China Success Finance Group Holdings Limited
中國金融發展（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3623)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June		
	2025	2024	
	(RMB'000)	*(RMB'000)*	Change In %
REVENUE	**9,863**	54,511	(81.9%)
OTHER REVENUE	**2,298**	1,306	76.0%
LOSS BEFORE TAXATION	**(4,743)**	(19,144)	(75.2%)
LOSS FOR THE PERIOD	**(6,604)**	(22,063)	(70.1%)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(4,188)**	(20,803)	(79.9%)
BASIC LOSS PER SHARE *(RMB PER SHARE)*	**(0.00)**	(0.02)	(100.0%)
	AS AT 30 JUNE 2025	AS AT 31 DECEMBER 2024	
	(RMB'000)	*(RMB'000)*	Change In %
TOTAL ASSETS	**559,913**	558,737	0.2%
TOTAL EQUITY	**283,769**	237,724	19.4%

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of China Success Finance Group Holdings Limited (the "**Company**") is pleased to announce the condensed consolidated financial statements of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2025 together with the comparative figures for the corresponding period in 2024.

Condensed Consolidated Statement of Profit or Loss
Six months ended 30 June 2025

		Six months ended 30 June	
		2025	2024
	Note	***RMB'000***	*RMB'000*
		(unaudited)	*(unaudited)*
Guarantee income		**1,078**	14,382
Less: guarantee service fee		**–**	(251)
Net guarantee fee income		**1,078**	14,131
Services fee from consulting and maintenance services		**5,088**	118
Income from financial leasing service		**453**	647
Sales of market hogs		**–**	4,362
Income from breeding service		**3,244**	–
Sales of energy storage system		**–**	35,253
Revenue, net	2	**9,863**	54,511
Other revenue	3	**2,298**	1,306
Cost of market hogs sold		**–**	(4,778)
Cost of breeding service		**(6,340)**	–
Cost of energy storage system sold		**–**	(33,052)
Impairment and provision credited	4(a)	**12,007**	6,278
Impairment loss on property, plant and equipment	10	**–**	(15,613)
Operating expenses		**(17,505)**	(20,739)
Research and development costs		**(420)**	(535)
Interest expenses	4(d)	**(3,797)**	(5,410)
Share of results of associates		**(849)**	(1,112)
Loss before taxation	4	**(4,743)**	(19,144)
Income tax expense	5	**(1,861)**	(2,919)
Loss for the period		**(6,604)**	(22,063)
Loss attributable to:			
Owners of the Company		**(894)**	(9,630)
Non-controlling interests		**(5,710)**	(12,433)
		(6,604)	(22,063)
Loss per share		**RMB**	RMB
Basic and diluted	6	**(0.00)**	(0.02)

Condensed Consolidated Statement of Profit or loss and Comprehensive Income
Six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Loss for the period	**(6,604)**	(22,063)
Other comprehensive income		
Item that will not be reclassified to profit or loss:		
Currency translation on financial statements of the Company	**9,700**	3,451
Item that may be reclassified subsequently to profit or loss:		
Currency translation differences of foreign operations	**(7,284)**	(2,191)
Other comprehensive income for the period	**2,416**	1,260
Total comprehensive loss for the period	**(4,188)**	(20,803)
Total comprehensive loss attributable to:		
Owners of the Company	**1,522**	(8,370)
Non-controlling interests	**(5,710)**	(12,433)
	(4,188)	(20,803)

Condensed Consolidated Statement of Financial Position
As at 30 June 2025

	Note	**At 30 June 2025** ***RMB'000*** ***(unaudited)***	At 31 December 2024 *RMB'000* *(audited)*
Assets			
Cash and bank deposits		**224,222**	185,561
Pledged bank deposits		**5,194**	33,009
Trade and other receivables	7	**74,987**	87,592
Factoring receivables	8	**11,567**	11,769
Finance lease receivables	9	**31,329**	30,859
Interest in associates		**24,067**	22,916
Biological assets		**972**	972
Inventories		**39**	47
Property, plant and equipment	10	**168,101**	163,296
Financial assets measured at fair value through profit or loss		**1,563**	1,563
Deferred tax assets		**17,872**	21,153
		559,913	558,737
Liabilities			
Liabilities from guarantees		**6,797**	17,970
Pledged deposits received		**102,098**	103,234
Interest-bearing borrowings	11	**120,662**	143,199
Accruals and other payables		**21,997**	30,485
Current tax		**11,808**	13,228
Lease liabilities		**12,782**	12,897
		276,144	321,013
NET ASSETS		**283,769**	237,724
Capital and reserves			
Share capital		**5,129**	4,421
Reserves		**334,383**	283,336
		339,512	287,757
Non-controlling interests		**(55,743)**	(50,033)
TOTAL EQUITY		**283,769**	237,724

Notes to the condensed consolidated financial statements

1. PRINCIPAL ACCOUNTING POLICIES

The condensed interim financial report has been prepared under the historical cost convention except for investments in debt and equity securities, derivative financial instruments and biological assets at fair value through profit or loss ("FVPL"), which are measured at fair value.

The accounting policies adopted in the preparation of the condensed interim financial report are consistent with those used in the preparation of the 2024 Annual Financial Statements, except for the adoption of the following new / revised HKFRS Accounting Standards that are effective for the Group's financial year beginning on 1 January 2025.

Amendments to HKAS 21	Lack of Exchangeability

The adoption of these amendments to HKFRS Accounting Standards does not have any significant impacts on the condensed interim financial report of the Group.

The Group has not early adopted any new / revised HKFRS Accounting Standards that have been issued but are not yet effective for the financial year beginning on 1 January 2025. The directors are in the process of assessing the possible impact on the future adoption of these new / revised HKFRS Accounting Standards, but are not yet in a position to reasonably estimate their impact on the Group's results and financial position.

2. REVENUE AND SEGMENT REPORTING

(a) Revenue

The amount of each significant category of revenue recognised during the period is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Guarantee fee income		
– Income from financial guarantees	**374**	190
– Income from online financial guarantees	**681**	14,150
– Income from performance guarantees	**18**	42
– Income from litigation guarantees	**5**	–
Gross guarantee fee income	**1,078**	14,382
Less: guarantee service fee	**–**	(251)
Net guarantee fee income	**1,078**	14,131
Service fee from consulting and maintenance services	**5,088**	118
Income from financial leasing service	**453**	647
Sales of market hogs	**–**	4,362
Income from breeding service	**3,244**	–
Sales of energy storage system	**–**	35,253
Revenue, net	**9,863**	54,511

2. REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting

The Group manages its business by business operations in a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker for the purposes of resources allocation and performance assessment. The Group's reportable and operating segments are as follows:

– Financial services: providing guarantee service, factoring service, financial leasing service and consulting and maintenance service in the People's Republic of China ("the PRC").

– Market hog: sales of market hogs and providing breeding service in the PRC.

– Energy storage: trading of energy storage system overseas.

(i) Segment results, assets and liabilities

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

Segment assets include all assets and segment liabilities include all liabilities of the Group.

Segment revenue and segment expenses are determined based on revenue generated by those segments and the expenses incurred by those segments. Segment results include the Group's share of results of associates.

Segment performance is evaluated based on reportable segment profit / loss, which is measured consistently with the Group's profit / loss.

2. **REVENUE AND SEGMENT REPORTING (continued)**

(b) Segment reporting (continued)

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

	Financial services		Market Hog		Energy storage		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)*
Guarantee income	**1,078**	14,382	**–**	–	**–**	–	**1,078**	14,382
Less: guarantee service fee	**–**	(251)	**–**	–	**–**	–	**–**	(251)
Net guarantee fee income	**1,078**	14,131	**–**	–	**–**	–	**1,078**	14,131
Service fee from consulting and maintenance services	**5,088**	118	**–**	–	**–**	–	**5,088**	118
Income from financial leasing service	**453**	647	**–**	–	**–**	–	**453**	647
Sales of market hogs	**–**	–	**–**	4,362	**–**	–	**–**	4,362
Income from breeding service	**–**	–	**3,244**	–	**–**	–	**3,244**	–
Sales of energy storage system	**–**	–	**–**	–	**–**	35,253	**–**	35,253
Revenue, net	**6,619**	14,896	**3,244**	4,362	**–**	35,253	**9,863**	54,511
Other revenue	**1,920**	1,106	**378**	192	**–**	8	**2,298**	1,306
Cost of market hogs sold	**–**	–	**–**	(4,778)	**–**	–	**–**	(4,778)
Cost of breeding service	**–**	–	**(6,340)**	–	**–**	–	**(6,340)**	–
Cost of energy storage system sold	**–**	–	**–**	–	**–**	(33,052)	**–**	(33,052)
Impairment and provision credited	**12,007**	6,278	**–**	–	**–**	–	**12,007**	6,278
Impairment loss on property, plant and equipment	**–**	–	**–**	(15,613)	**–**	–	**–**	(15,613)
Operating expenses	**(11,463)**	(12,339)	**(2,925)**	(6,105)	**(3,117)**	(2,295)	**(17,505)**	(20,739)
Research and development costs	**(420)**	(535)	**–**	–	**–**	–	**(420)**	(535)
Interest expenses	**(744)**	(1,943)	**(3,053)**	(3,467)	**–**	–	**(3,797)**	(5,410)
Share of results of associates	**(849)**	(1,112)	**–**	–	**–**	–	**(849)**	(1,112)
Reportable segment profit (loss) before taxation	**7,070**	6,351	**(8,696)**	(25,409)	**(3,117)**	(86)	**(4,743)**	(19,144)
Income tax	**(1,861)**	(2,919)	**–**	–	**–**	–	**(1,861)**	(2,919)
Reportable segment profit (loss) for the period	**5,209**	3,432	**(8,696)**	(25,409)	**(3,117)**	(86)	**(6,604)**	(22,063)

2. **REVENUE AND SEGMENT REPORTING (continued)**

(**b**) **Segment reporting (continued)**

(ii) Geographic information

The revenue information based on the geographical location of the customers is as follows:

	Financial services *RMB'000*	**Market hog** *RMB'000*	**Energy storage** *RMB'000*	**Total** *RMB'000*
Six months ended 30 June 2025 (unaudited)				
Geographical region:				
– Mainland China	**6,619**	**3,244**	**–**	**9,863**

	Financial services *RMB'000*	Market hog *RMB'000*	Energy storage *RMB'000*	Total *RMB'000*
Six months ended 30 June 2024 (unaudited)				
Geographical region:				
– Mainland China	14,896	4,362	–	19,258
– South Africa	–	–	35,253	35,253
	14,896	4,362	35,253	54,511

The geographical locations of non-current assets other than financial assets measured at FVPL, biological assets and deferred tax assets are based on the physical location of the assets under consideration.

	As at 30 June 2025 *RMB'000* ***(unaudited)***	As at 31 December 2024 *RMB'000* *(audited)*
Hong Kong	**438**	152
Mainland China	**167,663**	163,144
	168,101	163,296

3. OTHER REVENUE

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Interest income from bank deposits	**1,063**	1,091
Compensation income from insurance claim on loss of market hogs	**–**	11
Recovery of bad debt	**818**	–
Others	**417**	204
	2,298	1,306

4. LOSS BEFORE TAXATION

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*

Loss before taxation is arrived at after (crediting) charging:

(a) Impairment and provision credited

Provision credited for guarantees issued	**(11,012)**	(4,848)
Impairment allowances charged (credited) for:		
– receivables from guarantee payments	**(541)**	854
– deposit and other receivables	**1,283**	(3,367)
– factoring receivables	**(197)**	320
– finance lease receivables	**(1,540)**	763
	(12,007)	(6,278)

(b) Staff costs

Salaries, wages and other benefits	**5,607**	6,682
Contributions to defined contribution retirement plan	**590**	587
Equity-settled share-based payment expenses	**1,182**	984
	7,379	8,253

4. LOSS BEFORE TAXATION (continued)

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
(c) Other items		
Depreciation charge		
– right-of-use assets	**596**	924
– owned property, plant and equipment	**5,555**	5,348
	6,151	6,272
Net foreign exchange loss	**2,567**	851
Loss of inventory	**–**	627
(d) Interest expenses		
Interest on bank and other borrowings	**3,407**	3,399
Interest on convertible bonds	**–**	1,596
Interest on lease liabilities	**390**	415
	3,797	5,410

5. INCOME TAX

	Six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
	(unaudited)	*(unaudited)*
Current tax		
Provision for PRC Enterprise Income Tax for the period	**–**	–
Deferred taxation		
Origination and reversal of temporary differences	**(1,861)**	(2,919)
Income tax expense	**(1,861)**	(2,919)

6. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to owners of the Company for the six months ended 30 June 2025 of RMB894,000 (2024: RMB9,630,000) and the weighted average number of 566,443,000 (2024: 552,307,000) ordinary shares in issue during the period.

Potential dilutive ordinary shares are not included in the calculation of diluted loss per share because they are anti-dilutive. Therefore, the diluted loss per share equals the basic loss per share.

7. TRADE AND OTHER RECEIVABLES

	Note	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Receivables from guarantee payments		**129,522**	129,522
Less: loss allowances		**(111,887)**	(112,428)
		17,635	17,094
Trade debtors from guarantees		**176**	13
Trade debtors from sales of biological assets		**516**	516
Trade debtors from sales of energy storage system		**112**	611
		804	1,140
Trade receivables	(a)	**18,439**	18,234
Deposit and other receivables, net of loss allowances		**39,447**	40,645
Amounts due from related parties, net of loss allowances		**–**	36
Deferred expenses of online financial guarantee business		**1**	38
Prepayments for constructions, net of loss allowances		**7,696**	18,742
Prepayments to former non-controlling interest of a subsidiary		**3,643**	4,626
Prepayment to a supplier		**2,119**	1,698
Mortgage assets		**2,202**	2,293
Others		**1,440**	1,280
Other receivables		**56,548**	69,358
Total		**74,987**	87,592

(a) Ageing analysis of trade receivables

As at the end of the reporting period, the ageing analysis of trade receivables, based on the guarantee income recognition date or advance payment date, is as follows:

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Within 1 month	**163**	611
Over 1 month but less than 3 months	**–**	–
Over 3 months but less than 1 year	**112**	–
More than 1 year	**130,051**	130,051
Total	**130,326**	130,662
Less: loss allowances	**(111,887)**	(112,428)
Total	**18,439**	18,234

8. FACTORING RECEIVABLES

	At 30 June 2025 (unaudited)		
	12-month ECL	**Lifetime ECL credit-impaired**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
Factoring receivables	**5,708**	**40,000**	**45,708**
Interest receivable from factoring receivables	**1,668**	**4,215**	**5,883**
Less: loss allowances on factoring receivables	**(2,239)**	**(37,785)**	**(40,024)**
Carrying amount of factoring receivables	**5,137**	**6,430**	**11,567**

	At 31 December 2024 (audited)		
	12-month ECL	Lifetime ECL credit-impaired	Total
	RMB'000	*RMB'000*	*RMB'000*
Factoring receivables	5,708	40,000	45,708
Interest receivable from factoring receivables	2,067	4,215	6,282
Less: loss allowances on factoring receivables	(2,239)	(37,982)	(40,221)
Carrying amount of factoring receivables	5,536	6,233	11,769

(a) Ageing analysis

As at the end of the reporting period, the ageing analysis of factoring receivables (net of loss allowances), based on contract effective date, is as follows:

	At 30 June 2025	At 31 December 2024
	RMB'000	*RMB'000*
	(unaudited)	*(audited)*
Within 1 month	**–**	–
Over 1 month but less than 3 months	**–**	–
Over 3 months but less than 1 year	**7,376**	7,775
More than 1 year	**44,215**	44,215
Total	**51,591**	51,990
Less: loss allowances on factoring receivables	**(40,024)**	(40,221)
Total	**11,567**	11,769

As at 30 June 2025, RMB44,215,000 (31 December 2024: RMB44,215,000) of the balances has passed the maturity date in contracts.

9. FINANCE LEASE RECEIVABLES

	At 30 June 2025 (unaudited)		
	12-month ECL	**Lifetime ECL credit-impaired**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
Finance lease receivables	**16,000**	**159,856**	**175,856**
Less: loss allowances on finance lease receivables	**–**	**(144,527)**	**(144,527)**
Carrying amount of finance lease receivables	**16,000**	**15,329**	**31,329**

	At 31 December 2024 (audited)		
	12-month ECL	Lifetime ECL credit-impaired	Total
	RMB'000	*RMB'000*	*RMB'000*
Finance lease receivables	16,000	160,926	176,926
Less: loss allowances on finance lease receivables	–	(146,067)	(146,067)
Carrying amount of finance lease receivables	16,000	14,859	30,859

(a) Ageing analysis

As at the end of the reporting period, the ageing analysis of finance lease receivable based on the due date is as follows:

	At 30 June 2025	At 31 December 2024
	RMB'000	*RMB'000*
	(unaudited)	*(audited)*
Not overdue	**16,000**	16,000
Over 1 year	**159,856**	160,926
Total	**175,856**	176,926
Less: loss allowances for finance lease receivables	**(144,527)**	(146,067)
Total	**31,329**	30,859

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment for considerations of RMB95,000 (2024: RMB58,000), and recognised a transfer from prepayments for construction to property, plant and equipment of RMB11,046,000 (2024: Nil).

During the six months ended 30 June 2025, the Group recognised additions to right-of-use assets of RMB391,000 (2024: RMB2,325,000).

The directors have performed an impairment assessment on the property, plant and equipment in relation to the hog selling business as at 30 June 2025 based on value-in-use calculations. As a result of the impairment assessment, no impairment loss was recognised in profit or loss during the six months ended 30 June 2025 (2024: an impairment loss of RMB15,613,000).

11. INTEREST-BEARING BORROWINGS

	Note	**At 30 June 2025** ***RMB'000*** ***(unaudited)***	At 31 December 2024 *RMB'000* *(audited)*
Bank borrowings, secured			
Repayable within one year or on demand		**56,195**	55,169
Repayable after one year but within two years		**17,253**	17,226
Repayable after two years but within five years		**40,115**	45,047
Repayable after five years		**4,506**	8,207
	(a)	**118,069**	125,649
Other borrowings, unsecured			
Loan from non-controlling shareholder of a subsidiary	(b)	**2,593**	2,270
Loan from Expert Depot Limited, the controlling shareholder of the Company	(c)	**–**	15,280
		2,593	17,550
Total		**120,662**	143,199

(a) As at 30 June 2025, banking facilities of the Group totaling RMB140,000,000 (31 December 2024: RMB140,000,000), secured by pledging the ordinary shares of a subsidiary of the Company, were utilised to the extent of RMB106,980,000 (31 December 2024: RMB113,980,000). The bank borrowings bear interest at the prevailing interest rate of Loan Prime Rate ("LPR") in the PRC, plus no less than 65 basis points.

As at 30 June 2025, bank borrowings of RMB11,089,000 (31 December 2024: RMB11,669,000) were secured by the prepayments for constructions with carrying amount of RMB7,696,000 (31 December 2024: RMB18,742,000) and the property, plant and equipment with carrying amount of RMB18,571,000 (31 December 2024: RMB8,360,000). The bank borrowings bear interest at the prevailing interest rate of LPR in the PRC, plus 80 basis points.

No covenants relating to the financial ratios of the Group or any of its subsidiaries were required by the banks as at 30 June 2025 and 31 December 2024.

(b) The amount is unsecured, interest-free and has no fixed repayment term, except for an amount of RMB850,000 (31 December 2024: RMB500,000), which is unsecured, interest-bearing at 3.5% per annum and repayable on or before 31 March 2026 (31 Dec 2024: unsecured, interest-bearing at 4% per annum and repayable on or before 31 March 2025).

11 INTEREST-BEARING BORROWINGS (continued)

(c) The amount was unsecured, interest-bearing at The Hong Kong and Shanghai Banking Corporation Limited ("HSBC") Best Lending rate plus 2%, capped at 7.875%, per annum and repayable on or before 18 July 2027, except for an amount of RMB463,000, which is unsecured, interest-bearing at HSBC Best Lending rate plus 2%, capped at 7.25%, per annum and repayable on or before 26 December 2027. The amount was fully settled during the period.

12. DIVIDENDS

No interim dividend was declared for the six months ended 30 June 2025 (2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

In the first half of 2025, the global economy struggled to recover from "limited resilience", characterised by generally slow growth in developed economies and relatively faster growth in emerging economies, albeit subject to multiple shocks. The overall economic recovery faced systemic challenges, including weak external demand, increasing tariff, the spread of trade protectionism, geopolitical conflicts, complex inflationary pressures, a volatile and declining US dollar index, muted growth in global investment, and heightened volatility in financial markets.

In the first half of 2025, various regions and departments in Mainland China earnestly implemented the decisions and arrangements of the CPC Central Committee and the State Council, adhered to the general principle of pursuing progress while maintaining stability, fully, accurately and comprehensively applied the new development philosophy, and accelerated the establishment of a new development pattern. During the first half of 2025, the Mainland China's gross domestic product reached RMB66.05 trillion, representing a year-on-year increase of 5.3%, despite the economy showing signs of a slow recovery trend. Nevertheless, the external economic environment remained unstable with considerable uncertainties, while effective domestic demand was still insufficient. A weak inflation cycle intertwined with the recovery of production efficiency, and the foundation for economic rebound still requires further consolidation.

In the first half of 2025, the global economic landscape exhibited a complex and volatile trend. In Mainland China, the recovery in effective domestic demand was relatively subdued, and household consumption and corporate investment remained cautious. Private fixed asset investment decreased by 0.6% year-on-year, and the financing demand in the real economy remained unstable. In this situation, the Group's business expansion continued to face multiple challenges. Confronted with a complex and challenging external environment, the Group has consistently adhered to prudent and steady operating principles and, by steadily developing its traditional businesses, adjusting comprehensive supply chain financial services and exploring new business areas, for the stable development of the Group.

INDUSTRY AND BUSINESS REVIEW

Steadily Developing Traditional Businesses

In the first half of 2025, the Mainland China government continued to implement a proactive fiscal policy and a moderately accommodative monetary policy, cutting interest rates and the reserve requirement ratio, boosting consumption, and increasing support for the real economy to promote economic improvement. In the first half of 2025, the scale of social financing and credit in Mainland China grew significantly, with the government bonds became the primary driver of social financing. New loans were mainly directed towards the manufacturing, infrastructure, and green sectors. However, owing to the continuing impact in recent years of a complex and volatile global economic environment and macroeconomic fluctuations, Micro, Small and Medium - enterprises still face increasing operational pressures, sluggish growth in financing demand and a relatively low investment appetite. Both profitability and revenue growth showed a decline, with heightened sensitivity to costs.

In the financial segment, the Group continued to adopt a prudent strategy, adhering to the principle of "risk first, business second", optimising its risk management and control mechanisms while seizing market opportunities, proactively expanding into new markets and new products, deepening its deployment in the fintech sector, leveraging a cross-disciplinary team with both financial and IT expertise to enhance its core competitiveness through diversified cooperation with financial institutions and technology companies, and responding to market changes.

During the Reporting Period, in respect of the guarantee services for the existing trading segment in the current trading market, with the ongoing economic recovery, demand for financing among Micro and Small - business clients was growing slowly, and their willingness to invest remained low. Meanwhile, individual customers became more cautious in their spending, the collateral industry faced intense competition, and the customer base comprising individuals and Micro and Small -enterprises became increasingly sensitive to cost. Under the circumstances of simultaneous decreases in guarantee amount limits and rates, the guarantee fee income was unsatisfactory during the Reporting Period. The Group will strengthen customer relationship management to restore customer confidence, while designing new products that better meet customer needs, thereby enhancing competitiveness and striving to regain revenue in the future.

Giving full consideration to the Group's risk management and control strategies, the Group actively expanded into other regions and its guarantees products. During the Reporting Period, through cooperation with a technology R&D company, the Group connected its proprietary electronic tender guarantee system to the Public Resources Trading Centres in multiple regions of the Mainland China served by that company, leveraging blockchain technology to provide small-ticket and dispersed electronic tender guarantee services with controllable risks for public resource transactions such as engineering and procurement conducted at such regional Public Resources Trading Centres (the "Electronic Tender Guarantee Business"). The Electronic Tender Guarantee Business primarily targets tenderers intending to bid for small-scale procurement or construction works projects tendered by the Government via the online trading platforms of Public Resources Trading Centres. The Group will guarantee that, upon winning the tender, they will enter into contracts with the Government on schedule, with fee rates set with reference to government-guided prices. The Electronic Tender Guarantee Business can fully capitalise on the value of the Group's existing nationwide guarantee licence, supported by its well-established in-house technology team. Contracts and electronic letters of guarantee can be generated automatically through an established electronic interfacing system, thereby significantly optimising resource allocation. From a risk perspective, the low contract values and short-term guarantees associated with procurement and engineering projects keep the Group's exposure highly manageable and inherently fragmented. That effectively mitigates the potential threat of concentration risks. Leveraging the electronic automated system, the Group does not need to incur significant additional capital outlay to build a dedicated sales team to develop and promote cross-regional operations, nor to add headcount to handle a large volume of guarantee documentation. This has opened up new avenues for the Group's future sustainable development. However, as the Electronic Tender Guarantee Business only commenced trial operation near the end of the Reporting Period, only a small amount of pilot-run guarantee revenue was recorded during the Reporting Period. Revenue from the Electronic Tender Guarantee Business is expected to increase in the second half of the year. The Group will continue to actively leverage its existing licence resources and the strengths of its in-house technology team to seek cooperation with additional public resources trading centres across Mainland China, thereby expanding the coverage of its guarantee business.

In respect of the agricultural supply chain, the Group is advancing cooperation with a regional commercial bank. It proposes to launch a dedicated financing guarantee product targeting the funding needs arising at the purchase-and-sale stage of agricultural trading markets. The product is intended to provide funding support by the bank and guarantees by the Group to both buyers and sellers, ensuring the smooth completion of such transactions. This business does not require the Company to deploy large amount of operational funds. The partner bank is currently in the process of approving the specific terms and risk control measures. The launch of the product will help alleviate funding bottlenecks in agricultural transactions and facilitate the smooth operation of the agricultural supply chain.

During the Reporting Period, leveraging the profound capabilities accumulated through years of deep engagement in the fintech domain, the Group successfully established a dedicated technical team. During the Reporting Period, we provided clients with technical consultancy services related to business management systems, which were recorded as consultancy and maintenance revenue. This performance stems from the Group's solid technological foundation in the IT field, and also attests to the successful implementation of the Group's talent development strategy.

With respect to the payments under guarantees and the recovery of trade receivables, during the Reporting Period, the Group did not experience any instances of customers defaulting on borrowings or failing to discharge payment obligations when due; accordingly, no compensatory payments were made on behalf of customers. The Group proactively followed up on the collection of trade receivables from prior years and recovered approximately RMB820,000 of trade receivables during the Reporting Period.

Against the backdrop of multiple challenges confronting the financial leasing industry — including national and local policies guiding the industry to focus on serving the real economy, a tightening regulatory environment and increasingly intense market competition — the Group proactively adjusted its operating strategies. On the one hand, it adhered to the principle of prudence in selectively undertaking business and strengthened risk prevention and control. On the other hand, it continued to consolidate the foundation of risk control and enhanced the level of risk management and control, thereby safeguarding the overall soundness of operations.

The Board is of the view that the Mainland China's economy is currently in a bottoming-out fluctuation cycle. On the premise that the macroeconomic environment gradually improves, the Group expects the demand for its traditional financial businesses to recover progressively. In addition, the Group has been actively exploring other technology-related financial businesses and overseas opportunities. Should any such opportunities materialise, the Group will make the relevant announcement(s) to the public in accordance with the Listing Rules.

Implementation of Hog Breeding Services

In the first half of 2025, the policies for Mainland China's hog breeding industry focused on capacity regulation and epidemic prevention and control, the stock of brood sows remained at the upper bound of the reasonable range, and hog slaughter volumes edged slightly higher; hog prices changed sharply on the whole, with the national average transaction price of lean hogs decreasing by 11.43% year-on-year, rebounding in June with pronounced regional divergence. Falling feed costs enabled 14 consecutive months of profitable breeding, though margins have narrowed. The scaling up of hog breeding enterprises accelerated, and leading enterprises chose to rapidly increase capacity through the "company + farmer" contracted raising model. Affected by factors such as slowing economic growth, rising employment pressure, changes in consumption structure, and pork consumption declined, the supply exceeded demand in the hog market, and the hog industry maintained resilience amid adjustment.

During the Reporting Period, the Group continued to focus on the hog breeding service model, committed to providing specialised services to quality hog breeding enterprises. In line with epidemic prevention requirements, the Group cooperates with only one cooperation partner at any one time and provides breeding services on a single-batch basis. Specifically, the Group introduces piglets supplied by the cooperation partner on a unified basis, rears them into standard market hogs, and then collectively delivers them to the cooperation partner for external sale; upon completion of the entire process, the next round of services commences. The Group's existing cooperation partner is a state-owned holding enterprise with significant influence in the hog breeding sector in Guangdong Province. Leveraging its professional service capabilities and sound operational performance, the Group's breeding service standards have been highly recognised by its cooperation partner. The first round of cooperation, completed in March 2025, has already generated corresponding breeding service revenue, which has been recognized in accordance with accounting standards for both the year 2024 and the Reporting Period. Following the first round of cooperation, the Group immediately reached an intention with the cooperation partner and commenced the second round of breeding services, breeding a total of approximately 29,000 hogs for the cooperation partner. The second round of breeding services is expected to be completed within 2025. As the number of hogs increases, breeding service revenue from the second round will be higher than that of the first.

With its advanced and effective breeding technologies, a scientific epidemic prevention and control system, and a professional team with rich experience in hog breeding in multi-story buildings, the Group is able to achieve a high breeding survival rate of hogs, and keep risks in the breeding process at a controllable level. Meanwhile, the breeding service model enables the Group to mitigate uncertainties arising from market price fluctuations and significantly ease the pressure on cash flow management, thus reducing operational risks. However, due to substantial depreciation costs on the segment's property, plant and equipment, along with elevated operating expenses and finance costs, the market hog segment is still expected to record a loss.

Headwinds against the International Energy Storage Supply Chain Business

Against the backdrop of the global green and low-carbon energy transition, the international energy storage business has grown rapidly, with its market size continuing to expand, ongoing technological innovation, multiple technology pathways developing in parallel, and an increasing diversification of application scenarios. However, the international energy storage business also faces numerous challenges, including intensifying industry competition, heightened consumer requirements for product quality and safety, the emergence of new trade barriers, disorderly market competition leading to fierce price wars, and policy uncertainty, all of which constrain its healthy development.

The Group focuses on sales in the industrial and commercial energy storage segment. During the Reporting Period, no revenue was generated from sales in the energy storage system business, primarily due to intense market competition within the energy storage system market in South Africa, and no new sales order entered with distributor in first half of 2025. In response, the Group has been identifying alternative quality local distributors in South Africa; as of the end of the Reporting

Period, the Group had reached a preliminary intention to cooperate with a new distributor in South Africa and expects to continue selling products through the new distributor in the second half of 2025, while the plan to further develop other African markets via South Africa will be deferred. In parallel, the Group is actively developing other regions such as Australia, the Nordic region, and the United Kingdom, and is developing new products in line with local market demand. In the Australian market, to enhance product competitiveness, certification application work is currently underway and the process is expected to reach 70% in the fourth quarter. In the United Kingdom market, following preliminary studies and groundwork, the Group is initially considering developing new shore-power charging station products for marine vessels and high-voltage battery systems in line with local market demand. During the Reporting Period, the Group secured orders for the relevant products and received partial prepayments. In addition, considering the demand for high-end energy storage systems in the Nordic market, the Group has identified a suitable sales distributor in the Nordic region (Sweden) and commenced arranging sample orders in July, and will further develop the Nordic market in the second half of the year.

As of the end of the Reporting Period, the Group had established an experienced and professional operations team intending to enhance its R&D capabilities and elevate its sales potential. This team possesses extensive experience and capabilities in upstream R&D, proprietary technology R&D, R&D project management, technical sales, and international market development. The Group believes that, leveraging the strength of this team, it will be able to overcome the current challenges facing its energy storage business in the second half of the year and achieve business breakthroughs.

Participation in the Digital Asset Sector

As an important direction of global financial transformation, the digital asset sector has significant growth potential. Competition and cooperation among countries regarding Central Bank Digital Currency (CBDC), stablecoins, and cryptocurrencies will profoundly affect the international monetary system and the economic landscape. As technology matures and regulation improves, digital currencies are expected to become a core engine driving global financial inclusion, efficiency and security.

The cryptocurrency market in Oman is in an expansion phase. A US$1.1 billion investment in bitcoin mining and blockchain projects is driving economic diversification and GDP growth under the Vision 2040 plan. Together with a favourable regulatory framework, it provides a conducive environment for market development.

The Group has entered the digital assets market by subscribing for exchangeable bonds. The proposed target company (Coin Cove LLC) for cooperation has been duly registered with the Financial Services Regulatory Authority of the Central Bank of Oman, is authorised to conduct electronic banking services, and is seeking to become the first enterprise in Oman to operate an over-the-counter cryptocurrency desk and exchange platform. The directors of the Group are of the view that the subscription will diversify the Group's investment portfolio, generate stable interest income and, at the same time, tap the potential of the emerging financial industry in the Sultanate of Oman. In pursuing the relevant transaction, the Group has fully taken into account factors including the prospects of Oman's cryptocurrency market, the business outlook of the target company and the EBITDA multiples of comparable companies, and is proceeding with the relevant arrangements in a prudent manner.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2025, the Group's revenue was approximately RMB9.9 million (2024: approximately RMB54.5 million), representing a decrease of approximately 81.9%. Detailed analysis of the Group's revenue is as follows:

1. *Financial Guarantee Services*

Revenue from the Group's financial guarantee services was mainly generated from the service fees charged for our financial guarantee services. For the six months ended 30 June 2025, the Group's net revenue generated from financial guarantee services was approximately RMB1.1 million (2024: approximately RMB14.1 million), representing a decrease of approximately 92.2%.

Under the continuous influence of the complex and volatile external economic situation, Micro, Small and Medium - enterprises faced challenges, including dual difficulties of operational pressure and profitability, lowed financing demand, increased sensitivity to expenditures and a weak willingness to invest. Under the impacts of such market conditions, the Group's guarantee business continued to expand through a prudent and steady development strategy and optimised risk control mechanisms. During the Reporting Period, with decrease in both guarantee limit and rate, the revenue from financial guarantee business was below expectations.

2. *Non-Financial Guarantee Services*

Revenue from the Group's non-financial guarantee services was mainly generated from service fees charged for providing customers with performance guarantees in relation to the performance of payment obligations and litigation guarantees. For the six months ended 30 June 2025, the Group's revenue generated from the non-financial guarantee services decreased to approximately RMB0.02 million (2024: approximately RMB0.04 million).

The Group continued to focus on developing non-financial guarantee business with low risks, and has newly set up an electronic bidding guarantee business during the Reporting Period. However, as the business commenced near the end of the Reporting Period, it only recorded minor guarantee revenue during trial operation. It did not effectively supplement the overall scale of non-financial guarantee business. It is expected that the revenue from the electronic bidding guarantee business will increase in the second half of the year.

3. *Financial Consultancy and Maintenance Services*

Revenue from the Group's financial consultancy and maintenance services was mainly generated from the service fees charged for providing customers with financial consultancy and maintenance services by the Group. For the six months ended 30 June 2025, the Group's revenue generated from financial consultancy and maintenance services was approximately RMB5.1 million (2024: approximately RMB0.1 million).

During the Reporting Period, the Group seized market opportunities and, by leveraging the technological foundation accumulated through its long-term commitment to the technology-finance sector, provided clients with technical consultancy and maintenance services in respect of business management systems via its professional technical teams, thereby generating consulting and system maintenance revenue for the period.

4. ***Financial Leasing Services***

Revenue from the Group's financial leasing services was mainly generated from the rental fees charged by the Group in its provision of financial leasing services to customers. For the six months ended 30 June 2025, revenue from the Group's financial leasing was approximately RMB0.5 million (2024: approximately RMB0.6 million).

During the Reporting Period, guided by the policies of national and local governments regarding the financial leasing industry and in light of current market developments, the Group actively adjusted its operational strategies, strengthened risk prevention and control efforts, adhered to prudent principles, and conducted its business selectively.

5. Revenue from Sales of Market Hogs

For the six months ended 30 June 2025, the Group did not record any revenue from the sale of market hogs (2024: approximately RMB4.4 million).

In 2024, considering factors including the market environment for market hog sales, market price fluctuations, and the breeding period of hogs, the Group decided not to adopt the self-raising model since second half of 2024. Therefore, no revenue from sales of market hogs was recorded during the Reporting Period.

6. Hog Breeding Services

For the six months ended 30 June 2025, the Group's revenue from hog breeding services was approximately RMB3.2 million (2024: Nil), and the cost of hog breeding services was approximately RMB6.3 million (2024: Nil).

Revenue from hog breeding services derives mainly from the service fees charged for raising hogs on behalf of cooperative partners and is influenced by the scale of hogs bred for the partners. Due to the operation scale of the market hog segment increased during the Reporting Period, more depreciation was allocated as breeding costs, while the revenue from hog breeding services was insufficient to cover the cost of hog breeding service, which resulted in a gross loss recorded in the hog breeding services.

7. Revenue from Sales of Energy Storage System

For the six months ended 30 June 2025, the Group did not record any revenue from the sale of energy storage system (2024: approximately RMB35.3 million).

During the Reporting Period, the sales of the energy storage system business did not generate any revenue, which was mainly due to fierce competition in energy storage system market in South Africa and that no sales orders entered with distributors during the Reporting Period. The Group has been seeking other premium local distributors to be alternatives while actively developing other regions.

Other Revenue

The Group's other revenue comprised interest income from bank deposits, compensation income from insurance claims on loss of market hogs, recovery of bad debt and others. For the six months ended 30 June 2025, the Group's other revenue was approximately RMB2.3 million (2024: approximately RMB1.3 million), representing an increase of approximately 76.0%.

The increase in other revenue compared to the same period last year was primarily attributable to the recovery of bad debts of approximately RMB0.8 million (2024: Nil) during the Reporting Period.

Impairment and Provision Charged/(Credited)

Impairment and provision charged/(credited) for the six months ended 30 June 2025 included the provision written back for guarantees issued and the impairment and provision charged/(credited) for receivables, where it is likely that the customers or other parties are in financial difficulties and recovery was considered to be remote. If any impairment and provision was made in the previous years but subsequently recovered, impairment and provision previously made will be written back in the year in which the relevant amount is recovered.

For the six months ended 30 June 2025, the Group reversed the provision of guarantee issued due to a significant decrease in both guaranteed balance and guarantee income, leading to the reversal of provision for guarantees issued of approximately RMB11.0 million (2024: approximately RMB4.8 million). The provisions the Group made for impairment or reversal over receivables from guarantee payments, factoring receivables, finance lease receivables, and deposit and other receivables are as follows:

Types of receivable	**Gross balance as at 30 June 2025 (Approximately RMB million) (A)**	**Charged/(Credited) for the six months ended 30 June 2025 (Approximately RMB million)**	**Accumulated impairment as at 30 June 2025 (Approximately RMB million) (B)**	**Net carrying amount (Approximately RMB million) (A-B)**
Receivables from guarantee payments	129.52	(0.54)	111.89	17.63
Factoring receivables	51.59	(0.20)	40.02	11.57
Finance lease receivables	175.86	(1.54)	144.53	31.33
Deposit and other receivables	122.21	1.28	82.77	39.44
Total	479.18	(1.00)	379.21	99.97

Impairment Ioss on Property, Plant and Equipment

No provision for impairment loss on property, plant and equipment was recognised for the six months ended 30 June 2025 (2024: an impairment loss of approximately RMB15.6 million). During the Reporting Period, the estimated recoverable value of the non-current assets of the Group's subsidiary, Yangmianshan Company Limited, approximated to their carrying value. As a result, no related impairment loss provision was required during the period.

Operating Expenses

For the six months ended 30 June 2025, the Group's operating expenses (including research and development costs) were approximately RMB17.9 million (2024: approximately RMB21.3 million), which decreased by approximately RMB3.4 million or 16.0% when compared with the corresponding period of the last year. The Group upheld the cost- efficient principle, the operating expenses was analyzed in details as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	*RMB'000*
Salaries	**7,379**	8,253
Depreciation charge	**2,228**	5,691
Rentals	**50**	46
Intermediary consulting expenses	**2,608**	3,402
Office, travel and entertainment expenses	**1,107**	772
Exchange loss	**2,567**	851
Others	**1,986**	2,259
Total	**17,925**	21,274

The decrease in salaries compared with the same period last year was mainly due to salary adjustments made for some employees in response to the Group's development needs.

The reduction in depreciation compared to the same period last year was primarily due to the operation scale of the market hog segment increased during the Reporting Period, resulting in more depreciation being allocated as breeding costs and less being allocated to operating expenses.

Loss before Taxation

Loss before taxation decreased by approximately RMB14.4 million, or 75.2%, from a loss of approximately RMB19.1 million for the six months ended 30 June 2024 to a loss of approximately RMB4.7 million for the six months ended 30 June 2025.

The decrease in loss before taxation was mainly due to the fact that no impairment loss provisions for property, plant and equipment was recognised during the Reporting Period.

Income Tax

For the six months ended 30 June 2025, the Group's income tax amounted to approximately RMB1.9 million, representing a decrease of approximately 34.5% from approximately RMB2.9 million in the corresponding period of 2024. The income tax expenses for both periods were primarily due to the reversal of deferred tax assets.

LIQUIDITY AND CAPITAL RESOURCES

Treasury Management and Investment Policy

In order to utilise the Group's financial resources and obtain a better return for shareholders effectively, the Group's general approach is to seek alternative investment opportunities that offer a better return with limited risk exposure.

Pledged Bank Deposits and Cash and Bank Deposits

As at 30 June 2025, the current pledged bank deposits amounted to approximately RMB5.2 million (as at 31 December 2024: approximately RMB33.0 million), representing a decrease of approximately RMB27.8 million compared to the end of last year. Cash and bank deposits amounted to approximately RMB224.2 million (31 December 2024: approximately RMB185.6 million), representing an increase of approximately RMB38.6 million compared to the end of last year.

The increase in cash and bank deposits was mainly attributable to the issue of shares from the Placing completed by the Group during the Reporting Period.

Interest Rate Risk and Foreign Exchange Risk

As at 30 June 2025, the Group's interest rate was primarily related to interest-bearing bank deposits and pledged bank deposits.

The Group's businesses for the six months ended 30 June 2025 were principally conducted in RMB, while most of the Group's monetary assets and liabilities were denominated in HKD and RMB. As the RMB is not a freely convertible currency, any fluctuations in the exchange rate of HKD against RMB may have impact on the Group's results. Although foreign currency exposure does not pose a significant risk to the Group, and the Group currently does not have hedging measures against such exchange risks, the Group will continue to take proactive measures and closely monitor the risks arising from such currency movements.

Gearing Ratio

The Group's gearing ratio (total liabilities divided by total equity) decreased from approximately 135% as at 31 December 2024 to approximately 97.3% as at 30 June 2025, which was mainly due to a decrease in total liabilities. The reduction in total liabilities was mainly attributable to a decline in liabilities from guarantees and interest-bearing borrowings during the Reporting Period.

PROSPECTS AND OUTLOOK

Macro Outlook

Looking ahead to the second half of 2025, global economic growth is expected to slow down amid multiple uncertainties, primarily constrained by structural challenges such as escalating trade protectionism, intensifying geopolitical conflicts, erratic policy shifts, and financial market turbulence. Business investment, trade expansion, and productivity improvement face severe constraints.

In the second half of 2025, while facing external disruptions such as sluggish economic growth, rising trade protectionism, and geopolitical conflicts, China is also suffering from internal challenges, including weak demand, structural overcapacity, deflationary pressures, and unstable market expectations. Against this backdrop, the Chinese government will step up macroeconomic policy regulation, and coordinate monetary and fiscal policies to advance the high-quality development of the economy.

In this situation, the Group adheres to a prudent and steady management philosophy. By cautiously developing traditional businesses, adjusting and optimising supply chain services, and exploring new industry frontiers, we strive to achieve sustainable growth in this intricate environment.

Prudently Developing Traditional Business

For guarantee business, the Group will adhere to its prudent principle of "risk first, business second", with a continued focus on deepening risk control. For traditional business, we will strengthen synergistic collaboration with banks to launch more targeted and customized guarantee products, enhancing service responsiveness and personalization. We will continue to explore opportunities in trading markets to identify diverse customer needs, providing tailored and professional guarantee services that boost client satisfaction and loyalty. Furthermore, we will deepen communication with financial institutions and technology companies to pursue more diversified partnerships, thereby increasing our flexibility in responding to market fluctuations. Additionally, we will expand cooperation with public resource trading centers in more regions, engaging in low-risk business activities to broaden our service coverage and provide solid support for the Group's business growth.

For the financial leasing business, the Group will strengthen risk prevention and control to respond to market changes, while actively utilising policy support to promote business development. The Group will optimise the organisational structure and fully identify customers' demand while the risk is under control, thereby supporting the inclusive finance development. In recent years, the meetings of the Political Bureau of the CPC Central Committee have emphasized the importance of actively and prudently resolving local government debt risks. Governments at various local levels are also actively advancing the clearance of overdue payments and intensifying efforts to address local government debt. As a result, the likelihood of recovering certain trade receivables owed to the Group has increased. The Group will make every effort to communicate with relevant parties to secure the recovery of these trade receivables.

Seeking Opportunities for Adjustment in the Hog Supply Chain Business

In the second half of 2025, the hog farming industry of Mainland China is expected to undergo policy adjustments aimed at rationally reducing the inventory of breeding sows. The pressure from overcapacity will take time to ease and the hog farming industry will also face risks such as disease outbreaks and international market volatility. Against this backdrop, industry players must proactively adapt to navigate challenges and capitalize on emerging opportunities.

Looking ahead to the second half of 2025, the Group will continue to provide efficient and reliable breeding solutions to high-quality partner enterprises in terms of the existing hog breeding service. The Group will: (i) strengthen strategic partnerships with high-quality hog breeding companies in the industry; (ii) by scientifically planning the use of existing space resources of farms, improve pen utilization rates; and (iii) by elevating our professional breeding teams' expertise in core areas such as breeding planning, disease prevention and control, and precision feeding, increase the survival rate of breeding as a way to drive the steady growth in revenue of breeding service. In the second half of the year, considering the current market environment, breeding cycle and other factors, the management believes it is prudent not to adopt the self-raising model.

Meanwhile, in line with the Group's overall strategic plan, the current development trends and market conditions of the hog breeding industry, as well as the existing conditions of the Group's hog breeding business, the Group has initiated research and evaluation on new models and solutions for the hog supply chain business to enhance its overall profitability and maximize shareholders' value. Currently, the evaluation is only at a preliminary discussion stage. The Group will fulfill its information disclosure obligations in compliance with the Listing Rules and disclosure requirements once the relevant information is finalized.

Recovering the International Energy Storage Business

In the second half of 2025, the global energy storage sector is expected to maintain strong growth momentum supported by favorable policies across various countries. However, it is also confronted with multiple challenges, such as the frequent occurrence of technical safety accidents that require innovation and upgrading, the high trade barriers and fierce competition in the economy that squeeze profits, the uncertainty of policies, and the heightened requirements from customers for product quality and safety.

Looking forward, in the second half of 2025, the Group will continue to promote its commercial and industrial energy storage sales business and speed up its communication and collaboration with its new distributor in South Africa to strive to expedite market re-entry and overcome current operational challenges. Meanwhile, the Group will conduct in-depth research on the global competitive situation of the energy storage market, adjusting its market strategies to explore new clients and new business areas actively. In the Nordic market, the Group will implement its layout of the energy storage business. As for our innovative shore-based charging pile products for vessels and high-voltage battery systems, we will closely monitor market feedback and optimise product design and performance in response to market demands in a timely manner. In Australia, the Group will accelerate relevant certification processes to ensure a timely product launch. Additionally, the Group will closely monitor the dynamics of the global energy storage industry and market demands, adjusting its strategic planning as needed in response to market changes, while actively seeking new development opportunities to enhance the Group's comprehensive profitability.

Venturing into the Digital Asset Sector

As a strategic emerging field with vast growth potential, the global digital assets market continues to expand. On 1 August 2025, Hong Kong brought the Stablecoins Ordinance into operation, providing a clear regulatory framework for the issuance of stablecoins. The Group is closely monitoring the development trends in this sector and continuously observing the performance of investment projects in Oman. The Group has also established a dedicated task force to thoroughly explore development opportunities in areas such as digital assets and real-world assets, seeking suitable partners to advance related projects jointly in Mainland China, Hong Kong and overseas markets. This initiative aims to capitalize on industry opportunities and create new growth drivers for the Group. At the same time, the Group has fully recognized the high-risk nature and uncertainties inherent in the relevant industries and sectors. Therefore, the Group will adhere to prudent principles, ensuring projects progress steadily in compliance with laws and regulations. Once concrete opportunities mature, we will disclose relevant updates to the public promptly in strict compliance with the Listing Rules.

OTHER INFORMATION

Dividends

The Board has resolved not to declare an interim dividend by the Company for the six months ended 30 June 2025.

Corporate Governance

Save as disclosed below, the Company has adopted and complied with the code provisions of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") for the six months ended 30 June 2025.

The Company will continue to review and enhance its corporate governance practices to ensure compliance with the code provisions of Appendix C1 to the Listing Rules.

Model Code of Securities Transactions by Directors

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as a code of conduct of the Company regarding the Directors' transactions of the listed securities of the Company.

In response to the specific enquiry made by the Company, all the Directors confirmed that they have fully complied with the required standard set out in the Model Code and there are no non-compliance with the required standard set out in the Model Code for the six months period ended 30 June 2025.

Audit Committee

The audit committee of the Company (the "**Audit Committee**") has been established since 18 October 2013 and has formulated its written terms of reference in accordance with the prevailing provisions of the CG Code. The primary duties of the Audit Committee are to make recommendations to the Board on the appointment and removal of the external auditor, review the financial statements and material advice in respect of financial reporting and oversee the internal control procedures and risk management of the Company. The existing members of the Audit Committee include Mr. Tsang Hung Kei, Mr. Au Tien Chee Arthur and Mr. Zhou Xiaojiang, all of whom are independent non-executive Directors. Mr. Tsang Hung Kei is the chairman of the Audit Committee.

This interim announcement had been reviewed by the Audit Committee and the auditor of the Company, Forvis Mazars CPA Limited.

Purchase, Sale or Redemption of Our Company's Listed Securities and Treasury Share

Placing

On 26 May 2025, the Group completed the placing of 77,000,000 new shares to not less than six independent placees at the placing price of HK$0.70 per share.

The net proceeds from the Placing was approximately HK$53.36 million, which is intended for the following purposes: (i) approximately HK$ 7.8 million for the payment of cash consideration of the subscription for the exchangeable bond; (ii) approximately HK$ 35.56 million for the repayment of existing loans and outstanding payments of the Group; and (iii) approximately HK$ 10 million as general working capital for the Group.

For further details of the Placing, please refer to the announcements of the Company dated 2 May 2025 and 26 May 2025.

Share options

On 18 May 2020, our Company granted options to subscribe for an aggregate of 31,755,400 shares (the "**2020 Share Options**") pursuant to the Post-IPO Share Option Scheme adopted on 18 October 2013. During the six months ended 30 June 2025, 86,000 share options of the 2020 Share Options have been exercised, none of the 2020 Share Options have been cancelled or lapsed. As at 30 June 2025, the 2020 Share Options to subscribe for 5,560,000 shares remained outstanding.

On 17 October 2023, our Company granted options to subscribe for an aggregate of 5,703,000 shares (the "**2023 Share Options**") pursuant to the Post-IPO Share Option Scheme adopted on 18 October 2013. During the six months ended 30 June 2025, 90,000 share options of the 2023 Share Options have been exercised, none of the 2023 Share Options have been cancelled or lapsed. As at 30 June 2025, the 2023 Share Options to subscribe for 5,613,000 shares remained outstanding.

On 29 April 2025, our Company granted options to subscribe for an aggregate of 9,000,000 shares (the "**2025 Share Options**") pursuant to the 2024 Share Option Scheme adopted on 28 June 2024. During the six months ended 30 June 2025, none of the 2025 Share Options have been vested. As at 30 June 2025, the 2025 Share Options to subscribe for 9,000,000 shares remained outstanding.

Save as disclosed above, during the six months ended 30 June 2025, neither our Company nor any of its subsidiaries has purchased, sold or redeemed any of our Company's listed securities (including treasury shares, if any). As at 30 June 2025, the Company did not hold any treasury shares. The Company did not sell treasury shares prior to fiscal year 2025.

Competition and Conflict of Interests

Except for the interests in the Group, none of the Directors, controlling shareholders or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group during the period under review.

Public Float

The Company has maintained the public float as required by the HK Listing Rules up to the date of this announcement.

Events After the Reporting Period

No material subsequent event was conducted by the Company or the Group after 30 June 2025 up to the date of this announcement.

Publication of the interim results announcement and Interim Report

This announcement has been published on the website of the Company (http://www.chinasuccessfinance.com) and the designated website of the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the six months period ended 30 June 2025 containing all the information required by the Listing Rules will also be published on the website of the Company (http://www.chinasuccessfinance.com) and the designated website of the Stock Exchange (www.hkexnews.hk). Printed copies of the interim report will be available upon request, details of which was be set out in the one time notification letter dated 12 July 2024.

Appreciation

The Board would like to express sincere gratitude to the management of the Group and all the staff for their continued support and contributions. The Board also takes this opportunity to thank its loyal shareholders, investors, customers, business partners and associates, bankers and auditors for their continued faith in the prospects of the Group.

By order of the Board
China Success Finance Group Holdings Limited
Zhang Tiewei
Chairman and Executive Director

Hong Kong, 28 August 2025

As at the date of this announcement, the Board comprises (i) five executive directors, namely, Mr. Zhang Tiewei, Mr. Li Bin, Ms. Dai Jing, Mr. Xu Kaiying and Mr. Pang Haoquan and (ii) three independent non-executive directors, namely, Mr. Tsang Hung Kei, Mr. Au Tien Chee Arthur and Mr. Zhou Xiaojiang.