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CHINA HUIRONG FINANCIAL HOLDINGS LIMITED
中國匯融金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1290)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

HIGHLIGHTS

	Six months ended 30 June		
	2026	2025	Change
	RMB'000	*RMB'000*	%
	Unaudited	Unaudited	
Operating Results			
Operating income	**281,691**	345,814	–19%
Operating cost	**176,414**	221,387	–20%
Profit attributable to owners of the Company	**23,170**	32,762	–29%
Basic earnings per share (expressed in RMB)	**0.021**	0.030	–30%

	As at	As at	
	30 June	31 December	
	2026	2025	Change
	RMB'000	*RMB'000*	%
	Unaudited	Audited	
Financial Position			
Total assets	**3,176,479**	3,344,733	–5%
Total liabilities	**967,067**	1,124,112	–14%
Loans to customers	**2,387,836**	2,470,175	–3%
Cash at bank and cash on hand	**171,921**	216,671	–21%
Net assets	**2,209,412**	2,220,621	–1%

The board (the "**Board**") of directors (the "**Directors**") of China Huirong Financial Holdings Limited (the "**Company**" or "**China Huirong**") hereby announces the interim results of the Company and its subsidiaries (together, the "**Group**" or "**we**") for the six months ended 30 June 2026 (the "**Reporting Period**") as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026
(All amounts in RMB thousands unless otherwise stated)

		Six months ended 30 June	
		2026	2025
	Note	**Unaudited**	Unaudited
Interest income	*6*	**118,384**	138,907
Sales of goods	*7*	**158,151**	198,174
Consultancy fee income		**191**	2,379
Commission fee income		**147**	207
Finance lease income		**4,818**	6,147
Operating income		**281,691**	345,814
Interest expense	*8*	**(19,421)**	(24,571)
Costs of sales	*7*	**(156,993)**	(196,816)
Operating cost		**(176,414)**	(221,387)
Net investment gains	*9*	**3,630**	6
Credit impairment losses	*10*	**(42,439)**	(68,424)
Other operating income	*11*	**3,460**	28,197
Net operating income		**69,928**	84,206
General and administrative expenses		**(29,864)**	(34,540)
Other losses, net	*12*	**(2,277)**	(126)
Profit before income tax		**37,787**	49,540
Income tax expense	*13*	**(7,692)**	(9,536)
Profit for the period		**30,095**	40,004

	Note	Six months ended 30 June 2026 Unaudited	2025 Unaudited
Profit for the period attributable to:			
— Owners of the Company		**23,170**	32,762
— Non-controlling interests		**6,925**	7,242
		30,095	40,004
Earnings per share (expressed in RMB)			
— Basic earnings per share	*14(a)*	**0.021**	0.030
— Diluted earnings per share	*14(b)*	**0.021**	0.030
Other comprehensive income for the period, net of tax		**—**	—
Total comprehensive income for the period		**30,095**	40,004
Total comprehensive income for the period attributable to:			
— Owners of the Company		**23,170**	32,762
— Non-controlling interests		**6,925**	7,242
		30,095	40,004

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

(All amounts in RMB thousands unless otherwise stated)

	Note	**As at 30 June 2026 Unaudited**	As at 31 December 2025 Audited
ASSETS			
Non-current assets			
Property plant and equipment	*16*	**49,742**	50,272
Right-of-use assets	*17*	**16,012**	16,911
Investments accounted for using the equity method	*18*	**2,132**	2,132
Investment properties	*19*	**139,219**	143,219
Intangible assets		**5,841**	376
Loans to customers	*20*	**185,635**	283,880
Finance lease receivables	*21*	**41,532**	49,550
Deferred income tax assets	*22*	**117,095**	114,125
Other non-current assets		**144**	5,285
Total non-current assets		**557,352**	665,750
Current assets			
Inventories		**3,784**	3,291
Other current assets		**68,945**	65,582
Loans to customers	*20*	**2,202,201**	2,186,295
Finance lease receivables	*21*	**53,557**	79,495
Financial assets at fair value through profit or loss (“Financial assets at FVPL”)	*23*	**118,719**	127,649
Cash at bank and cash on hand	*24*	**171,921**	216,671
Total current assets		**2,619,127**	2,678,983
Total assets		**3,176,479**	3,344,733

	Note	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
EQUITY			
Equity attributable to owners of the Company			
Share capital	*25*	**8,662**	8,662
Share premium	*26*	**604,478**	604,478
Other reserves	*26*	**587,239**	587,239
Retained earnings		**730,653**	735,924
		1,931,032	1,936,303
Non-controlling interests		**278,380**	284,318
Total equity		**2,209,412**	2,220,621
LIABILITIES			
Non-current liabilities			
Lease liabilities	*17*	**1,682**	1,191
Borrowings	*27*	**223,000**	189,000
Deferred income tax liabilities	*22*	**18,991**	17,944
Total non-current liabilities		**243,673**	208,135
Current liabilities			
Other current liabilities	*28*	**91,474**	133,492
Current income tax liabilities		**12,659**	32,840
Amounts due to related parties		**633**	633
Dividends payable		**1,261**	1,261
Lease liabilities	*17*	**3,145**	3,836
Borrowings	*27*	**614,222**	743,915
Total current liabilities		**723,394**	915,977
Total liabilities		**967,067**	1,124,112
Total equity and liabilities		**3,176,479**	3,344,733

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the six months ended 30 June 2026
(All amounts in RMB thousands unless otherwise stated)

1. GENERAL INFORMATION

China Huirong Financial Holdings Limited (中國匯融金融控股有限公司) (the "Company") was incorporated in the Cayman Islands on 11 November 2011 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company is ultimately controlled by Messrs Zhu Tianxiao (朱天曉), Zhang Xiangrong (張祥榮), Ge Jian (葛健), Chen Yannan (陳雁南), Wei Xingfa (魏興發), Yang Wuguan (楊伍官) and Zhuo You (卓有) (hereinafter collectively referred to as the "Ultimate Shareholders").

The Company is an investment holding company and its subsidiaries (hereinafter collectively referred to as the "Group") are principally engaged in lending services through granting secured and unsecured loans to customers in the People's Republic of China (the "PRC").

On 28 October 2013, the Company's shares were listed on The Stock Exchange of Hong Kong Limited.

This interim condensed consolidated financial information is presented in Renminbi ("RMB"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard 34, "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The interim condensed consolidated financial information does not include all the notes of the type normally included in annual consolidated financial statements. Accordingly, this interim condensed consolidated financial information is to be read in conjunction with the annual report for the year ended 31 December 2025 and any public announcement made by the Company during the six months ended 30 June 2026.

The Group continues to adopt the going concern basis in preparing its interim condensed consolidated financial information.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those set out in the consolidated financial statements for the year ended 31 December 2025.

3.1 New and amended standards adopted by the Group

The Group has applied the amendments to HKFRS 9 and HKFRS 7 "Classification and Measurement of Financial Instruments", HKFRS 9 and HKFRS 7 "Contracts Referencing Nature-dependent Electricity" and Annual Improvement to HKFRS Accounting Standards — Volume 11 for the first time from 1 January 2026. None of these new and amended standards have had a material effect on these financial statements. The Group did not change its accounting policies or make retrospective adjustments as a result of adopting the abovementioned amended standard.

3.2 Impact of standards issued but not yet applied by the Group

HKFRS 18 will replace HKAS 1 "Presentation of financial statements", introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group continually evaluates its critical accounting estimates and judgements applied based on historical experience and other factors, including reasonable expectations of future events.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

5. SEGMENT INFORMATION

The Board is the Group's chief operating decision-maker, which assesses the financial performance and position of the Group and makes strategic decisions.

The Group manages its business under two operating and reportable segments for the six months ended 30 June 2026 (2025: same).

(a) Business segments

From business perspective, the Group provides services through two main business segments listed below:

Inclusive finance business division: The inclusive finance business division mainly refers to provision of lending services in the PRC. From a product perspective, the inclusive finance business division principally engaged in lending services through granting secured loans and unsecured loans to customers.

Ecology finance business division: The division mainly dedicates services to supply chain management, factoring, insurance agency, financial leasing, special assets investment and equity investment business.

(b) Segment analysis

The profit or loss before income tax for each reportable segment including incomes and expenses from external transactions and from transactions with other segments, and other items in the interim condensed consolidated statement of comprehensive income are allocated based on the operations of the segment.

Segment assets and segment liabilities are measured in the same way as in the interim condensed consolidated statement of financial position. These assets and liabilities are allocated based on the operations of the segment.

	Six months ended 30 June 2026				
Unaudited	**Inclusive finance business division**	**Ecology finance business division**	**Headquarters and others**	**Elimination**	**Total**
External operating income	93,582	182,873	5,236	—	281,691
Internal operating income	—	204	25,704	(25,908)	—
External operating cost	(4,703)	(163,636)	(8,075)	—	(176,414)
Internal operating cost	(6,055)	(1,649)	(792)	8,496	—
Net investment gains	—	7,121	(3,491)	—	3,630
Credit impairment (losses)/gains	(40,951)	(2,879)	1,391	—	(42,439)
External other operating income	947	1,172	4,451	(3,110)	3,460
General and administrative expenses	(34,575)	(5,328)	(10,483)	20,522	(29,864)
Other gains/(losses), net	(2,239)	—	(38)	—	(2,277)
Profit before income tax	6,006	17,878	13,903	—	37,787
Capital expenditure	(1,513)	—	(5,976)	—	(7,489)

	As at 30 June 2026				
Unaudited	**Inclusive finance business division**	**Ecology finance business division**	**Headquarters and others**	**Elimination**	**Total**
Segment assets	2,037,425	1,177,816	3,260,030	(3,298,792)	3,176,479
Segment liabilities	(195,892)	(417,276)	(368,144)	14,245	(967,067)

	Six months ended 30 June 2025				
Unaudited	Inclusive finance business division	Ecology finance business division	Headquarters and others	Elimination	Total
External operating income	107,945	230,652	7,217	—	345,814
Internal operating income	—	242	32,799	(33,041)	—
External operating cost	(4,232)	(206,262)	(10,893)	—	(221,387)
Internal operating cost	(3,154)	(812)	230	3,736	—
Net investment gains	—	6	—	—	6
Credit impairment (losses)/gains	(72,063)	3,352	287	—	(68,424)
External other operating income	21,999	3,127	4,656	(1,585)	28,197
General and administrative expenses	(26,963)	(18,579)	(19,888)	30,890	(34,540)
Other gains/(losses), net	(310)	—	184	—	(126)
Profit before income tax	23,222	11,726	14,592	—	49,540
Capital expenditure	(4,300)	—	—	—	(4,300)

	As at 31 December 2025				
Audited	Inclusive finance business division	Ecology finance business division	Headquarters and others	Elimination	Total
Segment assets	1,406,889	1,261,267	657,732	(6,181)	3,319,707
Segment liabilities	(184,014)	(533,813)	(408,183)	7,667	(1,118,343)

6. INTEREST INCOME

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
Interest income from loans to customers		
— Secured loans	**58,780**	54,457
— Unsecured loans	**58,852**	80,553
Interest income from financial assets held under resale agreement	**—**	3,351
Interest income from bank deposits	**752**	546
	118,384	138,907

7. SALES OF GOODS AND COSTS OF SALES

The goods sold mainly contain daily groceries.

8. INTEREST EXPENSE

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
Interest expense on bank borrowings	**12,355**	15,755
Interest expense on micro-finance company borrowings	**2,127**	679
Interest expense on other borrowings	**4,292**	8,005
Other interest expenses	**647**	132
	19,421	24,571

9. NET INVESTMENT GAINS

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
Fair value gains on financial assets at FVPL	**7,581**	—
Dividend income from financial assets at FVPL	**49**	—
Fair value loss on investment properties	**(4,000)**	—
Others	**—**	6
	3,630	6

10. CREDIT IMPAIRMENT LOSSES

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
Credit impairment losses on loans to customers	**40,800**	70,382
Credit impairment losses on finance lease receivables	**1,639**	1,569
Reversal of impairment losses on financial assets held under resale agreement	**—**	(3,527)
	42,439	68,424

11. OTHER OPERATING INCOME

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
Net (losses)/gains on disposal of repossessed assets	**(70)**	21,748
Rental income	**3,501**	4,979
Others	**29**	1,470
	3,460	28,197

12. OTHER LOSSES, NET

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
Net foreign currency losses	**(2,277)**	(396)
Government grants	**—**	270
	(2,277)	(126)

13. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
Current income tax	**9,615**	13,402
Deferred income tax	**(1,923)**	(3,866)
	7,692	9,536

The difference between the income tax expense in the interim condensed consolidated statement of comprehensive income and the amounts which would result from applying the enacted tax rate to profit before income tax can be reconciled as follows:

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
Profit before income tax	**37,787**	49,540
Tax calculated at domestic tax rates applicable to profits in the respective areas	**7,821**	12,557
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
— Entertainment expenses	**162**	1,577
— Sundry items	**1,737**	(803)
Subtotal	**1,899**	774
Unused tax losses for which no deferred tax asset has been recognised	**820**	4,247
Previously unrecognised tax losses now recouped to reduce current income tax	**(132)**	(2,933)
Adjustments for current income tax of prior years	**(4,120)**	—
PRC withholding tax	**1,446**	1,850
Others	**(42)**	(6,959)
Income tax expense	**7,692**	9,536

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Company Law of Cayman Islands and, accordingly, is exempted from payment of Cayman Islands income tax.

Enterprises incorporated in the British Virgin Islands are not subject to any income tax according to relevant rules and regulations.

The applicable Hong Kong profits tax rate is 16.5% (2025: 16.5%) on the assessable profits earned or derived in Hong Kong for the six months ended 30 June 2026.

According to the Corporate Income Tax Law of the PRC (the "CIT Law"), the income tax provision of the Group in respect of its operations in Mainland China has been calculated at the applicable corporate tax rate of 25% (2025: 25%) on the estimated assessable profits based on existing legislations, interpretations and practices.

For small and micro enterprises with annual taxable income less than RMB1 million, the income tax provision is calculated at the applicable corporate tax rate of 20% (2025: 20%) on 25% (2025: 25%) of the taxable income amount, and for those with annual taxable income more than RMB1 million but less than RMB3 million, the income tax provision is calculated at the applicable corporate tax rate of 20% (2025: 20%) on 25% (2025: 25%) of the taxable income amount.

Pursuant to the CIT Law, a 5% (2025: 5%) withholding tax is levied on the dividends declared to the investors certified as Hong Kong resident enterprises from companies established in Mainland China and a 10% (2025:10%) withholding tax is levied on the dividends declared to overseas investors from companies established in Mainland China.

14. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit of the Group attributable to owners of the Company by the weighted average number of ordinary shares in issue during the six months ended 30 June 2026 and 2025.

	Six months ended 30 June	
	2026	2025
	Unaudited	Unaudited
Profit for the period attributable to owners of the Company	**23,170**	32,762
Weighted average number of ordinary shares in issue (in thousands)	**1,090,335**	1,090,335
Basic earnings per share (RMB)	**0.021**	0.030

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Diluted earnings per share is same as the basic earnings per share for the six months ended 30 June 2026 and 2025 as the Group has no category of dilutive potential ordinary shares in issue.

15. DIVIDENDS

The Board does not recommend any payment of interim dividend in respect of the six months ended 30 June 2026 (2025: nil).

A dividend of HK$0.03 per ordinary share in respect of the year ended 31 December 2025 was declared at the annual general meeting of the Company held on 28 May 2026. It was determined that such dividend would be paid out of the retained earnings account. Based on the total number of ordinary shares of 1,090,335 thousand outstanding on 31 December 2025, a total dividend of HK$32.7 million (equivalent to RMB28.4 million) was paid out by the Company on 30 June 2026.

A dividend of HK$0.03 per ordinary share in respect of the year ended 31 December 2024 was declared at the annual general meeting of the Company held on 28 May 2025. It was determined that such dividend would be paid out of the retained earnings account. Based on the total number of ordinary shares of 1,090,335 thousand outstanding on 31 December 2024, a total dividend of HK$32.7 million (equivalent to RMB29.8 million) was paid out by the Company on 26 June 2025.

16. PROPERTY, PLANT AND EQUIPMENT

	Buildings Unaudited	Vehicles Unaudited	Electronics and other equipment Unaudited	Total Unaudited
Cost				
At 1 January 2026	51,484	859	8,904	61,247
Additions	—	—	477	477
At 30 June 2026	51,484	859	9,381	61,724
Accumulated depreciation				
At 1 January 2026	(3,652)	(356)	(6,967)	(10,975)
Additions	(450)	(73)	(484)	(1,007)
At 30 June 2026	(4,102)	(429)	(7,451)	(11,982)
Carrying amount				
At 30 June 2026	47,382	430	1,930	49,742
At 31 December 2025	47,832	503	1,937	50,272

17. LEASES

This note provides information for leases where the Group is a lessee.

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
Right-of-use assets (“ROU assets”)		
Land-use rights *(note (a))*	**11,059**	11,231
Properties *(note (b))*	**4,953**	5,680
	16,012	16,911
Lease liabilities		
Current	**3,145**	3,836
Non-current	**1,682**	1,191
	4,827	5,027

Notes:

(a) As at 30 June 2026, land-use rights are pledged with banks to secure non-current bank borrowings with principal amount of RMB164.5 million (31 December 2025: RMB169.5 million) (note 27(a)).

(b) As at 30 June 2026, a property is pledged with bank to secure current bank borrowings with principal amount of RMB nil (31 December 2025: RMB8 million) (note 27(b)).

The movement of Investments accounted for using the equity method is as follows:

	Land-use rights Unaudited	Properties Unaudited	Total Unaudited
Cost			
At 1 January 2026	15,246	23,026	38,272
Additions	—	1,180	1,180
At 30 June 2026	15,246	24,206	39,452
Accumulated depreciation			
At 1 January 2026	(4,016)	(17,345)	(21,361)
Additions	(171)	(1,908)	(2,079)
At 30 June 2026	(4,187)	(19,253)	(23,440)
Carrying amount			
At 30 June 2026	11,059	4,953	16,012
	Audited	**Audited**	**Audited**
At 31 December 2025	11,230	5,681	16,911

For short-term lease and low-value asset lease, the Group chooses not to recognise the ROU assets and lease liabilities.

18. INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

On 4 June 2018, the Group acquired 7.5% of the equity interests in Shenzhen Zuanying Internet Co., Ltd. (深圳鑽盈互聯網有限公司), for a cash consideration of RMB1.5 million.

The Group invested RMB16.0 million to set up Suzhou Cibei Management Consulting Partnership (LP) (蘇州次貝企業管理諮詢合夥企業(有限合夥)) ("Suzhou Cibei") together with another party and obtained 90% of the equity interest of Suzhou Cibei in 2021. According to the Partnership Agreement, the operating decisions of the partnership shall be unanimously agreed by both partners. Therefore, the Group has joint control over Suzhou Cibei and the investment is accounted for using the equity method of accounting.

The carrying amount of investment accounted for using the equity method remained unchanged during the six months ended 30 June 2026.

19. INVESTMENT PROPERTIES

	Six months ended 30 June 2026 Unaudited		
	Zhonghui Financial Building *(notes (a), (b))*	**Other**	**Total**
At fair value			
At 1 January	**141,539**	**1,680**	**143,219**
Net losses from fair value adjustment	**(4,000)**	**—**	**(4,000)**
At 30 June	**137,539**	**1,680**	**139,219**

Notes:

(a) The investment property is a self-constructed building, named Zhonghui Financial Building. The construction of the building started in January 2020 and was completed in December 2021. Part of the building is held by the Group for long-term rental yields through renting it to external parties as commercial and office property, and is measured at fair value. The fair value of the building as at 30 June 2026 decreased by RMB4.0 million from 31 December 2025.

(b) As at 30 June 2026, the investment property named Zhonghui Financial Building is pledged with banks to secure non-current bank borrowings with principal amount of RMB164.5 million (31 December 2025: RMB169.5 million), which is borrowed specifically for paying the construction and operation costs of Zhonghui Financial Building (note 27(a)).

20. LOANS TO CUSTOMERS

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
Non-current		
Loans to customers, gross		
Unsecured loans	**188,406**	287,300
— Guaranteed loans	**188,406**	287,300
Less: ECL allowances	**(2,771)**	(3,420)
Loans to customers, net	**185,635**	283,880
Current		
Loans to customers, gross		
Secured loans	**1,488,551**	1,553,743
— Real estate backed loans	**1,253,820**	1,272,167
— Movable property backed loans	**234,731**	281,576
Unsecured loans	**1,379,985**	1,260,561
— Equity interest backed loans (including listed share backed loans and other equity interest backed loans)	**510,475**	515,109
— Guaranteed loans	**417,661**	332,791
— Other unsecured loans	**451,849**	412,661
	2,868,536	2,814,304
Less: ECL allowances		
Secured loans	**(455,097)**	(439,270)
Unsecured loans	**(211,238)**	(188,739)
	(666,335)	(628,009)
Loans to customers, net	**2,202,201**	2,186,295

Loans to customers arise from the Group's lending services. The current loan periods granted to customers are within one year. The terms of non-current loans granted to customers are between two to five years.

The real estate backed and equity interest backed loans (including listed share backed loans and other equity interest backed loans) provided to customers bear fixed interest rates ranging from 6.0% to 36.0% per annum for the six months ended 30 June 2026 (31 December 2025: 10.0% to 36.0%). Movable property backed loans granted to customers bear fixed interest rates from 8.0% to 54.0% per annum for the six months ended 30 June 2026 (31 December 2025: 6.0% to 54.0%). Guaranteed loans granted to customers bear fixed interest rates from 5.0% to 18.0% per annum for the six months ended 30 June 2026 (31 December 2025: 6.0% to 18.0%). Other unsecured loans granted to customers bear fixed interest rates from 8.0% to 16.0% per annum for the six months ended 30 June 2026 (31 December 2025: 8.0% to 16.0%).

As at 30 June 2026, renewed loans amounted to RMB405.2 million (31 December 2025: RMB354.0 million), which include real estate backed loans, equity interest backed loans (including listed share backed loans and other equity interest backed loans) and guaranteed loans (31 December 2025: same).

(a) Aging analysis of loans to customers

The aging of the loans to customers is calculated starting from the original granting date without considering the subsequent renewal of the loans. The aging analysis of loans to customers net of ECL allowances is set out below:

	As at 30 June 2026		
Unaudited	**Secured loans**	**Unsecured loans**	**Total**
Non-current			
Within 3 months	**—**	**5,931**	**5,931**
3–6 months	**—**	**12,846**	**12,846**
6–12 months	**—**	**65,193**	**65,193**
12–24 months	**—**	**101,665**	**101,665**
	—	**185,635**	**185,635**

	As at 30 June 2026		
Unaudited	**Secured loans**	**Unsecured loans**	**Total**
Current			
Within 3 months	**40,912**	**284,362**	**325,274**
3–6 months	**12,112**	**51,957**	**64,069**
6–12 months	**60,885**	**349,280**	**410,165**
12–24 months	**107,723**	**116,276**	**223,999**
Over 24 months	**151,500**	**121,048**	**272,548**
Past due *(note (i))*	**660,322**	**245,824**	**906,146**
	1,033,454	**1,168,747**	**2,202,201**

	As at 31 December 2025		
Audited	Secured loans	Unsecured loans	Total
Non-current			
Within 3 months	—	24,746	24,746
3–6 months	—	85,097	85,097
6–12 months	—	83,445	83,445
12–24 months	—	87,622	87,622
Over 24 months	—	2,970	2,970
	—	283,880	283,880

Audited	As at 31 December 2025 Secured loans	 Unsecured loans	 Total
Current			
Within 3 months	61,236	394,290	455,526
3–6 months	38,260	276,825	315,085
6–12 months	110,784	75,603	186,387
12–24 months	118,854	138,414	257,268
Over 24 months	216,325	76,764	293,089
Past due *(note (i))*	569,014	109,926	678,940
	1,114,473	1,071,822	2,186,295

Note:

(i) Past due loans to customers net of ECL allowances

Unaudited	**As at 30 June 2026** **Secured loans**	 **Unsecured loans**	 **Total**
Past due within three months	**117,688**	**95,785**	**213,473**
Past due between three months and one year	**50,397**	**91,780**	**142,177**
Past due between one year and three years	**242,870**	**57,759**	**300,629**
Past due over three years	**249,367**	**500**	**249,867**
	660,322	**245,824**	**906,146**

Audited	As at 31 December 2025 Secured loans	 Unsecured loans	 Total
Current			
Past due within three months	13,184	47,453	60,637
Past due between three months and one year	78,835	28,192	107,027
Past due between one year and three years	230,475	33,354	263,829
Past due over three years	246,520	927	247,447
	569,014	109,926	678,940

21. FINANCE LEASE RECEIVABLES

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
Undiscounted lease payments are analysed as:		
Recoverable after 12 months	**44,738**	65,048
Recoverable within 12 months	**64,210**	84,325
	108,948	149,373

The following table shows the maturity analysis of undiscounted lease payments to be received:

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
Less than one year	**64,209**	84,325
One to two years	**44,739**	22,406
Two to three years	**—**	42,642
Total undiscounted lease payments	**108,948**	149,373
Less: Unearned finance income	**(7,800)**	(14,701)
	101,148	134,672
Less: ECL allowances	**(6,059)**	(5,627)
Net investments in finance leases	**95,089**	129,045
Analysed as:		
Non-current	**41,532**	49,550
Current	**53,557**	79,495
	95,089	129,045

The Group's finance lease receivables are all denominated in RMB.

The Group entered into finance leases as a lessor for certain equipment and machinery to its lessees. The term of finance leases entered into ranges from 1 to 3 years (31 December 2025: 1 to 3 years).

Residual value risk on the finance leases is not significant because of the existence of a secondary market with respect to the equipment and machinery.

The Group's finance lease do not include variable payments.

The average effective interest rate contracted is 16.24% per annum (31 December 2025: 19.77% per annum).

22. DEFERRED INCOME TAX

(a) Deferred income tax assets

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
The balance comprises temporary differences attributable to:		
ECL allowances charge on financial assets	**117,362**	114,872
Recoverable tax losses	**186**	54
Total deferred income tax assets	**117,548**	114,926
Offsetting of deferred income tax liabilities pursuant to off-setting provisions	**(453)**	(801)
Net deferred income tax assets	**117,095**	114,125

The movement in deferred income tax assets for the six months ended 30 June 2026, without taking into consideration the offsetting of balance within the same tax jurisdiction, is as follows:

Unaudited	**ECL allowances charge on financial assets**	**Recoverable tax losses**	**Total**
At 1 January 2025	103,446	4,314	107,760
Credited/(charged) to the consolidated statement of comprehensive income	6,799	(2,933)	3,866
At 30 June 2025	110,245	1,381	111,626
At 1 January 2026	**114,872**	**54**	**114,926**
Credited to the consolidated statement of comprehensive income	**2,490**	**132**	**2,622**
At 30 June 2026	**117,362**	**186**	**117,548**

As at 30 June 2026, it is estimated that deferred income tax assets will be reversed over one year (31 December 2025: same).

(b) Deferred income tax liabilities

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
The balance comprises temporary differences attributable to:		
Net gains from investment properties	**11,485**	12,485
Net gains from financial instruments at fair value through profit or loss	**7,959**	6,260
Total deferred income tax liabilities	**19,444**	18,745
Offsetting of deferred income tax assets pursuant to off-setting provisions	**(453)**	(801)
Net deferred income tax liabilities	**18,991**	17,944

The movement in deferred income tax liabilities for the six months ended 30 June 2026, without taking into consideration the offsetting of balance within the same tax jurisdiction, is as follows:

Unaudited	**Net gains from investment properties**	**Net gains from financial instruments at fair value through profit or loss**	**Total**
At 1 January 2025	19,117	4,240	23,357
Charged to the consolidated statement of comprehensive income	—	—	—
At 30 June 2025	19,117	4,240	23,357
At 1 January 2026	**12,485**	**6,260**	**18,745**
(Credited)/charged to the consolidated statement of comprehensive income	**(1,000)**	**1,699**	**699**
At 30 June 2026	**11,485**	**7,959**	**19,444**

As at 30 June 2026, it is estimated that deferred income tax liabilities will be reversed over one year (31 December 2025: same).

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
Equity securities	**118,719**	107,320
Structured deposits *(notes (a), (b))*	**—**	20,329
	118,719	127,649

Notes:

(a) The interest rates of structured deposits are correlated to the foreign exchange rates agreed with respective banks.

(b) As at 31 December 2025, structured deposits with principal amount of RMB20.0 million have been pledged with a bank to secure borrowings with principal amount of RMB19.0 million (note 27(b)).

24. CASH AT BANK AND CASH ON HAND

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
Cash on hand	**389**	12
Demand deposits with banks	**123,292**	158,625
Deposits with securities company	**—**	1,312
Term deposits with banks with original maturities over 3 months, net	**48,240**	56,722
	171,921	216,671

Cash at bank and cash on hand are denominated in the following currencies:

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
RMB	**161,981**	200,777
US dollar	**68**	43
Hong Kong dollar	**9,872**	15,851
	171,921	216,671

Cash and cash equivalents of the Group are determined as follows:

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
Cash at bank and cash on hand	**171,921**	216,671
Less: Unrestricted term deposits pledged with banks with original maturities over 3 months	**(48,240)**	(56,722)
	123,681	159,949

25. SHARE CAPITAL

	Number of shares	Ordinary shares *HK$*	Ordinary shares *RMB*
Issued and fully paid:			
Unaudited			
As at 30 June 2026	**1,090,335,000**	**10,903,350**	**8,662,017**
Audited			
As at 31 December 2025	1,090,335,000	10,903,350	8,662,017

There are no movements in share capital during the period.

26. SHARE PREMIUM AND OTHER RESERVES

		Other reserves				
Unaudited	**Share premium**	**Capital reserve**	**Statutory reserve**	**General reserve**	**Share-based payments reserve**	**Total**
At 1 January 2026, and 30 June 2026	604,478	498,574	77,715	4,417	6,533	1,191,717

27. BORROWINGS

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
Non-current		
Bank borrowings *(note (a))*	**223,000**	189,000
Current		
Bank borrowings *(note (b))*	**398,933**	467,688
Borrowings from other companies *(note (c))*	**30,073**	85,473
Borrowings from micro-finance companies *(note (d))*	**67,500**	67,500
Borrowings from the Group's employees *(note (e))*	**107,716**	113,254
Borrowings from the Ultimate Shareholders *(note (f))*	**10,000**	10,000
	614,222	743,915
	837,222	932,915

The Group's borrowings are all denominated in RMB.

Notes:

(a) As at 30 June 2026, non-current bank borrowing with principal amount of RMB164.5 million (31 December 2025: RMB169.5 million) bears a floating interest rate of the 5-year Loan Prime Rate minus 35 bps (31 December 2025: same), with Zhonghui Financial Building as the pledge. It is repaid in a scheduled instalments after 1 year but not more than 12 years (note 17(a) and 19).

As at 30 June 2026, there are no undrawn bank borrowing facilities (31 December 2025: same).

(b) Current bank borrowings are all with maturity within one year and bear fixed interest rates ranging from 1.41% to 6.0% per annum as at 30 June 2026 (31 December 2025: from 0.4% to 6.0% per annum).

As at 30 June 2026, bank borrowing with principal amount of RMB nil (2025: RMB8.0 million) are pledged by the ROU assets and guaranteed by Group subsidiaries (note 17(b)).

As at 30 June 2026, bank borrowing with principal amount of RMB nil (31 December 2025: RMB19.0 million) is secured by a structured deposit of RMB nil (31 December 2025: RMB20.0 million) (note 23).

As at 30 June 2026, bank borrowings with principal amount of RMB85.0 million (31 December 2025: RMB85.0 million) are guaranteed by Wuzhong Group and Jiangsu Wuzhong Jiaye Group Co., Ltd. (江蘇吳中嘉業集團有限公司) ("Wuzhong Jiaye").

As at 30 June 2026, bank borrowings with principal amount of RMB30.0 million (31 December 2025: RMB30.0 million) are guaranteed by Wuzhong Group.

As at 30 June 2026, bank borrowings with principal amount of RMB10.0 million (31 December 2025: RMB10.0 million) are guaranteed by Suzhou Guofa Financing Guarantee Co., Ltd..

As at 30 June 2026, bank borrowing with principal amount of RMB10.0 million (31 December 2025: RMB40.0 million) is guaranteed by Jiangsu Jinchuang Financing Re-guarantee Co., Ltd..

(c) As at 30 June 2026, borrowings from other companies bear a fixed interest rate of ranging from 8.0% to 9.0% per annum (31 December 2025: from 6.5% to 9.0% per annum).

(d) As at 30 June 2026, borrowings from micro-finance companies with principal amount of RMB48.0million (31 December 2025: RMB48.0 million) are guaranteed by Wuzhong Jiaye.

(e) As at 30 June 2026, borrowings from the Group's employees bear a fixed interest rate ranging of 7.5% per annum (31 December 2025: 7.5% per annum).

(f) As at 30 June 2026, borrowings from one of the Ultimate Shareholders bear a fixed interest rate of 7.5% per annum (31 December 2025: 7.5% per annum).

28. OTHER CURRENT LIABILITIES

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
Construction payables	**2,426**	2,426
Advances from transferee of financial assets	**4,500**	5,175
Accrued employee benefits	**2,445**	10,312
Turnover tax and other tax payable	**2,506**	3,294
Notes payables *(Note)*	**68,000**	97,810
Other financial liabilities	**11,597**	14,475
	91,474	133,492

Note: All Notes payables as at 30 June 2026 and 31 December 2025 were aged within six months based on the issuance date.

29. CONTINGENCIES

As at 30 June 2026, the Group did not have any significant contingent liabilities (31 December 2025: same).

30. COMMITMENTS

(a) Capital commitments in respect of private equity funds

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
Suzhou Cibei *(note (a))*	**6,868**	6,868
Suzhou Qianhui Tongcui Venture Capital Partnership (LP) ("Qianhui Tongcui") *(note (b))*	**10,000**	10,000
Suzhou Kangli Junzhuo Digital Economy Industry Investment Fund Partnership (LP) ("Kangli Junzhuo") *(note (c))*	**5,210**	5,210
Suzhou Zhongxin Hengyuan Venture Investment Partnership (LP) ("Zhongxin Hengyuan") *(note (d))*	**1,034**	675
Suzhou Qianrong Yuanfeng Venture Investment Partnership (LP) ("Qianrong Yuanfeng") *(note (e))*	**615**	615
Suzhou Wuzhong Tiankai Huirui Venture Investment Partnership (LP) ("Wuzhong Tiankai") *(note (f))*	**3,000**	3,000
	26,727	26,368

Notes:

(a) The committed capital injection to Suzhou Cibei is RMB45.0 million, of which RMB6.87 million (31 December 2025: RMB6.87 million) has not been paid by the Group as at 30 June 2026.

(b) The committed investment injection to Qianhui Tongcui is RMB20.0 million, of which RMB10.0 million (31 December 2025: RMB10.0 million) has not been paid by the Group as at 30 June 2026.

(c) The committed investment injection to Kangli Junzhuo is RMB10.0 million, of which RMB5.2 million (31 December 2025: RMB5.2 million) has not been paid by the Group as at 30 June 2026.

(d) The committed investment injection to Zhongxin Hengyuan is RMB10.0 million, of which RMB1.0 million (31 December 2025: RMB0.6 million) has not been paid by the Group as at 30 June 2026.

(e) The committed investment injection to Qianrong Yuanfeng is RMB20.0 million, of which RMB0.6 million (31 December 2025: RMB0.6 million) has not been paid by the Group as at 30 June 2026.

(f) The committed investment injection to Wuzhong Tiankai is RMB20.0 million, of which RMB3.0 million (31 December 2025: RMB3.0 million) has not been paid by the Group as at 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

With the goal of achieving nationwide business coverage, the Company has fully leveraged its status as a listed company in Hong Kong and its access to the international capital markets and implemented the dual strategy of "inclusive finance plus ecology finance", striving to offer comprehensive financial services to small and medium enterprises ("**SMEs**") and individual clients alike as well as offer quality and safe financial assets to investors and financial institutions. As our brand has been well recognized by the public with our stable asset quality and our continuously improved profitability, we have gradually developed into a company that offers comprehensive finance services.

During the Reporting Period, the macroeconomic environment faced complex headwinds with continuous exposure to major asset-class risks, and the Company encountered multiple challenges in terms of operation scale, profitability and risk management. Against such backdrop, the Company adhered to the general work principle of "progressing steadily while pursuing development, optimizing existing assets and improving quality and efficiency". The Company optimized business structure, intensified collection efforts, tightened expense control, and steadily advanced high-quality endogenous development. In respect of the Inclusive Finance Business Division, the real estate backed loans adjusted customer development focus to prioritize small-sum commercial property backed loans; the movable property backed loans achieved moderate expansion, with pawnshops both within and outside Jiangsu Province opened and deployed in an orderly manner; the listed shares backed loans were granted selectively and prudently, while innovative credit loan business for major shareholders of listed companies was explored simultaneously; the art investment business was developed prudently with strengthened management of existing assets. In respect of the Ecology Finance Business Division, the commercial factoring business further deepened bank-enterprise cooperation and actively expanded new projects; the financial leasing business focused on the recovery of existing assets and explored new tracks of small-sum scenario-based business; the special asset investment business pushed forward multiple restructuring and auction projects in an orderly manner; the supply chain management business continuously strengthened risk control and maintained stable business operation.

1. BUSINESS REVIEW AND DEVELOPMENT

1.1 Inclusive Finance Business Division

The Inclusive Finance Business Division conducts its business through platforms such as Suzhou Wuzhong Pawnshop Co. Ltd.* (蘇州市吳中典當有限責任公司) ("**Wuzhong Pawnshop**"), Suzhou Dongshan Technology Microfinance Co., Ltd.* (蘇州市東山科技小額貸款有限公司) ("**Dongshan Micro-finance**"), Suzhou Huifang Rongtong SME Guided Turnover Loan Fund (Limited Partnership)* (蘇州匯方融通中小微企業轉貸引導基金合夥企業(有限合夥)) ("**Huifang Rongtong**"), Nanjing Yiling Culture and Art Co., Ltd.* (南京藝瓴文化藝術有限公司) ("**Nanjing Yiling**") and Huifang Investment Limited* (匯方投資有限公司) ("**Huifang Investment**"). The division conducts pawnshop business, technology micro-finance business, turnover loan fund business, art investment business and overseas finance business by adhering to the concept of small-sums and dispersed inclusive finance. Major products under this division include secured loans (including real estate backed loans and movable property backed loans) and unsecured loans (including equity interest backed loans (including listed shares backed loans and other equity interest backed loans), guaranteed loans and other unsecured loans), which focus on solving short-term liquidity needs of SMEs and individuals. The business of Inclusive Finance Business Division currently mainly covers Suzhou, Chengdu, Wuhan, Hefei, Changsha, Nanchang and Fuzhou.

(a) *Pawnshop Business*

The following table sets out the details of total transaction amount, number and income of loans granted as of 30 June 2026:

	For the six months ended 30 June	
	2026	2025
Total number of new secured loans granted		
Total number of new real estate backed loans granted	**18**	91
Total number of new movable property backed loans granted	**1,012**	499
Total amount of new secured loans granted (RMB million)		
Total amount of new real estate backed loans granted	**32**	107
Total amount of new movable property backed loans granted	**36**	11
Balance of secured loans at the end of the Reporting Period (principal) (RMB million)		
Balance of real estate backed loans at the end of the Reporting Period (principal)	**552**	683
Balance of movable property backed loans at the end of the Reporting Period (principal)	**162**	175
Interest income of secured loans (RMB thousand)		
Interest income of real estate backed loans	**15,492**	16,596
Interest income of movable property backed loans	**15,637**	15,392
Total number of new unsecured loans granted		
Total number of new equity interest backed loans granted	**12**	16
— listed shares backed loans	**0**	4
— other equity interest backed loans	**12**	12
Total amount of new unsecured loans granted (RMB million)		
Total amount of new equity interest backed loans granted	**215**	286
— listed shares backed loans	**0**	93
— other equity interest backed loans	**215**	193
Balance of unsecured loans at the end of the Reporting Period (principal) (RMB million)		
Balance of equity interest backed loans at the end of the Reporting Period (principal)	**428**	482
— listed shares backed loans	**192**	202
— other equity interest backed loans	**236**	280
Interest income of unsecured loans (RMB thousand)		
Interest income of equity interest backed loans	**14,275**	15,419
— listed shares backed loans	**8,208**	9,140
— other equity interest backed loans	**6,067**	6,279

The pawnshop business mainly relies on Wuzhong Pawnshop, Changsha Furong District Huifang Pawnshop Co., Ltd.* (長沙市芙蓉區匯方典當有限責任公司) ("**Changsha Pawnshop**"), Nanchang Huifang Pawnshop Co., Ltd.* (南昌市匯方典當有限責任公司) ("**Nanchang Pawnshop**") and Fuzhou Huifang

Pawnshop Co., Ltd.* (福州市匯方典當有限責任公司) ("**Fuzhou Pawnshop**") as entities to carry out its business. Wuzhong Pawnshop, established in 1999 with a registered capital of RMB1,000 million, is an indirect wholly-owned subsidiary of the Company by virtue of the series of contractual arrangements entered into by Suzhou Huifang Tongda Information Technology Co., Ltd.* (蘇州匯方同達信息科技有限公 司) ("**Huifang Tongda**"), Suzhou Huifang Technology Co. Ltd.* (蘇州匯方科技有限公司) ("**Huifang Technology**"), Wuzhong Pawnshop, Jiangsu Wuzhong Jiaye Group Co., Ltd.* (江蘇吳中嘉業集團有限公司) ("**Wuzhong Jiaye**"), Suzhou Xinqu Hengyue Management Consulting Co., Ltd.* (蘇州新區恒悦管理諮詢有限公司) and the Ultimate Shareholders. Wuzhong Pawnshop is one of the largest pawnshop in Mainland China. Changsha Pawnshop, established in 2021 with a registered capital of RMB50 million, is an indirect wholly-owned subsidiary of the Company. Nanchang Pawnshop, established in 2022 with a registered capital of RMB30 million, is an indirect non-wholly owned subsidiary of the Company. The Company holds 90% of the equity interests of Nanchang Pawnshop. Fuzhou Pawnshop, established in 2023 with a registered capital of RMB30 million, is an indirect wholly-owned subsidiary of the Company.

The pawnshop business primarily engages in secured loan and unsecured loan businesses. Secured loans business mainly includes real estate backed loans and movable property backed loans. Unsecured loans business mainly includes equity interest backed loans (including listed shares backed loans and other equity interest backed loans).

① Real Estate Backed Loans

Real estate backed loans primarily provide personal or corporate financing services to customers who have obtained real estate certificates. Business risks are comprehensively assessed based on customer credit status, real estate value, customer industry analysis and solvency, etc. The loan amount does not exceed 80% of the total evaluation price. The interest rates range from 12% to 36% per annum and the loan term is no longer than 1 year. The operation area is mainly in core urban areas of Suzhou, Chengdu, Wuhan, Hefei, Changsha, Nanchang, Fuzhou and other cities in the PRC. The target customers are mainly distributed across manufacturing, beverage, retail, trade and other industries. As of 30 June 2026, the total number of customers was 235 among which, the total number of individual customers was 216 and the total number of corporate customers was 19 The five largest customers contributed, in aggregate, 58.11% of the balance of real estate backed loans at the end of the Reporting Period (principal).

As of 30 June 2026, the balance at the end of the Reporting Period (principal) and the interest income of real estate backed loans granted by the Company were RMB552 million and RMB15,492 thousand, respectively, representing a decrease as compared with the corresponding period of last year. The main reason was that the downward trend in the real estate industry had not yet reversed, and the Company continued to scale down its business.

The main risks and uncertainties faced by the real estate backed loans include real estate value fluctuation risk, risk of changes in regulatory and credit policies, liquidity risk and credit risk, etc.

For the first half of 2026, the real estate backed loans business focused on revitalizing existing assets. Meanwhile, it adjusted its customer acquisition orientation to prioritize small-sum loans backed by commercial properties. The development direction of the real estate backed loans in the future is to prioritize the small-sum and diversified loan granting to street-facing shops, accelerate the revitalization of existing assets, closely monitor the trend of asset prices, and develop new products with market demand and satisfactory safety margins.

② Movable Property Backed Loans

The movable property backed loans mainly provide fast movable property backed financing services to individuals, and the product categories cover artworks, gold, jewelry, vehicles, watches and luxury goods, etc. The loan amount does not exceed 95% of the total evaluation price. The interest rates and comprehensive rates range from 8% to 54% per annum and the loan term is within 1 year. The operation area is mainly in Suzhou, Chengdu, Nanchang and Fuzhou. The businesses in Wuhan, Hefei and Changsha are also gradually expanding. The target customers are mainly distributed across manufacturing, agriculture, retail and other industries. As of 30 June 2026, the total number of customers was 659, and the five largest customers contributed, in aggregate, 75.32% of the balance of movable property backed loans at the end of the Reporting Period (principal).

As of 30 June 2026, the balance at the end of the Reporting Period (principal) and the interest income of movable property backed loans granted by the Company were RMB162 million and RMB15,637 thousand, respectively, representing a decrease in balance and an increase in interest income as compared with the corresponding period of last year. The main reason was that the scale of artwork backed loans declined while the scale of personal property backed loans at physical store increased, resulting in a notable trend toward small-amount and diversified exposures.

The main risks and uncertainties faced by the movable property backed loans include collateral appraisal risk, collateral valuation risk, regulatory policy change risk and credit risk, etc.

For the first half of 2026, Fuzhou Pawnshop relocated from traditional office premise to street-front physical store and actively expanded personal property backed loans. The development direction of the movable property backed loans in the future is to adjust the internal structure of movable property backed loans in light of the objective rule that "antiques thrive in prosperous times, while gold is sought in chaotic times", by reducing the scale of artworks backed loans and expanding the scale of gold and other personal property backed loans.

③ Equity Interest Backed Loans

Listed Shares Backed Loans

The listed shares backed loans mainly provide share financing services for relevant entities of listed companies. Business risks are comprehensively assessed based on the enterprise operation, financial conditions, loan purposes, share pledge ratio, etc. The loan amount does not exceed 45% of the total equity evaluation price. The interest rates range from 12% to 14% per annum and the loan term is within 1 year. The operation area is mainly in economically developed regions. Target customers are mainly distributed in industries other than highly leveraged and high-risk industries such as real estate and construction. As of 30 June 2026, the total number of customers was 8, among which, the total number of individual customers was 4 and the total number of corporate customers was 4. The five largest customers contributed, in aggregate, 80.7% of the balance of listed shares backed loans at the end of the Reporting Period (principal).

As of 30 June 2026, the balance at the end of the Reporting Period (principal) and the interest income of listed shares backed loans were RMB192 million and RMB8,208 thousand, representing a decrease as compared with the corresponding period of last year. The main reason was that certain businesses revealed issues of long disposal cycles and complicated procedures after becoming overdue, and the Company pro-actively tightened approval for new business and strengthened criteria of customer credit assessments.

The main risks and uncertainties faced by the listed shares backed loans include risk of changes in regulatory and credit policies, credit risk and liquidity risk, etc.

For the first half of 2026, the listed shares backed loans exercised control over business risks and maintained stable scale. The development direction of the listed shares backed loans in the future is to promote business deployment in a steady and selective manner, explore innovative credit loan businesses for major shareholders of listed companies, and strengthen marketing cooperation with banks and securities companies.

Other Equity Interest Backed Loans

The other equity interest backed loans mainly provide equity financing services for individuals and SMEs. Business risks are comprehensively assessed based on the enterprise operation, financial conditions, industry development and debt repayment ability, etc. The loan amount does not exceed 50% of the total equity evaluation price. The interest rates range from 6% to 34.4% per annum and the loan term is within 1 year. The operation area is mainly in Suzhou. The target customers are mainly distributed in manufacturing, construction, investment and other industries. As of 30 June 2026, the total number of customers was 9 among which, the total number of individual customers was 8 and the total number of corporate customer was 1. The five largest customers contributed, in aggregate, 91.99% of the balance of other equity interest backed loans at the end of the Reporting Period (principal).

As of 30 June 2026, the balance at the end of the Reporting Period (principal) and the interest income of other equity interest backed loans were RMB236 million and RMB6,067 thousand, representing a decrease as compared with the corresponding period of last year. The main reason was that, to control business risks and optimise the business structure, the Company continued to reduce the scale of other equity interest backed loans.

The main risks and uncertainties faced by the other equity interest backed loans include risk of changes in regulatory and credit policies, credit risk and liquidity risk, etc.

For the first half of 2026, the Company strictly controlled the access for new business and adhered to prudent and compliant business operations. The development direction of the other equity interest backed loans in the future is to continuously optimize the business structure, and promote the continuous improvement of asset quality.

For the pawnshop business, the Company adopts comprehensive internal control measures. The pre-loan measures primarily involve implementing the separation of loan approval and lending, as well as decentralized approval. These measures require that the responsibilities of each approval function be clarified, and ensures implementation of the operational risk and non-performing loan accountability mechanism. The post-loan measures are mainly to implement post-loan management, ex-post supervision, and compliance monitoring and management systems. These measures require real-time monitoring and management of business processes and risks, quarterly post-loan inspections for each product, and special inspections from time to time. The measures for overdue business are mainly to implement procedures in strict accordance with the post-loan management measures. The management system will give an early warning notice before the expiration of each business, and the operating unit will report to the risk control department in a timely manner and report the disposal plan at the same time to ensure asset quality.

(b) ***Technology Micro-finance business***

The following table sets out the details of total new loans secured by real estate, guaranteed loans and credit loans as of 30 June 2026:

	For the six months ended 30 June	
	2026	2025
Total number of new loans granted	**34**	36
Total amount of new loans granted (RMB million)	**206**	151
Balance at the end of the Reporting Period (principal) (RMB million)	**603**	495
Interest income (RMB thousand)	**31,308**	22,144

The technology micro-finance business mainly relies on Dongshan Micro-finance as the entity to carry out its business. Dongshan Micro-finance, established in 2012 with a registered capital of RMB300 million, is an indirect non-wholly owned subsidiary of the Company and is jointly established by the Company and Suzhou Wuzhong District Dongshan Town Collective Assets Management Co., Ltd.* (蘇州市吳中區東山鎮集體資產經營公司) and other entities. The Company holds 70% of the equity interests of Dongshan Micro-finance. Dongshan Micro-finance is also one of the few micro-finance companies rated "A" in Jiangsu Province, PRC.

Dongshan Micro-finance primarily engages in providing small loans and financial services such as finance guarantee for SMEs and individuals. Loans mainly include secured loans, equity interest backed loans, guaranteed loans and credit loans.

Business risks of secured loans are comprehensively assessed based on the Company's credit status, collateral value, industry analysis and cash flow, etc. The loan amount does not exceed 75% of the total evaluation price. The interest rates range from 10% to 18% per annum and the loan term is within 1 year. The operation area is mainly in Suzhou. The target customers are mainly distributed in manufacturing, beverage, service and other industries. As of 30 June 2026, the balance at the end of the Reporting Period (principal) of the secured loans was RMB154 million. As of 30 June 2026, the total number of customers was 49, among which, the total number of individual customers was 43 and the total number of corporate customers was 6. The five largest customers contributed, in aggregate, 68.32% of the balance of secured loans at the end of the Reporting Period (principal).

Business risks are comprehensively assessed based on the enterprise operation, financial conditions, industry development and debt repayment ability, etc. The loan amount does not exceed 50% of the total equity evaluation price. The interest rate is 11% per annum and the loan term is within 1 year. The operation area is mainly in Suzhou. Target customers are mainly distributed in industries other than highly leveraged and high-risk industries such as real estate and construction. As of 30 June 2026, the total number of customers was 1, among which, the total number of individual customers was 1 and the total number of corporate customers was 0. The five largest customers contributed, in aggregate, 100% of the balance of equity interest backed loans at the end of the Reporting Period (principal).

Business risks of guaranteed loans are comprehensively assessed based on the company's operating conditions, financial situation and industry development, etc. The interest rates range from 8% to 18% per annum and the loan term is within 1 year. The operation area is mainly in Suzhou. The target customers are mainly distributed in manufacturing, trade, investment and other industries. As of 30 June 2026, the balance at the end of the Reporting Period (principal) of the guaranteed loans was RMB60 million. As of 30 June 2026, the total number of customers was 19, among which, the total number of individual customers was 10 and the total number of corporate customers was 9. The five largest customers contributed, in aggregate, 67.42% of the balance of guaranteed loans at the end of the Reporting Period (principal).

Business risks of credit loans are comprehensively assessed based on the individual's or company's credit status, enterprise operation, asset conditions and solvency, etc. The interest rates range from 8% to 9% per annum and the loan term is within 1 year. The operation area is mainly in Suzhou. The target customers are mainly distributed in trade, gardening, investment and other industries. As of 30 June 2026, the balance at the end of the Reporting Period (principal) of the credit loans was RMB359 million. As of 30 June 2026, the total number of customers was 13, among which, the total number of individual customers was 0 and the total number of corporate customers was 13. The five largest customers contributed, in aggregate, 41.78% of the balance of credit loans at the end of the Reporting Period (principal).

As of 30 June 2026, the balance at the end of the Reporting Period (principal) and the interest income of technology micro-finance business were RMB603 million and RMB31,308 thousand, respectively, representing an increase as compared with the corresponding period of last year. The main reason was the transfer-in of certain entrusted loan businesses, which expanded the scale of existing loans and drove a corresponding increase in interest income.

The main risks and uncertainties faced by the technology micro-finance business include real estate valuation risk, credit risk, risk of changes in regulatory and credit policies and liquidity risk, etc.

For the first half of 2026, Dongshan Micro-finance strengthened bank-enterprise cooperation and actively carried out customer development initiatives in the market. The development direction of technology micro-finance business in the future to accelerate the revitalization of existing assets, achieve new loan granting, seize the opportunity of bank-enterprise cooperation to rationally develop operating loan businesses, and fulfill the social responsibility of inclusive finance to promote regional economic development on the basis of bringing stable dividends to shareholders.

For the technology micro-finance business, the Company adopts comprehensive internal control measures. The pre-loan measures primarily involve implementing the separation of loan approval and lending, as well as decentralized approval. These measures require that the responsibilities of each approval function be clarified, and the operational risk and non-performing loan accountability mechanism be implemented. The post-loan measures are mainly to implement post-loan management, ex-post supervision, and compliance monitoring and management systems. These measures require real-time monitoring and management of business processes and risks, quarterly post-loan inspections for each product, and special inspections from time to time. The measures for overdue business are mainly to implement procedures in strict accordance with the post-loan management measures. The management system will give an early warning notice before the expiration of each business, and the operating unit will report to the risk control department in a timely manner and report the disposal plan at the same time to ensure asset quality.

(c) ***Turnover Loan Fund Business***

The following table sets out the details of total new loans granted to SMEs and individuals under our turnover loan fund business as of 30 June 2026:

	For the six months ended 30 June	
	2026	2025
Total number of new loans granted	**80**	277
Total amount of new loans granted (RMB million)	**345**	1,084
Balance at the end of the Reporting Period (principal) (RMB million)	**1**	2
Interest income (RMB thousand)	**684**	1,179

The turnover loan fund business mainly relies on Huifang Rongtong as the entity to carry out its business. Huifang Rongtong, established in 2017 with a registered capital of RMB25 million, is an indirect non-wholly owned subsidiary of the Company and is jointly established by the Company and Suzhou Wuzhong Financial Investment Service Co., Ltd* (蘇州市吳中金融招商服務有限公司), a company owned by the Wuzhong District Government in Suzhou of Jiangsu Province, PRC. The Company holds 80% of the equity interests of Huifang Rongtong. Such government-enterprise cooperation turnover loan fund is scarce in Suzhou and even Jiangsu Province, PRC.

The turnover loan fund business serves as a bridge between banking institutions and SMEs. It focuses on serving SMEs and local government platforms with the needs of turnover loans. Business risks are comprehensively assessed based on the company's credit status, enterprise operation, financial conditions and bank credit conditions, etc. The interest rates range from 10.8% to 13.4% per annum and the loan terms range from 1 day to 30 days. The operation area is mainly in Suzhou. The target customers are mainly distributed in manufacturing, construction, trade and other industries. As of 30 June 2026, the total number of new loan customers granted was 72, and the five largest customers contributed, in aggregate, 41.28% of the total new loan amount granted.

As of 30 June 2026, the total amount of new loans granted and the interest income of turnover loan fund business were RMB80 million and RMB684 thousand, respectively, representing a decrease as compared with the corresponding period of last year. The main reason was the introduction of banks' principal-free rollover loan services, which led to a continuous decrease in the demand for the turnover loan fund business.

The main risks and uncertainties faced by the turnover loan fund business include regulatory policy change risk and credit risk, etc.

For the first half of 2026, Huifang Rongtong actively reduced operating costs and management expenses and optimized the allocation of internal resources. The development direction of turnover loan fund business in the future is to strengthen bank-enterprise cooperation and attract high-quality customers.

For the turnover loan fund business, the Company adopts comprehensive internal control measures. The pre-loan measures primarily involve implementing the separation of loan approval and lending, as well as decentralized approval. These measures require that the responsibilities of each approval function be clarified, and the operational risk and non-performing loan accountability mechanism be implemented. The post-loan measures are mainly to implement post-loan management, ex-post supervision, and compliance monitoring and management systems. These measures require real-time monitoring and management of business processes and risks, quarterly post-loan inspections for each product, and special inspections from time to time. The measures for overdue business are mainly to implement procedures in strict accordance with the post-loan management measures. The management system will give an early warning notice before the expiration of each business, and the operating unit will report to the risk control department in a timely manner and report the disposal plan at the same time to ensure asset quality.

(d) ***Art Investment Business***

The following table sets out the operating information of the art investment business as of 30 June 2026:

	For the six months ended 30 June	
	2026	2025
Total number of artworks trading stock at the end of the Reporting Period	**8**	10
Total amount of artworks trading stock at the end of the Reporting Period (RMB million)	**58**	114
Artworks business income (RMB thousand)	**4,298**	7,700

The art investment business mainly relies on Nanjing Yiling as the entity to carry out its business. Nanjing Yiling, established in 2021 with a registered capital of RMB55 million, is an indirect non-wholly owned subsidiary of the Company and is jointly established by the Company and Nanjing Yili Culture Development Co., Ltd.* (南京藝力文化發展有限公司). The Company holds 55% of the equity interests of Nanjing Yiling. Nanjing Yiling conducts artwork investment, artwork custody, artwork disposal and other businesses.

The art investment business covers all categories of artworks, including Chinese modern painting and calligraphy, international contemporary painting and calligraphy, ancient antiques and sculptures. Its business covers the whole of Mainland China. The target customers are mainly major auction companies and well-known domestic collectors.

As of 30 June 2026, the total amount of artworks trading stock at the end of the Reporting Period and the artworks business income of art investment business were RMB58 million and RMB4,298 thousand, respectively, representing a decrease as compared with the corresponding period of last year. The main reason was that the Company continuously shrank the scale of art investment business due to the decrease in the transaction volume and price of art auctions.

The main risks and uncertainties faced by art investment business include regulatory policy change risk, artworks valuation risk, artworks transportation and storage risk, credit risk, liquidity risk, art market systemic risk, etc.

For the first half of 2026, the art investment business strengthened the management of existing assets, actively assisted customers in auctioning and disposing of artworks, and moderately reduced the scale of transactions. The development direction of art investment business in the future is to strive to build a comprehensive system that serves the entire art industry, and develop Nanjing Yiling into a well-known comprehensive art service organization in the Mainland China, covering art investment, art appraisal and storage, art auction agency, art exhibition and other services.

(e) ***Overseas Finance Business***

The following table sets out the operating information of the overseas finance business as of 30 June 2026:

	For the six months ended 30 June	
	2026	2025
Total number of new loan granted	**1**	1
Total new loan amount granted (HK$ million)	**20**	20
Balance at the end of the Reporting Period (principal) (HK$ million)	**20**	20
Interest income (HK$ thousand)	**522**	545

The overseas finance business mainly relies on Huifang Investment as the entity to carry out its business. Huifang Investment, established in 2011, is an indirect wholly-owned subsidiary of the Company and obtained a money lender's license with license No. 103/2026 in Hong Kong in January 2019.

The overseas finance business mainly involves guaranteed loans. Business risks of guaranteed loans are comprehensively assessed based on enterprise operation, financial conditions and industry development, etc. The interest rate is 5% per annum and the loan term is 12 months. The operation area is mainly in Hong Kong. The target customers are mainly local companies in Hong Kong. It mainly conducts business in cooperation with local licensed money lenders in Hong Kong at present.

As of 30 June 2026, the balance at the end of the Reporting Period (principal) and the interest income of overseas finance business were HK$20 million and HK$522 thousand, respectively, representing a decrease in interest income as compared with the corresponding period of last year. The main reason was that the Company lowered its interest rates in response to the prevailing market interest rate trend in overseas market.

The main risks and uncertainties faced by overseas finance business include the risk of changes in the international political and economic situation and the risk of exchange rate fluctuations, etc.

For the first half of 2026, the overseas finance business closely monitored changes in corporate operations, and proactively reduced the loan balances. The development direction of overseas finance business in the future is to seek for development opportunities in the fields of pawnshops and consumer finance in more overseas countries and regions such as Southeast Asia.

1.2 Ecology Finance Business Division

The Ecology Finance Business Division conducts its business through platforms such as Suzhou Huida Commercial Factoring Company Limited* (蘇州匯達商業保理有限公司) ("**Huida Factoring**"), Suzhou Huifang Financial Leasing Co., Ltd.* (蘇州匯方融資租賃有限公司) ("**Huifang Financial Leasing**"), Suzhou Huifang Supply Chain Management Co., Ltd.* (蘇州市匯方供應鏈管理有限公司) ("**Huifang Supply Chain**"), Suzhou Huifang Rongcui Management Consulting Co., Ltd.* (蘇州匯方融萃企業管理諮詢有限公司) ("**Huifang Rongcui**"), Qingdao Wanchen Buliang Property Company Limited* (青島萬宸不良資產處置有限公司) ("**Qingdao Wanchen**") and Suzhou Huifang Anda Insurance Agency Company Limited* (蘇州匯方安達保險代理有限公司) ("**Huifang Anda**", formerly named as Nanjing Shun'an Insurance Agency Company Limited* (南京舜安保險代理有限公司)), adhering to the innovation of finance concept. It attaches great importance to the internal and external resources to develop commercial factoring business, financial leasing business, supply chain management business, equity investment business, special assets investment business and insurance brokerage business.

(a) ***Commercial Factoring Business***

The following table sets out the operating information of the commercial factoring business as of 30 June 2026:

	For the six months ended 30 June	
	2026	2025
Total number of new transaction relating to account receivables assignment	**6**	6
Total amount of new transaction relating to account receivables assignment (RMB million)	**59**	120
Balance at the end of the Reporting Period (principal) (RMB million)	**482**	460
Interest income (RMB thousand)	**17,655**	16,249
Service fee income (RMB thousand)	**1,435**	2,249

The commercial factoring business mainly relies on Huida Factoring as the entity to carry out its business. Huida Factoring, established in 2016 with a registered capital of RMB170 million, is an indirect non-wholly owned subsidiary of the Company and is jointly established by the Company and three other state-owned and collective capital companies: Suzhou Wuzhong Gaoxin Entrepreneurship Service Co., Ltd.* (蘇州吳中高新創業服務有限公司), Suzhou Dongfang Venture Investment Co., Ltd.* (蘇州東方創業投資有限公司) and Suzhou Wuzhong City Construction Investment Development Co., Ltd.* (蘇州市吳中城市建設投資發展有限公司). The Company holds 52.94% of the equity interests in Huida Factoring.

Huida Factoring is principally engaged in accepting assignment of account receivable from SMEs and installment of account receivables. Commercial factoring business evaluates business risks by comprehensively analyzing enterprise operation, financial conditions, receivables and industry development factors based on customers' credit status. The loan amount does not exceed 80% of the total amount of receivables. The interest rates range from 6% to 11% per annum and the loan term is within 4 years. The operation area is mainly in Suzhou. The target customers are mainly distributed in construction, manufacturing and other industries. As of 30 June 2026, the total number of customers was 17, and the five largest customers contributed, in aggregate, 58% of the balance at the end of the Reporting Period (principal).

As of 30 June 2026, the balance at the end of the Reporting Period (principal) and the income of Huida Factoring were RMB482 million and RMB19,090 thousand, respectively, representing an increase as compared with the corresponding period of last year. The main reason was that, Huida Factoring integrated bank-enterprise cooperation resources, and continuously expanded the scale of high-quality customers through precise marketing and efficient follow-up.

The main risks and uncertainties faced by commercial factoring business include debtor credit risk, receivable risk, trade fraud risk and regulatory policy change risk, etc.

For the first half of 2026, focusing on the two core businesses of government engineering factoring business and government-backed factoring business, the commercial factoring business expanded high-quality customer groups, strictly controlled risks of new businesses, and kept optimizing its business structure. The development direction of commercial factoring business in the future is to reasonably reduce the factoring exposure to government projects, conduct in-depth research on factoring opportunities in high-prosperity industries such as high-end manufacturing and new energy, and strengthen the full-process risk management.

For the commercial factoring business, the Company adopts comprehensive internal control measures. The pre-loan measures are mainly to implement the policy of separating the process of checking and actual lending and the policy of graded examination and approval. These measures require that the responsibilities of each approval function be clarified, and the operational risk and non-performing loan accountability mechanism be implemented. The post-loan measures are mainly to implement post-loan management, ex-post supervision, and compliance monitoring and management systems. These measures require real-time monitoring and management of business processes and risks, quarterly post-loan inspections for each product, and special inspections from time to time. The measures for overdue business are mainly to implement procedures in strict accordance with the post-loan management measures. The management system will give an early warning notice before the expiration of each business, and the operating unit will report to the risk control department in a timely manner and report the disposal plan at the same time to ensure asset quality.

(b) ***Financial Leasing Business***

The following table sets out the operating information of the financial leasing business as of 30 June 2026:

	For the six months ended 30 June	
	2026	2025
Total number of new transaction relating to financial leasing	**—**	6
Total amount of new transaction relating to financial leasing (RMB million)	**—**	90
Balance at the end of the Reporting Period (principal) (RMB million)	**101**	135
Interest income (RMB thousand)	**4,818**	5,674
Service fee income (RMB thousand)	**0**	472

The financial leasing business mainly relies on Huifang Financial Leasing as the entity to carry out its business. Huifang Financial Leasing, established in 2023 with a registered capital of RMB170 million, is an indirect non-wholly owned subsidiary of the Company and is jointly established by the Company, Suzhou Shengzhuang Food Co., Ltd.* (蘇州聖莊食品有限公司) and Suzhou Tianyi Knitwear Co., Ltd.* (蘇州天衣針織品有限公司). The Company holds 70% of the equity interests in Huifang Financial Leasing.

Huifang Financial Leasing primarily offers two types of finance leasing services, namely, direct finance leasing and sale-leaseback, to the customers. Financial leasing business evaluates business risks by comprehensively analyzing customer's industry and reputation, existing debt position, operating cash flows and the projected cash flows generated from the lease asset. The interest rates range from 6.9% to 13.4% per annum and the finance lease term is within 3 years. The operation area is mainly in Suzhou. The target customers are mainly distributed in advanced manufacturing and other industries. As of 30 June 2026, the total number of customers was 16, and the five largest customers contributed, in aggregate, 71% of the balance at the end of the Reporting Period (principal).

As of 30 June 2026, the balance at the end of the Reporting Period (principal) and the interest income of Huifang Financial Leasing were RMB101 million and RMB4,818 thousand, respectively, representing a decrease as compared with the corresponding period of last year. The main reason was the tough operating conditions for its core customers in the manufacturing sector. To control business risks, the Company took rental collection as the core priority and disbursed no new business during the Reporting Period.

The main risks and uncertainties faced by financial leasing business include lease asset risk, customer operation risk, customer high asset liability ratio risk and regulatory policy change risk, etc.

For the first half of 2026, Huifang Financial Leasing prioritized follow-up on renewal financing for high-quality existing clients and explored new tracks of small-sum scenario-based business. Meanwhile, it leveraged resources from banks and state-owned platforms to accelerate the development of new customers. The development direction of financial leasing business in the future is to focus on advanced manufacturing, healthcare and public utilities, with high technology and strong guarantees as key factors, and to explore opportunities for direct finance leasing business to support industrial transformation and upgrading.

For the financial leasing business, the Company adopts comprehensive internal control measures. The pre-loan measures are mainly to implement the policy of separating the process of checking and actual lending and the policy of graded examination and approval. These measures require that the responsibilities of each approval function be clarified, and the operational risk and non-performing loan accountability mechanism be implemented. The post-loan measures are mainly to implement post-loan management, ex-post supervision, and compliance monitoring and management systems. These measures require real-time monitoring and management of business processes and risks, quarterly post-loan inspections for each product, and special inspections from time to time. The measures for overdue business are mainly to implement procedures in strict accordance with the post-loan management measures. The management system will give an early warning notice before the expiration of each business, and the operating unit will report to the risk control department in a timely manner and report the disposal plan at the same time to ensure asset quality.

(c) ***Supply Chain Management Business***

The following table sets out the operating information of the supply chain management business as of 30 June 2026:

	For the six months ended 30 June	
	2026	2025
Total transaction number	**443**	747
Total transaction number of grain and oil	**69**	146
Total transaction number of fresh produce	**270**	463
Total transaction number of other goods	**104**	138
Sales income (RMB thousand)	**158,151**	198,171
Sales income of grain and oil	**98,393**	161,206
Sales income of fresh produce	**57,822**	35,726
Sales income of other goods	**1,936**	1,239

The supply chain management business mainly relies on Huifang Supply Chain, Jiangsu Zhongli Communication Technology Co., Ltd.* (江蘇仲利通信科技有限公司) ("**Zhongli Communication**", formerly named as Suzhou Huifang Rongda Internet Technology Company Limited* (蘇州匯方融達網路科技有限公司)) and Sichuan Huida Dingchen Technology Co., Ltd* (四川匯達鼎宸科技有限公司) ("**Huida Dingchen**", formerly named as Sichuan Aomeishu Technology Co., Ltd* (四川奧美殊科技有限公司)) as entities to carry out its business. Huifang Supply Chain, established in 2018 with a registered capital of RMB400 million, is an indirect wholly-owned subsidiary of the Company. Zhongli Communication, established in 2015 with a registered capital of RMB50 million, is an indirect wholly-owned subsidiary of the Company. Huida Dingchen, established in 2015 with a registered capital of RMB20 million, is an indirect wholly-owned subsidiary of the Company. The supply chain management business was committed to focus on new supply chain scenarios mainly for grain and oil, fresh produce and other consumer goods fields. Currently, the supply chain management business has cooperated with COFCO Corporation* (中糧集團有限公司), Yihai Kerry Arawana Holdings Co., Ltd* (益海嘉里金龍魚糧油食品股份有限公司) and many other well-known enterprises. For the year ended 30 June 2026, the five largest suppliers accounted for approximately 100% of the supply chain management business's total purchases while the largest supplier accounted for approximately 62.07% of the supply chain management business's total purchases.

As of 30 June 2026, the total transaction number of supply chain management business and the sales income were 443 and RMB158,151 thousand, respectively, representing a decrease as compared with the corresponding period of last year. The main reason was that, affected by changes in the market consumption environment, the Company adjusted its grain and oil business layout, leading to a decline in the scale of grain and oil business.

As of 30 June 2026, there was no billed trade payable from the supply chain management business based on invoice date.

The main risks and uncertainties faced by supply chain management business include inventory depreciation risk, compliance and operational risk, cargo transportation risk, cargo custody risk and customer default risk, etc.

In the first half of 2026, Huifang Supply Chain continued to strengthen its risk management and control measures, and its core businesses, including grain and oil products and fresh produce, maintained stable operations. The future development direction of the supply chain management business is to continue deepening its presence in the consumer staples sector, proactively expanding its network of qualified business partners, establishing long-term and large-scale supply chain cooperation relationships, and contributing to revenue growth.

(d) ***Equity Investment Business***

The following table sets out the operating information of the equity investment business as of 30 June 2026:

	For the six months ended 30 June	
	2026	2025
Total transaction number of new investment	**1**	0
Total transaction amount of new investment (principal) (RMB million)	**5**	0
Balance of investment at the end of the Reporting Period (principal) (RMB million)	**87**	79
Investment income (RMB thousand)	**7,581**	6

The equity investment business mainly relies on Huifang Rongcui and Suzhou Huifang Tongcui Business Management Consulting Partnership (Limited Partnership)* (蘇州匯方同萃企業管理諮詢合夥企業(有限合夥)) ("**Huifang Tongcui**") as entities to carry out its business. Huifang Rongcui, established in 2021 with a registered capital of RMB100 million, is an indirect non-wholly owned subsidiary of the Company. The Company holds 90% of the equity interests in Huifang Rongcui. Huifang Tongcui, established in 2022 with a registered capital of RMB20 million, is an indirect non-wholly owned subsidiary of the Company. The Company holds 60% of the equity interests in Huifang Tongcui. Aiming at creating a business pattern of coordinated development of creditor's rights and equity, the equity investment business cooperates with senior equity investment institutions based on national policy guidance. Investment areas mainly cover advanced manufacturing, semiconductor, new energy, biomedicine and other strategic emerging industries.

The main risks and uncertainties faced by equity investment business include the risk of business deterioration of the invested enterprise, the risk of regulatory policy changes, the systematic risk of financial market and contract risk, etc.

As of 30 June 2026, Huifang Rongcui and Huifang Jiada made investments in seven funds. The balance of investment at the end of the Reporting Period (principal) was RMB74 million. In addition, in order to develop the financial advisory business in the primary or secondary markets and form a linkage with existing equity investment business, Huifang Rongcui invested in Ningbo Gaoliu Xiyu Management Consulting Co., Ltd.* (寧波高流熙域管理諮詢有限公司) with actual investment of RMB3 million, representing 15% of the equity interest.

In 2022, Huifang Tongcui has reached a cooperation intention with Suzhou Qianhui Zhitou Investment Management Co., Ltd* (蘇州乾匯智投資本管理有限公司) ("**Qianhui Investment**"), and set up Suzhou Qianhui Tongcui Venture Capital Partnership (LP)* (蘇州乾匯同萃創業投資合夥企業(有限合夥)) ("**Qianhui Tongcui**") in a double general partners cooperation model. Huifang Tongcui and Qianhui Investment act as executive partners to Qianhui Tongcui, and Qianhui Investment acts as a manager to Qianhui Tongcui. The planned assets under management of Qianhui Tongcui is approximately RMB200 million and the subscribed assets under management of Qianhui Tongcui is RMB42 million. The investment period is 7 years. As of 30 June 2026, Huifang Tongcui intended to invest RMB20 million in Qianhui Tongcui and the actual investment was RMB10 million.

As of 30 June 2026, the balance of investment at the end of the Reporting Period (principal) and the investment income were RMB87 million and RMB7,581 thousand, respectively. The investment income was mainly generated from the listing, exit or new round of financing of certain underlying investment projects.

For the first half of 2026, the equity investment business focused on tracking the listing progress of projects and accelerated capital recovery. The development direction of equity investment business in the future is to pay attention to the policy trends in the equity investment market, prudently invest in new projects, attach importance to post investment management, and urge managers to accelerate project exits through means such as the transfer of existing shares, negotiated repurchases, and mergers and acquisitions.

(e) *Special Asset Investment Business*

The following table sets out the operating information of the special asset investment business as of 30 June 2026:

	For the six months ended 30 June	
	2026	2025
Total transaction number of new investment	**—**	—
Total transaction amount of new investment (RMB million)	**—-**	—
Balance of investment at the end of the Reporting Period (RMB million)	**—**	—
Interest income (RMB thousand)	**—**	3,351

The special asset investment business mainly relies on Qingdao Wanchen as entity to carry out its business. Qingdao Wanchen, established in 2019 with a registered capital of RMB10 million, is an indirect wholly-owned subsidiary of the Company.

Special asset investment business makes full use of the Company's industry position and resources of licensed asset management companies and banks to carry out special asset acquisition, disposal and operation. Special asset investment business mainly targets potential special assets such as commercial real estate, industrial real estate and residential real estate, as well as unsecured credit debts attached to the above-mentioned assets.

As of 30 June 2026, there was no balance of investment at the end of the Reporting Period and no interest income was realized. The main reason was that restructuring and judicial auction projects were affected by various uncertainties such as intensifying competition and the progress of restructuring negotiations, resulting in no newly transacted projects during the Reporting Period.

The main risks and uncertainties faced by special asset investment business include asset valuation risk, liquidity risk, operational risk, real estate value fluctuation risk and credit risk, etc.

For the first half of 2026, the special asset investment business steadily advanced multiple restructuring and judicial auction projects, which are expected to be successfully acquired in the second half of the year. The development direction of special asset investment business in the future is to continuously advance the implementation of reserved projects and vigorously source high-quality potential projects.

(f) ***Insurance Brokerage Business***

The following table sets out the operating information of the insurance brokerage business as of 30 June 2026:

	For the six months ended 30 June	
	2026	2025
Total transaction number	**258**	746
Commission fee income (RMB thousand)	**147**	173

The insurance brokerage business mainly relies on Huifang Anda as the entity to carry out its business. Huifang Anda, established in 2004 with a registered capital of RMB2.4 million, is an indirect non-wholly owned subsidiary of the Company and is jointly established by the Company and state-owned capital Suzhou Wuzhong Financial Investment Service Co., Ltd* (蘇州市吳中金融招商服務有限公司) and other institutions. The Company holds 65% of the equity interests of Huifang Anda.

The insurance brokerage business actively integrates the resources of the government and insurance companies, with the aim of providing credit, responsibility, professionalism and compliance with regulations, and align with the business development direction of large private enterprises, governments, state-funded platforms and foreign-funded enterprises. The scope of insurance agency covers property insurance, credit guarantee insurance, liability insurance and life insurance, etc.

As of 30 June 2026, the total transaction number and commission fee income of insurance brokerage business transactions were 258 and RMB147 thousand, respectively, representing a decrease as compared with the corresponding period of last year. The main reason was the intensifying competition in insurance brokerage industry, which put pressure on project expansion and profit margins.

The main risks and uncertainties faced by insurance brokerage business include the risk of government policy changes and contract risks, etc.

For the first half of 2026, the insurance brokerage business actively followed up on key cooperation projects and continued to develop high-quality customers. The development direction of insurance brokerage business in the future is to strive to implement new coinsurance consortium partnerships, explore opportunities in sectors such as healthcare and education, and introduce competitive agent teams.

2. FINANCIAL REVIEW

2.1 Overall Financial Data

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Operating Results		
Operating income	**281,691**	345,814
Net operating income	**69,928**	84,206
Net assets	**2,209,412**	2,201,364
General and administrative expenses	**29,864**	34,540
Income tax expense	**7,692**	9,536
Profit attributable to owners of the Company	**23,170**	32,762
Basic earnings per share (RMB)	**0.021**	0.030

As of 30 June 2026, the operating income amounted to RMB281,691 thousand, representing a decrease as compared with the corresponding period of last year. The main reason was that, affected by the combined external factors of macro-economic environment adjustment, real-estate industry fluctuations, and changes in credit policies, the scale of the Company's loan business represented by real-estate-backed loans has shrunk, resulting in a fall in interest income. As of 30 June 2026, the profit attributable to owners of the Company amounted to RMB23,170 thousand, representing a decrease as compared with the corresponding period of last year. This was mainly due to the decrease in operating income caused by the factors set out above.

2.2 Financial Analysis on Two Principal Business Divisions

2.2.1 *Inclusive Finance Business Division*

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Operating income	**93,582**	107,945
Operating cost	**(10,758)**	(7,386)
Other non-operating losses	**(76,818)**	(77,337)
Profit before tax	**6,006**	23,222

As of 30 June 2026, the operating income amounted to RMB93,582 thousand, representing a decrease as compared with the corresponding period of last year. The main reason was that amid the macroeconomic downturn, falling valuations and difficult disposal of collateral made it difficult to strike a balance between risks and returns for loan businesses, leading to varying degrees of contraction in the scale of real estate backed loans, movable property backed loans and equity interest backed loans. As of 30 June 2026, the profit before tax amounted to RMB6,006 thousand, representing a decrease as compared with the corresponding period of last year. This was mainly due to the decrease in operating income caused by the factors set out above.

2.2.2 ***Ecology Finance Business Division***

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Operating income	**183,077**	230,894
Operating cost	**(165,285)**	(207,074)
Other non-operating profit/(losses)	**86**	(12,094)
Profit before tax	**17,878**	11,726

As of 30 June 2026, the operating income amounted to RMB183,077 thousand, representing a decrease as compared with the corresponding period of last year. The main reason was the decrease in sales of goods from the supply chain management business. As of 30 June 2026, the profit before tax amounted to RMB17,878 thousand, representing an increase as compared with the corresponding period of last year. The main reason was due to the increase in net investment gains from the equity investment business.

2.2.3 ***Headquarters and Others***

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Operating income	**30,940**	40,016
Operating cost	**(8,867)**	(10,663)
Other non-operating loss	**(8,170)**	(14,761)
Profit before tax	**13,903**	14,592

As the core of the Group's progress and development, the headquarters has undertaken the service functions of investment management, risk prevention and control, scientific and technological support, logistics support, etc. In recent years, it has been committed to lowering costs and increasing efficiency. In the future, it will continue to promote refined management to increase income and reduce expenditure.

As of 30 June 2026, the operating income amounted to RMB30,940 thousand, representing a decrease as compared with the corresponding period of last year. The main reason was a decline in external operating income from investment properties, R&D services and fixed deposits, as well as lower internal operating income from the centralized operation of internal services and funds within the Group. As of 30 June 2026, the profit before tax was RMB13,903 thousand, representing a decrease as compared with the corresponding period of last year. The main reason was the decrease in revenue attributed to the factors set out above, coupled with higher investment losses resulting from the decline in fair value of investment properties.

3. CREDIT RISK

3.1 Loan Classification and Impairment Allowances

The following table contains an analysis of the credit risk exposure of financial assets for which an ECL allowance is recognized. The gross carrying amount of financial assets below also represents the Group's maximum exposure to credit risk on these assets.

	As at 30 June 2026				As at 31 December 2025
	ECL staging				
	Stage 1 12-month ECL	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**	Total
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***	*RMB'000*
Loans to customers					
Secured loans to customers *(note (a))*	316,751	6,582	1,165,218	1,488,551	1,553,743
Unsecured loans to customers *(note (b))*	1,105,065	53,037	410,289	1,568,391	1,547,861
Gross carrying amount	1,421,816	59,619	1,575,507	3,056,942	3,101,604
ECL allowances	(41,229)	(4,789)	(623,088)	(669,106)	(631,429)
Carrying amount	1,380,587	54,830	952,419	2,387,836	2,470,175
Term deposits with banks					
Credit grade					
AAA	48,240	—	—	48,240	56,722
Gross carrying amount	48,240	—	—	48,240	56,722
ECL allowances	—	—	—	—	—
Carrying amount	48,240	—	—	48,240	56,722

	As at 30 June 2026				As at 31 December 2025
	ECL staging				
	Stage 1 12-month ECL	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**	Total
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***	*RMB'000*
Other current assets (excluding repossessed assets)					
Gross carrying amount	55,557	—	—	55,557	45,217
ECL allowances	(1,141)	—	—	(1,141)	(1,029)
Carrying amount	54,416	—	—	54,416	44,188
Finance lease receivables					
Gross carrying amount	101,148	—	—	101,148	134,672
ECL allowances	(6,059)	—	—	(6,059)	(5,627)
Carrying amount	95,089	—	—	95,089	129,045

Notes:

(a) Secured loans to customers comprise real estate backed loans and movable property backed loans.

(b) Unsecured loans to customers comprise equity interest backed loans (including listed shares backed loans and other equity interest backed loans), guaranteed loans and other unsecured loans.

The Group may suffer credit losses if its customers default on contractual obligations. As at 30 June 2026, the impairment allowance (including the provision of loss allowance and the write-off) for loans to customers granted by the Group was as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
Secured loans to customers *(note (a))*		
Stages 1 & 2	**4,485**	6,019
Stage 3	**450,612**	433,251
Subtotal	**455,097**	439,270
Unsecured loans to customers *(note (b))*		
Stages 1 & 2	**41,533**	33,213
Stage 3	**172,476**	158,946
Subtotal	**214,009**	192,159
ECL allowances, total	**669,106**	631,429
Stages 1 & 2	**46,018**	39,232
Stage 3	**623,088**	592,197

Notes:

(a) Secured loans to customers mainly comprise real estate backed loans and movable property backed loans.

(b) Unsecured loans to customers comprise equity interest backed loans (including listed shares backed loans and other equity interest backed loans), guaranteed loans and other unsecured loans.

The impairment allowance is measured based on the ECL model. Please refer to the last annual consolidated financial statements for the major parameters, assumptions and judgments used in the model.

As at 30 June 2026, the aggregate impairment allowance for secured loans to customers and unsecured loans to customers amounted to RMB669,106 thousand, representing approximately 21.89% of the total outstanding loans granted to customers (before provision); the overall impairment allowance of the Company increased by RMB37,677 thousand as compared with the end of last year.

For loans to customers in Stages 1 & 2, the impairment allowance was determined by projecting the Probability of Default ("**PD**"), Loss Given Default ("**LGD**") and Exposure at Default ("**EAD**") for every six months and for each individual exposure or collective segment, based on historical data. The main reason for the increase of the impairment allowance in Stages 1 & 2 during the Reporting Period was that following the Company's re-assessment of the PD and LGD of loans, the provisioning ratio for the unsecured loans in Stage 1 was increased.

For impaired loans to customers in Stage 3, the impairment allowance is assessed by estimating the discounted future cash flows from the loans, and such assessment is re-performed for at least every six months.

For secured loans, the discounted cash flow is primarily dependant on the type of collaterals, their appraised value and estimated time for disposal. The main reason for the increase in the impairment allowance for secured loans during the Reporting Period was the increase in the balance of secured loans in Stage 3 overdue within three months.

For unsecured loans, the discounted cash flow depends on the customer's financial and operating conditions, as well as their own properties preserved by the Group. The impairment allowance for unsecured loans increased during the Reporting Period, mainly due to the increase in the balance of unsecured loans in Stage 3 overdue within three months.

The Group also entered into supplementary repayment agreements with certain secured or unsecured loan customers in order to maximise its interests. The Group adjusted the impairment allowance according to implementation of such agreements.

During the Reporting Period, financial assets written off amounted to RMB7.59 million. The write-off only occurs when the Group has exhausted all practical recovery efforts and its decision was made based on the following evidence showing it will not be able to recover its obligatory right after liquidating the customers' property and pursuing repayment from the guarantor:

(i) external evidence such as property settlement certificates issued by courts, arbitration tribunals or relevant government authorities; and

(ii) internal evidence such as property recovery certificates, settlement reports, and legal opinions issued by the Group's risk control department and internal lawyers.

3.2 New Loans under Legal Proceedings

	For the six months ended 30 June	
	2026	2025
New Secured Loans		
Number of clients	**19**	51
Outstanding loans (RMB thousand)	**38,611**	119,273
New Unsecured Loans		
Number of clients	**—**	8
Outstanding loans (RMB thousand)	**—**	45,841
New Financial Leasing		
Number of clients	**1**	—
Outstanding loans (RMB thousand)	**1,000**	—

For the six months ended 30 June 2026, the balance of new loans under legal proceedings was RMB39,611 thousand. There is a decrease as compared with the corresponding period of last year. The main reason was that the Company proactively pursued litigation disposal for overdue secured loans, with certain loans written-off or recovered and the balances driven down; for overdue unsecured loans, settlement through negotiation and mediation was the primary approach. Meanwhile, affected by the tough operating conditions in the manufacturing sector, one financial leasing matter came under legal proceedings during the Reporting Period.

3.3 Credit Risk Management and Internal Control

3.3.1 *Credit Risk Management*

The money lending business of the Group mainly includes four business units, namely (i) pawnshop business, technology micro-finance business and overseas finance business; (ii) turnover loan funds business; (iii) commercial factoring business; and (iv) financial leasing business.

For each of the Group's money lending business units, the Group has formulated clear guidelines, policies and measures for the entire loan process, from assessment of credit risks and granting of loans, to post-lending monitoring and risk management, details of which are set out below. Different functions, such as credit risk assessment, lending procedures and approval of new loan applications are clearly delineated and segregated.

3.3.1.1 *Pawnshop business, technology micro-finance business and overseas finance business*

Below is a summary of the product types available under each category of this business unit:

- **Pawnshop business:** mainly comprises the provision of real estate backed loans, personal property backed loans and unsecured loans. The unsecured loans in this category mainly comprises equity interest backed loans (including listed shares backed loans and other equity interest backed loans).
- **Technology Micro-finance business:** mainly comprises the provision of real estate backed loans and unsecured loans. The unsecured loans in this category mainly comprises equity interest backed loans, guaranteed loans and credit loans.
- **Overseas finance business:** comprises the provision of unsecured loans, which are mainly guaranteed loans.

The product types in this business unit can broadly be categorised into secured loans and unsecured loans.

(a) Secured loans

Pre-loan assessment

Due diligence

The business departments will obtain and review the identity card or the business licence, the customer's credit report issued by the People's Bank of China, the anti-fraud assessment report issued by third-party assessment agency and other documents to verify customer's identity and financial status.

Where fixed assets collaterals are involved, to mitigate operational risks, the business departments will obtain and review the collateral assessment report, title documents and relevant contracts and conduct site visits to check the existence and value of collaterals and any charges or mortgages against collaterals.

Credit assessment

A comprehensive pre-loan investigation report on the customer will be prepared by the business department for review by the risk control department.

Secured loans are granted by taking into account the collateral to be provided, the customer's cash flows and solvency position. Credit risks of customers are comprehensively assessed based on multiple factors, such as value of the collateral given, the customer's credit record, the customer's solvency and an analysis on the customer's industry and prospect. Collateral assessment value is based on any appraised value issued by appraisal institutions, and the ability to realise the value of the asset, taking into account the nature, location, age and size (in case of a property) of the asset.

Renewal of loans

Each loan renewal will be considered as a new loan to be granted and assessed under the same set of procedures adopted for new loan applications. The Group will also consider whether the interest and principal payments of the previous loan(s) have been paid on schedule, and whether the appraised value of the collateral is still acceptable to the Group for the loan renewal.

Loan grant

Loan execution

The Group sets a maximum loan amount and maximum interest rate for each loan. The risk control department can flexibly adjust loan terms such as interest rates and loan amount based on credit assessment results.

Loan approval

The Group sets clear levels of approval for loans with different amounts, with designated authorised persons for each approval limit. The authorised persons include the risk control department, the Chief Risk Officer (if applicable) and the credit approval committee (if applicable).

Fund release

The Group will only release funds after ensuring the completion of a series of tasks such as loan approval, contract signing, and registration of other rights of the collateral.

Post-loan monitoring

The Group implements post-lending monitoring and management procedures to carry out ongoing monitoring and management of credit risks and the entire lending process, carrying out quarterly post-lending inspections and reviews and also specialized inspections when required from time to time during the loan period.

Periodic credit risk assessment on the customer will be conducted based on various other factors, including credit record, source of repayments (including a review conducted on a corporate customer's (or its controlling entity's) revenue, assets and liabilities, and the available assets of an individual customer), anti-fraud inquiries and marital status of the customer.

Loan recovery

The repayment of the principal and interest by the mortgagor (borrower) is continuously monitored. If the repayment of the principal and interest of a loan is overdue or if there is a major event affecting the collateral which is brought to the attention of the Group, the Group will enforce its rights as creditor through legal proceedings if necessary.

Documentation

The Group applies a comprehensive management system with an early warning system to store all business information and documents relating to the loan transaction to ensure that every transaction is recorded in an accurate and timely manner and any defaulted loans are identified.

(b) Unsecured loans

Unsecured loans mainly involve equity interest backed loans (including listed shares backed loans and other equity interest backed loans), guaranteed loans and credit loans.

Pre-loan assessment

Due diligence

The business departments will obtain and review the identity card or the business licence, the customer's credit report issued by the People's Bank of China, the anti-fraud assessment report issued by third-party assessment agency, the financial statements and tax statements of corporate clients (if applicable) and other documents to verify the following information:

— the basic information of the customer;

— the key financial information of the corporate customer and its operational data, including:

- analysis on medium and long-term solvency, such as gearing ratio, current ratio and cash ratio;

- analysis on corporate profitability, such as operating profit margin and net profit ratio;

- non-financial indicators, such as electricity consumption, water consumption and salary payment; and

— the information of the guarantor (if any), including the guarantor's assets and ability to provide such guarantee and factors analogous to an examination of the financial information of the borrower customer.

For equity interest backed loans, the Group will conduct an internal review of the results and value of the equity interests. The Group will also obtain and review the equity interest registration certificate issued by the relevant department to verify the validity of the equity interest.

Credit assessment

A comprehensive pre-loan investigation report on the customer will be prepared by the business department for review by the risk control department.

Unsecured loans are granted by taking into account the customer's cash flows and solvency position. Credit risks of customers are assessed and monitored in the same manner as secured loans.

Renewal of loans

Each loan renewal will be considered as a new loan to be granted and assessed under the same set of procedures adopted for new loan applications. The Group will also consider whether the interest and principal payments of the previous loan(s) have been paid on schedule, and whether the customer's financial condition is still acceptable to the Group for the loan renewal.

Loan grant

Loan execution

The Group sets a maximum loan amount and maximum interest rate for each loan. The risk control department can flexibly adjust loan terms such as interest rates and loan amount based on credit assessment results.

Loan approval

Unsecured loans should be approved sequentially by the risk control department, the Chief Risk Officer and the credit approval committee.

Fund release

The Group will only release funds after ensuring the completion of a series of tasks such as loan approval, contract signing, loan guarantee, and registration of equity interest rights (if applicable).

Post-loan monitoring

The Group implements post-lending monitoring and management procedures to carry out ongoing monitoring and management of credit risks and the entire lending process, carrying out quarterly post-lending inspections and reviews and also specialized inspections when required from time to time during the loan period.

Periodic review is conducted on the repayments status and the financial status of the customer and guarantor.

Loan recovery

In the case of an overdue repayment of principal or interest of an unsecured loan or if there occurs a major event involving the guarantor of an unsecured loan, upon identification of the reasons of the specific customer's or the guarantor's inability to repay, the Group will formulate a customer-specific response plan based on the customer's operating conditions, sources of funds for repayment and repayment willingness. The Group will also negotiate with such customer to increase its guaranteed amount or determine a repayment plan, and implement recovery measures through legal proceedings if necessary.

Documentation

The Group applies a comprehensive management system with an early warning system to store all business information and documents relating to the loan transaction to ensure that every transaction is recorded in an accurate and timely manner and any defaulted loans are identified.

3.3.1.2 *Turnover loan funds business*

In the PRC, SME borrowers who received loans from banks have to repay the loan amount in full upon expiry and re-apply for a new loan, thereby creating a strong demand for services provided by bridging loan providers that will lead to timely approval of the new loan by banks to the SMEs and also flexible repayment terms. The Group provides short-term loan funds to SMEs for them to repay the expiring loans and after the SMEs have drawn down the new loans from the cooperation banks, the SMEs will repay the short-term loan funds (together with interest accrued thereon) to the Group, so as to alleviate the SMEs' capital turnover pressure caused by the "payment first and loan later" ("先還後貸") notion prevalent in the process of grant of loans in the PRC.

The Group mainly relies on Huifang Rongtong as the legal entity to carry out its business in turnover loan fund, which is a turnover loan funds business (轉貸基金) approved, guided and supervised by the Suzhou Wuzhong People's Government. It cooperates with banks that have branches in Wuzhong District of Suzhou and provides short-term loan funds to SMEs that (i) meet bank credit requirements, given their track record of repayment and credit risks have already been assessed by the banks previously; and (ii) experience difficulties in repaying their previous loan amount in full for its renewal. The process of this business will normally be kick-started by the SMEs (some of them are referred by cooperation banks of the Group) by first applying to the Group for turnover loan funds, after which, the Group will conduct due diligence on the SMEs, and will provide funds to them according to the conditions and amount of loans confirmed by the cooperation banks to the Group.

Funds are advanced/granted to SMEs in the turnover loan funds business. The source of the funds of the Group mainly comes from the paid-up registered capital of Huifang Rongtong and interest income generated from this business. After the Group enters into loan agreements with the SMEs, the Group will remit the funds to the turnover repayment account of the SMEs that meets the bank's management requirements. Upon the previous loans with the cooperation bank being settled, the cooperation bank lends new loan to the SMEs, and transfers the amount of the turnover loan funds advanced/granted by the Group (together with interest accrued thereon) to a turnover loan special account or a designated entrusted account of the Group that meets the bank's management requirements, which will be regarded as a repayment of the turnover loan funds by the SMEs to the Group.

Pre-loan assessment

Due diligence

The business departments will obtain and review the basic information of the SMEs, such as the business licence, financial statements etc. to verify customer's identity and financial status. Meanwhile, the business departments will obtain feedback of the application forms and business contact sheets from banks before the granting of loans.

Credit assessment

A comprehensive pre-loan investigation report on the customer will be prepared by the business department for review by the risk control department.

Turnover loan funds are granted by taking into account the company's credit status, enterprise operation, financial conditions and bank credit conditions. In order to qualify for grant of a loan under this business unit, the SME must go through the credit review process and satisfy the borrower qualifications of the lending bank, which involves assessment of credit, financial resources and operational data etc.

The credit risks borne by the Group in this business include the risks of (i) the changes in loan renewal conditions of the banks; (ii) the SMEs not meeting the conditions for loan renewal; (iii) the SMEs changing the use of loan funds for other purposes instead of repayment of the current loan; and (iv) overdue repayment of funds by the SMEs to the Group.

Renewal of loans

Under normal circumstances, the Group does not renew loans.

Loan grant

Loan execution

The Group sets a maximum loan amount and maximum interest rate for each loan. The risk control department can flexibly adjust loan terms such as interest rates and loan amount based on credit assessment results.

Loan approval

The Group sets clear levels of approval for loans with different amounts, with designated authorised persons for each approval limit. The authorised persons include the risk control department and the Chief Risk Officer (if applicable).

Fund release

Once the SME has passed the credit review assessment, a contract will be issued by the Company in accordance with the internal administrative measures governing turnover loan funds and releases fund.

Post-loan monitoring

The Group implements a comprehensive process of tracking and supervision of turnover loan funds, which establishes an early warning mechanism for SMEs' corporate risks and change of circumstances that exposes the Group to further credit risks. The Group performs tracking and supervision in the following six stages of a turnover loan funds cycle: (i) contract signing; (ii) pre-loan implementation; (iii) fund transfer; (iv) loan disbursement; (v) fund return; and (vi) archives. The turnover loan funds business unit is responsible for maintaining close communication and contact with customers, closely monitoring the customer's business performance and providing feedback to the risk control department accordingly. The risk control department of the Group will monitor and flag unusual circumstances, such as customers having yet to repay turnover loan funds over a long period of time, and give timely warnings to the relevant personnel of the Group to closely monitor credit risks arising from such events.

Loan recovery

Repayments by SMEs are closely monitored. For customers with overdue repayments or adverse changes, upon identification of the reasons for the overdue repayments by the specific customer, the Group will formulate a customer-specific response plan based on the customer's operating conditions, sources of funds for repayment and repayment willingness. The Group will also negotiate with such customer to increase its effective asset guarantees or determine a repayment plan, and implement recovery measures through legal proceedings if necessary.

Documentation

The Group applies a comprehensive management system with an early warning system to store all business information and documents relating to the loan transaction to ensure that every transaction is recorded in an accurate and timely manner and any defaulted loans are identified.

3.3.1.3 *Commercial factoring business*

Pre-loan assessment

Due diligence

The business departments will collect information and documents in relation to the payment and the ledger management of account receivables, verify the account receivables and confirm the results of account receivables registration. The business departments will also obtain and review the business licence, corporate credit report, financial statements, tax statements and other documents, and conduct site visits to verify customer's identity and financial status.

Credit assessment

In terms of the criteria and credit risk assessments for both the customer and the relevant debtor, the Group first divides customers and debtors into (i) manufacturing (or service-oriented) enterprises; and (ii) engineering project-oriented enterprises, and evaluates customers and debtors based on two different sets of criteria set for (i) and (ii) on year of establishment, credit records, social reputation, product quality and market conditions.

In terms of the risk assessment of account receivables, the Group places particular emphasis on assessing factors including the debtor's historical payment performance, the quality of the receivables, the ageing of the receivables, payment obligations, contractually agreed prices and assignment restrictions.

Renewal of loans

Each loan renewal will be considered as a new loan to be granted and assessed under the same set of procedures adopted for new loan applications. The Group will also consider whether the interest and principal payments of the previous loan(s) have been paid on schedule, and whether the customer's financial condition is still acceptable to the Group for the loan renewal.

Loan grant

Loan execution

The loan terms such as interest rates and loan amount should be determined by the credit approval committee based on credit assessment results.

Loan approval

The commercial factoring business should be approved by the credit approval committee.

Fund release

The Group will only release funds after ensuring the completion of a series of tasks such as loan approval, contract signing and registration of account receivables rights.

Post-loan monitoring

The Group has designated personnel to perform review procedures on factoring and registrations of the assignment of account receivables. The Group will collect customers' financial reports on a monthly or quarterly basis to objectively review their balance sheets, operating revenue, and profitability. The Group will also closely monitor customers' business operations or any changes, financial conditions, and solvency through on-site investigations and due diligence. Credit history of the customer with the Group and other financial institutions will also be monitored.

Loan recovery

The authenticity and legality of the transfer of account receivables and the recoverability of the account receivables will be assessed. In addition, the Group closely monitors and keeps track of any disputes between the customer and the debtor regarding the account receivables or deterioration of financial position of the debtor, and will take timely measures to counter such risks, such as ceasing to provide further factoring services to the customer, recovery of the amounts due from the customer.

If upon expiry of the financing, the customer fails to redeem the account receivables or if the debtor fails to repay the account receivables, various collection measures will be taken immediately, including registration of an extension of the account receivables, obtaining control over the account receivables and enforcing the Group's claims through legal means.

Documentation

The Group applies a comprehensive management system with an early warning system to store all business information and documents relating to the loan transaction to ensure that every transaction is recorded in an accurate and timely manner and any defaulted loans are identified.

3.3.1.4 *Financial leasing business*

Pre-loan assessment

Due diligence

The business departments will also obtain and review the business licence, corporate credit report, financial statements, tax statements and other documents, and conduct site visits to verify customer's identity and financial status.

For avoidance of operational risks, the document review process also entails verification of the identity of the customer. For example, the Group will obtain and review the business licence to verify the customer's identity and require all documents to be signed by the customer as lessee.

Credit assessment

Financial leasing is granted by taking into account customer's industry and reputation, customer's cash flows, solvency position and liquidity of leased assets. Credit risks of customers are comprehensively assessed based on multiple factors, such as the customer's credit record, the customer's solvency, the analysis on the customer's industry and prospect, value and liquidity of the lease assets.

Renewal of loans

Each loan renewal will be considered as a new loan to be granted and assessed under the same set of procedures adopted for new loan applications. The Group will also consider whether the interest and principal payments of the previous loan(s) have been paid on schedule, and whether the customer's financial condition is still acceptable to the Group for the loan renewal.

Loan grant

Loan execution

The Group usually enters into financial leasing agreements with the customers which sets out major terms such as the leased asset concerned, purchase price of the leased asset, term of the lease, the payment schedule of the lease payments, security deposit (if any), management fee (if any), transfer of title clause and insurance for the leased asset. The loan terms should be determined by the credit approval committee based on credit assessment results.

Depending on the credit status of the customer, the Group may require lessees and third parties to provide additional collaterals or guarantees so that the Group will have better protection against credit risk. These additional collaterals or guarantees include (i) joint and several guarantees from the lessee's legal representative, major equity interest holders or their family members (if any); and (ii) pledge of real property or vehicles owned by the lessees.

Loan approval

The financial leasing business should be approved by the credit approval committee.

Fund release

The Group will only release funds after ensuring the completion of a series of tasks such as loan approval, contract signing and implementation of guarantee measures.

Post-loan monitoring

Financial reports of the customer will be collected on a monthly or quarterly basis to conduct periodic review on business status, solvency position, credit status, and changes in debt situation of the lessee. Each review forms related written reports such as post-lease inspection logs or reports.

Loan recovery

If the lessee fails to pay any installment of rent, or fails to perform any of its obligations under the finance leasing agreement, the Group shall have the right to demand prompt payment in full or part of the lease receivables, or immediately and unilaterally dispose of such leased assets.

Documentation

The Group applies a comprehensive management system with an early warning system to store all business information and documents relating to the loan transaction to ensure that every transaction is recorded in an accurate and timely manner and any defaulted loans are identified.

3.3.2 *Internal Control*

In addition to the measures as disclosed above in this announcement, the Group has adopted the following key internal control measures with the aim to establish a comprehensive risk management system covering all employees, products and operational processes:

- segregation of credit assessment and loan disbursement process and establishment of a multi-tiered loan approval policy with a clear delineation of the responsibilities of different positions in the whole business process, which promotes employees' integrity and accountability across front, middle and back offices;

- promulgation of working rules of the credit approval committee, policies for product outline and product management policies which governs the loan approval process, such policies include, for instance, setting a maximum limit for each loan transaction;

- implementation of post-lending monitoring and management procedures to carry out ongoing monitoring and management of credit risks and the entire lending process, carrying out quarterly post-lending inspections and reviews and also specialized inspections when required from time to time during the loan period;

- establishment of a comprehensive management system with an early warning system to store all business information and documents relating to the loan transaction to ensure that every transaction is recorded in an accurate and timely manner and any defaulted loans are identified; and

- promulgation of management policies for defaulted liabilities and bad debts identification and write-offs such that write-offs can only be processed after the relevant liabilities have been identified as bad debts and compliant with write-offs management policy.

4. BORROWINGS

	As at 30 June 2026 Unaudited	As at 31 December 2025 Audited
Non-current		
Bank borrowings *(note (a))*	**223,000**	189,000
Current		
Bank borrowings *(note (b))*	**398,933**	467,688
Borrowings from other companies *(note (c))*	**30,073**	85,473
Borrowings from micro-finance companies *(note (d))*	**67,500**	67,500
Borrowings from the Group's employees *(note (e))*	**107,716**	113,254
Borrowings from the Ultimate Shareholders *(note (f))*	**10,000**	10,000
	614,222	743,915
	837,222	932,915

The Group's borrowings are all denominated in RMB.

Notes:

(a) As at 30 June 2026, non-current bank borrowing with principal amount of RMB164.5 million (31 December 2025: RMB169.5 million) bears a floating interest rate of the 5-year Loan Prime Rate minus 35 bps (31 December 2025: same), with Zhonghui Financial Building as the pledge. It is repaid in a scheduled instalments after 1 year but not more than 12 years.

As at 30 June 2026, there are no undrawn bank borrowing facilities (31 December 2025: same).

(b) Current bank borrowings are all with maturity within one year and bear fixed interest rates ranging from 1.41% to 6.0% per annum as at 30 June 2026 (31 December 2025: from 0.4% to 6.0% per annum).

As at 30 June 2026, bank borrowing with principal amount of RMB nil (2025: RMB8.0 million) are pledged by the ROU assets and guaranteed by Group subsidiaries.

As at 30 June 2026, bank borrowing with principal amount of RMB nil (31 December 2025: RMB19.0 million) is secured by a structured deposit of RMB nil (31 December 2025: RMB20.0 million).

As at 30 June 2026, bank borrowings with principal amount of RMB85.0 million (31 December 2025: RMB85.0 million) are guaranteed by Wuzhong Group and Wuzhong Jiaye.

As at 30 June 2026, bank borrowings with principal amount of RMB30.0 million (31 December 2025: RMB30.0 million) are guaranteed by Wuzhong Group.

As at 30 June 2026, bank borrowings with principal amount of RMB10.0 million (31 December 2025: RMB10.0 million) are guaranteed by Suzhou Guofa Financing Guarantee Co., Ltd..

As at 30 June 2026, bank borrowing with principal amount of RMB10.0 million (31 December 2025: RMB40.0 million) is guaranteed by Jiangsu Jinchuang Financing Re-guarantee Co., Ltd..

(c) As at 30 June 2026, borrowings from other companies bear a fixed interest rate of ranging from 8.0% to 9.0% per annum (31 December 2025: from 6.5% to 9.0% per annum).

(d) As at 30 June 2026, borrowings from micro-finance companies with principal amount of RMB48.0million (31 December 2025: RMB48.0 million) are guaranteed by Wuzhong Jiaye.

(e) As at 30 June 2026, borrowings from the Group's employees bear a fixed interest rate ranging of 7.5% per annum (31 December 2025: 7.5% per annum).

(f) As at 30 June 2026, borrowings from one of the Ultimate Shareholders bear a fixed interest rate of 7.5% per annum (31 December 2025: 7.5% per annum).

The primary objectives of the Group's treasury management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders' value. The Group has continued to adopt a conservative treasury policy. The Board and the management have been closely monitoring the Group's liquidity position, performing ongoing credit evaluations and monitoring the financial conditions of its customers in order to ensure the Group's healthy cash position. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, repurchase the Company's shares or raise/repay debts.

As at 30 June 2026, the gearing ratio of the Group was 24.41%. The Group uses the gearing ratio as the primary indicator for monitoring capital risk. This ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings net of cash and cash equivalents. Total capital is calculated as "total equity" as shown in the interim condensed consolidated statement of financial position plus net liabilities. The Group's strategy is to maintain a gearing ratio below 50% and to meet the compliance requirements of Wuzhong Pawnshop on aggregate amount of loans to customers at all times.

For the six months ended 30 June 2026, the Group did not use any financial instruments for hedging purposes.

5. CAPITAL EXPENDITURE

Our capital expenditure primarily consists of property, plant and equipment, intangible assets and investment properties. Our capital expenditure was RMB7,489 thousand for the six months ended 30 June 2026, as compared to RMB4,300 thousand for the corresponding period of last year.

6. EXPOSURE TO FOREIGN EXCHANGE RISK

For the six months ended 30 June 2026, the net foreign currency losses of the Group were RMB2,277 thousand, representing an increase as compared to the net foreign currency losses of RMB396 thousand for the corresponding period of last year. The Group is free from material foreign exchange risk and does not conduct any related hedging as it concludes deals in RMB.

7. PLEDGE OF ASSETS

As at 30 June 2026, land-use rights and investment properties were pledged with banks to secure non-current bank borrowings with principal amount of RMB164.5 million (31 December 2025: RMB169.5 million).

As at 30 June 2026, a property is pledged with bank to secure current bank borrowings with principal amount of RMB nil (31 December 2025: RMB8.0 million).

As at 30 June 2026, structured deposits with principal amount of RMB nil (31 December 2025: RMB20.0 million) of the Group were pledged with banks to secure the Group's borrowings with principal amount of RMB nil (31 December 2025: RMB19.0 million).

Save as disclosed above, for the six months ended 30 June 2026, the Group did not have any pledge of assets.

8. SIGNIFICANT INVESTMENTS, ACQUISITION AND DISPOSAL

As at 30 June 2026, the Group did not hold significant investments in the equity interests of any companies. The Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the Reporting Period.

9. CONTINGENCIES, CONTRACTUAL OBLIGATIONS AND CASH USAGE ANALYSIS

9.1 Contingencies

As at 30 June 2026, the Group did not have any significant contingent liabilities (31 December 2025: same).

9.2 Commitments

(a) ***Capital commitments***

Name of investee company	As at 30 June 2026 *RMB'000*	As at 31 December 2025 *RMB'000*
Suzhou Cibei Management Consulting Partnership (LP) ("**Suzhou Cibei**") *(note (a))*	**6,868**	6,868
Suzhou Qianhui Tongcui Venture Capital Partnership (LP) ("**Qianhui Tongcui**") *(note (b))*	**10,000**	10,000
Suzhou Kangli Junzhuo Digital Economy Industry Investment Fund Partnership (LP) ("**Kangli Junzhuo**") *(note (c))*	**5,210**	5,210
Suzhou Zhongxin Hengyuan Venture Investment Partnership (LP) ("**Zhongxin Hengyuan**") *(note (d))*	**1,034**	675
Suzhou Qianrong Yuanfeng Venture Investment Partnership (LP) ("**Qianrong Yuanfeng**") *(note (e))*	**615**	615
Suzhou Wuzhong Tiankai Huirui Venture Investment Partnership (LP) ("**Wuzhong Tiankai**") *(note (f))*	**3,000**	3,000
	26,727	26,368

Notes:

(a) The committed capital injection to Suzhou Cibei is RMB45.0 million, of which RMB6.87 million (31 December 2025: RMB6.87 million) has not been paid by the Group as at 30 June 2026.

(b) The committed investment injection to Qianhui Tongcui is RMB20.0 million, of which RMB10.0 million (31 December 2025: RMB10.0 million) has not been paid by the Group as at 30 June 2026.

(c) The committed investment injection to Kangli Junzhuo is RMB10.0 million, of which RMB5.2 million (31 December 2025: RMB5.2 million) has not been paid by the Group as at 30 June 2026.

(d) The committed investment injection to Zhongxin Hengyuan is RMB10.0 million, of which RMB1.0 million (31 December 2025: RMB0.6 million) has not been paid by the Group as at 30 June 2026.

(e) The committed investment injection to Qianrong Yuanfeng is RMB20.0 million, of which RMB0.6 million (31 December 2025: RMB0.6 million) has not been paid by the Group as at 30 June 2026.

(f) The committed investment injection to Wuzhong Tiankai is RMB20.0 million, of which RMB3.0 million (31 December 2025: RMB3.0 million) has not been paid by the Group as at 30 June 2026.

9.3 Cash Usage Analysis

As at 30 June 2026, the Group's cash and cash equivalents amounted to RMB123,681 thousand, representing a decrease of RMB36,268 thousand as compared to the end of last year. The Group's cash and cash equivalents were denominated in RMB, USD and HKD. The following table sets forth a summary of our cash flows for the indicated periods:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Net cash inflow from operating activities	**102,349**	261,485
Net cash outflow from investing activities	**(477)**	(108,449)
Net cash outflow from financing activities	**(137,984)**	(199,312)
Net decrease in cash and cash equivalents	**(36,112)**	(46,276)
Effects of foreign exchange rate changes on cash and cash equivalents	**(156)**	(298)

Net Cash Flow from Operating Activities

During the Reporting Period, net cash inflow from operating activities amounted to RMB102,349 thousand. The main reason was a reduction in cash inflows from asset disposals arising from the special asset investment business.

Net Cash Flow from Investing Activities

During the Reporting Period, net cash outflow from investing activities amounted to RMB477 thousand. The main reason was the macroeconomic downturn, which led to the Company conducting virtually no investment activities during the Reporting Period.

Net Cash Flow from Financing Activities

During the Reporting Period, net cash outflow from financing activities amounted to RMB137,984 thousand, mainly due to a decrease in new borrowings coupled with an increase in repayments of borrowings.

10. HUMAN RESOURCE AND EMPLOYEE BENEFITS

As at 30 June 2026, the Group had a total of 144 full-time employees, decreasing from 151 as at 31 December 2025. The Company will continue to carry out human resource optimization and adjust the number of our employees and our remuneration policy based on the development of our business and review of our employees' performance.

For the six months ended 30 June 2026, employee remuneration and benefits decreased by RMB13,304 thousand to RMB2,238 thousand from the corresponding period last year.

The Group reviews its remuneration policy on an annual basis and discretionary bonus is paid on an annual basis with reference to the Group's performance and individual performance. We adhere to fostering a working environment with opportunities for learning and career development for our employees, and the Group provides employees with a comprehensive range of staff training scheme, including financial knowledge, compliance and leadership management, so as to help them achieve both their personal and professional development goals.

Pursuant to the applicable PRC regulations, we have made contributions to social security insurance funds (including pension plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for our employees. We have been in compliance with all statutory social insurance and housing fund obligations applicable to us under the PRC laws in all material respects. We are not subject to any collective bargaining agreements.

The PRC employees of the Group are covered by various PRC government-sponsored defined-contribution pension plans under which the employees become entitled to a monthly pension based on certain formulas. The relevant government agencies are responsible for the pension liability to these employees when they retire. The Group contributes on a monthly basis to these pension plans for the employees which are determined at a certain percentage of their salaries. Under these plans, the Group has no obligation for post-retirement benefits beyond the contribution made and cannot use the forfeited contributions.

Contributions to these plans are expensed as incurred and contributions paid to the defined-contribution pension plans for an employee are not available to reduce the Group's future obligations to such defined-contribution pension plans even if the employee leaves the Group.

11. FUTURE PLANS RELATING TO MATERIAL INVESTMENTS

Save for the capital commitments disclosed in paragraph 9.2 of this announcement, the Group has no other plans for material investments or acquisition of capital assets. However, the Group will continue to seek new business development opportunities. The investment amount will be funded by the internal resources and bank financing of the Group.

12. EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, there is no significant event after 30 June 2026 and up to the date of this announcement.

PROSPECTS

Inclusive Finance Business Division: The real estate backed loans will prioritize the expansion of small-sum and scattered loans secured by street-front shops. The movable property backed loans will expand business scale via institutions outside Jiangsu Province to improve overall operating benefits. The unsecured loans will selectively and moderately grant the listed shares backed loans, steadily expand operating loans through bank-enterprise cooperation channels, and explore innovative credit loan products for major shareholders of listed companies.

Ecology Finance Business Division: The commercial factoring business will continue to deepen bank-enterprise cooperation and actively develop customer resources for government engineering factoring business and government-backed factoring business. The financial leasing business will control operational risks and explore new business areas for small-sum scenario-based businesses. The equity investment business will strengthen post-investment management and study investment-loan linkage targeting high-quality enterprises. The special asset investment business will replicate the experience of successful projects and strive to advance the implementation of pipeline projects. The supply chain management business will actively acquire new customers to generate secure operating income.

Headquarters and Others: The Company will seek out business development opportunities covering digital assets, aircraft leasing and other fields. The Company will adhere to a risk control strategy primarily focused on substantive risk prevention, strictly maintain the risk baseline, and increase efforts in the collection and disposal of risky business. The Company will continuously optimize the financing structure, strengthen cash flow management, and ensure the safety and liquidity of funds. The Company will strictly control staffing and labor costs, continuously promote human resource optimization, and enhance organizational efficiency. The Company will continue to push forward the leasing of investment properties and further enhance value creation from self-held assets.

DIVIDEND

The Board did not recommend an interim dividend for the six months ended 30 June 2026.

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

The Company and its subsidiaries did not purchase, sell or redeem any of the listed securities (including sale of treasury shares (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")), if any) of the Company during the six months ended 30 June 2026.

CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are based on the principles and code provisions set forth in the Corporate Governance Code (the "**CG Code**") contained in Part 2 of Appendix C1 to the Listing Rules.

In the opinion of the Board, the Company has complied with the applicable principles and code provisions as set out in the CG Code throughout the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Specific enquiry has been made to all Directors, and the Directors have confirmed that they had complied with the Model Code throughout the Reporting Period.

CHANGES IN DIRECTORS' INFORMATION

Under Rule 13.51(B) of the Listing Rules, the changes in the directors' information of the Company are as follows:

Mr. Fang Wenxu was appointed as a non-executive Director and a member of the audit committee of the Company with effect from 28 May 2026.

The basic emoluments for Mr. Tse Yat Hong, an independent non-executive Director, has been changed to HK$330,000 per annum, with effect from 1 January 2026.

The basic emoluments for Mr. Feng Ke, an independent non-executive Director, has been changed to HK$300,000 per annum, with effect from 1 January 2026.

The basic emoluments for Mr. Liang Jianhong, an independent non-executive Director, has been changed to HK$300,000 per annum, with effect from 1 January 2026.

REVIEW OF INTERIM RESULTS

The accounting information contained in this announcement has not been audited by the independent auditor of the Company. However, the audit committee of the Company together with the management of the Company have reviewed the accounting policies and practices adopted by the Group and discussed, among other things, internal controls and financial reporting matters including a review of the unaudited interim results for the six months ended 30 June 2026. In addition, the independent auditor of the Company has reviewed the unaudited interim financial information for the six months ended 30 June 2026 in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The interim results announcement of the Company for the six months ended 30 June 2026 is published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.cnhuirong.com) respectively. The 2026 interim report will be published on the websites of The Stock Exchange of Hong Kong Limited and the Company in due course.

By Order of the Board
China Huirong Financial Holdings Limited
WU Min
Chairman

Suzhou China, 28 August 2026

As at the date of this announcement, the executive directors of the Company are Mr. Wu Min, Mr. Qiu Wei, Mr. Zhang Changsong and Mr. Yao Wenjun, the non-executive directors of the Company are Ms. Deng Linyan and Mr. Fang Wenxu and the independent non-executive directors of the Company are Mr. Tse Yat Hong, Mr. Feng Ke and Mr. Liang Jianhong.

* *For identification purposes only*