September 2020, together with comparative figures for the corresponding period, prepared in accordance with the Hong Kong Financial Reporting Standards. This announcement is made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on the Stock Exchange).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the nine months ended 30 September 2020 — unaudited
(Express in Renminbi (“RMB”)’000, unless otherwise stated)

	Nine months ended	
	30 September	
	2020	2019
	<i>RMB’000</i>	<i>RMB’000</i>
Interest income	226,741	233,100
Interest and commission expenses	<u>(38,202)</u>	<u>(36,380)</u>
Net interest income	<u>188,539</u>	<u>196,720</u>
Other net income	8,094	12,806
Impairment losses	(25,803)	(20,230)
Administrative expenses	<u>(35,244)</u>	<u>(38,262)</u>
Profit before tax	135,586	151,034
Income tax expense	<u>(35,381)</u>	<u>(40,123)</u>
Profit for the period	<u>100,205</u>	<u>110,911</u>
Attributable to:		
Owners of the parent	95,093	105,651
Non-controlling interests	<u>5,112</u>	<u>5,260</u>
Profit for the period	<u>100,205</u>	<u>110,911</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 September 2020 RMB'000	31 December 2019 RMB'000
Assets		
Cash and cash equivalents	20,962	55,310
Interests receivables	913	83
Loans and advances to customers	2,405,997	2,364,579
Intangible assets	1,290	1,753
Goodwill	22,502	22,502
Fixed assets	52,884	44,045
Deferred tax assets	40,579	37,943
Other assets	<u>2,659</u>	<u>1,198</u>
Total assets	<u>2,547,786</u>	<u>2,527,413</u>
Liabilities		
Interest-bearing borrowings	561,993	715,972
Lease liabilities	6,720	1,274
Accruals and other payables	110,452	22,613
Current taxation	<u>30,112</u>	<u>41,249</u>
Total liabilities	<u>709,277</u>	<u>781,108</u>
NET ASSETS	<u>1,838,509</u>	<u>1,746,305</u>
CAPITAL AND RESERVES		
Share capital	1,180,000	1,180,000
Reserves	<u>552,061</u>	<u>456,968</u>
Total equity attributable to equity shareholders of the Company	1,732,061	1,636,968
Non-controlling interests	<u>106,448</u>	<u>109,337</u>
Total equity	<u>1,838,509</u>	<u>1,746,305</u>

The Group's unaudited consolidated results for the nine months ended 30 September 2020 have been prepared in accordance with the same accounting policies adopted by the Group as disclosed in the 2019 Annual Report and the new applicable International Financial Reporting Standards issued by the International Accounting Standards Board.

The unaudited consolidated results of the Group for the nine months ended 30 September 2020 have been reviewed by the audit committee of the Company.

Shareholders and potential shareholders of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
佐力科創小額貸款股份有限公司
(Zuoli Kechuang Micro-finance Company Limited*)
Yu Yin
Chairman

Hong Kong, 30 October 2020

As at the date of this announcement, the executive Directors of the Company are Mr. Yu Yin, Mr. Zheng Xuegen, Mr. Yang Sheng and Ms. Hu Fangfang, the non-executive Director is Mr. Pan Zhongmin, and the independent non-executive Directors are Mr. Chan Kin Man, Mr. Zhao Xuqiang and Ms. Yang Jie.

* For identification purposes only