



Wenye Group Holdings Limited 文業集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1802

2026

INTERIM REPORT



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Kong Guojing (孔國競) (*Chairman*)

Ms. Fan Shuying (范舒穎) (*Co-Chairwoman and Chief Executive Officer*)

Mr. Chen Zhouyu (陳宙宇) (*Co-Chairman*)

Mr. Peng Jiwei (彭及偉)

Non-Executive Directors

Mr. Mak Ho Fai (麥浩輝)

Ms. Jia Yuanyuan (賈園園)

Independent Non-Executive Directors

Ms. Shen Hongmei (沈鴻梅)

(appointed on 29 June 2026)

Mr. Ma Kin Ling (馬健凌)

Ms. Ye Jinyu (葉金玉)

Mr. Huang Wei (黃偉)

(resigned on 2 April 2026)

BOARD COMMITTEES

Audit Committee

Mr. Ma Kin Ling (馬健凌)

(*Chairman*)

Ms. Ye Jinyu (葉金玉)

Ms. Shen Hongmei (沈鴻梅)

Remuneration Committee

Ms. Shen Hongmei (沈鴻梅)

(*Chairwoman*)

Mr. Ma Kin Ling (馬健凌)

Ms. Fan Shuying (范舒穎)

Nomination Committee

Ms. Fan Shuying (范舒穎) (*Chairwoman*)

Mr. Ma Kin Ling (馬健凌)

Ms. Shen Hongmei (沈鴻梅)

AUTHORISED REPRESENTATIVES

Ms. Fan Shuying (范舒穎)

Mr. Wong Chi Kong (黃智江)

LEGAL ADVISER AS TO HONG KONG LAW

C&T Legal LLP

10/F & 22/F, Shum Tower,

268 Des Voeux Road Central,

Sheung Wan, Hong Kong

AUDITORS

Beijing Xinghua Caplegend CPA Limited

1/F, GR8 Inno Tech Centre,

No. 46 Tsun Yip Street,

Kwun Tong, Hong Kong

Certified Public Accountants and

Registered Public Interest Entity Auditors

REGISTERED OFFICE

VISTRA (CAYMAN) LIMITED

P.O. Box 31119, Grand Pavilion, Hibiscus Way,

802 West Bay Road, Grand Cayman,

KY1-1205, Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

4th Floor, Caiwuwei Development Building,

No. 3083, Baoan South Road,

Guiyuan Street, Luohu District,

Shenzhen

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1704, 17/F,

Far East Consortium Building,

No. 121 Des Voeux Road Central,

Hong Kong

COMPANY SECRETARY

Mr. Wong Chi Kong (黃智江)

(appointed on 13 July 2026)

Mr. Law Man Hei Eugene (羅文僖)

(resigned on 13 July 2026)

CORPORATE INFORMATION *(continued)*

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

Ping An Bank
Shenzhen Guiyuan Branch
1st & 2nd Floors, Tiandi Building,
No. 3042 Bao'an South Road,
Luohu District, Shenzhen

Hengfeng Bank Co., Ltd.
Shenzhen Branch
Floors 25–28, North Tower (Building B),
CLP Great Wall Building,
No. 3 Kefa Road, Science Park, Yuehai Subdistrict,
Nanshan District, Shenzhen

COMPANY'S WEBSITE

www.szwyzs.com.cn

STOCK CODE

1802

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is a building decoration services provider based in Shenzhen City, Guangdong Province, the PRC. With approximately 30 years of operating history, the Group possesses a range of the highest level of qualifications and licences in the building decoration industry in the PRC. The Group's projects cover a wide range of buildings and properties, including public infrastructure, commercial buildings and residential buildings.

The Company's core business consists of interior and exterior building decoration and design services, primarily encompassing the construction of indoor and outdoor decoration, and fitting-out for office buildings, public facilities, star hotels, residential properties and curtain wall, as well as customised indoor design and curtain wall design services.

BUSINESS REVIEW

In 1H2026, the Company's management continued to focus on the principal business of the Company, making every effort to ensure the smooth operation of core business and actively expanding high-quality project resources. As a result, the business demonstrated a positive trend of "gradual recovery and healthy operation".

On 5 December 2025, trading of the Company's shares on the Stock Exchange was suspended due to its failure to comply with Rule 13.24 of the Listing Rules. Faced with a complex and severe operating environment, the Company's management, under the strategic guidance of the Board, firmly focused on the core objectives of "stabilising operations, optimising structure, mitigating risks, and pursuing development". By fulfilling their duties with diligence and taking proactive measures, they coordinated key initiatives including business expansion, asset optimisation, debt restructuring, financing assurance, and efforts to resume trading. These efforts effectively alleviated debt pressures and ensured the normal operation of core business.

The building decoration and design industry as a whole is exhibiting a development trend characterised by "sluggish recovery, intensifying competition, and structural optimisation". Affected by the slowdown in macroeconomic growth, the real estate sector continues to undergo adjustments, with demand for commercial and residential property renovations contracting, exerting pressure on the industry's overall demand side. At the same time, the large number of small and medium-sized enterprises in the industry has led to increasingly fierce market competition, with price-based competition remaining the dominant form of competition, which has squeezed corporate profit margins to some extent.

On the other hand, driven by consumption upgrades and the standardisation of the industry, clients are placing increasingly higher demands on the quality, environmental friendliness, and intelligent features of decoration and design. As a result, demand for high-value-added, specialised decoration design and construction services is gradually increasing, and industry concentration is trending upward, creating development opportunities for enterprises with core competitiveness.

In 1H2026, the Company's core efforts have focused on making every effort to resume trading by fulfilling the resumption guidance and effectively safeguarding the legitimate rights and interests of shareholders. Through the collective efforts of all employees, the Company's operational performance has gradually improved, and phased results have been achieved across all areas of work.

The Group's revenue increased from approximately RMB4.2 million for 1H2025 by approximately RMB80.1 million or approximately 1,918.4%, to approximately RMB84.3 million for 1H2026.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

The Group has successfully secured 11 contracts with an aggregate value of approximately RMB233.7 million (exclusive of VAT), of which 11 are expected to be completed in 2026. As at the date of this interim report, work for 5 contracts had been completed. Work for the remaining 6 contracts is expected to be completed in the last quarter of 2026 based on current project schedules. The revenue from the largest customer and top five customers represented approximately 23.2% and 90.8%, respectively, of the revenue of the Group in 1H2026. The Group will continue to broaden its customer base and monitor customer concentration risk.

To support the execution of new projects, the Group has expanded its workforce to 53 employees as at 30 June 2026, with 31 employees responsible for engineering management.

OUTLOOK AND STRATEGY

Driven by policy measures, the PRC property market is expected to gradually stabilise and recuperate subject to market conditions and policy implementation. The PRC government has implemented different supportive measures for the real estate sector, such as abolishing various restrictive home purchase policies and allowing market forces to determine the supply of real estate to support stable and healthy development of the real estate market. These initiatives have helped to stabilise the PRC real estate market, enabling market participants (including the Company) to revitalise operations, which may support the recovery of market participants from the financial fallout of the real estate market in recent years, as evidenced by the Company's gradual business recovery. Together with contracts on hand, the management of the Company remains cautiously optimistic for the second half of 2026.

The Company, learning from past experience with larger projects, such as government contracts with longer completion timelines and substantial capital requirements with higher risk of delayed payment, currently focuses on projects under which the Group can engage subcontractors and which offer shorter cycles and generally reduce or eliminate bid bond and payment guarantee requirements to reduce upfront cash outlays. Additionally, these projects feature faster payment cycles, ensuring timely capital replenishment and lower bad debt risk. This approach significantly eases financial pressure, maintains smooth cash flow, and provides strong support for stable operations. Leveraging years of industry expertise and a solid reputation, the Company fosters long-term partnerships with developers, commercial clients, and engineering firms, securing projects through direct engagements.

The business model of the Company's building decoration and design business is asset-light by nature and has remained consistent since listing. The Company now operates a subcontracting model whereby when projects are secured, these providers supply both skilled workers and construction materials, enabling the Company to significantly reduce procurement costs for raw materials and equipment. This collaborative model eliminates labour expenses during idle periods while enhancing operational flexibility. By outsourcing workforce and material provisioning, the Company minimises inventory carrying costs and optimises labour expenditures, with the aim of improving profitability.

The Company's personnel are primarily responsible for project management. The project department staff primarily handle administrative and design tasks for projects, with their main duties include coordinating on-site construction teams and project clients. The Company will continue optimising operational efficiency by maintaining its third-party outsourcing model for project execution in the PRC while retaining full project management control. This strategic approach delivers multiple cost advantages, and a streamlined organisational structure decreases fixed overheads, including office expenses. Together, these measures strengthen the Company's financial position and create a platform for sustainable growth and market expansion.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

FINANCIAL REVIEW

Revenue

The Group principally derives its revenue from provision of building decoration works and design services in the PRC. Revenue generated by service type is set out below:

	Six months ended 30 June			
	2026		2025	
	<i>RMB million</i>	%	<i>RMB million</i>	%
	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
Revenue from construction contracts	84.2	99.9	4.2	100.0
Design service income	0.1	0.1	—	—
Total	84.3	100.0	4.2	100.0

The Group's revenue increased by approximately RMB80.1 million to approximately RMB84.3 million for 1H2026 from approximately RMB4.2 million for 1H2025, representing an increase of approximately 1,918.4%.

Cost of sales

The cost of sales of the Group increased to approximately RMB74.9 million for 1H2026 from approximately RMB3.7 million for 1H2025, representing an increase of approximately 1,939.9% which is in line with the increase of revenue.

Gross profit and gross profit margin

The gross profit of the Group increased to approximately RMB9.3 million for 1H2026 from approximately RMB0.5 million for 1H2025, representing an increase of approximately 1,760.8%.

The gross profit margin slightly decreased from 12.0% for 1H2025 to 11.1% for 1H2026, the gross profit margin remained broadly stable.

Other income

Other income for 1H2025 mainly arose from the one-off gain on disposal of Wenye Decoration. No such other income was recorded in 1H2026.

Other (losses)/gains, net

The Group recorded net other losses of approximately RMB26,000 for 1H2026 (Other gains for 1H2025: RMB92,000).

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Administrative expenses

The administrative expenses of the Group primarily consist of employee benefit expenses, legal and professional fees and depreciation of property, plant and equipment, and right-of-use assets.

The administrative expenses remained flat at approximately RMB6.7 million for both 1H2025 and 1H2026.

Recognition of financial liability at fair value through profit or loss

In 1H2026, the Group recognised fair value changes/related expenses of approximately RMB4.5 million in respect of the financial liability at fair value through profit or loss. As at 30 June 2026, the Group recognised financial guarantee contract liabilities of approximately RMB66.7 million in respect of the financial guarantee provided by the Company to certain bank and other borrowings by a then subsidiary in prior periods. The subsidiary was disposed of on 12 June 2025.

Net impairment losses on financial and contract assets

In 1H2026, the net impairment losses on financial and contract assets amounted to approximately RMB1,824,000 (1H2025: nil).

(Loss)/Profit for the period

The Group turned from a profit of approximately RMB885.8 million for 1H2025 to a loss of approximately RMB4.2 million for 1H2026. The profit for 2025 was mainly due to the disposal of Wenye Decoration.

Financial position, liquidity and financial resources

Trade and other receivables

The trade and other receivables decreased from approximately RMB48.0 million as at 31 December 2025 to approximately RMB9.1 million as at 30 June 2026, representing a decrease of approximately 81.0%. The trade receivables mainly represent amounts due from customers.

Trade and other payables

The trade and other payables increased from approximately RMB61.1 million as at 31 December 2025 to approximately RMB129.8 million as at 30 June 2026. The increase was mainly attributable to the increase in amounts due to suppliers and subcontractors resulting from the increase in new projects undertaken in 1H2026.

Bank borrowings

As at 30 June 2026, the Group had no bank borrowings (31 December 2025: nil).

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Financial guarantee contracts

As at 30 June 2026, the Group recognised financial guarantee contract liabilities of approximately RMB66.7 million. The amount was related to the financial guarantee provided by the Company in respect of certain bank and other borrowings of a then subsidiary in prior periods, and the subsidiary was disposed of on 12 June 2025. In 1H2026, the Group recognised an impact on profit or loss of approximately RMB4.5 million in respect of such financial guarantee.

Working capital management

The Group is committed to maintaining sound financial policy. The Group intends to improve its operational efficiency in order to improve its working capital position primarily through cash generated from operating activities.

Liquidity ratios

As at 30 June 2026, the Group had bank and cash balances of approximately RMB18.3 million, of which restricted cash amounted to approximately RMB59,000 (31 December 2025: bank and cash balances of approximately RMB36.7 million, of which restricted cash amounted to approximately RMB59,000). The Group's current ratio and gearing ratio are as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Current ratio	61.9%	55.8%
Gearing ratio	NA*	NA*

Current ratio is calculated by dividing the current assets by the current liabilities as at the respective dates.

Gearing ratio is calculated by dividing the net debt (being total bank and other borrowings and lease liabilities net of cash and cash equivalents) as at the respective dates by equity attributable to our Shareholders as at the respective dates.

* Gearing ratio is not applicable as the Group recorded net liabilities as at the relevant dates.

Significant investments, material acquisitions and disposals

The Group had not made any significant investment, material acquisitions or disposal of subsidiaries, associates or joint ventures during 1H2026.

Capital commitments

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

Contingent Liabilities

Save as disclosed in the section headed "Going Concern Basis" in this interim report and in respect of the financial guarantee contracts recognised by the Group, as at 30 June 2026, the Group and the Company did not have any other significant contingent liabilities (31 December 2025: nil).

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Dividends

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

Foreign currency exposure

The Group mainly operates in the PRC with most of the transactions settled in RMB.

As at 30 June 2026, foreign exchange risks on financial assets and liabilities denominated in other currencies were insignificant to the Group, and therefore, the Group did not have any hedging activities during the period.

Important events after the end of the period

The Group had no subsequent material event after 30 June 2026 and up to the date of this interim report.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2026, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance (the “SFO”), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules (the “Model Code”), were as follows:

Name of Directors	Capacity/Nature of interest	Number of shares held (Note 1)	Approximate percentage of issued share capital (Note 2)
Mr. Kong Guojing	Beneficial owner	55,500,000	6.67%
Mr. Mak Ho Fai	Beneficial owner	64,344,727	7.74%

Notes:

1. All interests stated are long positions.
2. The percentage is calculated based on the total number of issued shares of 831,600,000 as at 30 June 2026.

OTHER INFORMATION *(continued)*

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, so far as the Directors and the chief executive of the Company are aware of, the following persons or entities had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO and recorded in the register referred to Section 336 of the SFO.

Name of Shareholders	Capacity/Nature of interest	Number of shares held (Note 1)	Approximate percentage of the issued share capital (Note 2)
Mr. Kong Guojing	Beneficial owner	55,500,000	6.67%
Mr. Mak Ho Fai	Beneficial owner	64,344,727	7.74%
HK Monkey Asset Management Limited (" HK Monkey ") (Note 3)	Beneficial owner	58,790,836	7.07%
Wenye Elite Holdings Limited (" Wenye Elite ") (Note 4)	Beneficial owner	72,000,000	8.66%
	Interest in a controlled corporation (Note 5)	26,992,350	3.25%
		98,992,350	11.91%

Notes:

- All interests stated are long positions.
- The percentage is calculated based on the total number of issued shares of the Company of 831,600,000 as at 30 June 2026.
- HK Monkey is ultimate beneficially owned by Lin Ziqi (林紫琪) (34%), Chen Dechun (陳德純) (33%) and Yang Mingwei (楊明偉) (33%).
- Wenye Elite is the trustee of the restricted share unit scheme (the "**RSU Scheme**") adopted by the Company on 13 March 2019 in recognition of the contributions of and to provide incentive to the Directors, senior management and employees of the Company as well as any person who, in the sole opinion of the Board of the Company, has contributed or will contribute to the Group. Wenye Elite is beneficially owned by Peng Weizhou (彭偉周) (18.75%), Qiu Zhong Jian (丘仲建) (12.5%), Yu Sheng Kai (余聲凱) (12.5%), Zhuang Xian Ni (莊縣你) (6.25%), Fan Zhen Jian (范振堅) (25%), Zheng Jun Xian (鄭俊賢) (12.5%) and Qiu Hui (丘惠) (12.5%).
- The entire share capital of Wenye Innovator Holdings Limited ("**Wenye Innovator**") is wholly owned by Wenye Elite Holdings. Accordingly, Wenye Elite is deemed to be interested in such shares held by Wenye Innovator for the purpose of Part XV of the SFO. Wenye Innovator is the settlor of the RSU Scheme.

Save as disclosed above, as at 30 June 2026, so far as is known by or otherwise notified to the Directors, none of any person (other than a Director or the chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO or to be recorded in the register referred to in section 336 of the SFO.

OTHER INFORMATION *(continued)*

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities, including any treasury shares, during 1H2026. As at 30 June 2026, the Company did not hold any treasury shares.

DISCLOSURE OF INFORMATION ON DIRECTORS

Changes in Directors' information since the date of the Company's 2025 annual report which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

Ms. Shen Hongmei was appointed as an Independent Non-Executive Director, the Chairwoman of the Remuneration Committee, a member of the Nomination Committee and the Audit Committee of the Company, effective from 29 June 2026.

COMPLIANCE WITH THE CODE OR CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high quality corporate governance. The corporate governance principles of the Company are to promote effective internal management measures, to maintain high quality ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its business and operations are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all shareholders. The Company's corporate governance practice is based on the principles and code provisions as set out in Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules.

Save for the deviation from code provision C.2.1 of the CG Code and the temporary non-compliance with Rules 3.10(1), 3.10A, 3.21, 3.25 and 3.27A of the Listing Rules as disclosed below, during 1H2026, the Company complied with all applicable code provisions of the CG Code.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During 1H2026 and up to the date of this interim report, the roles of chairman/co-chairman and chief executive officer of the Company are not separated and Ms. Fan Shuying currently holds both positions. The Board believes that vesting the roles of co-chairwoman and chief executive officer in Ms. Fan Shuying has the benefit of ensuring consistent internal leadership within the Group and enables effective and efficient general strategic planning for the Company. The Board is of the view that the balance of power and authority achieved by the present arrangement will not be impaired and is adequately ensured by the current Board which comprises experienced and high calibre individuals with a sufficient number of independent non-executive Directors.

Following Mr. Huang's resignation on 2 April 2026 and before Ms. Shen's appointment on 29 June 2026, the Company did not comply with Rules 3.10(1), 3.10A, 3.21, 3.25 and 3.27A. Following Ms. Shen's appointment, the Company re-complied with Rules 3.10(1), 3.10A, 3.21, 3.25 and 3.27A.

OTHER INFORMATION *(continued)*

DISCLOSURE UNDER RULE 13.20 OF THE LISTING RULES

The Directors were not aware of any circumstances resulting in the responsibility of disclosure under Rule 13.20 of the Listing Rules regarding the provision of advances by the Company to an entity.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in securities in the Company. Having made specific enquiry to all Directors of the Company, all Directors have confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 June 2026.

CHANGES IN DIRECTORS’ OR CHIEF EXECUTIVES’ INFORMATION

Save as disclosed under ‘Disclosure of Information on Directors’ above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

REVIEW OF THE INTERIM RESULTS BY AUDIT COMMITTEE

As at the date of this interim report, the audit committee of the Board (the “**Audit Committee**”) comprises all the independent non-executive Directors, namely Mr. Ma Kin Ling (chairman), Ms. Ye Jinyu and Ms. Shen Hongmei.

The Audit Committee has reviewed together with the management the accounting principles and practices adopted by the Group and has discussed internal control and financial reporting matters, including the review of the condensed consolidated financial statements for the six months ended 30 June 2026. The Audit Committee has also reviewed the interim results of the Group for the six months ended 30 June 2026. The interim results of the Group for the six months ended 30 June 2026 have not been audited or reviewed by the Company’s auditor.

By order of the Board
Wenye Group Holdings Limited
KONG Guojing
Chairman and Executive Director

Shenzhen, the PRC, 31 August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Six months ended 30 June			
	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue	8	84,288	4,176
Cost of sales		(74,947)	(3,674)
Gross profit		9,341	502
Other income	9	—	951,651
Other (losses)/gains, net	9	(26)	92
Administrative expenses		(6,741)	(6,698)
Recognition of financial liability at fair value through profit or loss		(4,485)	(59,534)
Finance costs, net	10	(416)	(209)
Net impairment losses on financial and contract assets		(1,824)	—
(Loss)/Profit before tax		(4,151)	885,804
Income tax expense	11	(98)	—
(Loss)/Profit for the period	12	(4,249)	885,804
Other comprehensive income			
<i>Item that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		—	—
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		—	—
TOTAL COMPREHENSIVE (LOSS)/PROFIT FOR THE PERIOD		(4,249)	885,804
(LOSS)/PROFIT PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
— Basic and diluted (RMB cents)	14	(0.56)	131.58

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	15	—	—
Right-of-use assets	15	1,000	1,215
Intangible assets		—	—
		1,000	1,215
CURRENT ASSETS			
Contract assets	17	100,135	9,093
Trade and other receivables	16	9,095	47,981
Restricted cash		59	59
Bank and cash balances	18	18,252	36,595
		127,541	93,728
CURRENT LIABILITIES			
Trade and other payables	19	129,754	61,130
Contract liabilities	17	118	118
Other borrowings	20	—	35,000
Lease liabilities	21	421	411
Amount due to related parties	22	2,210	2,412
Financial guarantee contracts		66,674	62,189
Current income tax liabilities		6,882	6,747
		206,059	168,007
NET CURRENT LIABILITIES		(78,518)	(74,279)
TOTAL ASSETS LESS CURRENT LIABILITIES		(77,518)	(73,064)
NON-CURRENT LIABILITIES			
Lease liabilities		596	809
		596	809
NET LIABILITIES		(78,114)	(73,873)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
CAPITAL AND RESERVES			
Share capital	23	73	73
Reserves		(78,187)	(73,938)
Equity attributable to owners of the Company		(78,114)	(73,865)
Non-controlling interests		—	(8)
TOTAL EQUITY		(78,114)	(73,873)

The condensed consolidated financial statements for the six months ended 30 June 2026 were approved and authorised for issue by the board of directors on 31 August 2026 and are signed on its behalf by:

Approved by:

Ms. Fan Shuying
Director

Mr. Kong Guojing
Director

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Share premium	Capital reserve	Statutory reserves	Translation reserve	Accumulated losses		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025	51	130,425	142,570	36,552	(5)	(1,241,690)	1,655	(930,442)
Shares issued upon placing	22	12,117	—	—	—	—	—	12,139
Transfer of reserves	—	—	—	(36,552)	—	—	(1,655)	(38,207)
Profit for the period	—	—	—	—	—	885,804	—	885,804
Other comprehensive income for the period	—	—	—	—	11	—	—	11
Total comprehensive income for the period	22	12,117	—	(36,552)	11	885,804	(1,655)	859,747
At 30 June 2025	73	142,542	142,570	—	6	(355,886)	—	(70,695)
At 1 January 2026	73	142,542	142,570	295	10	(359,355)	(8)	(73,873)
Transfer of reserves	—	—	—	—	—	—	8	8
Loss for the period	—	—	—	—	—	(4,249)	—	(4,249)
Other comprehensive loss for the period	—	—	—	—	—	—	—	—
Total comprehensive loss for the period	—	—	—	—	—	(4,249)	8	(4,241)
At 30 June 2026	73	142,542	142,570	295	10	(363,604)	—	(78,114)

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June 2026 RMB'000 (Unaudited)	Six months ended 30 June 2025 RMB'000 (Unaudited)
Net cash generated from/(used in) operating activities	19,054	(6,430)
Net cash (used in)/generated from investing activities	(2,194)	783
Net cash (used in)/generated from financing activities	(35,203)	15,554
Net (decrease)/increase in cash and cash equivalents	(18,343)	9,907
Cash and cash equivalents at the beginning of the period	36,595	952
Effect of foreign exchange rate changes	—	(160)
Cash and cash equivalents at end of period, representing bank and cash balances	18,252	10,699

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Wenye Group Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 13 November 2018 as an exempted company with limited liability under Companies Law Cap. 22 (As Revised) of the Cayman Islands. The address of the Company’s registered office is P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1- 1205, Cayman Islands.

The Company is an investment holding company and its subsidiaries (together, the “**Group**”) are principally engaged in provision of interior and exterior building decoration and design services (the “**Business**”) in the People’s Republic of China (the “**PRC**”).

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 14 January 2020 (the “**Listing**”).

The condensed consolidated financial statements are presented in thousands of Renminbi (“**RMB’000**”), unless otherwise stated.

2. GOING CONCERN BASIS

As at 30 June 2026, the Group had net current liabilities and net liabilities of approximately RMB78,518,000 and RMB78,114,000 respectively. The Group’s total financial liabilities in relation to financial guarantee contracts amounted to approximately RMB66,674,000 as at 30 June 2026 while its cash and cash equivalents amounted to approximately RMB18,252,000.

As at 30 June 2026, the Group had corporate financial guarantee contracts in respect of banking facilities and other borrowings granted to the disposed subsidiaries. According to the recent court rulings and related legal proceedings, including cases relating to bank borrowings and small loan contract disputes, the amount of accumulated interest payable by the Group under such corporate financial guarantee contracts was approximately RMB24,989,000.

The above conditions indicate the existence of material uncertainties which cast significant doubt regarding the Group’s ability to continue as a going concern.

The Directors have undertaken a number of plans and measures to improve the Group’s liquidity and financial position, including: (i) the Group has been actively seeking and communicating with new customers on the projects of interior and exterior building decoration and design; (ii) the Group has been actively negotiating with other lenders on the extension of overdue other borrowings; and (iii) the Group has been actively seeking potential new funding through various channels, including but not limited to new financing in terms of issuance of new shares of the Company and financing from potential investors.

The Directors have reviewed the Group’s cash flow projections for a period of not less than twelve months from 30 June 2026. Such projections have considered the expected collection schedules from existing projects, expected operating expenses, payment arrangements for trade payables, litigation and related liabilities/provisions, as well as the financing and debt arrangements in respect of which the Group is negotiating with creditors and potential investors. Based on the above measures, the Directors are of the opinion that it is appropriate to prepare the Group’s condensed consolidated interim financial information for the six months ended 30 June 2026 on a going concern basis.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

2. GOING CONCERN BASIS *(continued)*

Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current half year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are relevant to its operations and effective for its accounting year beginning on 1 January 2026. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations.

The application of the new amendments to HKFRSs in the current period has had no material effect on the amounts reported in these unaudited condensed consolidated financial statements and/or disclosures set out in these unaudited condensed consolidated financial statements.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The application of these new HKFRSs will not have material impact on the consolidated financial statements of the Group.

4. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated interim financial information for the six months ended 30 June 2026 has been prepared in accordance with HKAS 34 "Interim Financial Reporting" issued by the HKICPA and the applicable disclosure requirements of Appendix D2 to the Listing Rules. The condensed consolidated interim financial information should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

The condensed consolidated interim financial information has been prepared on the historical cost basis, except for financial guarantee contracts which are measured in accordance with the Group's accounting policies.

The accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those followed in the preparation of the financial statements for the year ended 31 December 2025.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

5. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

Up to the date of approval for issue of these condensed consolidated interim financial statements, the HKICPA has issued a number of new and amendments to HKFRS Accounting Standards which are not yet effective for annual periods beginning 1 January 2026 and which have not been adopted in these interim financial statements. These developments include the following which may be relevant to the Group.

HKFRS 18 and consequential amendments to other HKFRS Accounting Standards	Presentation and Disclosure in Financial Statements ¹
HKFRS 19 and subsequent amendments	Subsidiaries without Public Accountability: Disclosures ¹
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²

¹ Effective for annual periods beginning on or after 1 January 2027

² Effective for annual periods beginning on or after a date to be determined

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currency of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

(b) Interest rate risk

The Group's exposure to interest-rate risk arises from its bank deposits and bank borrowings. These deposits and borrowings bear interests at variable rates varied with the then prevailing market condition.

(c) Credit risk

The Group is exposed to credit risk in relation to its cash at bank, restricted cash, trade and retention receivables, contract assets, deposits and other receivables. The Group's maximum exposure to credit risk is the carrying amounts of these financial assets.

The Group expects that there is no significant credit risk associated with cash at bank and restricted cash since they are deposited with credit worthy financial institutions. Management does not expect that there will be any significant losses from non-performance by these counterparties.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

6. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Credit risk *(continued)*

(i) Trade receivables, retention receivables and contract assets

The Group applies the simplified approach to provide expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade and retention receivables and contract assets.

Contract assets are related to unbilled work in progress which have substantially the same risk characteristics as the trade receivables for the same types of contract. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Individually impaired trade receivables are related to customers who are experiencing unexpected economic difficulties. The Group expects that the entire amounts of the receivables will have difficulty to be recovered and has recognised impairment losses.

To measure the expected credit losses of trade receivables, retention receivables and contract assets, they have been grouped based on shared credit risk characteristics. The expected credit losses for invoiced trade receivables and unbilled revenue balances were determined based on the ageing by due date and project completion date adjusted by the estimated invoicing procedures time, respectively.

The expected loss rates are based on the payment profiles of sales over a period of 3 to 5 years before 30 June 2026 and 2025 and the corresponding historical credit losses experienced within this period. The loss allowance also incorporates forward looking information.

(d) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

(e) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to enhance shareholders' value in the long term.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total bank and other borrowings and lease liabilities (including "current and non-current bank and other borrowings and lease liabilities" as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as "equity" as shown in the consolidated statements of financial position.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

7. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by chief operating decision maker (“**CODM**”). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive directors of the Company.

The Group is principally engaged in provision of interior and exterior building decoration and design services in the PRC. The CODM reviews the operating results of the business as one segment to make decisions about resources to be allocated. Therefore, the CODM regards that there is only one segment which is used to make strategic decisions. Revenue and profit before income tax are the measure reported to the CODM for the purpose of resources allocation and performance assessment.

The Group’s revenue was mainly derived in the PRC during the six months ended 30 June 2026 and 2025.

As at 30 June 2026 and 2025, all of the non-current assets were located in the PRC (31 December 2025: Same).

The revenue from external parties is derived from numerous external customers and the revenue reported to the CODM is measured in a manner consistent with that in the consolidated financial statements.

8. REVENUE

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue from construction services	84,156	4,176
Design service income	132	—
	84,288	4,176

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

9. OTHER INCOME AND OTHER GAINS/(LOSSES), NET

		Six months ended 30 June	
	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Other income:			
Government grants	(i)	—	—
Gains on disposal of a subsidiary	(ii)	—	951,651
		—	951,651
Other gains/(losses), net:			
Gain on disposal of property, plant and equipment		—	4
Others		(26)	88
		(26)	92

Notes:

- (i) Government grants are under no unfulfilled conditions or other contingencies attaching to these grants. The Group did not benefit directly from any other forms of government assistance.
- (ii) The amount represented the gain on disposal of Wenye Decoration during the six months ended 30 June 2025.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

10. FINANCE COSTS, NET

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Finance income:		
– Interest income	66	5
	66	5
Finance costs:		
– Interest expense on bank and other borrowings	(453)	(195)
– Interest expense on lease liabilities	(29)	(19)
	(482)	(214)
Finance costs, net	(416)	(209)

11. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current income tax	98	—
Deferred income tax	—	—
Income tax expense	98	—

Current taxation primarily represented the provision for PRC Corporate Income Tax (“CIT”) for companies operating in the PRC. These companies are subject to CIT on their taxable income as reported in their respective statutory financial statements adjusted in accordance with the relevant tax laws and regulations in the PRC. Pursuant to the PRC Corporate Income Tax Law, the CIT rate for domestic enterprises and foreign invested enterprises is 25% (2025: 25%).

No provision for Hong Kong Profits Tax has been made since the Group did not have any taxable profits arising in or derived from Hong Kong during the six months ended 30 June 2026 and 2025.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

12. (LOSS)/PROFIT FOR THE PERIOD

The Group's (loss)/profit for the period is stated after charging the following:

	Six months ended 30 June	
	2026 RMB'000	2025 RMB'000
Depreciation of property, plant and equipment	—	4
Depreciation of right-of-use assets	215	—
Reversal of impairment of trade receivables	(362)	—
Impairment of contract assets	2,170	—
Impairment of other receivables	16	—
Changes in fair value of financial guarantee contracts	4,485	—
Aggregate impairment losses/reversals and fair value changes of financial assets, contract assets and financial guarantee contracts	6,309	—
Staff costs including directors' remuneration:		
Salaries, wages and bonuses	2,268	1,671
Housing funds, medical insurances and other social insurances	303	56
Other welfare and allowances	14	—
	2,585	1,727

13. DIVIDENDS

The directors do not recommend the payment of any dividend for each of the periods ended 30 June 2026 and 2025.

14. (LOSS)/PROFIT PER SHARE

(a) Basic (loss)/profit per share

The calculation of basic (loss)/profit per share attributable to owners of the Company is based on the loss for the period attributable to owners of the Company of approximately RMB4,249,000 (30 June 2025: profit of RMB885,804,000) and the weighted average number of ordinary shares of 762,598,356 (30 June 2025: 673,200,000, as adjusted to reflect the capitalisation of 444,510,000 shares which took place on 14 January 2020).

(b) Diluted (loss)/profit per share

Diluted (loss)/profit per share was the same as basic (loss)/profit per share as the Company did not have any dilutive potential ordinary shares during 1H2026 and 1H2025.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

15. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

	Property, plant and equipment RMB'000 (Unaudited)	Right-of-use assets RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
For the six months ended 30 June 2026			
Opening net book amount as at 1 January 2026	—	1,215	1,215
Depreciation and amortisation	—	(215)	(215)
Closing net book amount as at 30 June 2026	—	1,000	1,000
For the six months ended 30 June 2025			
Opening net book amount as at 1 January 2025	—	1,714	1,714
Depreciation and amortisation	—	(92)	(92)
Closing net book amount as at 30 June 2025	—	1,622	1,622

16. TRADE AND OTHER RECEIVABLES

	Note	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade receivables	(i)	8,083	47,421
Provision for loss allowance		(861)	(800)
Trade receivables, net		7,222	46,621
Prepayments		1,166	337
Other receivables		329	1,057
Reversal of/(provision for) loss allowance		378	(34)
Total trade and other receivables		9,095	47,981
Analysed as:			
Current assets		9,095	47,981
Non-current assets		—	—
		9,095	47,981

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

16. TRADE AND OTHER RECEIVABLES *(continued)*

- (i) The credit terms of trade receivables are generally stated as up to 60 days from the invoice date. The ageing analysis of the trade receivables based on the invoice date is as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Unbilled revenue (<i>Note (i)</i>)	—	45,864
Within 30 days	5,196	—
31 days to 6 months	2,119	842
6 months to 1 year	768	715
	8,083	47,421

Note:

The balances above included unbilled revenue for projects completed by the Group but not yet billed, which excluded the portion of retention receivables. The Group has an unconditional right to payment of this unbilled revenue and hence classified it as trade receivables.

The carrying amounts of trade receivables approximate their fair values and are denominated in RMB.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

17. CONTRACT ASSETS AND LIABILITIES

Disclosures of revenue-related items:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Contract assets — construction services	102,547	9,335
Contract assets — design services	—	—
	102,547	9,335
Less: Provision for loss allowance	(2,412)	(242)
Total contract assets	100,135	9,093
Contract liabilities — construction services	118	118
Contract liabilities — design services	—	—
Total contract liabilities	118	118
Contract receivables (included in trade receivables)	—	—

	Six months ended 30 June 2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Revenue recognised in the period that was included in contract liabilities at beginning of year:		
— Construction services	—	—
— Design services	—	—
	—	—

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

18. BANK AND CASH BALANCES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Bank and cash balances	18,252	36,595
Restricted cash at bank	59	59
Total bank and cash balances	18,311	36,654

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Denominated in:		
RMB	18,252	36,595
HK\$	59	59
	18,311	36,654

Certain of the Group's bank balances and deposits denominated in RMB are deposited with banks in the PRC. The conversion of these RMB denominated balances into foreign currencies and the remittance of funds out of the PRC is subject to the rules and regulations of foreign exchange control promulgated by the government of the PRC.

19. TRADE AND OTHER PAYABLES

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Trade payables	99,380	43,157
Accruals and other payables		
— Accrued staff benefits	4,655	2,612
— Other payables and accruals	25,719	15,361
	30,374	17,973
	129,754	61,130

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

19. TRADE AND OTHER PAYABLES *(continued)*

As at 30 June 2026 and 31 December 2025, the carrying amounts of trade and other payables approximate their fair values and are denominated in RMB:

The ageing analysis of the trade payables, based on invoice date, is as follows:

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Within 30 days	75,906	33,699
31 days to 6 months	22,463	9,458
6 months to 1 year	1,011	—
	99,380	43,157

20. OTHER BORROWINGS

	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
Other borrowings	—	35,000

The borrowings are repayable as follows:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Less: Amount due for settlement within 12 months (shown under current liabilities)	—	(35,000)
Amount due for settlement after 12 months	—	—

The carrying amounts of the Group's other borrowings approximate their fair value and are denominated in RMB.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

21. LEASE LIABILITIES

The Group leases office premise under non-cancellable operating lease. The leases terms are between 1 to 5 years, and the majority of lease agreements are renewable at the end of the lease period at market rate.

The future aggregate minimum lease payments under non-cancellable operating lease are as follows:

	Lease payments		Present value of lease payments	
	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Within 1 year	463	463	421	411
Between 1 and 2 years	463	463	443	432
Between 2 and 5 years	154	386	153	377
	1,080	1,312		
Less: Future finance charges	(63)	(92)		
Present value of lease liabilities	1,017	1,220	1,017	1,220
Less: Amount due for settlement within 12 months (shown under current liabilities)			(421)	(411)
Amount due for settlement after 12 months			596	809

The Group leased office premises for operation. Property leases are typically made for fixed period of 3 years. Lease terms are negotiated on an individual basis and contain various different terms and conditions.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in the condensed consolidated statement of profit or loss and other comprehensive income. Short-term leases are leases with a lease term of 12 months or less.

22. RELATED PARTY TRANSACTIONS

Parties are considered to be related to the Group if the party has the ability, directly or indirectly, to exercise significant influence over the Group in making financial and operating decisions. Related parties may be individuals (being members of key management personnel, significant shareholder and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals. Parties are also considered to be related if they are subject to common control.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

22. RELATED PARTY TRANSACTIONS *(continued)*

The directors are of the view that the following parties were related parties that had material transactions or balances with the Group during the six months ended 30 June 2026:

- (i) The directors of the Company are of the view that the following parties/companies were related parties that had transactions or balances with the Group during the six months ended 30 June 2026:

Name of the related parties	Relationship with the Group
Mr. Kong Guojing	Director
Mr. Mak Ho Fai	Director
Mr. Fan Shaozhou	Former Director within 12 months

(ii) Amount due to related parties

	30 June 2026 RMB'000	31 December 2025 RMB'000
Non-trade payables to		
Mr. Kong Guojing	1,741	1,716
Mr. Mak Ho Fai	230	230
Mr. Fan Shaozhou	239	466
	2,210	2,412

As at 30 June 2026 and 31 December 2025, non-trade payables balance due to related parties were unsecured, interest-free and repayable on demand and approximated at their fair values. The balances represented advances from the related parties to improve the Company's liquidity. Accordingly, they constituted financial assistance received by the Group on normal commercial terms or better and were fully exempt from the reporting, announcement, annual review and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The balances with related parties are denominated in RMB.

(iii) Guaranteed by shareholders and related parties

After the disposal of Wenye Decoration, there was no new loan guaranteed by shareholders and related parties.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS *(continued)*

23. SHARE CAPITAL

	<i>Note</i>	Number of shares	Equivalent nominal value of shares RMB'000
Authorized:			
3,800,000,000 shares of HK\$0.0001 each	<i>(i)</i>	3,800,000,000	327
Issued and fully paid:			
At 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026		831,600,000	73

Note:

- (i) The Company was incorporated on 13 November 2018 with an initial authorised share capital of HK\$380,000 divided into 3,800,000,000 shares of a par value of HK\$0.0001 each. On the date of incorporation, 1 ordinary share of HK\$0.0001 was allocated and issued by the Company.

24. CONTINGENT LIABILITIES

Save as disclosed in Note 2 in relation to litigation and related liabilities/provisions and the financial guarantee contracts recognised by the Group, as at 30 June 2026, the Group and the Company did not have any other significant contingent liabilities (31 December 2025: nil).