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GUANGDONG SYNTRUST GK TESTING AND CERTIFICATION TECH SERVICE CENTER CO., LTD.

廣東集信國控檢測認證技術服務中心股份有限公司

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

(Stock code: 8629)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Guangdong Syntrust GK Testing and Certification Tech Service Center Co., Ltd. (the "**Company**") is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 together with the comparative figures for the six months ended 30 June 2025 as follows:

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the six months ended 30 June 2026

	Notes	**Six months ended 30 June** **2026** ***RMB'000*** (Unaudited)	2025 *RMB'000* (Unaudited)
REVENUE	*5*	**46,997**	24,958
Cost of sales		**(21,488)**	(12,120)
Gross profit		**25,509**	12,838
Other income		**502**	362
Administrative expenses		**(14,862)**	(6,877)
Research and development expenses		**(2,389)**	(616)
Impairment losses on financial assets at amortised cost, net		**(1,863)**	(1,638)
Other expenses		**(67)**	(40)
Finance costs		**(883)**	(750)
PROFIT BEFORE TAX	*6*	**5,947**	3,279
Income tax expense	*7*	**(1,388)**	(1,391)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**4,559**	1,888
Attributable to:			
Owners of the parent		**3,149**	1,350
Non-controlling interests		**1,410**	538
		4,559	1,888
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*9*		
Basic and diluted		**RMB0.09**	RMB0.04

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 June 2026

	Notes	**30 June 2026** **RMB'000** (Unaudited)	31 December 2025 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**49,019**	40,391
Right-of-use assets		**46,037**	45,292
Goodwill	*12*	**9,126**	2,902
Other intangible assets		**2,597**	2,666
Deferred tax assets		**2,414**	1,940
Prepayments and other receivables		**8,988**	6,185
Total non-current assets		**118,181**	99,376
CURRENT ASSETS			
Inventories		**6,513**	4,208
Trade receivables	*10*	**90,720**	76,840
Prepayments and other receivables		**11,448**	3,114
Cash and cash equivalents		**90,524**	101,691
Total current assets		**199,205**	185,853
CURRENT LIABILITIES			
Trade payables	*11*	**8,824**	8,433
Other payables and accruals		**26,180**	20,658
Interest-bearing bank borrowings		**9,327**	–
Lease liabilities		**2,896**	2,445
Tax payable		**1,341**	3,587
Total current liabilities		**48,568**	35,123
NET CURRENT ASSETS		**150,637**	150,730
TOTAL ASSETS LESS CURRENT LIABILITIES		**268,818**	250,106

	30 June 2026 *RMB'000* (Unaudited)	31 December 2025 *RMB'000* (Audited)
NON-CURRENT LIABILITIES		
Lease liabilities	**44,211**	43,713
Total non-current liabilities	**44,211**	43,713
Net assets	**224,607**	206,393
EQUITY		
Equity attributable to owners of the parent		
Share capital	**33,929**	33,929
Reserves	**157,123**	160,081
	191,052	194,010
Non-controlling interests	**33,555**	12,383
Total equity	**224,607**	206,393

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. CORPORATE INFORMATION

Guangdong Syntrust Gk Testing And Certification Tech Service Center Co., Ltd. (the "**Company**") and its subsidiaries (together, the "**Group**") are principally engaged in providing construction testing and inspection services across a diversified portfolio in the People's Republic of China ("**PRC**"), covering construction engineering (including (i) building materials and components, (ii) main structure and decoration, (iii) foundation, (iv) building energy-saving, (v) municipal engineering materials, (vi) road works, and (vii) steel structures), as well as specialized sectors such as food and agricultural, motor vehicles, fire protection, hydraulic and transportation engineering. The Company's immediate controlling shareholder is Xinyi City Construction Engineering Quality and Safety Affairs Center ("**Xinyi City CEQS Center**"), a public institution under the Xinyi City Bureau of Housing and Urban-Rural Development.

The Company is a state-owned enterprise incorporated in Guangdong Province of the PRC. The Company was established as a joint-stock cooperative enterprise on 28 March 2000. The Company was converted into a limited liability company in July 2023 and was further converted into a joint stock company with limited liability in October 2023. The address of the Company's registered office is No.1, Xinyi Avenue South, Dingbao Town, Xinyi City, Maoming City, Guangdong Province.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025. The interim condensed consolidated financial information is presented in Renminbi and all values are rounded to the nearest thousand except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The above revised HKFRS Accounting Standards did not have a material impact on the Group.

4. OPERATING SEGMENT INFORMATION

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the 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 general manager of the Group. As a result of this evaluation, the CODM considers that the Group's operations are operated and managed as a single segment. Accordingly, no segment information is presented.

During the period, the operations of the Group were domiciled in the PRC and the Group's revenue was attributable to the market in the PRC.

As at 30 June 2026 and 31 December 2025, the Group's non-current assets were all located in the PRC.

5. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**46,997**	24,958

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Types of services		
Testing services	**44,850**	23,614
Inspection services	**1,412**	1,228
Others	**735**	116
Total	**46,997**	24,958
Geographical market		
Chinese mainland	**46,997**	24,958
Timing of revenue recognition		
Services transferred at a point in time	**45,585**	23,730
Services transferred over time	**1,412**	1,228
Total	**46,997**	24,958

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Costs of services provided	**21,488**	12,120
Depreciation of property, plant and equipment	**4,034**	2,378
Depreciation of right of use assets	**1,779**	1,008
Amortisation of other intangible assets	**201**	66
Foreign exchange differences, net	**4**	2
Provision for expected credit loss of trade receivables	**1,863**	1,638
Gain on the early termination of a lease	**(39)**	–
Loss on disposal of items of property, plant and equipment	**–**	19

7. INCOME TAX

The Group provides income tax expense for each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. The major components of income tax expense recognised in profit or loss are:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current – Chinese mainland		
Provision for the period	**1,512**	2,026
Under-provision in prior years	**352**	851
	1,864	2,877
Deferred	**(476)**	(1,486)
	1,388	1,391

8. DIVIDEND

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Final declared – RMB0.18 (2025: RMB0.15) per ordinary share	**6,107**	5,089

The final 2025 dividend was paid in July 2026.

No interim dividend has been declared by the Company subsequent to the end of the reporting period (six months ended 30 June 2025: Nil).

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 33,929,000 (six months ended 30 June 2025: 33,929,000) outstanding during the period.

No adjustments has been made to the basic earnings per share amounts presented for the six months ended 30 June 2026 and 2025 in respect of a dilution as the Company has no potentially dilutive ordinary shares outstanding during the periods.

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Profit for the period attributable to owners of the parent, used in the basic and diluted earnings per share calculation *(RMB'000)*	**3,149**	1,350
Weighted average number of ordinary shares outstanding for the purpose of earnings per share calculation	**33,929,000**	33,929,000

10. TRADE RECEIVABLES

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade receivables	**105,529**	89,811
Impairment	**(14,809)**	(12,971)
	90,720	76,840

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**56,900**	49,122
1 to 2 years	**22,414**	19,763
2 to 3 years	**8,583**	7,277
3 to 4 years	**2,257**	479
Over 4 years	**566**	199
	90,720	76,840

11. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2026	31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**1,948**	4,318
1 to 2 years	**3,007**	4,115
2 to 3 years	**3,869**	–
	8,824	8,433

12. BUSINESS COMBINATION

(a) Maoming Juzhou Engineering Testing Co., Ltd. ("Juzhou")

On 16 December 2025, the Company, Huazhou Construction Quality Affairs Center ("**Huazhou CQA Center**") and Maoming Juzhou Engineering Testing Co., Ltd. ("**Juzhou**") entered into a capital increase agreement, pursuant to which the Company conditionally agreed to subscribe for 51% of the enlarged registered capital of Juzhou at a consideration of RMB13,323,900. The acquisition was completed during the reporting period. Juzhou is a limited liability company established in the PRC which is principally engaged in the provision of construction engineering testing and inspection services in Huazhou City. The Group has been actively exploring opportunities to strengthen its existing market presence in Maoming and expand its service footprint into the 3rd to 5th tiers cities in Western Guangdong.

The fair values of the identifiable assets and liabilities of Juzhou as at the date of acquisition amounted to RMB11,664,000. Accordingly, the Group recognised a non-controlling interest of RMB12,244,000 (including a non-controlling interest of RMB5,715,000 upon capital injection) and a goodwill on capital increase amounted to RMB580,000. For further details, please refer to the announcement of the Company dated 16 December 2025 and the 2025 annual report of the Company.

(b) Gaozhou Gaoxin Engineering Testing Co., Ltd. ("Gaoxin")

On 29 December 2025, the Company and Gaozhou Anjian State Owned Assets Management Co., Ltd. ("**Gaozhou Anjian**") entered into an Equity Transfer Agreement, pursuant to which the Company conditionally agreed to acquire, and Gaozhou Anjian conditionally agreed to sell 51% equity interest in the Gaozhou Gaoxin Engineering Testing Co., Ltd. ("**Gaoxin**") at a consideration of RMB10,710,000. The acquisition was completed during the reporting period. Gaoxin is a limited liability company established in the PRC which is principally engaged in the provision of construction engineering testing and inspection services in Gaozhou City. The acquisition was made as part of the Group's strategy to expand its business network and client base in Western Guangdong.

The fair values of the identifiable assets and liabilities of Gaoxin as at the date of acquisition amounted to RMB9,934,000. Accordingly, the Group recognised a non-controlling interest of RMB4,868,000 and a goodwill on capital increase amounted to RMB5,644,000. For further details, please refer to the announcement of the Company dated 29 December 2025 and the 2025 annual report of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

The Group is principally engaged in the provision of construction engineering testing and inspection ("**T&I**") services, food and agricultural testing services, hydraulic engineering T&I services, and motor vehicle testing services in the People's Republic of China ("**PRC**").

As at 30 June 2026, the Group had obtained accreditation in a total of 49 qualifications for testing and inspection services approved by the Guangdong Administration for Market Regulation under the Inspection and Testing Agency Qualification Certificate, covering construction engineering, product and material, food and agricultural items, motor vehicles, water conservancy, transportation engineering and other related testing, and the Group offers testing services with over 7,320 testing parameters within the scope of above qualifications.

MARKET REVIEW

1. Development trends in the industry in which the Group operates

(1) National policies facilitate the development of the testing and inspection industry

With the national "Rural Revitalisation Initiative" (鄉村振興) policy and Guangdong Province "Project for the High-Quality Development of Hundreds of Counties, Thousands of Towns and Tens of Thousands of Villages" (百縣千鎮萬村高質量發展工程) being implemented in depth, the economic vitality of tier 3 and below cities continues to strengthen, driving sustainable growth in the demand for independent T&I services. The market size of the independent T&I industry in Western Guangdong is anticipated to reach approximately RMB6.5 billion by 2028, with a CAGR of 12.7%, maintaining a steady growth. As a well-known T&I service provider in Maoming, the Group is well-positioned to capitalize on the business opportunities brought by the above-mentioned policies by leveraging its background as a state-owned inspection institution, which has a significant impact on the improvement of its performance.

In the field of hydropower and water conservancy T&I, the PRC government has continuously increased investment in water conservancy infrastructure in recent years. Based on the significant progress made during the 14th Five-Year Plan period, China will further advance the modernization of water conservancy and the improvement on the water resource allocation system so as to enhance flood control and drought resistance capabilities for the 15th Five-Year Plan period, which directly and continuously boosted the demand for hydropower and water conservancy T&I services. In the field of transportation engineering T&I, in 2026, the Ministry of Transport explicitly stated to deepen the reform of the comprehensive transportation system and fully advance the implementation of the 15th Five-Year Plan, with a focus on accelerating infrastructure upgrades, green transformation, and digital-intelligent empowerment. The state will focus on unclogging the "main arteries" of the comprehensive three-dimensional transportation network, pushing forward the connectivity of border trunk corridors and the full completion of high-speed railways along the Yangtze River, and advancing major projects including the new waterway channel for the Three Gorges and the Pinglu Canal, among which the Pinglu Canal is scheduled to commence navigation in September 2026, which is expected to further unleash demand for transportation infrastructure testing in Western Guangdong and surrounding regions. Meanwhile, the strategy of "building Guangdong into a province with robust transportation infrastructure" is being further implemented, with continuous progress made in major projects including expressways, railways and ports across the region. Coupled with the promotion of new energy heavyduty trucks, the development of "artificial intelligence + transportation", the construction of multimodal transport systems and the rectification of cut-throat price competition under the unified market initiative, emerging testing scenarios such as green building materials and smart transportation facilities have been created, while state-owned testing institutions' strengths in professionalism and credibility can also be better highlighted. As a critical component of ensuring project quality and operational safety, transportation engineering testing is experiencing growing market demand.

The implementation of above policies will serve as a significant catalyst for the future business expansion of the Group in the water conservancy and transportation testing sectors, creating greater development opportunities for the Group.

(2) Competition in the testing and inspection industry is highly intense

Currently, there are a large number of construction engineering testing institutions in Western Guangdong, indicating an extremely competitive market environment. Some competitors have secured more advantageous positions in pricing, service models, market recognition and diversification of service offerings.

In the face of such intense competition, the Group needs to adjust its operating strategies and business models promptly. Through technological innovation, service quality enhancement and cost optimization and other measures, the Group can continuously improve its competitiveness and profitability.

(3) Diversification in inspection business

Currently, the T&I industry is exhibiting a clear trend of business diversification. With advancements in technology and evolving market demands, customers' demand for testing services is increasingly diversified and customized.

In order to meet market demand, the Group has in recent years actively promoted a diversified business layout through acquisitions, joint ventures and wholly-owned establishments. Currently, the Group has subsidiaries in multiple testing fields such as food, transportation, water conservancy, fire protection, motor vehicles and construction engineering, forming a comprehensive testing service system covering multiple fields. This move not only effectively diversifies the operational risks arising from fluctuations in a single industry cycle, but also enhances the Group's overall competitiveness and profitability through resource sharing and technical synergy among various segments. In the future, the Group will continue to strengthen segment synergy, in line with national policies and market development directions, and, on the basis of consolidating the existing testing market, actively explore new testing fields, to consolidate and enhance its leading position in the testing market of Western Guangdong.

2. Analysis of the core competitiveness of the Group

(1) Brand and credibility advantages

As the first listed company in Xinyi City and the first county-level state-owned listed enterprise in Eastern, Western and Northern Guangdong, the brand and credibility of the Group are pivotal to its development. Since its establishment, the Group has served as the primary technical support unit for the Xinyi City People's Government in managing construction engineering quality and safety. Upholding the values of "Integrity, Professionalism, Collaboration and Win-Win" and adhering to the service philosophy of "Science, Credibility, Accuracy and Excellence", the Group has established a strong presence in the regional market of Western Guangdong, committed to providing reliable and accurate T&I services to its customers. The comprehensive T&I capabilities, and market performance of the Group are in leading positions, particularly in Western Guangdong, which have enabled the Group to establish strong brand recognition and market influence within the industry.

(2) Advantages of an excellent management team and professional talent

The sustainable development of an enterprise depends on the growth of its team. The Group has a management team led by Mr. Lai Feng, which has over a decade of experience in the construction testing industry and is capable of quickly grasping industry development trends, promptly adapting to policy and industry changes, exhibiting effective synergy in strategic planning and strong execution capabilities.

The Group places high emphasis on the reserve of professional talent, leveraging its brand influence to attract a group of qualified mid-to-senior engineers, including 24 seasoned senior engineers. The team members not only possess extensive testing experience but also profound professional knowledge, with their areas of expertise covering multiple fields including construction engineering testing, motor vehicle testing and fire protection testing. The team also includes key technical backbones holding professional qualifications such as Intermediate Level Automotive Testing Technical Engineer, Level 1 Registered Structural Engineer, Registered Geotechnical Engineer, Level 1 Registered Fire Protection Engineer and Intermediate Registered Safety Engineer. The Group has obtained a total of 485 Training Certificates issued by the Guangdong Association for Quality and Safety Testing and Appraisal of Construction Projects, a total of 60 Steel Structure Testing Certifications and other testing certifications covering multiple categories including welds, forgings, sheets, profiles, plates, bars, strips and castings awarded by the Chinese Mechanical Engineering Society for Non-Destructive Testing (NDT), a total of 47 Highway and Waterway Testing Engineer Qualifications granted by the Vocational Qualification Center of The Ministry of Transport, and a total of 35 Water Conservancy Engineering Quality Inspection Qualifications. Such diversified and comprehensive qualification system enables the team to provide comprehensive and precise testing services to customers.

(3) Technological research and development advantages

The Group places significant emphasis on technological research and development, and has achieved a series of independent innovation outcomes in the intelligent testing sector in recent years. In 2020, the Group successfully developed the Testing and Inspection Information Artificial Intelligent Management System V1.0, which was awarded a Computer Software Copyright Registration Certificate by the National Copyright Administration. To further enhance the performance of the system, the Group continuously optimized it and upgraded it to V2.0 version in early 2024. This upgrade achieved real-time, on-site, and error-free management of business ledgers, fully meeting the diverse needs of modern office environments for paperless, process-driven, data-driven, mobile, and intelligent operations. In 2023, the Group independently developed the first unmanned smart construction laboratory in the PRC, realizing unmanned and fully automated T&I. In addition, in 2024, the Group has also independently developed a material delivery pallet for construction material testing, the Pile Foundation Bearing Capacity Testing System V1.0, and the Concrete Quality Testing System V1.0, all of which have obtained national patents or computer software copyright registration certificates. In 2025, a public road deflection detection method, a steel bar weighing and length measuring device, a laser marking device, a steel bar placement frame, a slope crack monitoring method and system based on grayscale and using illumination compensation, as well as a steel bar spacing measuring device and a steel bar spacing measuring method, also obtained national patent certificates. In 2026, the Group obtained a national patent certificate for a mobile robot. In the same year, the Company had been officially awarded the titles of “High and New Technology Enterprise”, “Doctoral Workstation” and “Engineering Technology Research Center for Intelligent Non-destructive Testing in Construction Engineering”. During 2026-2027, the Group will carry out a comprehensive architectural upgrade of the existing information intelligent management system, break down data barriers among multiple business systems, achieve online reporting, digitize business management data, and gradually begin to develop the application of localized AI Agents to enhance business efficiency. The Group has also established collaborative relationships with colleges to jointly conduct technical research and achievement transformation, continuously enhancing the Group’s technical capabilities and service standards.

(4) *Customer resource advantages*

Over the years, the Group has established a solid market position and a broad customer base in Maoming. Our customer base primarily consists of private and public sector entities, such as property developers and construction companies, state-owned investment companies, relevant PRC government institutions and PRC government administrative bureaus. The Group is capable of providing customized service solutions tailored to the specific circumstances and needs of different customers, helping them improve product quality and market competitiveness.

(5) *Diversified service advantages*

Building on its established strengths in original construction testing, the Group has implemented a service diversification strategy. In terms of food and agricultural testing, the Group has obtained the qualification certificate for agricultural product quality and safety testing institutions (CATL), covering 242 testing parameters, and established a wholly-owned subsidiary for food and agricultural product testing in November 2025. In the area of building inspection, the Group has focused on the housing appraisal business and has made significant progress. In terms of highway engineering, the Group obtained a Class C qualification certificate for highway engineering in 2025 and established a non-wholly owned subsidiary in November of the same year to provide T&I services for highway and waterway engineering. Currently, the subsidiary is relying on accumulated project experience and technical capabilities to actively prepare for the application for Class B Highway Engineering Qualification to continuously enhance its service capability level in traffic engineering T&I services. In terms of fire protection testing, the Group established a wholly-owned subsidiary in August 2025 to deploy fire protection T&I business; currently, businesses such as fire protection facility maintenance and elevator maintenance have been gradually launched, while qualifications for fire material testing and safety assessment are being actively prepared. Based on this, the Group will rely on its advantages in technical accumulation, market reputation and state-owned enterprise background to continuously provide customers with highly credible services.

As at the date of this announcement, the Group possesses testing qualifications covering over 7,320 testing parameters (covering food, construction, transportation and other sectors) across 49 categories, making it one of the most qualified testing institutions in Maoming, capable of meeting the increasingly diversified service needs of its customers.

Looking ahead, the Group will build upon its construction engineering T&I and food testing businesses, leveraging its established comprehensive service network in transportation, hydraulic, motor vehicle, fire protection, elevator testing and hoisting and transportation to further explore cross-selling potential and expand its customer base. This will enhance the Group's resilience to ensure long-term stable operations, and achieve sustained growth through diversified businesses.

BUSINESS REVIEW

1. Introduction of major business

As at 30 June 2026, the Group has expanded its major business to include housing appraisal services. The Group has been committed to providing comprehensive and high-quality T&I services to our customers, mainly covering construction engineering T&I services, food and agricultural testing services, hydraulic engineering T&I services and motor vehicle testing services.

The Group's diversified service portfolio enables it to meet the diverse needs of different customer groups, including private and public sector entities, such as property developers, construction companies, state-owned investment companies, PRC government institutions and PRC government administrative bureaus.

As at the date of this announcement, the Group had obtained accreditation in a total of 49 categories for T&I services relating to construction engineering, product and material testing, food and agriculture, motor vehicle, hydraulic and transportation engineering, which fully demonstrates a high level of professionalism, a satisfactory industry reputation, and strong market competitiveness.

(1) Construction Engineering Testing Services

Construction engineering testing services business focuses on offering comprehensive and professional testing services for various construction projects in order to ensure the quality and safety of the projects.

The major business includes foundation testing services, which evaluate the bearing capacity of foundation and integrity of pile foundation so as to ensure the stability of construction foundation; infrastructure and public roads testing services, which cover the testing of roads, bridges, tunneling and other public facilities to ensure their use performance and durability; construction material testing, which analyzes the physical and chemical properties of construction materials such as concrete, steel and asphalt to ensure that the materials comply with standard requirements; building structure testing, which assesses the safety of the overall structure of buildings, including the diagnosis of cracks, deformations and other problems; product and material testing services, which are dedicated to offering comprehensive and professional testing services for various industry products and construction materials to ensure that their quality, performance, and safety comply with national standards and industry norms. The building safety assessment services mainly cover condition surveys, current status inspections, reliability assessments (including safety and serviceability assessments), dilapidated building assessments, seismic assessments, and construction quality assessments. The scope of material testing mainly encompasses building materials, metal products (including structural metal products and other metal products), daily-use chemical products (such as paints), ceramic products (like architectural ceramics), and electrical & electronic products (including low-voltage equipment, wires & cables, and electrical accessories).

By carrying out systematic testing and assessment of the physical properties, chemical composition, mechanical strength, durability, and safety of materials, the Group provides customers accurate testing data and reports, facilitating the improvement of product quality and enhancement of market competitiveness.

(2) Construction Engineering Inspection Services

Construction engineering inspection services mainly include slope monitoring and foundation pit monitoring services. Foundation pit monitoring involves regular or continuous inspections, measurements, monitoring, data collection, analysis, and feedback activities implemented during the construction and usage phases of an excavation pit in a building project to assess the safety condition, changes, characteristics, and development trends of the pit and its surrounding environment. This is done through various means and methods, including instrument measurements, on-site inspections, and other techniques to ensure the safety of the excavation pit and its surroundings.

Slope monitoring involves measurements, monitoring, data collection, analysis, and feedback activities carried out during the construction, trial operation, and operational phases of a building slope to assess the safety condition, changes, characteristics, and development trends of the slope. Various means and methods, such as instrument measurements, are employed.

By providing slope and foundation pit monitoring services, we ensure the comprehensive evaluation of slope conditions, foundation pit stability, and early detection of potential risks. These monitoring services contribute significantly to the safety and success of construction projects by facilitating timely interventions, minimising hazards, and maintaining the structural integrity of slopes and foundation pits.

Slope monitoring and foundation pit monitoring are normally required in the stage of excavation of foundation pit and backfilling of earthworks during a building construction project. They may also be required throughout certain infrastructure projects.

(3) Hydraulic Engineering T&I Services

On 16 April 2025, the Company entered into a capital increase agreement with Maoming Yueshui Engineering Testing and Inspection Co., Ltd. ("**Yueshui Testing**") and Nanyue Hydraulic and Hydropower Planning, Survey and Design Co., Ltd.* (茂名市南粵水利水電規劃勘測設計有限公司) ("**Nanyue Hydraulic**") to subscribe for a 51% enlarged registered capital of Yueshui Testing at a consideration of RMB9.33 million (the "**Capital Increase Agreement**"). The market supervision change registration procedures were completed on 4 June 2025. Upon completion of the capital increase, the Group and Nanyue Hydraulic hold 51% and 49% equity interests in Yueshui Testing respectively, aiming to integrate resources, expand market share and strengthen competitiveness in related fields.

Hydraulic engineering T&I services are a core link in ensuring the structural safety, functional stability, and long-term durability of engineering projects, covering the entire lifecycle quality supervision from raw material entry, construction process control, completion acceptance to operation and maintenance. Yueshui Testing, on the basis of two Class B qualifications in concrete engineering and geotechnical engineering, has newly added three Class B specialised qualifications in metal structures, measurements, and mechanical and electrical, and now holds a total of five Class B qualifications.

Leveraging Yueshui Testing's business network and technical advantages, the Group will be able to strengthen its key service capabilities, which include: (i) raw material testing (such as steel bars, cement, fly ash, filling materials, gabion nets, geotextiles, geogrids, sand and gravel aggregates, block stones, concrete mixtures, mortar mixtures, bricks, asphalt, etc.); (ii) intermediate product testing (such as concrete specimens, mortar specimens, steel bar welded joints, precast concrete components, etc.); (iii) material testing (such as filled soil, rockfill, stone masonry, concrete, foundations, foundation piles, cross-sectional measurement review, metal structures, mechanical and electrical equipment, etc.); and (iv) routine and specialized testing within the scope of various professional qualifications. These testing services can effectively prevent engineering hidden dangers, such as leaks, cracks, and settlement, ensure the safe operation of key facilities such as dams, power stations, and channels, and provide scientific support for the entire lifecycle management of major hydraulic engineering projects, thereby comprehensively improving the Group's operational efficiency and profitability and promoting long-term strategic development.

(4) Food and Agricultural Products Testing Services

The food and agricultural products testing department focuses on offering comprehensive testing services for the food industry to ensure food safety and quality in accordance with applicable national standards.

The main services include testing of physical and chemical properties, additives, pesticides and veterinary drug residues, hazardous substances, elements, microbiology, toxins and other substances in food products, using both quantitative testing and rapid testing methods.

Quantitative testing efficiently and accurately determines the levels of target substances in samples through high-end devices and equipment, such as gas chromatography-mass spectrometry system, liquid chromatography-mass spectrometry system, liquid chromatography, gas chromatography and inductively coupled plasma mass spectrometer.

Rapid testing employs multi-functional pesticides and veterinary drug residue detectors and other technologies to carry out initial screening of batches of samples, enabling a rapid assessment of whether target substances comply with national standards and significantly enhancing testing efficiency.

The Group is entrusted by a PRC government administrative bureau responsible for food safety supervision to undertake tasks, such as rapid testing in urban farmers' markets and special food safety sampling at the county level, to provide technical support for food safety supervision.

In order to further enhance its testing capabilities, the Group has acquired testing equipment, such as advanced gas, liquid chromatographs and inductively coupled plasma mass spectrometer, to conduct comprehensive analysis and testing of ingredients like pesticides, veterinary drugs and antibiotics, significantly improving the accuracy and efficiency of testing.

(5) Motor Vehicle Related Testing Services

On 5 August 2025, the Company and Xinyi City Bureau of Finance entered into an equity transfer agreement to acquire 100% equity interests in Xinyi Rongli Motor Vehicle Testing Co., Ltd. ("**Rongli Testing**") at a consideration of RMB12.57 million, with relevant industrial and commercial change registration completed on 27 August 2025. Upon completion of the acquisition, Rongli Testing became a wholly-owned subsidiary, which is beneficial to the Group in integrating regional resources, expanding market coverage, as well as further enhancing its overall competitiveness in terms of motor vehicle testing.

Motor vehicle inspection and testing is a crucial link for ensuring vehicle operational safety, preventing road traffic safety risks, and safeguarding the public's travel safety. The Group has always adhered to the principles of scientific testing, standardized services and strict quality control, and is committed to providing technical support for maintaining road traffic order, ensuring public safety, and promoting the healthy and orderly development of the motor vehicle industry.

Through this acquisition, the Group may integrate Rongli Testing's technical and business resources in safety technology inspection, exhaust emission testing and comprehensive performance testing, continuously optimize testing processes, shorten customer waiting time, and improve testing transparency and service efficiency, thereby further enhancing its public service capabilities and overall operational efficiency. This will also lay a solid foundation for the Group's long term strategic development and help enhance overall profitability and market influence.

(6) Fire Protection Testing Business

On 19 August 2025, the Company established a wholly-owned subsidiary, Syntrust GK Safety Assessment and Fire Protection (Maoming) Co., Ltd., with a registered capital of RMB8.00 million. Its core businesses consist of maintenance, servicing and testing of building fire protection facilities, fire safety assessments, installation, repair and testing of elevators, safety evaluation services (of the petroleum processing industry, chemical raw materials, chemical products and pharmaceutical manufacturing industry), and fire resistance testing of materials and components. As at the date of this announcement, businesses such as fire protection facility maintenance and elevator maintenance have been progressively launched, while qualifications for fire-protection material testing and safety evaluation are under active preparation.

(7) Transportation Engineering Testing Services

On 17 November 2025, the Company jointly established Jixin Guokong Traffic Inspection, Testing and Certification (Maoming) Co., Ltd.* (集信國控交通檢測檢驗認證(茂名)有限公司) ("**Traffic Inspection**") with Maoming Kexing Highway Construction Supervision Co., Ltd.* (茂名市科興公路建設監理有限公司), with the Company contributing RMB2.55 million and Maoming Kexing Highway Construction Supervision Co., Ltd. contributing RMB2.45 million. The Company and Maoming Kexing Highway Construction Supervision Co., Ltd. hold 51% and 49% equity interests in Traffic Inspection, respectively. The joint venture is established to integrate resources, expand market share and enhance the comprehensive competitiveness in the transportation infrastructure sector.

Highway and waterway engineering T&I services are a core link in safeguarding the quality safety, structural stability, construction compliance and long-term operational durability of transportation infrastructure projects, covering the entire lifecycle quality supervision from verification of raw material entry, quality control during construction, acceptance of sub-projects, completion acceptance to post-completion maintenance monitoring. The Company has obtained Class C Highway Engineering Qualification under the Quality Inspection of Highway and Waterway Engineering, while Traffic Inspection has set obtaining Class B Highway Engineering Qualification under the Quality Inspection of Highway and Waterway Engineering as its phased objective, and is currently devoting full efforts to advancing the preparation and application for such qualification.

The planned business scope of Traffic Inspection covers: (i) testing of engineering raw materials (such as soil, coarse and fine aggregates, rock, cement, admixtures, additives, cement concrete, mortar, asphalt and various raw materials for subgrade and pavement); (ii) testing of intermediate products (such as concrete specimens, mortar specimens, welded reinforcement joints, etc.); (iii) testing of engineering structures (such as subgrade compaction, pavement performance, foundation pits, ground and foundation piles, traffic safety facilities, etc.); and (iv) routine testing services within the scope of Class B Highway Engineering Qualification. Upon approval of the qualification, Traffic Inspection will conduct testing services in accordance with applicable laws and regulations, effectively identify engineering hidden dangers including subgrade settlement, pavement damage, substandard materials and construction workmanship defects, safeguard the construction quality and operational safety of highways, bridges, tunnels, waterways, wharves and other transportation infrastructure, and provide scientific, accurate and compliant technical data support for the construction of major regional transportation projects. The joint establishment of the professional testing company effectively fills the Group's gap in highway and waterway testing business, further consolidates regional industrial resources, expands market share, strengthens the core competitiveness in the transportation infrastructure sector, continuously improves the overall operational quality and profitability of the Group, and facilitates the sustainable, large-scale, specialized and standardized development of the Group's engineering technical services business.

2. Analysis of business competitiveness

Throughout the years, the Group has been continuously providing a full range of construction engineering T&I services, which include foundation testing, infrastructure and public roads testing, construction material testing, building structure testing, slope monitoring and foundation pit monitoring services, as well as housing appraisal services. The diversified service offering has allowed the Group to meet the diverse needs of different customer groups, including private and public sector entities, such as property developers, construction companies, state-owned investment companies, PRC government institutions and PRC government administrative bureaus.

This comprehensive coverage demonstrates the Group's ability to deliver thorough and precise assessments, meeting the varied requirements of its customers and ensuring compliance with industry standards. In particular, the Group's static load testing capacity for the Group's foundation testing services has reached 35,000 kN. According to the statistics set out in the Prospectus, among the top five construction engineering testing and inspection services providers in Maoming, only two of them, including the Group, have obtained such qualification. The Group is also one of the few testing and inspection institutions capable of implementing a fully automated process in its slope monitoring. With its capability of providing a wide spectrum of services, the Group is able to meet the needs of its existing customers and develop new customers, solidifying its market presence and diversifying revenue streams.

The food and agricultural products testing department focuses on offering comprehensive testing services for the food and agricultural industry to ensure that the safety and quality of food and agricultural products comply with the applicable national standards. The Group provides food testing for quality control and traceability in Xinyi City as well as market rapid testing services and generated approximately RMB5 million from the provision of food and agricultural products testing services for the six months ended 30 June 2026. The Group has obtained testing qualifications for 1,599 parameters across seven categories in respect of three fields of food and agricultural product testing. The main services include testing of physical and chemical properties, additives, pesticides and veterinary drug residues, hazardous substances, elements, microbiology and toxins in food products. The Group has further cooperated with the market supervision authorities to carry out regular sampling testing on products across the entire circulation, catering and production chains, effectively safeguarding the safety and quality of food and ensuring compliance with the applicable national standards. These initiatives fully demonstrate the Group's strategic direction of focusing on the development of the food and agricultural products testing business.

FINANCIAL REVIEW

Revenue Breakdown by Type of Services

The Group generated revenue primarily from the provision of construction engineering testing and inspection services. The following table sets forth the breakdown of revenue for the Group's revenues by types of services for the six months ended 30 June 2026 and 2025:

	For the six months ended 30 June			
	2026		2025	
	RMB'000	*%*	*RMB'000*	*%*
Construction engineering testing services				
Foundation testing service	**18,409**	**39.2**	9,699	38.9
Construction material testing service	**4,399**	**9.4**	2,522	10.1
Building structure testing service	**3,068**	**6.5**	1,391	5.5
Infrastructure and public roads testing service	**6,710**	**14.3**	3,070	12.3
Housing appraisal services	**1,014**	**2.2**	–	–
Sub-total	**33,600**	**71.5**	16,682	66.8
Construction engineering inspection services				
Slope monitoring and foundation pit monitoring services	**1,412**	**3.0**	1,228	4.9
Food and agricultural testing services	**4,342**	**9.2**	5,134	20.6
Hydraulic engineering testing services	**3,686**	**7.8**	1,798	7.2
Motor vehicle testing services	**3,222**	**6.9**	–	–
Other business	**735**	**1.6**	116	0.5
Total	**46,997**	**100.0**	24,958	100.0

Revenue generated from the provision of construction engineering testing services for the six months ended 30 June 2026 increased by 101.4% to RMB33.6 million (for the six months ended 30 June 2025: RMB16.68 million), primarily due to the revenue arising from newly consolidated companies.

Revenue generated from the provision of construction engineering inspection services increased by 14.6% to RMB1.41 million for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB1.23 million), primarily due to normal business fluctuations.

Revenue generated from the provision of food and agricultural products testing services decreased by 15.4% to RMB4.34 million for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB5.13 million), primarily due to normal business fluctuations, with certain testing projects being deferred to the second half of the year.

Revenue generated from the provision of hydraulic engineering testing services increased by 105% to RMB3.69 million for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB1.80 million), primarily due to the fact that Yueshui Testing was consolidated from May 2025, and only two months of revenue was recognised in the first half of 2025.

Revenue generated from motor vehicle testing amounted to RMB3.22 million for the six months ended 30 June 2026 (for the six months ended 30 June 2025: nil), primarily due to the fact that Rongli Testing was consolidated from September 2025, and no consolidated revenue was recognised for the first half of 2025.

Revenue generated from the provision of other services increased by 516.7% to RMB0.74 million for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB0.12 million), primarily due to the revenue arising from newly consolidated companies.

Cost of Sales

Cost of sales increased by 77.3% to RMB21.49 million for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB12.12 million), mainly attributable to an increase in costs arising from newly consolidated companies.

Gross Profit and Gross Profit Margin by Type of Services

The following table sets out the gross profit and the gross profit margin by product category for the six months ended 30 June 2026 and 2025:

	For the six months ended 30 June					
	2026		2025			
	Gross profit/ (loss) *RMB'000*	**Gross profit/ (loss) margin** *%*	Gross profit *RMB'000*	Gross profit margin *%*	Increase/ (Decrease) in gross profit *%*	Increase/ (Decrease) in gross profit margin *% point*
Construction engineering testing services						
Foundation testing service	**14,859**	**80.7**	7,587	78.2	95.8	2.5
Construction material testing service	**626**	**14.2**	(197)	(7.8)	–	22.0
Building structure testing service	**1,687**	**55.0**	503	36.2	235.4	18.8
Infrastructure and public roads testing service	**3,707**	**55.2**	1,658	54.0	123.6	1.2
Housing appraisal services	**632**	**62.3**	–	–	–	62.3
Sub-total	**21,511**	**64.0**	9,551	57.3	125.2	6.7
Construction engineering inspection services						
Slope monitoring and foundation pit monitoring services	**861**	**61.0**	(6)	(0.5)	–	61.5
Food and agricultural testing services	**256**	**5.9**	1,691	32.9	(84.9)	(27.0)
Hydraulic engineering testing services	**1,948**	**52.8**	1,507	83.8	29.3	(31.0)
Motor vehicle testing services	**682**	**21.2**	–	–	–	21.2
Other business	**251**	**34.1**	95	81.9	164.2	(47.8)
Total	**25,509**	**54.3**	12,838	51.4	98.7	2.9

The Group's overall gross profit margin increased to 54.3% for the six months ended 30 June 2026 (for the six months ended 30 June 2025: 51.4%). The increase in the overall gross profit margin was mainly due to the dilution effect on fixed costs arising from an increase in revenue.

Other Income

For the six months ended 30 June 2026, the Group recorded other income of RMB0.50 million (for the six months ended 30 June 2025: RMB0.36 million). Other income and gain consisted primarily of interest income and exchange gains.

Administrative Expenses

For the six months ended 30 June 2026, the Group's administrative expenses amounted to approximately RMB14.86 million (for the six months ended 30 June 2025: RMB6.88 million), representing approximately 31.6% (for the six months ended 30 June 2025: 27.6%) of the Group's total revenue. The increase in administrative expenses was mainly attributed to an increase in expenses arising from newly consolidated companies.

Impairment Losses on Financial Assets at Amortised Cost, net

For the six months ended 30 June 2026, the Group's impairment in financial assets at amortised cost amounted to approximately RMB1.86 million (for the six months ended 30 June 2025: RMB1.64 million), mainly attributable to an increase in impairment arising from newly consolidated companies.

Finance Costs

The total finance costs of the Group for the six months ended 30 June 2026 amounted to approximately RMB0.88 million (for the six months ended 30 June 2025: RMB0.75 million). The increase in finance costs was mainly due to an increase in finance costs arising from newly consolidated companies.

Income Tax Expenses

Income tax provision of the Group for the six months ended 30 June 2026 was approximately RMB1.39 million (for the six months ended 30 June 2025: RMB1.39 million).

Profit and Total Comprehensive Income and Earnings Per Share Attributable to Ordinary Equity Holders of the Parent

As a result of the foregoing, the profit and total comprehensive income for the six months ended 30 June 2026 was approximately RMB4.56 million (for the six months ended 30 June 2025: RMB1.89 million), representing an increase of 141.3% over last year.

The Group's earnings per share attributable to ordinary equity holders of the parent were approximately RMB0.09 for the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB0.04).

Property, Plant and Equipment

As at 30 June 2026, the property, plant and equipment amounted to RMB49.02 million (31 December 2025: RMB40.39 million). The increase was mainly attributable to an increase in newly consolidated companies.

Dividend

The Board has resolved not to recommend the payment of any interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: Nil).

Right-of-Use Assets

As at 30 June 2026, the right-of-use assets amounted to RMB46.04 million (31 December 2025: RMB45.29 million). The increase was attributable to an increase in newly consolidated companies.

Deferred Tax Assets

As at 30 June 2026, the deferred tax assets amounted to RMB2.41 million (31 December 2025: RMB1.94 million). The increase was mainly attributable to an increase in provision for bad debts.

Inventories

As at 30 June 2026, the inventories amounted to RMB6.51 million (31 December 2025: RMB4.21 million). The increase was mainly attributable to an increase in inventories as newly consolidated companies carry out on-site testing business.

Trade Receivables

The trade receivables of the Group primarily represent amounts receivable from customers. As at 30 June 2026, the trade receivables amounted to RMB90.72 million (31 December 2025: RMB76.84 million).

The number of turnover days of trade receivables was 323 days (2025: 281 days). For the six months ended 30 June 2026, the trade receivables turnover days increased, mainly due to increases in revenue and trade receivables arising from newly consolidated companies.

Prepayments and other Receivables

As at 30 June 2026, the prepayments and other receivables amounted to RMB20.44 million (31 December 2025: RMB9.30 million). The increase was mainly attributable to an increase in prepayments arising from newly consolidated companies' purchase of instrument and equipment and factory renovation.

Time Deposits

As at 30 June 2026, the Group did not have any time deposits (31 December 2025: Nil).

Cash and Cash Equivalents

As at 30 June 2026, the cash and cash equivalents amounted to RMB90.52 million (31 December 2025: RMB101.69 million). The decrease was mainly attributable to purchase and construction of long-term assets and acquisition of equity interests.

Trade Payables

The trade payables of the Group primarily represent amounts payable to suppliers and subcontractors. As at 30 June 2026, the trade payables amounted to approximately RMB8.82 million (31 December 2025: RMB8.43 million). The increase in trade payables was mainly attributable to the increase in subcontracting.

The number of turnover days of trade payables for the six months ended 30 June 2026 was 73 days (2025: 83 days). The decrease was mainly attributable to an increase in costs arising from newly consolidated companies.

Liquidity, Financial Resources and Capital Structure

The Group's primary sources of operating funds are cash flow from operating activities. As at 30 June 2026, the Group's current ratio was 4.1 (31 December 2025: 5.3). The Group maintained a net cash position, reflecting its healthy financial condition, paving the way for future development. The gearing ratio (calculated as net debt divided by the adjusted capital plus net debt) is not applicable as the Group had a net surplus of RMB51.15 million as at 30 June 2026 (31 December 2025: net surplus of RMB75.17 million).

As at 30 June 2026, the Group's total cash and cash equivalents amounted to approximately RMB90.52 million (31 December 2025: RMB101.69 million).

Treasury Policy

The Group has adopted a prudent treasury policy and maintained a healthy liquidity position throughout the year. The Group strives to reduce credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the liquidity position to ensure that the asset-liability structure is sufficient to cater for contingent needs.

Foreign Exchange Risk

The Group has transactional currency exposures as certain payables and cash and cash equivalents are held in currencies other than the Group's functional currencies. The foreign exchange risk mainly arises from the exposure of RMB against Hong Kong dollars and United States dollars for certain other payables.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Capital Commitments

Capital commitment of the Group as at 30 June 2026 of RMB2.55 million was primarily related to the purchase of instruments and equipment (31 December 2025: Nil).

Contingent Liabilities

The Group did not have any significant contingent liabilities as at 30 June 2026 (30 June 2025: Nil).

Charge of Assets

None of the Group's assets were pledged as at 30 June 2026 (30 June 2025: Nil).

Interest Rate Risks

The Group has no significant interest-bearing liabilities during the six months ended 30 June 2026 (30 June 2025: Nil). The fair value interest rate risk that arises from financial assets and liabilities carried at fixed rates is not significant for the Group.

Significant Investments and Acquisitions

During the six months ended 30 June 2026, the Group did not have any significant investment (30 June 2025: Nil).

Material Acquisitions or Disposals of Subsidiaries, Associates or Joint Ventures

Save as disclosed in Note 12 to the interim condensed consolidated financial information, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2026.

Future Plans for Material Investments and Capital Assets

Save as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus and the announcement of the Company dated 31 December 2025 in relation to the change in use of proceeds, the Group does not have any other plans for material investments or capital assets in the coming year. The Group may also identify acquisition opportunities which may contribute to the Group's future growth. The Company will continue to keep its shareholders (the "**Shareholders**") and potential investors abreast of any relevant material developments by making further announcement(s) as and when appropriate in accordance with the requirements under the GEM Listing Rules.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had 362 employees (30 June 2025: 115 employees).

The Group's employee benefit expenses mainly include salaries, discretionary bonuses, housing, medical insurance and other social insurance. During the six months ended 30 June 2026, the Group's total employee benefit expenses (including Directors' emoluments) amounted to approximately RMB20.72 million (for the six months ended 30 June 2025: RMB8.66 million). Remuneration is determined generally with reference to the qualification, experience and work performance of the relevant employee, whereas the payment of discretionary bonus is generally subject to work performance of the relevant employee, the financial performance of the Group and general market conditions.

EVENTS AFTER THE END OF THE REPORTING PERIOD

The Group did not have any material subsequent events after 30 June 2026 and up to the date of this announcement.

PROSPECTS

Market Outlook

1. Comparison between business objectives and actual business progress

The following is a comparative analysis of the business objectives set out in the prospectus dated 26 August 2024 (the "**Prospectus**") of the Company and actual business progress of the Group from the listing date to the six months ended 30 June 2026:

Business strategies set out in the Prospectus	Actual business progress as at 30 June 2026
Expanding our construction engineering testing services to achieve Comprehensive Qualification under the Qualification Standards of Construction Engineering Quality Inspection Agencies and strengthen our existing construction engineering testing and inspection services	Following its listing, the Company adjusted its approach based on practical conditions, acquiring qualifications in batches according to the pace of its actual business operations. The Company has obtained specialized qualification for steel structures, and is gradually preparing for two more specialized qualifications for building curtain walls and bridge and underground engineering. Furthermore, the Company has replaced its original plan to replace aging equipment with an optimization and upgrading plan; and has implemented internal training programs to ensure existing employees acquire the necessary qualifications, reducing the need to hire additional employees with relevant qualifications.
Strengthening our existing market presence in Maoming and expanding our service footprint into the 3rd to 5th tiers cities in Western Guangdong	As at 30 June 2026, the Company had obtained control over Maoming Yueshui Engineering Testing and Inspection Co., Ltd., Xinyi Rongli Motor Vehicle Testing Co., Ltd., Maoming Juzhou Engineering Testing Co., Ltd. and Gaozhou Gaoxin Engineering Testing Co., Ltd. through acquisition and capital increase. All the four companies are located in the Western Guangdong. Among them, Yueshui Testing and Rongli Testing have a mature customer base for hydraulic engineering quality testing and motor vehicle testing and inspection, while Juzhou and Gaoxin also possess mature capabilities in construction engineering quality testing. Each of the four companies has accumulated a solid customer base and a good industry reputation in its respective field and region, which will help the Group integrate T&I resources in the Western Guangdong and further enhance the Group's market coverage and service capacity in Maoming and the 3rd to 5th tiers cities in Western Guangdong.

Diversifying our testing and inspection services beyond construction engineering and expanding into areas including food and agricultural, transportation and fire protection	The Company achieved numerous significant accomplishments in its diversified business development in 2025. In the food and agricultural product testing sector, the Group established a wholly-owned subsidiary in November 2025, further deepening its presence in the segment. In highway engineering, the Company obtained Class C qualification certificate for highway engineering in the same year and established a non-wholly owned subsidiary to focus on providing testing and inspection services for highway and waterway engineering.

2. *Future Prospects*

With the in-depth implementation of the National Work Plan for the Special Rectification of Self-built Housing Safety (Guo Ban Fa Ming Dian No. 10 [2022]) (《全國自建房安全專項整治工作方案》（國辦發明電〔2022〕10號）), the Guangdong Provincial Department of Housing and Urban-Rural Development will accelerate the establishment of a building safety assessment management system, in order to deliver high-quality results for the "14th Five-Year Plan" objectives, scientifically plan the "15th Five-Year Plan", and provide robust support for the "High-Quality Development Project for Hundreds of Counties, Thousands of Towns, and Ten Thousand Villages" and the Green and Beautiful Guangdong ecological initiative, by fully leveraging its pioneering role in safeguarding housing security. On 1 July 2026, the revised Administrative Measures for Safety Assessment and Testing Institutions (Ministry of Emergency Management Order No. 1) (《安全評價檢測檢驗機構管理辦法》（應急管理部令第1號）) came into effect. This revision has brought new growth drivers to the safety assessment market, and will enable the Group to acquire safety assessment qualifications and expand safety assessment business. Supported by these policies, the Group will actively broaden its business scope and seize market opportunities. By focusing on areas such as building safety assessments, safety evaluations, fire protection inspections, food and agricultural testing, motor vehicle testing, hydraulic engineering inspection and testing and traffic engineering inspection and testing, we aim to achieve diversified development and enhance our comprehensive competitiveness and market influence.

3. *Potential risks faced by the Group*

(1) Our business may be affected by the development of China's property development, construction and infrastructure sectors, which are beyond our control. We provide our construction engineering testing and inspection services mainly to property developers and construction companies, state-owned investment companies, relevant PRC government institutions and PRC government administrative bureaus. The number of projects of our customers is subject to the macroeconomic conditions and fixed asset investment. In particular, 59.3%, 30.9%, 35.8%, 28.6%, 16.61% and 21.17% of our revenue for 2021, 2022, 2023, 2024, 2025 and the first half of 2026 were generated from the property developers. We expect the property developers to continue to be one of our customer types. As a result, our financial performance is correlated to the performance of the PRC real estate market, which is sensitive to economic fluctuations and relevant regulatory rules and policies. In recent years, the national real estate development investment has experienced a slowdown, with a 19.6% year-on-year decrease from RMB10.03 trillion in 2024 to RMB8.28 trillion in 2025, which has adversely affected the business and financial position of our customers.

The Group has established a dedicated department for the above risks, which closely monitors policy developments from relevant regulatory authorities and regularly reports to management. The Group has also continued personnel training across testing sectors to strengthen risk resilience and proactively respond to policy risks. In addition, the Group has refined its marketing strategy. Through mergers and acquisitions and the establishment of joint ventures in the year, the Group has gradually diversified its business, and its testing capabilities have far exceeded the traditional conception of housing inspections. In the future, the Group will comprehensively showcase its integrated testing capabilities and reshape market conception through multi-channel and multi-dimensional publicity and promotion.

(2) Our business operations are concentrated in Maoming, Guangdong Province, and our business, financial position and results of operations are affected by the status of development in economic conditions, government policies or business environment in this region.

Our business operations are mainly concentrated in Maoming, Guangdong Province. During the six months ended 30 June 2026, the majority of our revenue was generated from our T&I services in Maoming. We expect that Western Guangdong, in particular Maoming, will continue to account for a significant portion of our operations in the near future. As the construction engineering T&I industry, one of the major businesses of the Group, is a regulated industry in the PRC, the Group's business, financial condition and operating results will be affected by changes in the government policies and business environment of Maoming and western Guangdong, including fluctuations in economic conditions, development prospects, and the pace of urbanization, as well as adjustments to government policies and regulations related to real estate development, construction and testing and inspection.

To mitigate risks associated with business concentration in Maoming, the Group will reduce its reliance on a single region and strengthen the Group's risk resilience through market expansion to the Pearl River Delta and other cities, diversification of service offerings, prompt adjustments to our business strategies in response to the change in policy and other risk management measures.

(3) Decision-making and integration risks associated with mergers and acquisitions (M&A) by the Group.

To sustain long-term growth, the Group has pursued M&A activities in recent years to integrate and synergize resources, enhance market competitiveness, expand business scope and optimise resource allocation. However, M&A processes involve complex decision-making and integration, posing various inherent risks. Adhering to prudent principles, the Group conducts thorough due diligence, comprehensive evaluations, and return-on-investment analyses during the preacquisition phase. The Group brings in industry professionals with integration capabilities for collaborative management and operation, and continuously tracks investment progress to ensure it meets investment plans and expectations, thereby strengthening post-investment management effectiveness. Pursuant to the Articles, the Board will engage experts and professionals to evaluate significant investment matters and submit them to a Shareholders' meeting for approval, thereby enhancing the scientific rigor and quality of major investment decisions.

Business Objectives of the Group

1. ***Expanding the construction engineering testing services to achieve Comprehensive Qualification under the Qualification Standards of Construction Engineering Quality Inspection Agencies and strengthen the existing construction engineering testing and inspection services.***

   As at the date of this announcement, the Group has obtained seven specialised qualifications, namely: (i) building materials and components, (ii) main structure and decoration, (iii) foundation, (iv) building energy-saving, (v) municipal engineering materials, (vi) road works, and (vii) steel structures. To further expand its construction engineering testing services and progressively achieve comprehensive qualification under the qualification standards of construction engineering quality inspection agencies, the Group will continue to apply for the remaining two specialised qualifications, namely building curtain wall and bridge and underground works, so as to further enhance its service capability and qualification profile.

2. ***Strengthening the existing market presence in Maoming and expanding the service footprint of the Group into the 3rd to 5th tiers cities in Western Guangdong.***

   Founded in 2000 and headquartered in Xinyi City, Maoming, we have grown in terms of revenue generated from testing and inspection services.

   Being headquartered in Xinyi City, Maoming provides us with a strategic advantage. We are geographically close to the cities in Western Guangdong, allowing us to easily reach our customers and provide prompt services. Our local presence enables us to understand the unique needs and dynamics of these cities. Operating in the region also enables us to provide our professional services at relatively lower overhead costs, including lower transportation and labor expenses. This can positively impact our profitability and financial performance, allowing us to offer competitive pricing while maintaining quality service delivery. Over the years, we have built an extensive network of contacts and partnerships in the region. This network strengthens our ability to serve our customers effectively. We have established relationships with local government agencies, construction companies, and other key stakeholders, enabling us to navigate the local business environment well and collaborate closely with our clients. In recent years, the Group has expanded its service coverage to the whole of Maoming, covering Gaozhou City, Huazhou City and Dianbai District via M&A, joint ventures and new establishments. These cities are undergoing rapid urbanisation and infrastructure development. As these cities expand, new construction projects emerge, including residential complexes, commercial buildings, industrial facilities, and transportation infrastructure. The need for testing and inspection services arises to ensure the quality, safety, and compliance of these projects. With the implementation of stricter regulations and building codes, these cities are placing greater emphasis on compliance and quality control. Local authorities are enforcing higher standards for construction projects to meet safety and environmental requirements, which also drive the demand for testing and inspection services.

   The increasing demand for construction engineering testing and inspection services in 3rd to 5th tiers cities in Western Guangdong is driven by urbanisation, regulatory compliance, quality assurance needs and government support. As these cities continue to grow and develop, the demand for reliable and comprehensive testing and inspection services is expected to further increase. We believe our past operations as well as our strategic service positioning have laid a solid foundation for steady future growth. In addition, leveraging our stable customer base and stringent quality controls, we are able to continue to provide reliable testing and inspection services chosen by our customers.

3. ***Diversifying the testing and inspection services offering, and expanding into areas including food and agricultural, transportation and fire protection.***

Due to the diverse nature of customer testing requirements, comprehensive network service capabilities are essential for meeting these demands. Given the dispersed and varied nature of testing needs, inspection organisations require an extensive product portfolio and professional and attentive "one-stop" service capabilities. Facing the growing trend in the property development industry in China, we have recognised the importance of managing operational risks and diversifying our customer base. In line with this strategy, we have expanded our service offerings into new areas including hydraulic engineering, motor vehicle testing, transportation engineering testing, and hoisting and transportation. This expansion will enable us to tap into broader markets and reach a wider range of customers and enhance the stability and sustainability of our operations while capitalising on new opportunities for growth and providing comprehensive solutions.

The Group continued to advance its diversified business layout, achieving significant progress in several new areas. In terms of highway engineering, the Group successfully obtained its Class C qualification certificate for highway engineering in March 2025 and established a non-wholly-owned subsidiary for highway and waterway engineering testing services in November of the same year. In terms of food and agricultural products, the Group obtained the qualification certificate for agricultural product quality and safety testing institutions, covering 242 parameters, and established a wholly-owned subsidiary for agricultural and food inspection and testing services in November 2025. In terms of fire protection testing, the Group established a wholly-owned subsidiary for fire protection testing and inspection services in August 2025. The fire protection subsidiary will fully leverage the Group's strong expertise, good market reputation, brand awareness, and state-owned enterprise background in the testing industry to provide highly credible fire protection testing and inspection services to external clients, generating business synergies and further consolidating the Group's integrated competitive advantage in the testing area.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Purchase, Sale or Redemption of the Company's Listed Securities

The Company had not purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the six months ended 30 June 2026 and up to the date of this announcement. As at 30 June 2026, no treasury shares were held by the Company.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board has adopted the principles and the code provisions of the Corporate Governance Code ("**CG Code**") contained in Appendix C1 to the GEM Listing Rules to ensure that the Group's business activities and decision making processes are regulated in a proper and prudent manner. The Company is committed to maintain high standards of corporate governance to safeguard the interests of the Shareholders and ensure the quality of the constitution of the Board and transparency and accountability to the Shareholders. Save as disclosed below, the Company had complied with all the provisions in the CG Code during the six months ended 30 June 2026.

The roles of the chairman and the chief executive of the Company have not been separated as required by code provision C.2.1 of part 2 of the CG Code. The roles of the chairman of the Board and general manager of the Company are both performed by Mr. Lai Feng, an executive Director. The Board believes that vesting the roles of both chairman and general manager in the same individual enables the Group to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans. Furthermore, in view of Mr. Lai Feng's extensive industrial experience and significant role in the historical development of the Group, the Board believes that it is beneficial to the business prospects of the Group that Mr. Lai Feng continues to act as the chairman and general manager of the Company after the listing of the Company, and that the balance of power and authority is sufficiently maintained by the operation of the Board, comprising the executive Directors, non-executive Directors and independent non-executive Directors.

DIRECTORS' AND SENIOR MANAGEMENT'S SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.46 to 5.67 of the GEM Listing Rules. The Company has also made specific enquiry to all Directors and members of the senior management of the Company, and the Company was not aware of any non-compliance with the required standard of dealing and its code of conduct regarding securities transactions by Directors during the six months ended 30 June 2026.

REVIEW BY AUDIT COMMITTEE AND AGREEMENT WITH THE AUDITOR

The audit committee of the Company (the "**Audit Committee**") comprises all three independent non-executive Directors, namely Ms. Liu Hongge, Mr. Luo Qiling and Ms. Deng Dian. Ms. Liu Hongge is the chairlady of the Audit Committee.

The Company's unaudited interim condensed consolidated financial information and its interim results for the six months ended 30 June 2026 have been reviewed by the Audit Committee and the Audit Committee is of the view that it complies with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made. The figures in respect of the Group's unaudited interim condensed consolidated financial information for the six months ended 30 June 2026 as set out in the announcement have been agreed by the Group's auditor, Ernst & Young.

DIRECTORS' AND CONTROLLING SHAREHOLDER'S INTEREST IN COMPETING BUSINESS

None of the Directors or controlling Shareholder or their respective close associates (as defined in the GEM Listing Rules) is or was interested in any business, apart from the Company's business, that competes or may compete, either directly or indirectly, with the Company's business during the six months ended 30 June 2026 and up to the date of this announcement.

PUBLICATION OF INFORMATION ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This results announcement is required to be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.xyjiance.cn), respectively. The interim report of the Company for the six months ended 30 June 2026 will be published on the respective websites of the Stock Exchange and the Company and dispatched to the Shareholders in due course in the manner required by the GEM Listing Rules.

By order of the Board
Guangdong Syntrust GK Testing and Certification Tech Service Center Co., Ltd.
廣東集信國控檢測認證技術服務中心股份有限公司
Mr. Lai Feng
Chairman and executive Director

Hong Kong, 18 August 2026

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Lai Feng, Mr. Huang Fei, Ms. Mai Jiayu and Mr. Zhang Xihua, two non-executive Directors, namely Ms. Zou Chan and Mr. Liu Juemao and three independent non-executive Directors, namely Ms. Liu Hongge, Ms. Deng Dian and Mr. Luo Qiling.

This announcement will remain on the "Latest Listed Company Information" page of the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) for at least 7 days from the date of its publication and on the website of the Company (www.xyjiance.cn).

* *For identification purpose only*