



SY HOLDINGS GROUP LIMITED 盛業控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 6069

2025 INTERIM REPORT



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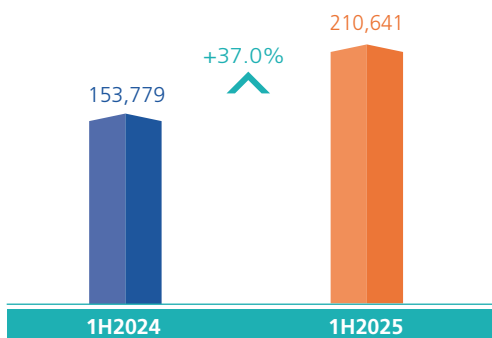
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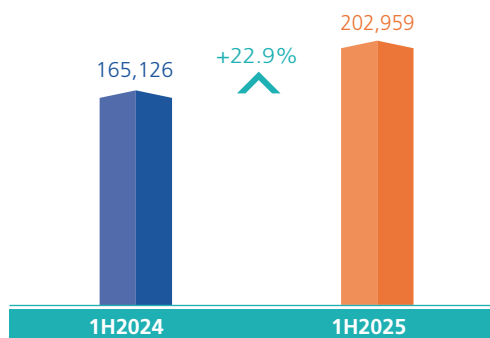
2 PERFORMANCE HIGHLIGHTS

For the six months ended 30 June 2025

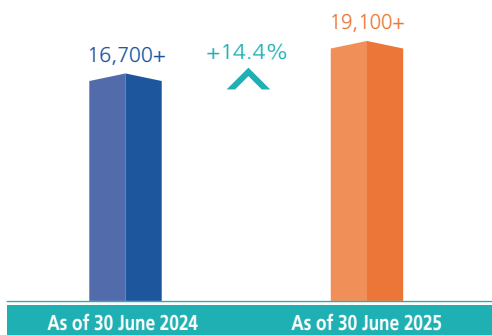
Revenue from platform-based technology services (RMB in thousands)



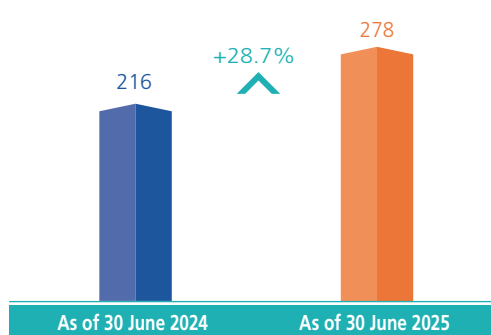
Profit after taxation (RMB in thousands)



Total cumulative platform users



Total cumulative supply chain assets processed (RMB in billions)



Proportion of revenue from platform-based technology services

During the six months ended 30 June 2025

52.0%



Cumulative R&D investment (RMB)

As of 30 June 2025

>270 million



First-ever AI-powered information service revenue (RMB)

As of 30 June 2025

>0.4 million



Total funding partners

As of ended 30 June 2025

181

+31.2%

SUMMARY OF FINANCIAL INFORMATION 3

	FOR THE SIX MONTHS ENDED 30 June 2025 RMB'000	FOR THE SIX MONTHS ENDED 30 June 2024 RMB'000	FOR THE SIX MONTHS ENDED 30 June 2023 RMB'000	FOR THE SIX MONTHS ENDED 30 June 2022 RMB'000	FOR THE SIX MONTHS ENDED 30 June 2021 RMB'000
OPERATING RESULTS					
Revenue and income from principal activities	405,090	436,050	494,836	386,256	299,274
– Revenue from platform-based technology services	210,641	153,779	84,064	29,608	23,261
– Income from digital financing solutions	194,021	275,038	354,954	302,336	200,586
– Gain on refinancing of supply chain assets upon derecognition	428	7,233	55,818	54,312	75,427
Finance costs	122,599	185,414	200,021	118,662	50,595
Share of profit of associates	78,994	40,702	5,051	2,290	9,518
Net profit	202,959	165,126	187,006	179,083	166,959
Earnings per share (RMB cents)	20	16	18	17	17
	AS AT 30 June 2025 RMB'000	AS AT 30 June 2024 RMB'000	AS AT 30 June 2023 RMB'000	AS AT 30 June 2022 RMB'000	AS AT 30 June 2021 RMB'000
FINANCIAL POSITION					
Total assets	10,545,713	10,369,932	11,203,167	9,481,252	5,491,109
Total liabilities	6,969,680	6,481,578	7,157,296	5,411,144	2,347,927
Net assets	3,576,033	3,888,354	4,045,871	4,070,108	3,143,182



CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Tung Chi Fung (Chairman)
Ms. Wang Ying

Non-executive Director

Mr. Lo Wai Hung

Independent Non-executive Directors

Mr. Fong Heng Boo (term of office expired on 6 September 2025)
Mr. Tang King San Terence
Ms. Chan Yuk Ying Phyllis
Mr. Sun Wei Yung Kevin

AUDIT COMMITTEE

Mr. Tang King San Terence (Chairman)
Mr. Lo Wai Hung
Mr. Fong Heng Boo (term of office expired on 6 September 2025)
Ms. Chan Yuk Ying Phyllis (appointed on 6 September 2025)

NOMINATION COMMITTEE

Mr. Tung Chi Fung (Chairman)
Mr. Tang King San Terence
Ms. Chan Yuk Ying Phyllis

REMUNERATION COMMITTEE

Ms. Chan Yuk Ying Phyllis (Chairman)
Mr. Tung Chi Fung
Mr. Sun Wei Yung Kevin

SUSTAINABILITY COMMITTEE

Ms. Wang Ying (Chairman)
Mr. Lo Wai Hung
Mr. Sun Wei Yung Kevin

COMPANY SECRETARY

Mr. Wang Zheng

AUTHORISED REPRESENTATIVES

Mr. Tung Chi Fung
Mr. Wang Zheng

REGISTERED OFFICE

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PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park, PO Box 1350,
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HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

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COMPANY'S WEBSITE ADDRESS

www.syholdings.com

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Registered Public Interest Entity Auditors
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LEGAL ADVISER

TC & Co.
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STOCK CODE

6069



MANAGEMENT DISCUSSION AND ANALYSIS

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BUSINESS REVIEW

2025 Interim Review

SY Holdings Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**” or “**SY**”) is a data-intelligent technology company specializing in “AI + Industrial Supply Chain”. While deeply rooted in national pillar industries such as infrastructure, pharmaceuticals, and commodities, the Group is also actively expanding into strategic emerging sectors such as e-commerce, robotics, and artificial intelligence (“**AI**”) applications. Through its self-developed, AI-driven industrial intelligence platform “SY Cloud Platform” (the “**Platform**”), the Group empowers small and medium enterprises (the “**SMEs**”) by addressing their order fulfillment and working capital needs for supply chain operations, facilitating their growth and operational efficiency. Under the Group’s platform-driven strategy, the scaled commercialization of AI Agent under the “AI+” initiative has significantly driven the growth of platform-based technology services. Meanwhile, the performance of the Group’s associated companies also improved notably, benefiting from strong shareholders’ support and synergistic resources. For the six months ended 30 June 2025:

- The Group achieved a net profit of approximately RMB203.0 million, reflecting a significant year-on-year increase of approximately 22.9%;
- The Group recorded total revenue and income from principal activities of approximately RMB405.1million, representing a slight year-on-year decrease of approximately 7.1%;
- The Group recorded share of results of associates of approximately RMB79.0 million, representing a significant year-on-year increase of 94.1%.

The Group harnesses cutting-edge technologies such as AI Agent to seamlessly integrate with the industrial ecosystem and underlying data infrastructure, leveraging its differentiated, “transaction-focused, entity-light” risk control model. Through efficient and intelligent platform-based services focused on scale, speed, quality, and cost-effectiveness, the Group enables SMEs to secure both orders and supply chain working capital. The Platform incorporates advanced open-source AI large language models which include DeepSeek, Qwen, and Doubao, delivering a wide range of intelligent, value-added services tailored to the evolving needs of its ecosystem partners.

- As of 30 June 2025, the cumulative number of customers served by the Platform exceeded 19,100, and the cumulative supply chain assets processed by the Platform to support clients’ needs in order acquisition and working capital turnover reached approximately RMB278 billion, representing year-on-year growth of approximately 14.4% and 28.7%;
- As of 30 June 2025, SMEs clients accounted for over 97% of the total customers, with a customer retention rate of over 80%, and first-time borrowers made up more than 30%. The Platform has helped SMEs clients reduce financing costs by at least 30%;
- In the infrastructure sector, the Platform is able to automate the collection of tender and procurement information through various channels and process vast volumes of data by cleansing and structuring them into standardised formats for analysis, covering key details such as project type, scale, budget and technical requirements. Leveraging information on suppliers’ business scope, production capacity, qualification level and track record, the Platform delivers highly relevant tender opportunities with a high degree of matching. In addition, the Platform offers value-added services which include assistance in the preparation of tender documents, analysis of competitive dynamics and recommendations on pricing strategies, thereby enhancing suppliers’ bidding efficiency and success rates;
- For the six months ended 30 June 2025, the Group, leveraging AI technology to provide value-added services to its customers, recorded its first-ever AI-powered information service revenue of over RMB400,000 by assisting customers in securing orders through its AI Agent.



MANAGEMENT DISCUSSION AND ANALYSIS

The Platform connects industry participants with financial institutions, leveraging its self-developed AI Agent as a central hub to efficiently bridge the industry and capital ends through intelligent matching, thereby driving the rapid development of its “asset-light” operating model. As of 30 June 2025:

- The Platform has established strategic partnerships with over 10 Fortune Global 500 companies, with more than 180 funding partners on boarded, representing year-on-year growth of over 30%. The Group has become a key strategic partner for financial institutions in advancing their inclusive finance initiatives;
- The Group’s platform-based facilitation business accounted for 88% of the total volume, representing year-on-year growth of approximately 28.3%;
- Revenue from platform-based technology services amounted to approximately RMB210.6 million, representing a year-on-year increase of approximately 37.0%, and accounted for over 50.0% of the total revenue and income from principal activities, becoming the Group’s key growth driver.

In the digital economy era, AI and big data have become core drivers of technological advancement and economic growth. Through its platform-based and technology-driven strategy, the Group continues to increase Research & Development (“**R&D**”) investments to drive innovation and industry transformation. As of 30 June 2025:

- The Group’s cumulative R&D investment approached RMB270.0 million, with R&D personnel accounting for nearly 30.0%;
- The Group holds 88 national invention patents and software copyrights, covering big data, cloud computing, AI, computing power, and other cutting-edge applications;
- SY developed and deployed innovative AI applications which include intelligent document sorting, contract review, and customer service, contribute to cost reduction and efficiency gains for ecosystem partners. For the six months ended 30 June 2025, the average volume of order and working capital facilitation services processed per employee grew by approximately 27%, while assisted customer sales volume increased by over 60% year-on-year.

In parallel with its core focus on infrastructure, pharmaceuticals and commodities, the Group actively develops new businesses across e-commerce, robotics, and AI applications, with a combined addressable market exceeding RMB10.0 trillion and over 10.0 million potential customer base:

- In the e-commerce sector, SY has established relationships with six leading platforms which include Douyin, SHEIN, and Shopee. As of 30 June 2025, the cumulative amount of working capital facilitation in the e-commerce segment has exceeded approximately RMB2.8 billion, representing an almost eightfold growth year-on-year. The Group has successfully embedded its end-to-end online services within a leading global fashion e-commerce platform, enabling merchants to secure early repayments based on “shipped-but-unsettled” orders and reinvest in procurement, forming a virtuous sales cycle, further unlocking growth potential for the Group’s e-commerce business.
- In the robotics sector, the Group formed a strategic partnership with Stand Robots (Wuxi) Co., Ltd, a global leader in industrial intelligent robotics, and completed its first supply chain service transaction in this sector. This collaboration lays the foundation for SY to expand into a new strategic vertical, while actively exploring partnership models with companies in the industrial, service, and special-purpose robotics sectors to accelerate its presence in China’s robotics market, which exceeds RMB190.0 billion in scale.



MANAGEMENT DISCUSSION AND ANALYSIS

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- In terms of strategic investors introduction, the Group brought in a subsidiary of XtalPi Holdings Limited (Stock Code: 2228), a pioneer in AI for science, and Be Friends Holding Limited (Stock Code: 1450), a leading cross-platform live-streaming e-commerce group, as strategic investors to enhance the Group's AI related R&D capabilities and accelerate vertical-specific AI Agent development and e-commerce penetration – enabling greater visibility for Chinese domestic brands.
- In terms of computing power reserves, the Group has received support for computing power resources from Wuxi Economic Development Zone (“**Wuxi EDZ**”) and has officially integrated with Wuxi Digital Whale Technology Co., Ltd. (“**Digital Whale**”)’s computing infrastructure, including the Xuelang Computing Center, NVIDIA AI Computing Center, and Sugon Advanced Computing Center. Currently, Digital Whale has reserved over 60 H800 servers, providing more than 1,000P of intelligent computing power. Leveraging these resources, SY will assist ecosystem partners in securing sufficient intelligent computing capacity to meet advanced computing needs across multiple scenarios, including AI training and applications.

As of the date of this interim report, the Company has maintained profitability for 11 consecutive years and implemented a high dividend payout policy for seven consecutive years. The Company has announced a dividend payment plan to conduct declaration and payment of dividends with payout ratio of no less than 90% for the financial years ending 31 December 2024, 31 December 2025 and 31 December 2026 (Details of the dividend payment plan are disclosed in the Company’s announcement dated 10 October 2024). Including the special dividend declared on 16 May 2025, the total dividend payout for the financial years ending 31 December 2025 is expected to reach approximately RMB950 million.

BUSINESS OUTLOOK AND PROSPECTS

Amidst the ongoing transformation of the global order and deepening restructuring of global supply chains, the internationalisation of SMEs continues to face mounting challenges such as exchange rate volatility, low payment efficiency, and high barriers to market access. In response, the Group has recently established its international headquarters in Singapore to further expand its presence in international markets and explore innovative application scenarios in Web3.0 and stablecoins.

• International Expansion Initiatives:

The Group has formed a strategic partnership through investment in Dada Xinbada (Guangzhou) Technology Co., Ltd. (the “**Xinbada**”), a core supplier of SHEIN. This partnership supports the construction of flexible and intelligent manufacturing facilities in key overseas markets which include Turkey, Southeast Asia, and Morocco. Meanwhile, by leveraging Xinbada’s industrial ecosystem—which serves major cross-border e-commerce platforms such as SHEIN, Temu, Cider, and PatPat—the Group aims to accelerate its global expansion of apparel industrial clusters in China.

In addition, the Group has partnered with the largest integrated logistics provider in the Philippines and completed its first international working capital facilitation transaction. Leveraging its global market resources and platform connectivity capabilities, the Group also aims to support pharmaceutical core enterprises, in securing and delivering export orders of Chinese herbal products.

• Exploration of Web3.0 and Stablecoin Innovation:

As a fiat-pegged emerging settlement tool, stablecoins leverage blockchain’s peer-to-peer transmission capabilities to enable near-instantaneous clearing and reduce payment costs to as low as 0.1%. The Group plans to explore the compliant and innovative application of stablecoins in its international working capital facilitation services to enhance capital turnover efficiency, lower international payment costs, and hedge against foreign exchange risks – ultimately delivering an optimised “abundant, fast, high-quality and cost-effective” customer experience. These initiatives are expected to facilitate global market entry for SMEs across the Asia-Pacific region. For further details, please refer to the Company’s voluntary announcements dated 29 July 2025 and 8 August 2025.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue and income from principal activities

The Group's total revenue and income from principal activities primarily generated from the PRC market slightly decreased by 7.1% year-on-year to RMB405.1 million for the six months ended 30 June 2025, compared to RMB436.1 million for the corresponding period in last year. The decrease was primarily attributable to the Group's continued implementation of its asset-light strategy and enhancement of technology platform capabilities, which has directed more of the supply chain working capital needs of SMEs clients to be met by external funding partners connected through the Platform. As a result, revenue from digital financial solutions and gain on refinancing of supply chain assets upon derecognition continued to decline, partially offset by the significant growth in the revenue from the platform-based technology service driven by the Group's platform-based strategy.

Platform-based technology services

The Group's platform-based technology services, powered by the SY Cloud Platform, connect the industrial ecosystem with financial institutions. By leveraging advanced technology-driven models, the Platform provides comprehensive sales and supply chain management solutions to enterprise clients, effectively addressing their order acquisition and working capital needs. Revenue from the platform-based technology services significantly increased by 37.0% year-on-year to approximately RMB210.6 million for the six months ended 30 June 2025, compared to approximately RMB153.8 million for the corresponding period of last year, mainly due to the strengthening of platform ecosystem connectivity and technological capabilities. The Group has continuously enhanced customer acquisition efficiency and risk control, which has enabled more SMEs clients to access supply chain working capital solutions through the Platform's network of external funding partners.

In addition, the Group has continued to strengthen its differentiated service capabilities by providing supply chain technology value-added services to clients within its industry ecosystem, including assisting them in order acquisition and marketing management through AI Agent, intelligent goods receipt and inspection, as well as digitalised supply, sales and inventory management.

Digital financing solutions

The Group's digital financial solutions primarily facilitate supply chain working capital support for SMEs clients by its internal funding and credit enhancement entities through intelligent matching via the Platform. Revenue from digital financing solutions decreased by 29.5% year-on-year to RMB194.0 million for the six months ended 30 June 2025, compared to RMB275.0 million for the corresponding period of last year, mainly due to the fact that the Group has further deepened its asset-light operating strategy and continued to enhance its platform capabilities, enabling a greater portion of the supply chain working capital needs of SMEs clients to be met through external funding partners connected via the Platform, thereby reducing the use of the Group's own capital.

Gain on refinancing of supply chain assets upon derecognition

For supply chain assets held by the Group, the Platform may facilitate refinancing by introducing funding partners, thereby maximizing the value of our supply chain assets and enhancing the Company's cash flow management. Gain from this business segment is equal to the excess amount received or receivable from refinancing transactions over the carrying amount of the supply chain assets, as the Group does not bear the associated risks of these assets after such refinancing arrangements. The gain on refinancing of supply chain assets upon derecognition decreased by 94.1% year-on-year to RMB0.4 million for the six months ended 30 June 2025, compared to RMB7.2 million for the corresponding period of last year.



MANAGEMENT DISCUSSION AND ANALYSIS

Other gains and losses

The Group booked other losses of RMB5.4 million for the six months ended 30 June 2025. The change is mainly due to (i) the decrease in fair value gain of other financial assets at FVTPL; and (ii) the increase in fair value loss of other financial liabilities at FVTPL.

Share of results of associates

The growth of the Group's major associate companies continues to thrive due to the strong support and resource synergy provided by joint venture partners. On one hand, these associate companies utilize the Group's industrial ecosystem connections, big data analytics, AI-driven enhancements, and comprehensive system support to improve customer acquisition efficiency and strengthen risk management capabilities. This has led to significant increases in both business scale and revenue while effectively mitigating risks. On the other hand, the credit backing from their controlling shareholders has further reduced funding costs, resulting in a substantial rise in net profits for these associate companies. The development of these associate companies is a crucial part of the Group's platform-based strategy, facilitating business expansion and revenue growth through resource integration. The share of results of associates surged 94.1% year-on-year, rising from RMB40.7 million for the six months ended 30 June 2024 to RMB79.0 million for the six months ended 30 June 2025.

Expenses

The following table sets forth the comparative figures of the principal components of the operational expenses for the six months ended 30 June 2025 and 2024.

	Six months ended 30 June		
	2025 RMB'000	2024 RMB'000	Year-on-year
Staff Costs	73,708	69,127	6.6%
Depreciation and amortisation	19,057	15,003	27.0%
Other operating expenses	30,393	24,108	26.1%
Total	123,158	108,238	13.8%

The Group's total operational expenses increased by 13.8% year-on-year to RMB123.2 million for the six months ended 30 June 2025, compared to RMB108.2 million for the six months ended 30 June 2024, mainly due to the increase in other operating expenses of RMB6.3 million.

The operational cost-to-income ratio for the six months ended 30 June 2025 was 30.4% when compared with 24.8% for the six months ended 30 June 2024, excluding material costs and one-time expenses.

Net profit

Net profit in the first half year of 2025 was RMB203.0 million, an increase of RMB37.9 million or 22.9% year-on-year, compared to RMB165.1 million for the six months ended 30 June 2024.

Adjusted net profit

Adjusted net profit increased by 22.6% year-on-year to RMB203.5 million for the six months ended 30 June 2025, compared to RMB166.0 million for the six months ended 30 June 2024.



MANAGEMENT DISCUSSION AND ANALYSIS

Non-HKFRSs Measure: adjusted net profit

To supplement our consolidated results which are prepared and presented in accordance with Hong Kong Financial Reporting Standards (the “**HKFRSs**”), we utilize non-HKFRSs adjusted net profit (“**adjusted net profit**”) as an additional financial measure. We define adjusted net profit as profit for the year, as adjusted by excluding, gain from disposal of subsidiaries and equity-settled share-based payments based on our share incentive plan.

Adjusted net profit is not required by, or presented in accordance with, HKFRSs. We believe that the presentation of non-HKFRSs measures when shown in conjunction with the corresponding HKFRSs measures provides useful information to investors and management regarding financial and business trends in relation to our financial condition and results of operations, by eliminating any potential impact of items that our management does not consider to be indicative of our operating performance, such as certain non-cash items and the impact of certain non-recurring investment transactions. We also believe that the non-HKFRSs measures are appropriate for evaluating the Group’s operating performance. However, the use of this particular non-HKFRSs measure has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial conditions as reported under HKFRSs. In addition, this non-HKFRSs financial measure may be defined differently from similar terms used by other companies and therefore may not be comparable to similar measures used by other companies.

The following tables set forth reconciliations of the Group’s non-HKFRSs measures for the six months ended 30 June 2025 and 2024, respectively, to the nearest measures prepared in accordance with HKFRSs.

	2025 RMB’000	2024 RMB’000
Profit for the six months ended 30 June	202,959	165,126
Less:		
Gain from disposal of subsidiaries ^(note 1)	—	(5,177)
Add:		
Equity-settled share-based payments based on our share incentive plan ^(note 2)	492	6,016
Adjusted net profit for the period (non-HKFRSs)	203,451	165,965

Notes:

1. The non-recurring gain is one-off in nature.
2. It represents the share options/restricted share unit (“**RSU**”) that we granted under our share incentive plan, which is a non-cash expense.



MANAGEMENT DISCUSSION AND ANALYSIS 11

Supply chain assets at fair value through other comprehensive income ("FVTOCI")

Supply chain assets at FVTOCI as of 30 June 2025 were RMB3,166.4 million, a 44.6% decrease year-on-year. Daily average balance of self-funded supply chain assets over the six months ended 30 June 2025 was RMB4,004.9 million, a 35.8% decrease over the six months ended 30 June 2024 mainly due to the deemed disposal of WXGJ in February 2024 and deepened asset-light strategy. Based on the daily average balance of self-funded supply chain assets, interest yield on supply chain assets in the half year of 2025 was 8.4%, which was 0.1 percentage points higher year-on-year.

The details of major terms of supply chain assets, including collateral types, maturity profile, and the size and diversity of clients are set out below.

As at 30 June 2025, all of the total supply chain assets were secured by charge over trade receivable, in respect of which the legal title and legal right to receivable cash flows were also transferred to the Group. Furthermore, the supply chain assets of RMB22.7 million were secured by certain commercial acceptance bills received from customers, while as of 31 December 2024, the supply chain assets of RMB217.1 million were secured by certain commercial acceptance bills received from customers. These bills can be applied and used to settle any outstanding receivables of supply chain assets for the corresponding contract if default occurs.

As at 30 June 2025, there were a total of 6,894 (31 December 2024: 5,125) outstanding supply chain assets obtained by the Group, out of which 179 (31 December 2024: 173) supply chain assets are referred to as sizeable loans with principal amount exceeds RMB10 million, 543 (31 December 2024: 343) supply chain assets with principal amount between RMB1 million and RMB10 million, 6,172 (31 December 2024: 4,609) supply chain assets with principal amount less than RMB1 million.

For the six months ended 30 June 2025, no supply chain assets (31 December 2024: Nil) were obtained from the related parties of the Group. The entire balance of the supply chain assets were obtained from the independent third parties of the Group. The supply chain assets normally have a term of 7 days to 26 months (31 December 2024: 7 days to 25 months) and the effective interest rates range mainly from 6.00% to 15.50% (31 December 2024: 5.00% to 15.50%) per annum.

Supply chain assets at FVTOCI with ageing analysis presented below per maturity dates:

	As at		
	30 June 2025 RMB'000	31 December 2024 RMB'000	30 June 2024 RMB'000
Within six months	1,629,655	3,311,862	2,821,880
Within a period of more than six months but not exceeding one year	1,535,719	1,577,396	2,888,812
Within a period of more than one year but not exceeding two years	1,027	2,049	9,563
	3,166,401	4,891,307	5,720,255



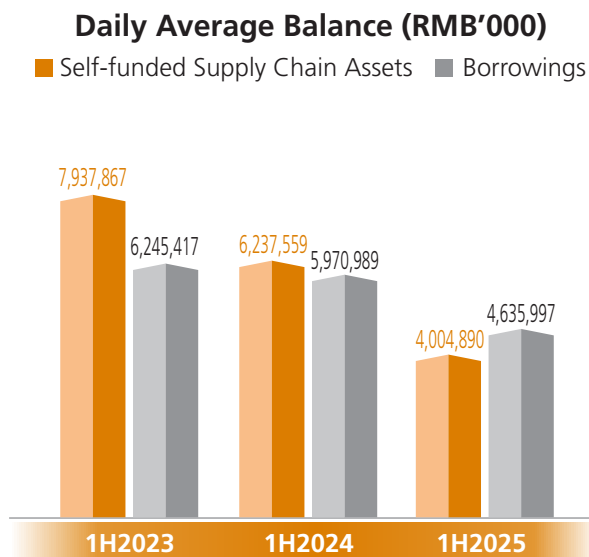
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Movements in impairment loss allowance on supply chain assets

The Group's impairment loss allowance on supply chain assets decreased by 44.6% year-on-year to RMB36.4 million as at 30 June 2025, compared to RMB65.7 million as at 30 June 2024, mainly attributable to the decrease in gross balance of supply chain assets as at 30 June 2025 and the improvement on the quality of supply chain assets. No impairment loss allowance was written off for the six months ended 30 June 2025 (for the six months ended 30 June 2024: Nil).

Borrowings and finance cost

Borrowings, including loans from related parties, as of 30 June 2025 was RMB4,742.1 million, a 19.3% decrease year-on-year. Daily average balance of borrowings over the first half of 2025 were RMB4,636.0 million, a 22.4% decrease year-on-year. The decrease in finance costs of RMB62.8 million year-on-year was mainly due to the decrease in the daily average balance of borrowings and the decrease in the average borrowings interest rate from 6.2% over the six months ended 30 June 2024 to 5.3% over the six months ended 30 June 2025.



Taxation

Income tax expenses represent the tax expense arising from the assessable profit generated by the Group in the PRC, withholding tax levied on interest income of Hong Kong subsidiaries, withholding tax levied on dividend declared of PRC subsidiaries and deferred tax. Except for certain PRC subsidiaries that enjoy preferential tax rates, PRC enterprise income tax is calculated at 25% of the estimated assessable profits for the six months ended 30 June 2025 and 2024. The decrease in effective tax rate from 27.3% for the six months ended 30 June 2024 to 25.1% for the six months ended 30 June 2025 was mainly attributable to the increase in profit before taxation in subsidiaries with applicable preferential tax rate of 15%.

For the six months ended 30 June 2025, income tax expenses amounted to approximately RMB68.0 million (for the six months ended 30 June 2024: RMB62.0 million).



MANAGEMENT DISCUSSION AND ANALYSIS 13

KEY INTERNAL CONTROLS IN RESPECT OF DIGITAL FINANCING SOLUTIONS

The Group has established and maintained comprehensive approval and risk assessment procedures, sound internal control system and has established credit risk control policies in place which take into account internal and external factors to determine the approval of digital financing solutions. The Group applies industry risk assessment model which is based on conventional risk control and industry-specific evaluation model for credit assessment of digital financing solutions.

Leveraging years of accumulated industry experience, the Group conducts cross-verification of transaction data through multi-dimensional data to validate and confirm the authenticity and reasonableness of transactions made by SMEs customers. By performing comprehensive assessments on SMEs customers, including defining customer profiles, profiling core enterprises within the supply chain, and evaluating the transaction status corresponding to accounts receivable, the Group supports SMEs customers and provides them with prudent and tailored digital financial solutions while mitigating fraud risks.

Credit Approval

With the aid of industry risk assessment models, the Group adopts a dual approval mechanism for core enterprise admission evaluation and transaction-level evaluation in its digital financial solutions business to manage the risk exposure of individual accounts receivable financing and the Group's overall business operations.

- **Core Enterprise Admission Evaluation**

Core enterprises serve as key entities in the operation of industrial supply chains, holding critical resources and data within the supply chain. Strategically, the Group focuses on selected key industries and core enterprises to develop and refine its industry risk assessment models. Based on this, the Group conducts admission evaluations for core enterprises within selected key industries, comprehensively considering their financial conditions, payment capabilities, operational records, and future development. Furthermore, the Group implements concentration control to manage the upper limit of business scale for individual core enterprises.

- **Transaction-Level Evaluation**

Once a core enterprise within a specific industry is admitted by the Group, customers within the ecosystem of that core enterprise can apply for supply chain financing under the digital financial solutions based on their accounts receivable from the core enterprise. For each accounts receivable financing application, the Group conducts a transaction-level evaluation and determines the financing limit, taking into account factors including but not limited to: (i) The amount of accounts receivable held by the customer, which must have sufficient value (i.e., equal to or greater than the financing amount applied for) to serve as a credit enhancement measure for the specific application under the digital financial solutions; and (ii) The real-time transaction profile of the underlying transactions for the accounts receivable maintained by the Group.

The transaction-level evaluation is empowered by the Group's data-driven supply chain technology platform, "SY Cloud Platform." This Platform connects industry ecosystem data and integrates multiple technologies, including AI electronic signatures, Optical Character Recognition (the "OCR"), Natural Language Processing (the "NLP"), big data analytics, video verification, and facial recognition. Through multi-dimensional and multi-source data, it verifies the authenticity and reasonableness of transactions.



MANAGEMENT DISCUSSION AND ANALYSIS

Monitoring of loan recoverability

The timely repayment of the digital financing solutions and risk exposures is monitored by the Group's Risk Management Department. Leveraging on the data-driven technology platform, the Group continues to monitor its assets through regular monitoring of repayment, invoice status verification and 24-hour public opinion monitoring to ensure that the entire financing process is under comprehensive, continuous and effective management and control.

The Group establishes close cooperation with various banks, opens designated accounts, collects and monitors the repayment information in a timely manner, and effectively tracks the customers' continuity of business operation and stability of cooperation with core enterprises, thereby further strengthening the risk control and realizing closed-loop cash flow management.

Loan collection

Where irregularity is noted by our Risk Management Department, a working group comprised of multi-functional team members will plan and take remedial actions, which normally include extending repayment terms or negotiating settlement proposals with the customer. If these remedial actions prove unsuccessful, the Group will take legal action against the customer and take control of the collateral assets.

CAPITAL STRUCTURE, LIQUIDITY, FINANCIAL RESOURCES AND GEARING

During the six months ended 30 June 2025, the Group's main source of funds was the cash generated from its daily operations and proceeds from new borrowings. As at 30 June 2025, the Group had cash and cash equivalents of RMB712.8 million (31 December 2024: RMB515.6 million), of which 92.2% and 7.7% were denominated in RMB and HKD respectively. Net cash from operating activities was RMB3,559.5 million in the first half of 2025 (for the six months ended 30 June 2024: RMB574.6 million), with a year-on-year increase of RMB2,984.9 million, mainly due to the increase in net cash received from supply chain assets at FVTOCI.

As at 30 June 2025, the Group had interest-bearing borrowings and loans from related parties which amounted to RMB4,742.1 million (31 December 2024: RMB5,136.1 million). Its gearing ratio, expressed as total liabilities over total equity was 1.95 as at 30 June 2025 (at 31 December 2024: 1.58).

INTERIM DIVIDEND

The Board does not recommend payment of any interim dividend for the period ended 30 June 2025 (for the six months ended 30 June 2024: Nil).



MANAGEMENT DISCUSSION AND ANALYSIS 15

PLACEMENT OF SHARES AND USE OF PROCEEDS

The Placement in 2021

On 24 September 2021 (after the trading hours), the Company and China International Capital Corporation Hong Kong Securities Limited (the **"2021 Placement Agent"**) entered into a placement agreement pursuant to which the Company conditionally agreed to place, through the 2021 Placement Agent on a best effort basis, a maximum of 63,068,000 ordinary shares at a price of HK\$8.80 per share (the **"2021 Placement"**). The placing shares were allotted and issued pursuant to the general mandate for the Company.

The 2021 Placement was completed on 5 October 2021. An aggregate of 63,068,000 new shares were successfully issued by the Company and placed by the 2021 Placement Agent to two placees, namely Xitong International Holdings (HK) Limited and Pavilion Capital Fund Holdings Pte. Ltd., at a price of HK\$8.80 for each new share. The new shares from the 2021 Placement represent approximately 6.29% of the issued share capital of the Company translating to total net proceeds of approximately HK\$550.8 million (equivalent to approximately RMB456.2 million).

The placing price of HK\$8.80 per share represents: (i) a discount of approximately 7.95% to the closing price of HK\$9.56 per share as quoted on the Stock Exchange on 24 September 2021; (ii) a discount of approximately 9.45% to the average closing price of the shares of approximately HK\$9.718 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding but excluding 24 September 2021; and (iii) a discount of approximately 9.44% to the average closing price of the shares of approximately HK\$9.717 per share as quoted on the Stock Exchange for the last ten consecutive trading days immediately preceding but excluding 24 September 2021.

The Placement in May 2025

On 13 May 2025 (before the trading hours), the Company and Guotai Junan Securities (Hong Kong) Limited (the **"2025 May Placement Agent"**) entered into a placement agreement pursuant to which the Company conditionally agreed to place, through the 2025 May Placement Agent on a best effort basis, a maximum of 17,480,000 ordinary shares at a price of HKD11.99 per share (the **"2025 May Placement"**). The maximum aggregate nominal value of the placing shares under the 2025 May Placement will be HK\$174,800. The placing shares were allotted and issued pursuant to the general mandate for the Company.

The 2025 May Placement was completed on 20 May 2025. An aggregate of 17,480,000 new shares were successfully issued by the Company and placed by the 2025 May Placement Agent to not less than six placees (being professional, institutional, or other investors including a subsidiary of XtalPi Holdings Limited (Stock Code: 2228) and Be Friends Holding Limited (Stock Code:1450)), at a price of HKD11.99 for each new share. The new shares from the 2025 May Placement represent approximately 1.74% of the issued share capital of the Company translating to total net proceeds of approximately HK\$208.7 million (equivalent to approximately RMB193.7 million). On such basis, the net issue price per placing share will be approximately HK\$11.94.

The placing price of HK\$11.99 per placing share represents: (i) a discount of approximately 6.91% to the closing price of HK\$12.88 per share as quoted on the Stock Exchange on 12 May 2025; and (ii) a discount of approximately 8.50% to the average closing price of approximately HK\$13.104 per share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to 12 May 2025.

The Directors are of the view that the 2025 May Placement can strengthen the financial position of the Group by providing additional working capital to the Group to meet any future development and obligations on the other hand. The 2025 May Placement also represents a good opportunity to broaden the shareholders' base and the capital base of the Company.

Details of the 2025 May Placement are disclosed in the Company's announcements dated 13 May 2025 and 20 May 2025 .



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Event after the Reporting Period – The Placement in September 2025

On 3 September 2025 (before trading hours), the Company and Guotai Junan Securities (Hong Kong) Limited (the **“2025 September Placing Agent”**) entered into a placing agreement pursuant to which the Company conditionally agreed to place, through the 2025 September Placing Agent, on a best efforts basis, a maximum of 56,286,000 ordinary shares at a price of HK\$10.66 per share (the **“2025 September Placement”**). The maximum aggregate nominal value of the placing shares under the Placing will be HK\$562,860. The placing shares were allotted and issued pursuant to the general mandate of the Company.

The 2025 September Placement was completed on 10 September 2025. An aggregate of 56,286,000 new shares were successfully issued by the Company and placed by the 2025 September Placing Agent to not less than six placees (who shall be all professional, institutional, or other investors including the strategic investment institutions supporting the Company’s global expansion, well-known long-only mutual funds and leading international investment institutions), at a price of HK\$10.66 for each new share. The new shares from the 2025 September Placement represents approximately 5.29% of the issued share capital of the Company translating to total net proceeds of approximately HK\$592.87 million (equivalent to approximately RMB540.85 million). On such basis, the net issue price per placing shares will be approximately HK\$10.53.

The placing price of HK\$10.66 per placing share represents: (i) a discount of approximately 5.08% to the closing price of HK\$11.23 per share as quoted on the Stock Exchange on 2 September 2025; and (ii) a discount of approximately 13.12% to the average of the closing prices of approximately HK\$12.27 per share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to 2 September 2025.

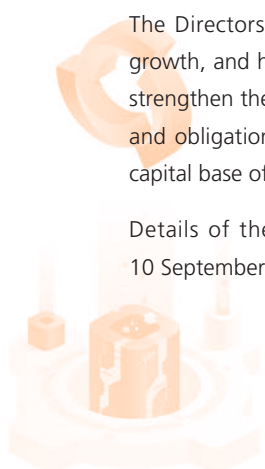
The Company intends to apply the net proceeds in the following ways:

- (i) For Research and “R&D” in AI Agent & other innovative technologies, and for empowering the Company’s business expansion in innovation sectors such as e-commerce and robotics: to build a global supply chain technology platform that offers comprehensive one-stop solutions including resilient supply chain services, financing solutions, currency risk management, and digitization enablement;
- (ii) International Growth & Strategic Investment: to drive international expansion to build a global supply chain service network, and accelerate the integration of the international industrial ecosystem through strategic investments and mergers and acquisitions, while aligning with the Company’s globalization strategy;
- (iii) Other general working capital purposes.

The Company currently expects that approximately 40% of the net proceeds from the 2025 September Placement will be allocated to each of category (i) and (ii) of the abovementioned purposes respectively, and the remaining net proceeds towards category (iii) of the abovementioned purposes. Such allocation is based on the best estimation of the Directors (assuming no unforeseen circumstances) and may be adjusted in response to the development of the Group, market conditions, and business expansion opportunities. Further announcement(s) and/or disclosure(s) in respect of change in use of proceeds, if any, will be made by the Company in accordance with the requirements of the Listing Rules as and when appropriate.

The Directors are of the view that the 2025 September Placement can facilitate global expansion and international business growth, and help establish an AI+ international supply chain technology platform. Additionally, the 2025 September Placement can strengthen the financial position of the Group by providing additional working capital to the Group to meet any future development and obligations. The 2025 September Placement also represents a good opportunity to broaden the shareholders’ base and the capital base of the Company.

Details of the 2025 September Placement are disclosed in the Company’s announcements dated 3 September 2025 and 10 September 2025.



MANAGEMENT DISCUSSION AND ANALYSIS 17

Use of proceeds from the 2021 Placement and 2025 May Placement

During the year ended 31 December 2021, 2022, 2023, 2024 and six months ended 30 June 2025, details of the use of proceeds of the 2021 Placement and 2025 May Placement were as follows:

Use of proceeds	Net proceeds raised (Approximately HK\$ million)	Actual use of net proceeds during the year ended 31 December 2021 (Approximately HK\$ million)	Actual use of net proceeds during the year ended 31 December 2022 (Approximately HK\$ million)	Actual use of net proceeds during the year ended 31 December 2023 (Approximately HK\$ million)	Actual use of net proceeds during the year ended 31 December 2024 (Approximately HK\$ million)	Actual use of net proceeds during the six months ended 30 June 2025 (Approximately HK\$ million)	Intended use and expected timeline of the remaining amount of net proceeds
Strategic acquisition of and/or investment in business(es) in the industrial technology and digital financing	275.4	275.4	–	–	–	–	The amount of strategic acquisition of and/or investment in business(es) in the industrial technology and digital financing had been fully utilised.
Expansion and development of the Group's supply chain technology services segment	165.2	2.3	33.2	20.7	41.4	67.6	The amount of expansion and development of the Group's supply chain technology services segment had been fully utilised.
General working capital of the Group's platformisation	110.2	7.1	103.1	–	–	–	The amount of net proceeds for general working capital of the Group's platformisation had been fully utilised.
Accelerating platform-based tech service expansion focused on innovation-driven sectors (e.g., e-commerce, AI, robotics, cross-border business) via ecosystem data integration, investment incubation, order matching, and working capital support, while boosting R&D in "SY Cloud Platform" intelligent upgrade and industrial data-based AI application development/commercialisation	167.0	–	–	–	–	167.0	The amount of accelerating platform-based tech service expansion focused on innovation-driven sectors (e.g., e-commerce, AI, robotics, cross-border business) via ecosystem data integration, investment incubation, order matching, and working capital support, while boosting R&D in "SY Cloud Platform" intelligent upgrade and industrial data-based AI application development/commercialisation had been fully utilised.
Other general working capital purposes	41.7	–	–	–	–	17.5	The remaining unutilised amount of approximately HK\$24.2 million will be used for other general working capital purposes and is expected to be fully utilised by 31 December 2025.

The expected timeline of full utilisation of the unutilised net proceeds is based on the Directors' best estimation barring any unforeseen circumstances, and may be subject to change based on the market conditions. Should there be any material change or delay in the use of proceeds, further announcement(s) will be made by the Company as and when appropriate.



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CAPITAL COMMITMENTS

As at 30 June 2025, the capital commitments of the Group comprised purchase of property and equipment of approximately RMB132.4 million and investment in an associate of approximately RMB0.2 million (31 December 2024: purchase of property and equipment of approximately RMB236.9 million and investment in an associate of approximately RMB0.2 million).

CONTINGENT LIABILITIES

Save as disclosed in note 20 of the “Notes to the condensed consolidated financial statements”, the Group did not have any other guarantees or other material contingent liabilities as at 30 June 2025.

PLEDGE OF ASSETS

As at 30 June 2025, the Group had pledged bank deposits of RMB1,814.8 million, equity tranche of RMB65.3 million, investment property with carrying amount of RMB29.7 million, leasehold land with carrying amount of RMB81.6 million, and certain supply chain assets with an aggregate carrying amount of RMB290.3 million to banks, associates and third parties for facilities, platform facilitation in partnership with banks and derivative financial instruments (31 December 2024: pledged bank deposits of RMB1,401.4 million, wealth management products of RMB14.2 million, equity tranche of RMB100.3 million, investment property with carrying amount of RMB30.2 million, leasehold land with carrying amount of RMB80.4 million, and certain supply chain assets with an aggregate carrying amount of RMB3,067.1 million to banks, associates and third parties for facilities, platform facilitation in partnership with banks and derivative financial instruments).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

During the six months ended 30 June 2025, the Group did not make any material acquisitions and disposals of subsidiaries and associates.

SUPPLEMENTAL INFORMATION IN RELATION TO THE ACQUISITION OF ALL THE ISSUED SHARES OF GREAT STYLE HOLDINGS LIMITED SET OUT IN THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Reference is made to the annual results announcement of the Company dated 17 March 2025 and the annual report of the Company for the year ended 31 December 2024 published on 23 April 2025 (the “**Annual Report**”). Capitalised terms used hereinafter shall have the same meanings as those defined in the Annual Report unless the context requires otherwise.

The Company would like to clarify and provide supplemental information to the Annual Report in relation to the adjusted net profit of Great Style Holdings Limited (the “**Target Company**”).

In the 2nd paragraph of page 23 of the Annual Report under the heading “Material Acquisitions and Disposals of Subsidiaries and Associates”, it was disclosed that “As of 31 December 2024, the adjusted net profit of the Target Company was approximately RMB47.4 million.”

The Company would like to clarify that as of 31 December 2024, the audited net profit of the Target Company was approximately RMB47.4 million. After deducting the fair value gains and losses of approximately RMB1.7 million related to the Target Company’s financial instruments, the adjusted net profit of the Target Company was approximately RMB45.6 million.



MANAGEMENT DISCUSSION AND ANALYSIS

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The Directors confirm that the adjusted net profit of the Target Company has met the performance guarantee and the payment conditions for Contingent Consideration A. As a result, according to the consideration calculation method announced on 9 July 2024 by the Company, the consideration paid by the Purchaser to the vendor is RMB250 million, including an excess amount of RMB50 million. This consideration has been fully paid in cash as of 31 March 2025. Details of the terms of the Acquisition Agreement are disclosed in the Company's announcement dated 9 July 2024 and the supplemental announcement dated 23 August 2024.

The supplementary information set out above does not affect other information contained in the Annual Report and, save as disclosed above, all other information set out in the Annual Report remains unchanged.

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

The information on the Group's significant investments held as at 30 June 2025 is as follows:

Investments in Associates

Name of investee	Nature of investment	Registered capital as at 30 June 2025 (RMB'000)	Equity interest (%)	Investment cost (RMB'000)	Carrying amount as at 30 June 2025 (RMB'000)	Percentage to the Group's total asset as at 30 June 2025 (%)	Share of result of associates during the first half year (RMB'000)	Dividend received during the first half year (RMB'000)
Significant investment Wuxi Guojin Factoring Limited ("WXGJ")	Investment in shares	240,000	49%	734,752	785,094	7.44%	22,832	12,422

WXGJ is principally engaged in the provision of supply chain services. Leveraging the business growth opportunities presented by WXGJ, the Group considers it could extend its leading supply chain technology services and inclusive financial solutions to SMEs customers within the ecosystem. This initiative aims to foster additional growth in platform-based service fees, thereby driving further optimization of revenue structure. As of 30 June 2025, the Group's investment in associates amounted to RMB1,524.6 million, representing a year-on-year increase of approximately 12.8% from RMB1,352.1 million as of 30 June 2024. As a key initiative under the platform-based strategy, the development of associates has received further resource support from the shareholders of the associates of the Group. Among them, with additional capital contributions from the co-investing shareholders, WXGJ (a former subsidiary of the Group) became one of the Group's key associates in February 2024 after the capital increase pursuant to the Collaboration Agreement as disclosed in the Company's announcements dated 28 February 2024 and 20 March 2024 and the Company's circular dated 24 April 2024. Furthermore, WXGJ and other key associates of the Group have continued to benefit from strong joint venture shareholders backing and complementary resources, leading to significant growth in business scale and revenue.

Save as disclosed above, the Group did not hold any other significant investments for the six months ended 30 June 2025.



MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As a digital intelligence company specializing in “AI + Industrial Supply Chains”, the Group will continue to explore initiatives to acquire technological capabilities, obtain more comprehensive data insights and open new markets to capitalize on the burgeoning demand for supply chain technology and financial services. Looking ahead, the Group will continue to expand its industrial investment portfolio and to engage with high-potential enterprises with strong technological barriers and commercialization prospects. The Group aims to establish a full-cycle value chain integrating industrial investment and ecosystem service empowerment, seizing opportunities in new productivity sectors and unlocking new business growth drivers.

At the same time, the Group will increase R&D investments, focusing on key areas such as data, AI applications, and computing power, to accelerate the digital and intelligent transformation of industries. By leveraging technology, SY Holdings will empower and support SMEs in their growth, further advancing industrial digitalization and intelligence-driven development.

FOREIGN EXCHANGE RISKS

The Group’s exposure to foreign currency risk related primarily to cash and cash equivalents, pledged bank deposits, other receivables, equity instruments at FVTOCI, trade and other payables, borrowings and lease liabilities that are denominated in HK\$, US\$ and S\$. The Group has entered into foreign currency exchange swap contracts and foreign currency forward contracts during the half year to manage its foreign currency risk exposures arising from certain variable-rate bank borrowings denominated in HK\$ and US\$. The management manages and monitors this exposure to ensure appropriate measures are implemented on a timely and effective manner.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group had a total of 370 staff (31 December 2024: 363 staff). Total staff costs (including Directors’ emoluments) were approximately RMB83.8 million (including share option benefits reversed RMB0.7 million and RSU benefits recognised RMB1.2 million) for the six months ended 30 June 2025 (for the six months ended 30 June 2024: RMB81.9 million, including share option benefits RMB5.1 million and RSU benefits RMB0.9 million). Remuneration is determined by reference to market conditions and the performance, qualifications and experience of individual employees. In light of the Group’s continuous strive to maintain its market position, recruitment and retention of talent is of paramount importance to the future development of the Group. Therefore, the Group is committed to continuously enhancing and optimizing its remuneration and benefits policies to remain competitive. A comprehensive incentive plan has been adopted to reward existing and retain new senior management members and employees. Year-end bonuses are based on individual performance and are paid to employees as recognition of and reward for their contributions. Other benefits include contributions to the statutory mandatory provident fund scheme and social insurance together with housing provident funds for the employees in the PRC (including mainland China and Hong Kong SAR) and Singapore, respectively.

The Group operates a share scheme for the purpose of providing incentives and rewards to eligible directors and employees of the Group, who contribute to the success of the Group’s operations, and to attract suitable personnel for further development of the Group.

Employees in mainland China are covered by the mandatory social security schemes operated by the PRC Government. The Group is required by the PRC laws to contribute a certain percentage of payroll cost to the retirement benefits scheme to fund the benefits.



MANAGEMENT DISCUSSION AND ANALYSIS 21

In Hong Kong, the Group participates in the Mandatory Provident Fund Scheme (the “**MPF Scheme**”) established under the Mandatory Provident Fund Schemes Ordinance (Cap 485 of the Laws of Hong Kong). The assets of the MPF Scheme are held separately from those of the Group and administered by an independent trustee. Under the MPF Scheme, the Group and its employees are each required to make a contribution to the MPF Scheme at 5% of the employees’ relevant monthly income subject to a cap, which is currently set at HK\$1,500.

In Singapore, the Group participates in a defined contribution scheme which is administered by the Central Provident Fund (“**CPF**”) Board in Singapore. Under the CPF, the employer and its employees are each required to make contributions to the fund at the applicable rates of the eligible employees’ salaries.

RECENT DEVELOPMENT OF REGULATORY FRAMEWORK

There was no significant change of the regulatory framework which would have material adverse impacts on the Group’s business and operations during the six months ended 30 June 2025.

The Directors confirmed that the Group will be able to comply with the applicable laws.



CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2025, the interests or short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to provisions set out in Appendix C3 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), to be notified to the Company and the Stock Exchange, were as follows:

Interest in the Company

Name of Director	Capacity/nature of interest	Number and class of securities interested	Percentage of shareholding
Mr. Tung Chi Fung ^(Note 1)	Beneficiary of a trust and settlor of a discretionary trust	561,436,960 (L) ^(Note 2)	55.66%
	Deemed interests of treasury shares held by the Company	521,000 (L) ^(Note 2 and Note 3)	0.05%
Ms. Wang Ying	Share option	582,148 ^(Note 4)	0.06%
Mr. Lo Wai Hung	Beneficial owner	360,000 (L) ^(Note 2)	0.04%
Mr. Fong Heng Boo	Beneficial owner	100,000 ^(Note 4)	0.01%

Notes:

1. Wisdom Cosmos Limited ("Wisdom Cosmos"), a company incorporated in the British Virgin Islands ("BVI"), is the beneficial owner of 561,436,960 shares of the Company, representing approximately 55.66% shareholding interests in the Company. The entire issued share capital of Wisdom Cosmos is owned by Eander Limited ("Eander"), a company incorporated in the BVI, which is in turn wholly owned by TMF (Cayman) Ltd ("TMF Trust"), trustee of the Pak Jeff Trust ("PJ Trust"), an irrevocable reserved power trust established by Mr. Tung. Mr. Tung and his family members are the beneficiaries of the PJ Trust. Under the SFO, Mr. Tung, TMF Trust and Eander are deemed to be interested in all the shares of the Company registered in the name of Wisdom Cosmos.
2. The letter "L" denotes long position of the shares of the Company.
3. As at 30 June 2025, the Company repurchased an aggregate of 521,000 shares for holding as treasury shares. As such, Wisdom Cosmos, Eander, TMF Trust and Mr. Tung as controlling shareholders of the Company are taken to have an interest in 521,000 treasury shares of the Company, representing approximately 0.05% shareholding interests in the Company.
4. This refers to the number of underlying Shares covered by the 2017 share option scheme.

Save as disclosed herein, as at 30 June 2025, none of the Directors or chief executives of the Company or their associates (as defined in the Listing Rules) had any interests and short positions in any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them has taken or deemed to have taken under the provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein; or which were required, pursuant to provisions set out in Appendix C3 of the Listing Rules, to be notified to the Company and the Stock Exchange.



CORPORATE GOVERNANCE AND OTHER INFORMATION 23

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2025, so far as is known to the Directors, the following persons, not being Directors or chief executives of the Company had, or were deemed to have, interests or short position in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register of the Company required to be kept under Section 336 of the SFO; or who is directly or indirectly, to be interested in 5% or more of issued share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name	Capacity/nature of interest	Number and class of securities interested (Note 1 and Note 3)	Percentage of shareholding
TMF Trust ^(Note 2)	Trustee	561,436,960 (L)	55.66%
	Deemed interests of treasury shares held by the Company	521,000 (L)	0.05%
Eander ^(Note 2)	Interest in a controlled corporation	561,436,960 (L)	55.66%
	Deemed interests of treasury shares held by the Company	521,000 (L)	0.05%
Wisdom Cosmos ^(Note 2)	Beneficial owner	561,436,960 (L)	55.66%
	Deemed interests of treasury shares held by the Company	521,000 (L)	0.05%

Notes:

- The letter "L" denotes long position of the shares of the Company.
- Wisdom Cosmos Limited ("**Wisdom Cosmos**"), a company incorporated in the British Virgin Islands ("**BVI**"), is the beneficial owner of 561,436,960 shares of the Company, representing approximately 55.66% shareholding interests in the Company. The entire issued share capital of Wisdom Cosmos is owned by Eander Limited ("**Eander**"), a company incorporated in the BVI, which is in turn wholly owned by TMF (Cayman) Ltd ("**TMF Trust**"), trustee of the Pak Jeff Trust ("**PJ Trust**"), an irrevocable reserved power trust established by Mr. Tung. Mr. Tung and his family members are the beneficiaries of the PJ Trust. Under the SFO, Mr. Tung, TMF Trust and Eander are deemed to be interested in all the shares of the Company registered in the name of Wisdom Cosmos.
- As at 30 June 2025, the Company repurchased an aggregate of 521,000 shares for holding as treasury shares. As such, Wisdom Cosmos, Eander, TMF Trust and Mr. Tung as controlling shareholders of the Company are taken to have an interest in 521,000 treasury shares of the Company, representing approximately 0.05% shareholding interests in the Company

Save as disclosed above, as at 30 June 2025, the Directors are not aware of any other person, other than the Directors and the chief executives of the Company who had, or was deemed to have, interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein; or who is directly or indirectly, to be interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or options in respect of such share capital.



CORPORATE GOVERNANCE AND OTHER INFORMATION

2017 SHARE OPTION SCHEME

On 19 June 2017, the sole shareholder of the Company adopted the share option scheme (the “**2017 Share Option Scheme**”) by way of written resolution which became effective on 6 July 2017 (the “**Listing Date**”). At the annual general meeting of the Company held on 21 May 2024, the Shareholders of the Company approved and adopted a new share scheme (the “**Share Scheme**”) to replace the 2017 Share Option Scheme.

A summary of the 2017 Share Option Scheme is set out below for reference. For further details, please refer to the prospectus of the Company dated 26 June 2017.

(a) Purpose of the 2017 Share Option Scheme

The 2017 Share Option Scheme enables the Company to grant options to subscribe for Shares granted pursuant to the 2017 Share Option Scheme (the “**Options**”) to any full-time or part-time employee of the Company or any member of the Group, including any Executive, Non-executive Directors and Independent Non-executive Directors (the “**INEDs**”), advisors, consultants, professionals, customers, suppliers, agents or partners of the Company or any of the subsidiaries (“**Eligible Persons**”) as incentives or rewards for their contributions to the Group.

(b) Who may join and basis of eligibility

The Board may, at its discretion, invite any Eligible Persons to take up Options at a price calculated in accordance with sub-paragraph (d) below. Upon acceptance of the Option, the Eligible Person shall pay HK\$1.00 to the Company by way of consideration for the grant. The Option will be offered for acceptance for a period of not less than 28 days from the date on which the Option is granted. The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, the Independent Non-executive Directors) from time to time on the basis of his contribution or potential contribution to the development and growth of the Group.

(c) Grant of Option

The total number of Shares issued and to be issued upon exercise of the Options granted to an Eligible Person who accepts or is deemed to have accepted the offer of any Option in accordance with the terms of the 2017 Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Participant (the “**Participant**”) under the 2017 Share Option Scheme and any other 2017 Share Option Schemes adopted by the Group from time to time pursuant to which options to subscribe for Shares may be granted (“**Other Schemes**”) (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the Shares in issue from time to time, and provided that if approved by Shareholders in general meeting with such Participant and his close associates (or his associates if the participant is a connected person) abstaining from voting, the Company may make a further grant of Options to such Participant (the “**Further Grant**”) notwithstanding that the Further Grant would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted under the 2017 Share Option Scheme and Other Schemes to such Participant (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of the Further Grant representing in aggregate over 1% of the Shares in issue from time to time. In relation to the Further Grant, the Company must send a circular to the Shareholders, which discloses the identity of the relevant Participant, the number and the terms of the Options to be granted (and Options previously granted to such Participant under the 2017 Share Option Scheme and Other Schemes) and the information required under the Listing Rules. The number and terms (including the exercise price) of Options which is the subject of the Further Grant shall be fixed before the relevant Shareholders’ meeting and the date of meeting of the Board for proposing the Further Grant should be taken as the date of grant for the purpose of calculating the relevant subscription price.



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(d) Price of Shares

The subscription price for the Shares subject to Options will be a price determined by the Board and notified to each Participant and shall be the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options, which must be a day on which trading of Shares take place on the Stock Exchange ("**Trading Day**"); (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Trading Days immediately preceding the date of grant of the Options; and (iii) the nominal value of a Share. For the purpose of calculating the subscription price, in the event that on the date of grant, the Company has been listed for less than five Trading Days, the Offer Price shall be used as the closing price for any Trading Day falling within the period before the Listing Date.

(e) Maximum number of Shares

- (i) The total number of Shares which may be issued upon the exercise of all Options to be granted under the 2017 Share Option Scheme and Other Schemes must not, in aggregate, exceed 10% of the Shares in issue as at the Listing Date (the "**Scheme Mandate Limit**") provided that Options lapsed in accordance with the terms of the 2017 Shares Option Scheme or Other Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit. On the basis of 740,000,000 Shares in issue on the Listing Date, the Scheme Mandate Limit will be equivalent to 74,000,000 Shares, representing 10% of the Shares in issue as at the Listing Date and approximately 6.95% of the Shares in Issue as at the date of this interim report.
- (ii) Notwithstanding the foregoing, the Company may not grant any Options if the number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the 2017 Share Option Scheme and Other Schemes exceeds 30% of the Shares in issue from time to time.



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(f) Time of exercise of Option

An Option may be exercised in accordance with the terms of the 2017 Share Option Scheme at any time during a period to be determined and notified by the Board to each Participant provided that the period within which the Option must be exercised shall not be more than 10 years from the date of the grant of Option. The exercise of an Option may be subject to the achievement of performance target and/or any other conditions to be notified by the Board to each Participant, which the Board may in its absolute discretion determine.

On 11 September 2017, the Company granted 12,620,000 share options to a director and the employees of the Group to subscribe for the ordinary shares of the Company with an exercise price of HK\$4.20 per share and for a validity period of 5 years. Among the share options granted, 2,000,000 granted options were granted to Mr. Chen Jen-Tse, an Executive Director of the Company as at the date of such grant. All share options granted in 2017 have expired after 10 September 2022.

On 14 November 2018, the Company granted 8,970,000 share options to the directors, employees and other eligible persons of the Group to subscribe for the ordinary shares of the Company with an exercise price of HK\$6.90 per share and for a validity period of 5 years. Among the share options granted, 1,000,000 share options were granted to Mr. Chen Jen-Tse, an Executive Director of the Company as at the date of such grant. Mr. Hung Ka Hai Clement, Mr. Loo Yau Soon and Mr. Tsoon Wai Mun, Benjamin, the INEDs of the Company as at the date of such grant, were granted 200,000 share options each (600,000 share options in total). All share options granted in 2018 have expired after 13 November 2023.

On 15 July 2020, the Company granted 17,400,000 share options to the directors, employees and other eligible persons of the Group to subscribe for the ordinary shares of the Company with an exercise price of HK\$6.68 per share and for a validity period of 5 years. Among the share options granted, 3,000,000 and 400,000 share options were granted to Mr. Tung Chi Fung and Mr. Chen Jen-Tse respectively, the Executive Directors of the Company as at the date of such grant. Mr. Hung Ka Hai Clement, Mr. Loo Yau Soon, Mr. Tsoon Wai Mun, Benjamin and Mr. Fong Heng Boo, the INEDs of the Company as at the date of such grant, were granted 300,000 share options each (1,200,000 share options in total).

On 10 June 2022, the Company granted 11,000,000 share options to a director and the employees of the Group to subscribe for the ordinary shares of the Company with an exercise price of HK\$6.46 per share and for a validity period of 10 years. Among the share options granted, 1,500,000 granted options were granted to Mr. Chen Jen-Tse, an Executive Director of the Company as at the date of such grant.

The grant of granted options to the abovementioned Director has been approved by the INEDs pursuant to the Listing Rules. Save as disclosed above, none of the other grantees is a Director, chief executive or substantial shareholder (as defined under the Listing Rules) of the Company or any of their respective associate(s) (as defined under the Listing Rules) as at the date of grant.



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The following shows the outstanding position as at 30 June 2025 with respect to their granted options granted under the 2017 Share Option Scheme:

	Date of grant	Exercise price	Vesting period	Exercise period	Outstanding at 1 January 2025	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding at 30 June 2025
Mr. Fong Heng Boo	15 July 2020	HK\$6.68	15/7/2020-14/7/2021	15/7/2021-14/7/2025	75,000	-	(75,000)	-	-	-
			15/7/2020-14/7/2022	15/7/2022-14/7/2025	75,000	-	(75,000)	-	-	-
			15/7/2020-14/7/2024	15/7/2024-14/7/2025	150,000	-	(150,000)	-	-	-
					300,000	-	(300,000)	-	-	-
Employees	15 July 2020	HK\$6.68	15/7/2020-14/7/2021	15/7/2021-14/7/2025	1,987,500	-	(1,090,292)	(250,000)	-	647,208
			15/7/2020-14/7/2022	15/7/2022-14/7/2025	2,112,500	-	(387,500)	(350,000)	-	1,375,000
			15/7/2020-14/7/2024	15/7/2024-14/7/2025	4,425,000	-	(975,000)	(700,000)	-	2,750,000
					8,525,000	-	(2,452,792)	(1,300,000)	-	4,772,208
Ms. Wang Ying ^(Notes 1) Appointed as an Executive Director with effect from 29 November 2024	10 June 2022	HK\$6.46	10/6/2022-9/6/2024	10/6/2026-9/6/2032	100,000	-	-	-	-	100,000
			10/6/2022-9/6/2024	10/6/2026-9/6/2032	100,000	-	-	-	-	100,000
			10/6/2022-9/6/2025	10/6/2027-9/6/2032	200,000	-	-	-	-	200,000
					400,000	-	-	-	-	400,000
Employees ^(Note 2)	10 June 2022	HK\$6.46	10/6/2024-9/6/2032	10/6/2026-9/6/2032	1,025,000	-	-	(287,500)	-	737,500
			10/6/2024-9/6/2032	10/6/2026-9/6/2032	1,025,000	-	-	(287,500)	-	737,500
			10/6/2025-9/6/2032	10/6/2027-9/6/2032	2,250,000	-	-	(575,000)	-	1,675,000
					4,300,000	-	-	(1,150,000)	-	3,150,000

Note 1: Ms. Wang Ying and the senior managers have to achieve the performance target set by the Board from time to time on both the Group's level relating to the Group's net profits and the individual level relating to the KPIs set for them with reference to their positions, roles and responsibilities and the Group's expectation on their contribution.

Note 2: The share options granted to certain employees cannot be exercised during the first one or two years from the end of the vesting period.

Note 3: The weighted average closing price of the shares immediately before the dates on which the share options were exercised or vested pursuant to Rule 17.07(1) (d) is HK\$10.71.



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During the six months ended 30 June 2025, (i) no share options were granted; (ii) 8,322,208 granted options were outstanding under the 2017 share option scheme; (iii) 2,752,792 granted options were exercised; (iv) 2,450,000 granted options were lapsed; and (v) no granted options were cancelled.

Pursuant to Rule 17.07(1)(c) of the Listing Rules, the closing prices of the Shares immediately before 15 July 2020 and 10 June 2022, being the dates on which the Options were granted, were HK\$6.60 and HK\$6.32 respectively.

Pursuant to Rule 17.07(2) of the Listing Rules, the total number of share options available for grant under the 2017 Share Option Scheme as at 1 January 2025 and 30 June 2025 was nil.

Pursuant to Rule 17.09(3) of the Listing Rules, the total number of Shares of the Company available for issue under the 2017 Share Option Scheme is 8,322,208 Shares, representing approximately 0.78% of the 1,064,804,792 ordinary Shares of the Company in issue (excluding treasury shares) as at the date of this interim report.

Following the termination of the 2017 Share Option Scheme, no further options will be granted thereunder. None of the share options granted under the 2017 Share Option Scheme will become void or non-exercisable as a result of the termination of the 2017 Share Option Scheme.

RESTRICTED SHARE UNIT (“RSU”) SCHEME

The RSU Scheme is adopted on 6 April 2022 (“**RSU Adoption Date**”). At the annual general meeting of the Company held on 21 May 2024, the Shareholders of the Company approved and adopted the Share Scheme to replace the RSU Scheme.

A summary of the RSU Scheme is set out below for reference. For further details, please refer to the announcement of the Company dated 6 April 2022.

(a) Purpose of the RSU Scheme

The purposes of the RSU Scheme are to (i) to recognize the contributions by the Grantees and to give incentives thereto in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

(b) Who may join and basis of eligibility

Person(s) eligible to receive awards of RSU (“**Awards**”) under the RSU Scheme including who could be existing and former employees, directors or officers of the Company, PRC Operational Entity or other companies in the Group, or any other person selected by the Board or the Remuneration Committee at its sole discretion from time to time.



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(c) Maximum number of RSUs

- (i) Subject to the renewal of the scheme limit, no Award shall be granted pursuant to the RSU Scheme if as a result of such grant (assumed accepted), the aggregate number of Shares underlying all grants made pursuant to the RSU Scheme (excluding Awards that have lapsed or been cancelled in accordance with the rules of the RSU Scheme) shall exceed 2% of the number of Shares in issue as of the RSU Adoption Date (the “**Scheme Mandate Limit**”). On the basis of 1,004,628,500 Shares in issue on the RSU Adoption Date, the Scheme Mandate Limit will be equivalent to 20,092,570 Shares, representing 2% of the Shares in issue as at the RSU Adoption Date and approximately 1.89% of the Shares in issue (excluding treasury shares) as at the date of this interim report.
- (ii) The maximum number of Shares which may be awarded to any one Selected Persons under the Scheme may not exceed 1% of the issued share capital of the Company under the RSU Scheme.

(d) Duration and time of RSUs

Subject to any alteration and amendment of the Scheme, the Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further Awards shall be granted or accepted, but the provisions of the Scheme shall remain in full force and effect in order to give effect to the vesting of Awards granted and accepted prior to the expiration of such period.

The Board or the Remuneration Committee has the sole discretion to determine the vesting schedule and vesting criteria (if any) for any grant of Award(s) to any Grantee, which may also be adjusted and redetermined by the Board from time to time.

(e) Grant of RSUs

On and subject to the rules of the Scheme and all applicable laws and other regulations, the Board or the Remuneration Committee may, within the Scheme Period, determine the Selected Persons to participate the Scheme. The Board or the Remuneration Committee shall, after the selection process, inform the RSU Trustee of the name(s) of the Selected Person(s), the number of Shares underlying the Award(s) to be granted to each of the Selected Person(s), the vesting schedule of the Award(s) and other terms and conditions (if any) that the Award(s) are subject to as determined by the Board or the Remuneration Committee.

Subject to limitations and conditions of the Scheme, the RSU Trustee shall, upon receipt of the notification from the Board or the Remuneration Committee, grant to each of the Selected Persons an offer of grant of Award(s) by way of a grant letter, subject to the conditions that the Board or the Remuneration Committee thinks fit.

Upon the receipt from the Selected Person of a duly executed acceptance notice and the relevant payment, the Award(s) is granted to the Selected Person, who becomes a Grantee in the Scheme.

On 10 June 2022, the Company granted 1,340,000 RSUs to the employees of the Group representing 1,340,000 underlying ordinary shares of the Company.



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Movements of RSU Scheme during the six months ended 30 June 2025 are as follows:

Grantee	Date of grant	Vesting period	Outstanding at 1 January 2025	Granted during the period	Lapsed during the period	Cancelled during the period	Vested during the period	Outstanding at 30 June 2025
Employees	10 June 2022	10/6/2022–9/6/2024	–	–	–	–	–	–
		10/6/2022–9/6/2024	–	–	–	–	–	–
		10/6/2022–9/6/2025	470,000	–	(50,000)	–	(420,000)	–
			470,000	–	(50,000)	–	(420,000)	–

Note: The weighted average closing price of the shares immediately before the dates on which the RSUs were exercised or vested pursuant to Rule 17.07(1)(d) is HK\$11.08.

During the six months ended 30 June 2025, (i) no RSUs were granted; (ii) no granted RSUs were outstanding under the RSU scheme; (iii) 420,000 granted RSUs were vested; (iv) 50,000 granted RSUs were lapsed; and (v) no granted RSUs were cancelled.

Pursuant to Rule 17.07(1) of the Listing Rules, the closing prices of the Shares immediately before 10 June 2022, being the date on which the RSUs were granted, was HK\$6.32.

Pursuant to Rule 17.07(2) of the Listing Rules, the total number of RSUs available for grant under the RSU scheme as at 1 January 2025 and 30 June 2025 was nil.

Pursuant to Rule 17.09(3) of the Listing Rules, the total number of Shares of the Company available for grant and issue under the RSU Scheme is nil as at the date of this interim report.

Following the termination of the RSU Scheme, no further RSUs will be granted thereunder. All RSUs granted prior to such termination and not vested on the date of termination shall remain valid.



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SHARE SCHEME

On 21 May 2024 (“**Adoption Date**”), at the annual general meeting of the Company held on 21 May 2024, the Shareholders of the Company approved and adopted the Share Scheme.

A summary of the Share Scheme is set out below for reference. For further details, please refer to the circular of the Company dated 29 April 2024.

(a) Purpose of the Share Scheme

The purpose of the Share Scheme is to provide incentive to the Eligible Participants (as defined hereunder) in order to promote the development and success of the business of the Group. The Share Scheme will give the Eligible Participants an opportunity to have a personal stake in the Company and will help motivate the Eligible Participants in optimising their performance and efficiency and attract and retain the Eligible Participants whose contributions are important to the long-term growth of the Group.

For the purpose of this section, unless the context otherwise requires:

“Award” means an award granted under the Share Scheme, which may be a Share Option or a Share Award.

“Eligible Participants” means an Employee Participant or Related Entity Participant, and for the purposes of the Share Scheme, the Offer may be made to a vehicle (such as a trust or a private company) or similar arrangement for the benefit of a specified Eligible Participant subject to the fulfilment of requirements of the Listing Rules (including but not limited to a waiver from the Stock Exchange, where applicable).

“Minimum Period” with respect to an Award (which may be Share Option and/or Share Award), the period commences on the offer date and ending on the day immediately prior to the expiry of the twelve (12)-month period thereof.

“Offer” means an offer to an Eligible Participant for the grant of an Award (which may be Share Option and/or Share Award).

“Related Entities” means the holding companies, fellow subsidiaries or associated companies of the Company.

“Related Entity Participants” means the directors and employees (whether full-time, part-time or other employment arrangement) of the Related Entities.



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(b) Eligible Participants and the basis of the eligibility

The Eligible Participants are the Employee Participants and the Related Entity Participants. In determining the basis of eligibility for Employee Participants, the factors in assessing whether any person is eligible to participate in the Share Scheme include: (1) the performance of the Employee Participant; (2) the skill, knowledge, experience, expertise and other personal qualities of the Employee Participant, (3) time commitment, responsibilities or employment conditions of the Employee Participant according to the prevailing market practice and industry standard; (4) the length of employment with the Group; and (5) the contribution or potential contribution of the Employee Participant to the development and growth of the Group.

In determining the basis of eligibility for Related Entity Participants, the Board would take into account, among others:

- (a) the actual degree of involvement of the Related Entity Participant in and/or cooperation with the Group and length of collaborative relationship such Related Entity Participant has established with the Group (e.g. the number of years of collaboration with the Group);
- (b) the positive impacts brought by, or expected from, the Related Entity Participant on the Group's business development in terms of an increase in turnover or profits of the Group and/or an addition of expertise to the Group;
- (c) whether the Related Entity Participant has referred or introduced opportunities to the Group which have materialized into further business relationships;
- (d) whether the Related Entity Participant has assisted the Group in tapping into new markets and/or increased its market share;
- (e) the amount of support, assistance, guidance, advice, efforts and contributions which the Related Entity Participant has exerted and given towards the success of the Group or the Related Entity Participant which is likely to be able to give or make towards the success of the Group in the future; and
- (f) the materiality and nature of the business relation of the holding companies, fellow subsidiaries or associated companies with the Group and the Related Entity Participant's contribution in such holding companies, fellow subsidiaries or associated companies which may benefit the core business of the Group through a collaborative relationship.



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(c) Offer and Acceptance

Subject to and in accordance with the provisions of the Share Scheme and the Listing Rules, the Board shall be entitled (but shall not be bound), at any time and from time to time and within a period, to make an offer to such Eligible Participant as it may, in its absolute discretion, select, and subject to such conditions as the Board may think fit, provided that no such Offer shall be made if a prospectus is required to be issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any applicable laws or if such grant will result in the breach by the Company or any of the Directors of any applicable securities laws and regulations in any jurisdiction.

An Offer shall be made to an Eligible Participant in writing (and unless so made shall be invalid) in such form as the Board may from time to time determine specifying the terms of the Award (which may be Share Option and/or Share Award).

An Offer shall remain open for acceptance by the Eligible Participant concerned (and by no other person, including the Eligible Participant's personal representative) for a period of twenty-one (21) days from the date of the offer. For the avoidance of doubt, the Board may at its discretion specify any condition in the offer letter at the grant of the relevant Award (which may be Share Option and/or Share Award), including conditions and/or performance target(s) that must be achieved before any of such Award can be exercised, as well the clawback mechanism for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants.

An Offer shall be deemed to have been accepted by an Eligible Participant concerned in respect of all the Award Shares which are offered to such Eligible Participant when the duplicate letter comprising acceptance of the Offer duly signed by the Eligible Participant, together with a payment in favour of the Company of HK\$1.00 or such other amount (if any) as may be determined by the Board as consideration for the grant thereof, is received by the Company.

Any Offer may be accepted by an Eligible Participant in respect of less than the number of Award Shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. The relevant Award Shares offered but not accepted shall lapse.



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(d) Vesting Period

Save for the circumstances prescribed below and if there is an event of change in control of the Company (the particulars as set out in the Share Scheme), an Award (which may be Share Option and/or Share Award) must be held by the Grantee for a period that is not shorter than the Minimum Period before the Award can be exercised.

The Board may at its absolute discretion grant Awards (which may be Share Options and/or Share Awards) to Employee Participants only with a vesting period shorter than the Minimum Period in the following specific circumstances:

- (1) grants of “make-whole” Awards to new joiners to replace the award shares they forfeited when leaving the previous employers;
- (2) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- (3) grants that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch;
- (4) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months; or
- (5) grants with performance-based vesting conditions in lieu of time-based vesting criteria,

each of which are considered appropriate to provide flexibility to grant Awards (a) as part of competitive terms and conditions to induce valuable talent to join the Group (sub-paragraphs (1) and (4)); (b) reward past contribution which may otherwise be neglected due to administrative or technical reasons (sub-paragraphs (2) and (3)); (c) reward exceptional performers with accelerated vesting (sub-paragraph (4)); (d) to motivate exceptional performers based on performance metrics rather than time (sub-paragraph (5)); and (e) in exceptional circumstances where justified (sub-paragraphs (1) to (5)), which is consistent with the purpose of the Share Scheme.

(e) Exercise Price and Issue Price

The Exercise Price shall, subject to any adjustment made pursuant to the terms of the Share Scheme, be determined by the Board at its absolute discretion, provided that it shall be not less than the highest of: (i) the closing price of the Shares as shown in the daily quotations sheet of the Stock Exchange on the offer date, which must be a Business Day; (ii) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) consecutive days on which the Shares are traded on the Stock Exchange immediately preceding the offer date; and (iii) the nominal value of the Share on the offer date

The Issue Price shall be such price determined by the Board in its absolute discretion and notified to the Grantee in the offer letter. For the avoidance of doubt, the Board may determine the Issue Price to be nil.



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(f) Maximum number of Shares

The total number of Shares which may be issued in respect of all Awards (which may be Share Options and/or Share Awards) which may be granted at any time under the Share Scheme together with options and awards which may be granted under any other schemes of the Company shall not exceed such number of Shares as equals 10% of the Shares in issue (excluding treasury shares) as at the Adoption Date (the “**Scheme Mandate Limit**”). Awards (including Share Options and Share Awards) lapsed in accordance with the terms of the Share Scheme (and other schemes of the Company) will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. On the basis of 989,750,000 Shares in issue on the Adoption Date, the Scheme Mandate Limit will be equivalent to 98,975,000 Shares, representing 10% of the Shares in issue as at the Adoption Date and approximately 9.30% of the Shares in issue (excluding treasury shares) as at the date of this interim report.

If the Company conducts a share consolidation or sub-division after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under all of the schemes of the Company under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or sub-division shall be the same, rounded to the nearest whole share.

Subject to the approval of Shareholders in general meeting, the Company may refresh the Scheme Mandate Limit under the Share Scheme on or after the third (3rd) anniversary of the date of the Shareholders’ approval for the last refreshment or the Adoption Date. The total number of Shares which may be issued upon exercise of all (i) the Awards (including Share Options and Share Awards) under the Share Scheme and (ii) the options and awards to be granted under any other schemes of the Company as “refreshed” must not exceed 10% of the Shares in issue (excluding treasury shares) as at the date of approval of the refreshment. For the purpose of seeking approval of the Shareholders under the refreshment, the Company must send a circular to the Shareholders containing the information required under the Listing Rules; and any refreshment within any three (3)-year period shall be subject to independent Shareholders’ approval pursuant to Rule 17.03C(1)(b) and (c) of the Listing Rules.

(g) Grant of Share Options and/or Share Awards to a Director, Chief Executive or Substantial Shareholder of the Company or any of their Respective Associates

Any grant of an Award (which may be Share Option and/or Share Award) to a Director, a chief executive of the Company or substantial shareholder (as defined under the Listing Rules), or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who or whose associate is the proposed Grantee of the Award).

(a) Where any grant of an Award (which may be Share Option and/or Share Award) to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) to such person in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 0.1% of the Shares in issue (excluding treasury shares), or (b) where any grant of Share Awards (i.e., excluding grant of Share Options) to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the shares issued and to be issued in respect of all awards granted (excluding any Awards lapsed in accordance with the terms of the relevant schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding treasury shares) at the date of such grant, such grant of Award (which may be Share Option and/or Share Award) must be approved by the Shareholders in a general meeting of the Company.



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(h) Maximum Entitlement of each Eligible Participant

Where any grant of an Award (which may be Share Option and/or Share Award) to an Eligible Participant would result in the Shares issued and to be issued in respect of all options and awards granted to such Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 1% of the Shares in issue (excluding treasury shares), such grant must be separately approved by the Shareholders in a general meeting of the Company with such Eligible Participant and the person's close associates (or associates if the Eligible Participant is a connected person) abstaining from voting.

The Company must send a circular to the Shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the Awards (which may be Share Options and/or Share Awards) to be granted (and Awards previously granted to such Eligible Participant during the twelve (12)-month period), the purpose of granting the Awards (which may be Share Options and/or Share Awards) to the Eligible Participant, an explanation as to how the terms of such Awards serve such purpose and such information as may be required by the Stock Exchange from time to time. The number and terms (including the Exercise Price or Issue Price) of such Award to be granted to such Eligible Participant must be fixed before the Shareholders' approval. For the grant of Share Options, the date of the meeting of the Board for proposing such grant should be taken as the offer date for the purpose of calculating the Exercise Price.

(i) Time of Exercise of Options

Subject to the terms of the Share Scheme, an Award may be exercised in whole or in part at any time during the period stipulated in the Offer, provided that such period shall not go beyond the day immediately prior to the tenth (10th) anniversary of the offer date with respect of the relevant Award. The Board may at its discretion determine and provide in the offer letter at the grant of the relevant Award any performance target(s) as the Board may then specify which must be achieved by the Grantee before any of the Awards (which may be Share Options and/or Share Awards) can be exercised, as well as the clawback mechanism for the Company to recover or withhold any Share Options or Share Awards granted to any Eligible Participants.



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On 29 November 2024, the Company granted 319,921 share options to a director and the employees of the Group to subscribe for the ordinary shares of the Company with an exercise price of HK\$7.25 per share and for a validity period of 10 years. Among the share options granted, 99,336 granted options were granted to Ms. Wang Ying, an Executive Director of the Company.

On 24 March 2025, the Company granted 259,580 share options to a director and the employees of the Group to subscribe for the ordinary shares of the Company with an exercise price of HK\$12.88 per share and for a validity period of 10 years. Among the share options granted, 82,812 granted options were granted to Ms. Wang Ying, an Executive Director of the Company.

The grant of granted options to the abovementioned Director has been approved by the INEDs pursuant to the Listing Rules. Save as disclosed above, none of the other grantees is a Director, chief executive or substantial shareholder (as defined under the Listing Rules) of the Company or any of their respective associate(s) (as defined under the Listing Rules) as at the date of grant.

The following shows the outstanding position as at 30 June 2025 with respect to their granted options granted under the Share Scheme:

Grantee	Date of grant	Exercise price	Vesting period	Exercise period	Outstanding at 1 January 2025	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding at 30 June 2025
Ms. Wang Ying ^(Note 2)	29 November 2024	HK\$7.25	29/11/2024 – 29/11/2025	29/11/2025 – 29/11/2034	99,336	–	–	–	–	99,336
Employees ^(Note 2)	29 November 2024	HK\$7.25	29/11/2024 – 29/11/2025	29/11/2025 – 29/11/2034	220,585	–	–	–	–	220,585
Ms. Wang Ying ^(Note 2)	24 March 2025	HK\$12.88	24/3/2025 – 24/3/2026	24/3/2026 – 24/3/2036	–	82,812	–	–	–	82,812
Employees ^(Note 2)	24 March 2025	HK\$12.88	24/3/2025 – 24/3/2026	24/3/2026 – 24/3/2036	–	176,768	–	–	–	176,768

Note 1: No options were exercised or vested during the period. Therefore, the weighted average closing price of the shares immediately before the dates on which the options or awards were exercised or vested pursuant to Rule 17.07(1)(d) is not available.

Note 2: The vesting of the Share Options is subject to the satisfaction of certain performance targets and the conduct of the Grantees. The performance target is related to individual performance indicators relevant to the Grantees' roles and responsibilities.

During the six months ended 30 June 2025, (i) 259,580 share options were granted; (ii) 579,501 granted options were outstanding; (iii) no granted options were exercised; (iv) no granted options were lapsed; and (v) no granted options were cancelled under the Share Scheme.

Pursuant to Rule 17.07(1)(c) of the Listing Rules, the closing prices of the Shares immediately before 29 November 2024 and 24 March 2025, being the date on which the share options were granted, were HK\$7.25 and HK\$12.88, respectively.

Pursuant to Rule 17.07(2) of the Listing Rules, the total number of share options and share awards available for grant under the Share Scheme as at 1 January 2025 and 30 June 2025 were 98,655,079 and 98,395,499, respectively.

Pursuant to Rule 17.09(3) of the Listing Rules, the total number of Shares of the Company available for issue under the Share Scheme is 98,975,000 Shares, representing approximately 9.30% of the 1,064,804,792 ordinary Shares of the Company in issue (excluding treasury shares) as at the date of this interim report.

Pursuant to Rule 17.09(9) of the Listing Rules, as at 30 June 2025, the remaining term of the Share Scheme is about 8 years and 10 months.



CORPORATE GOVERNANCE AND OTHER INFORMATION

Pursuant to Rule 17.07(3) of the Listing Rules, the total number of shares that may be issued in respect of share options, RSUs and/or awards granted under the 2017 Share Option Scheme, the RSU Scheme and the Share Scheme during the six months ended 30 June 2025 divided by the weighted average number of shares of the relevant class in issue (excluding treasury shares) for the same financial year was 0.99%.

Information on the fair value of and accounting policy for share options, RSUs and/or awards granted under the schemes are provided in note 36 to the consolidated financial statements.

Apart from the aforesaid, at no time during the Reporting Period was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

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

During the Reporting Period, the Company and its subsidiaries did not purchase, sell or redeem any listed securities of the Company (including treasury shares).

As at 30 June 2025, the Company held 521,000 treasury shares, representing approximately 0.05% of the Company's shares in issue. The Company intends to use the treasury shares, when the Company considers it to be necessary and expedient, for (i) the settlement of the underlying shares upon the exercise and/or vesting of share awards pursuant to the share schemes adopted by the Company; (ii) the settlement of part or total consideration of transactions conducted by the Group from time to time; and (iii) the sale of treasury shares subject to the compliance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST IN COMPETING INTERESTS OR CONFLICT OF INTEREST

For the six months ended 30 June 2025, the Directors are not aware of any business or interest of the Directors, the substantial shareholders of the Company and their respective associates (as defined in the Listing Rules) that competes or is likely to compete, either directly or indirectly, with the business of the Group and any other conflicts of interests which any such person has or may have with the Company.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with the provisions set out in Appendix C3 of the Listing Rules. Having made specific enquiries of all the Directors, all the Directors have confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions adopted by the Company during the period from the Listing Date to the date of this interim report.

CHANGES IN INFORMATION OF DIRECTORS

During the six months ended 30 June 2025, there is no change in the Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.



CORPORATE GOVERNANCE AND OTHER INFORMATION

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PERMITTED INDEMNITY

Pursuant to the articles of association of the Company, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all liabilities (to the fullest extent permitted by the Companies Ordinance) which he/she may incur in or about the execution of the duties of his/her office or otherwise in relation thereto. The Company has taken out insurance against all liabilities associated with defending any proceedings which may be brought against the Directors and other officers of the Company.

MANAGEMENT CONTRACTS

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the Company's business was entered into or existed during the first half of 2025.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this interim report, at least 25% of the Company's total issued shares was held by the public throughout the six months ended 30 June 2025 and thereafter up to the date of this interim report.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the relevant laws of the Cayman Islands and there is no restriction against such rights which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

TAX RELIEF

The Directors are not aware of any tax relief available to the Shareholders of the Company by reason of their holding of the Company's securities.

CORPORATE GOVERNANCE

During the six months ended 30 June 2025, the Company has complied with the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules.

The Directors are committed to achieving high standards of corporate governance with a view to safeguarding the interests of the Shareholders. To accomplish this, the Group will continue to comply with the Corporate Governance Code as set out in Appendix C 1 to the Listing Rules and the associated Listing Rules (the "CG Code").

The shares of the Company were successfully listed on GEM on 6 July 2017 and were transferred to the Main Board on 24 October 2019. To the best knowledge of the Board, the Company had complied with the code provisions in the CG Code during the period from the Listing Date to 30 June 2025.



CORPORATE GOVERNANCE AND OTHER INFORMATION

CONTINUING DISCLOSURE UNDER RULE 13.22 OF THE LISTING RULES

Pursuant to Rule 13.22 of the Listing Rules, a combined statement of financial position of those affiliated companies with financial assistance given by the Group and guarantee given by the Group for facilities granted to them, and the Group's attributable interests in those affiliated companies as at 30 June 2025, are presented as follows:

	Combined statement of financial position (RMB'000)	The Group's attributable interests (RMB'000)
Non-current assets	90,598	38,653
Current assets	18,100,651	7,707,574
Current liabilities	(14,814,351)	(6,337,375)
Total assets less current liabilities	3,376,898	1,408,852
Non-current liabilities	(442,366)	(154,409)
Net assets	2,934,532	1,254,443

The combined statement of financial position of the affiliated companies was prepared by combining their statements of financial position, after making adjustments to conform with the Group's significant accounting policies and regrouping into significant classification in the statement of financial position, as at 30 June 2025.

AUDIT COMMITTEE

The Company established the Audit Committee on 19 June 2017 with written terms of reference in compliance with Rules 3.21 to 3.24 of the Listing Rules and paragraph D.3 of the CG Code as set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are mainly to make recommendations to the Board on the appointment and removal of the external auditors; review the financial statements and provide material advice in respect of financial reporting; and oversee the internal control and risk management procedures of the Company. The Audit Committee currently consists of three members, namely Mr. Tang King San Terence, Mr. Lo Wai Hung and Ms. Chan Yuk Ying Phyllis. The Chairman of the Audit Committee is Mr. Tang King San Terence.

The Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2025 and the interim report have been reviewed by the Audit Committee. The Board is of the opinion that such financial information has been prepared in compliance with the applicable accounting standards, the requirements under the Listing Rules and any other applicable legal requirements, and that adequate disclosures have been made.

The Company's independent auditor, Deloitte Touche Tohmatsu, has reviewed the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2025 in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".



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EVENT AFTER THE REPORTING PERIOD

The term of office of Mr. Fong Heng Boo (“**Mr. Fong**”) as an independent non-executive Director (“**INED**”) has expired on 6 September 2025. He has retired from this position with effect from the same date in order to devote more time to his individual and family affairs.

Following the expiration of his term of office as an INED, Mr. Fong has also retired from his position as a member of the Audit Committee of the Company with effect from 6 September 2025. The Board is pleased to announce that Ms. Chan Yuk Ying Phyllis has been appointed as a member of the Audit Committee of the Company with effect from 6 September 2025.

For further details, please refer to the Company’s announcement dated 5 September 2025.

On 3 September 2025 (before trading hours), the Company and Guotai Junan Securities (Hong Kong) Limited (the “**2025 September Placement Agent**”) entered into a placement agreement pursuant to which the Company conditionally agreed to place, through the 2025 September Placement Agent on a best effort basis, a maximum of 56,286,000 ordinary shares at a price of HKD10.66 per share (the “**2025 September Placement**”). The placing shares were allotted and issued pursuant to the Company’s general mandate, and the 2025 September Placement was completed on 10 September 2025.

For further details, please refer to the Company’s announcements dated 3 September 2025 and 10 September 2025.

Save as disclosed above, the Company had no other significant subsequent event after the reporting period.

By order of the Board
SY Holdings Group Limited
Tung Chi Fung
Chairman

Hong Kong SAR, China, 22 September 2025

The English transliteration of the Chinese name(s) in this interim report, where indicated with “”, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*

Unless otherwise stated, translation of RMB into HK\$ is based on the approximate exchange rate of RMB1.00 to HK\$1.10 for information purpose only. Such translation should not be construed as a representation that the relevant amounts have been, could have been, or could be converted at that or any other rate or at all.

If there is any inconsistency in this interim report between the Chinese and English versions, the English version shall prevail.



REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF SY HOLDINGS GROUP LIMITED

盛業控股集團有限公司

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of SY Holdings Group Limited (the “Company”) and its subsidiaries set out on pages 43 to 84, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” as issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

15 August 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

Six months ended 30 June			
	NOTES	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue from platform-based technology services	4	210,641	153,779
Income from digital financing solutions	4	194,021	275,038
Gain on refinancing of supply chain assets upon derecognition	4	428	7,233
Revenue and income from principal activities		405,090	436,050
Other income		28,021	38,165
Other gains and losses	5	(5,443)	27,153
Staff costs		(73,708)	(69,127)
Depreciation and amortisation	8	(19,057)	(15,003)
Other costs and operating expenses		(30,393)	(24,138)
Impairment losses under expected credit loss ("ECL") model, net of reversal	17	10,065	(21,285)
Finance costs	6	(122,599)	(185,414)
Share of profit of associates		78,994	40,702
Profit before taxation		270,970	227,103
Taxation	7	(68,011)	(61,977)
Profit for the period	8	202,959	165,126
Attributable to:			
– Owners of the Company		199,841	155,322
– Non-controlling interests		3,118	9,804
		202,959	165,126
Earnings per share	11		
– Basic (RMB cents)		20	16
– Diluted (RMB cents)		20	16



CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	NOTES	Six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Profit for the period	8	202,959	165,126
Other comprehensive income (expense) ("OCI"):			
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value gain on investments in equity instruments at fair value through OCI ("FVTOCI")		2,443	381
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		(226)	54
Fair value loss, net of ECL and reclassification of FVTOCI reserves upon derecognition on:			
– supply chain assets at FVTOCI	9	(833)	(1,058)
Income tax relating to items that may be reclassified subsequently		212	265
Share of other comprehensive income of associates, net of related income tax		–	173
Reclassification of FVTOCI reserve upon disposal of subsidiaries, net of related income tax		–	3,145
		(847)	2,579
Other comprehensive income for the period, net of income tax		1,596	2,960
Total comprehensive income for the period		204,555	168,086
Attributable to:			
– Owners of the Company		201,437	162,724
– Non-controlling interests		3,118	5,362
		204,555	168,086

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2025

	NOTES	30.6.2025 RMB'000 (Unaudited)	31.12.2024 RMB'000 (Audited)
Non-current assets			
Property and equipment	12	247,283	159,452
Right-of-use assets		88,346	91,733
Investment property		29,729	30,170
Goodwill	12	464,965	464,965
Intangible assets	12	259,840	263,042
Investments in associates	13	1,524,606	1,504,285
Deferred tax assets	14	2,591	4,587
Other financial assets at fair value through profit or loss ("FVTPL")	15(b)	542,196	470,450
Supply chain assets at FVTOCI	16	1,027	2,049
Equity instruments at FVTOCI		107,931	62,711
Trade and bill receivables	18(a)	9,414	13,823
Other receivables, prepayments and others	18(b)	512,848	18,534
		3,790,776	3,085,801
Current assets			
Derivative financial instruments	15(a)	4,386	14,189
Other financial assets at FVTPL	15(b)	196,678	339,760
Supply chain assets at FVTOCI	16	3,165,374	4,889,258
Loans to an associate	26	198,850	198,201
Loan receivable		466,522	–
Receivables from refinancing of supply chain assets upon derecognition		–	4,128
Receivables from guarantee customers		3,271	6,084
Trade and bill receivables	18(a)	40,818	37,760
Other receivables, prepayments and others	18(b)	109,544	106,337
Contract costs		981	385
Time deposits		40,960	–
Pledged bank deposits		1,814,762	1,401,405
Cash and cash equivalents		712,791	515,614
		6,754,937	7,513,121



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2025

	NOTES	30.6.2025 RMB'000 (Unaudited)	31.12.2024 RMB'000 (Audited)
Current liabilities			
Loans from related parties	26	1,898,639	2,236,530
Trade and other payables	19	1,516,367	465,813
Derivative financial instruments	15(a)	–	5,529
Contract liabilities		135,701	73,326
Income tax payable		53,141	40,532
Liabilities arising from guarantee contracts	20	53,675	59,981
Borrowings	21	2,660,748	2,716,219
Other financial liabilities at FVTPL	15(c)	319,449	273,336
Lease liabilities		5,682	10,208
		6,643,402	5,881,474
Net current assets		111,535	1,631,647
Non-current liabilities			
Derivative financial instruments		3,018	–
Liabilities arising from guarantee contracts	20	4,259	4,133
Borrowings	21	182,674	183,301
Other financial liabilities at FVTPL	15(c)	–	295,465
Lease liabilities		–	531
Deferred tax liabilities	14	136,327	119,636
		326,278	603,066
Net assets		3,576,033	4,114,382
Capital and reserves			
Share capital	22	8,735	8,547
Reserves		3,524,718	4,062,046
Equity attributable to owners of the Company		3,533,453	4,070,593
Non-controlling interests		42,580	43,789
Total equity		3,576,033	4,114,382

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Attributable to owners of the Company												
	Share capital RMB'000	Treasury stock RMB'000	Share premium RMB'000	Share held for restricted share unit scheme ("RSU Scheme") RMB'000	Capital reserves RMB'000	FVTOCI reserves/ revaluation reserves RMB'000 (note i)	Translation reserve RMB'000	Share-based payments reserve RMB'000	Statutory reserve RMB'000 (note ii)	Retained profits RMB'000	Subtotal RMB'000	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2025 (unaudited)	8,547	(2,151)	1,865,201	(59,154)	(85,313)	27,158	(199)	27,256	394,243	1,895,005	4,070,593	43,789	4,114,382
Profit for the period	-	-	-	-	-	-	-	-	-	199,841	199,841	3,118	202,959
Other comprehensive income (expense) for the period	-	-	-	-	-	1,822	(226)	-	-	-	1,596	-	1,596
Total comprehensive income (expense) for the period	-	-	-	-	-	1,822	(226)	-	-	199,841	201,437	3,118	204,555
Issue of new shares from placing (note 22)	162	-	194,360	-	-	-	-	-	-	-	194,522	-	194,522
Transaction costs attributable to issue of new shares from placing (note 22)	-	-	(341)	-	-	-	-	-	-	-	(341)	-	(341)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(4,327)	(4,327)
Recognition of equity-settled share-based payments	-	-	-	-	-	-	-	492	-	-	492	-	492
Lapse of share options	-	-	-	-	-	-	-	(2,435)	-	2,435	-	-	-
Dividends recognised as distribution (note 10)	-	-	(950,653)	-	-	-	-	-	-	-	(950,653)	-	(950,653)
Exercise of share options/RSU	26	-	22,186	2,132	-	-	-	(6,941)	-	-	17,403	-	17,403
At 30 June 2025 (unaudited)	8,735	(2,151)	1,130,753	(57,022)	(85,313)	28,980	(425)	18,372	394,243	2,097,281	3,533,453	42,580	3,576,033



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

Attributable to owners of the Company

	Share capital RMB'000	Treasury stock RMB'000	Share premium RMB'000	Share held for restricted share unit scheme ("RSU Scheme") RMB'000	Capital reserves RMB'000	FVTOCI reserves/ revaluation reserves RMB'000 (note i)	Translation reserve RMB'000	Share-based payments reserve RMB'000	Statutory reserve RMB'000 (note ii)	Retained profits RMB'000	Subtotal RMB'000	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2024 (unaudited)	8,559	(1,009)	2,109,563	(59,444)	(87,181)	24,745	(233)	24,416	321,086	1,586,064	3,926,566	136,721	4,063,287
Profit for the period	-	-	-	-	-	-	-	-	-	155,322	155,322	9,804	165,126
Other comprehensive income (expense) for the period	-	-	-	-	-	7,348	54	-	-	-	7,402	(4,442)	2,960
Total comprehensive income for the period	-	-	-	-	-	7,348	54	-	-	155,322	162,724	5,362	168,086
Purchase of shares under RSU Scheme	-	-	-	(2,188)	-	-	-	-	-	-	(2,188)	-	(2,188)
Repurchase of shares	-	(6,124)	-	-	-	-	-	-	-	-	(6,124)	-	(6,124)
Cancellation of treasury stock	(12)	5,315	(5,303)	-	-	-	-	-	-	-	-	-	-
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(742)	(742)
Disposal of subsidiaries (note 27)	-	-	-	-	-	-	-	-	-	-	-	(101,191)	(101,191)
Recognition of equity-settled share-based payments	-	-	-	-	-	-	-	6,016	-	-	6,016	-	6,016
Dividends recognised as distribution (note 10)	-	-	(239,333)	-	-	-	-	-	-	-	(239,333)	-	(239,333)
Exercise of RSU	-	-	227	2,478	-	-	-	(2,162)	-	-	543	-	543
At 30 June 2024 (unaudited)	8,547	(1,818)	1,865,154	(59,154)	(87,181)	32,093	(179)	28,270	321,086	1,741,386	3,848,204	40,150	3,888,354

Notes:

- (i) FVTOCI reserves attributable to owners of the Company represent (i) fair value changes, net of ECL and reclassification adjustments on FVTOCI after tax; (ii) share of FVTOCI reserves of an associate; (iii) investment revaluation reserves.
- (ii) Pursuant to the articles of association of the subsidiaries established in the People's Republic of China ("PRC"), they are required to appropriate 10% of their profit after taxation in accordance with the relevant accounting rules and financial regulations of the PRC before any distribution of dividends to owners each year to the statutory reserves until the balance reaches 50% of their registered capital.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

Six months ended 30 June

	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
NET CASH FROM OPERATING ACTIVITIES	3,559,530	574,566
INVESTING ACTIVITIES		
Proceeds from disposal of other financial assets at FVTPL	2,251,601	910,072
Security deposit for loan receivables received	210,000	–
Repayments from loans to associates	70,000	120,222
Dividends received from associates	58,673	6,465
Repayment of a loan receivable	33,908	6,264
Proceeds from time deposits	–	107,766
Net cash outflow on disposal of subsidiaries (note 27)	–	(206,936)
Payment for development costs and purchase of other intangible assets	(10,130)	(12,415)
Placement of time deposits	(40,960)	–
Purchase of equity instruments at FVTOCI	(42,977)	(1,300)
Advances of loans to an associate	(70,000)	(105,000)
Security deposits paid for performance commitments	(113,937)	–
Payment of contingent consideration	(400,000)	–
Purchase of property and equipment	(441,994)	(30,365)
Advances of a loan receivable	(510,472)	(6,262)
Purchase of other financial assets at FVTPL	(2,183,039)	(1,026,776)
Other investing cash flows	(4,827)	38,394
NET CASH USED IN INVESTING ACTIVITIES	(1,194,154)	(199,871)



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
FINANCING ACTIVITIES		
Loans raised from related parties	1,823,696	2,800,161
New borrowings raised	1,326,672	1,720,050
Withdrawal of pledged bank deposits for borrowings	921,529	503,397
Issue of placing shares	194,181	–
Proceeds from other financial liabilities at FVTPL	153,445	–
Repayment of other financial liabilities at FVTPL	(14,502)	(63,902)
Interest paid for borrowings	(57,964)	(110,253)
Interest paid for loans from related parties	(102,095)	(79,911)
Dividends paid to the shareholders of the Company	(349,510)	(239,333)
Placement of pledged bank deposits for borrowings	(1,276,000)	(681,414)
Repayment of loans from related parties	(2,138,413)	(1,979,360)
Repayment of borrowings	(2,669,594)	(2,219,803)
Other financing cash flows	16,840	62,251
NET CASH USED IN FINANCING ACTIVITIES	(2,171,715)	(288,117)
NET INCREASE IN CASH AND CASH EQUIVALENTS	193,661	86,578
CASH AND CASH EQUIVALENTS AT 1 JANUARY	515,614	658,210
Effect of foreign exchange rate changes	3,516	(3,734)
CASH AND CASH EQUIVALENTS AT 30 JUNE	712,791	741,054

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

Other than change in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to a HKFRS Accounting Standard in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. SEGMENT INFORMATION

The chief operating decision maker (“CODM”), being the executive directors of the Company, have determined that no segment information is presented other than entity wide disclosures throughout the reporting period, as the Group is principally engaged in providing platform-based technology services, digital financing solutions and sales of supply chain assets services mainly in the PRC, and the CODM, reviews the condensed consolidated financial position and results of the Group as a whole for the purposes of allocating resources and assessing performance of the Group.

The Company is an investment holding company and the principal place of the Group’s operation is mainly in the PRC. Most of the Group’s revenue, income and major non-current assets are principally derived from or located in the PRC.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

4. REVENUE AND INCOME FROM PRINCIPAL ACTIVITIES

In the current period, the name of “gain on sales of supply chain assets” was changed to “gain on refinancing of supply chain assets upon derecognition”. Prior period disclosures have been re-presented to conform with the current period’s presentation.

Revenue and income from principal activities for the period represents income received and receivable mainly from the provision of platform-based technology services, digital financing solutions and refinancing of supply chain assets in the PRC.

(i) Disaggregation of revenue from platform-based technology services

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Technology service for loan facilitation	97,825	100,997
Referral service	92,577	50,913
Digital ecosystem services	12,517	–
Technology service for asset-backed securitisation (“ABS”) products	3,561	1,038
AI-powered information services	427	–
Other services	3,734	831
	210,641	153,779

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

4. REVENUE AND INCOME FROM PRINCIPAL ACTIVITIES (continued)

(i) Disaggregation of revenue from platform-based technology services (continued)

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Timing of revenue recognition		
Over time		
– Technology service for loan facilitation	97,825	100,997
– Digital ecosystem services	12,517	–
– Other services	3,734	831
	114,076	101,828
A point in time		
– Referral service	92,577	50,913
– Technology service for ABS products	3,561	1,038
– AI-powered information services	427	–
	96,565	51,951
	210,641	153,779

(ii) Income from digital financing solutions

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Interest income from supply chain assets	169,122	257,652
Guarantee income	24,251	16,469
Interest income from contracts containing significant financing components	648	917
	194,021	275,038



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

4. REVENUE AND INCOME FROM PRINCIPAL ACTIVITIES (continued)

(iii) Gain on refinancing of supply chain assets upon derecognition

For the six months ended 30 June 2025 and 2024, the Group sold part of supply chain assets to certain financial institutions mainly in the PRC. Refinancing of supply chain assets gave rise to full derecognition of the supply chain assets pursuant to the terms of sale agreements signed between the Group and relevant financial institutions.

5. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net (loss) gain from changes in fair value of financial assets and financial liabilities at FVTPL	(2,877)	30,006
Gain on disposal of subsidiaries (note 27)	–	5,177
Gain from modification of lease contracts	–	25
Loss on disposal of equipment	(22)	(9)
Exchange loss, net	(2,772)	(7,764)
Others	228	(282)
	(5,443)	27,153

6. FINANCE COSTS

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Interest on loans from related parties	78,921	71,970
Interest on borrowings	45,270	112,915
Interest on lease liabilities (note)	242	529
Total finance costs	124,433	185,414
Less: amounts capitalised in the cost of buildings under construction	(1,834)	–
	122,599	185,414

Note: Details of the interest on lease liabilities in relation to related parties are set out in note 26.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

7. TAXATION

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
The charge comprises:		
Current tax		
– PRC Enterprise Income Tax ("EIT")	47,846	65,801
– Withholding tax levied on dividend declared of a PRC subsidiary	1,246	–
– Withholding tax levied on interest income of a Hong Kong subsidiary	20	65
	49,112	65,866
Deferred tax (note 14)	18,899	(3,889)
	68,011	61,977

No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements as the Group's operation in Hong Kong had no assessable profit during both periods.

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods. Certain PRC subsidiaries enjoy preferential tax rate of 15% according to approval from local tax bureau.

Withholding tax has been provided for the current interim period in the condensed consolidated financial statements, and details are set out in note 14.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

8. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging (crediting) the following items:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Amortisation of intangible assets	13,332	8,243
Depreciation of right-of-use assets	5,665	6,520
Depreciation of property and equipment	698	878
Depreciation of investment property	441	441
Total depreciation and amortisation	20,136	16,082
Less: amount capitalised in buildings under construction	(1,079)	(1,079)
Depreciation and amortisation recognised in profit or loss	19,057	15,003
Research and development costs	8,980	8,458

9. OTHER COMPREHENSIVE INCOME (EXPENSE)

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Supply chain assets measured at FVTOCI		
– Fair value changes during the period, net of ECL	(405)	6,175
– Reclassification adjustment to profit or loss on derecognition	(428)	(7,233)
	(833)	(1,058)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

10. DIVIDENDS

Dividends for ordinary shareholders of the Company recognised as distribution during the period:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 HK\$'000 (Unaudited)
2024 final – RMB34.7 cents (2024: 2023 final – HK26.9 cents) per share	349,504	262,893
2025 special dividend – RMB59.6 cents (2024: nil) per share	601,149	–
	950,653	262,893

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Shown in the condensed consolidated financial statements	950,653	239,333

11. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Earnings:		
Profit for the period attributable to owners of the Company for the purpose of basic and diluted earnings per share	199,841	155,322



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

11. EARNINGS PER SHARE (continued)

	Six months ended 30 June	
	2025 '000 (Unaudited)	2024 '000 (Unaudited)
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share	980,234	979,697
Effect of dilutive potential ordinary shares:		
Share options/RSU Scheme	3,837	260
Weighted average number of ordinary shares for the purpose of diluted earnings per share	984,071	979,957

12. MOVEMENTS IN PROPERTY AND EQUIPMENT/GOODWILL/INTANGIBLE ASSETS

During the current interim period, the Group: i) disposed of equipment with an aggregate carrying amount of RMB25,000 (six months ended 30 June 2024: RMB13,000) for cash proceeds of RMB3,000 (six months ended 30 June 2024: RMB4,000), resulting in a loss on disposal of RMB22,000 (six months ended 30 June 2024: RMB9,000), ii) incurred RMB88,056,000 (six months ended 30 June 2024: RMB60,047,000) for construction costs for a new office premise and RMB498,000 (six months ended 30 June 2024: RMB596,000) for acquisition of equipment, iii) incurred RMB10,127,000 (six months ended 30 June 2024: RMB12,276,000) development costs for development of online platform and acquired software system at a cash consideration of RMB3,000 (six months ended 30 June 2024: RMB139,000).

During the six months ended 30 June 2024, the Group derecognised of goodwill and intangible assets of RMB316,028,000 and RMB113,000,000 respectively due to the deemed disposal of a subsidiary as detailed in note 27.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

13. INVESTMENTS IN ASSOCIATES

Details of the Group's investments in associates are as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Cost of investments in associates, unlisted	1,373,450	1,373,450
Share of post-acquisition profit, net of dividends received	151,156	130,835
	1,524,606	1,504,285

Details of the Group's associates at the end of the reporting period are as follow:

Name of entities	Place of incorporation/ establishment	Particulars of authorised and paid up capital	Proportion of ownership interest/voting rights held by the Group as at		Principal activities
			30.6.2025	31.12.2024	
Wuxi Guojin Factoring Limited [#] (無錫國金商業保理有限責任公司) ("WXGJ")	PRC	RMB489,800,000 RMB489,800,000	49%	49%	Provision of supply chain service
Xiamen Xiangsheng Factoring Limited [#] (廈門象盛商業保理有限責任公司) ("XMXS")	PRC	RMB500,000,000 RMB500,000,000	43%	43%	Provision of supply chain service
Qingdao Haikong Factoring Limited [#] (青島海控商業保理有限公司) ("QDHK")	PRC	RMB527,000,000 RMB527,000,000	40%	40%	Provision of supply chain service
Ningbo Guofu Commercial Factoring Co., Ltd [#] (寧波國富商業保理有限公司) ("NBGF")	PRC	RMB500,000,000 RMB500,000,000	35%	35%	Provision of supply chain service
Guangxi Maojing Trading Co., Ltd [#] (廣西茂景商貿有限公司) ("GXMJ")	PRC	RMB2,000,000 RMB1,000,000	20%	20%	Provision of trade service

[#] English translated name is for identification purpose only.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

14. DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purposes:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Deferred tax assets	2,591	4,587
Deferred tax liabilities	(136,327)	(119,636)
	(133,736)	(115,049)

The following are the major deferred tax assets (liabilities) recognised and movements thereon during both periods:

	Undistributed earnings of PRC subsidiaries RMB'000	Deferred income RMB'000	ECL provision RMB'000	Fair value adjustments RMB'000	Intangible assets acquired in business combination RMB'000	Others RMB'000 (note)	Total RMB'000
At 1 January 2024 (audited)	(43,101)	(18,945)	23,844	(8,215)	–	(74)	(46,491)
(Charge) credit to profit or loss (note 7)	(10,237)	10,447	5,635	(397)	–	(1,559)	3,889
Charge to OCI	–	–	–	265	–	–	265
Disposal of subsidiaries (note 27)	–	(686)	(7,181)	(1,645)	–	(22)	(9,534)
At 30 June 2024 (unaudited)	(53,338)	(9,184)	22,298	(9,992)	–	(1,655)	(51,871)
(Charge) credit to profit or loss	(9,455)	(16,751)	(1,482)	3,867	646	7,816	(15,359)
Charge to OCI	–	–	–	1,798	–	–	1,798
Acquisition of subsidiaries	–	(195)	308	(84)	(49,646)	–	(49,617)
At 31 December 2024 (audited)	(62,793)	(26,130)	21,124	(4,411)	(49,000)	6,161	(115,049)
(Charge) credit to profit or loss	(13,757)	1,835	(3,527)	(4,080)	770	(140)	(18,899)
Charge to OCI	–	–	–	212	–	–	212
At 30 June 2025 (unaudited)	(76,550)	(24,295)	17,597	(8,279)	(48,230)	6,021	(133,736)

Note: Others represent deferred taxation arising from (i) tax losses of a PRC subsidiary and (ii) leasing transactions where Amendments to HKAS 12 are adopted.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

14. DEFERRED TAXATION (continued)

Pursuant to the EIT Law and its detailed implementation rules, dividend distributed out of the profit generated thereafter, shall be subject to EIT at 10% and withheld by the PRC entities. By the Tax Arrangement for Avoidance of Double Taxation between China and Hong Kong, a Hong Kong resident company should be entitled to preferential tax rate of 5% when receiving dividend from its PRC subsidiaries. The Hong Kong subsidiaries of the Group enjoyed the preferential tax rate aforementioned. Accordingly, deferred tax liability has been provided for in the condensed consolidated financial statements in respect of the expected dividend stream from the PRC subsidiaries with the applicable tax rate of 5%.

At 30 June 2025, the Company and Hong Kong subsidiaries had cumulative unutilised tax losses of RMB276,212,000 (31 December 2024: RMB254,170,000). No deferred tax asset has been recognised due to the unpredictability of future profit stream. Some of the unused tax losses can be carried forward indefinitely from the years in which the loss was originated to offset future taxable profits.

At 30 June 2025, the PRC subsidiaries had cumulative unutilised tax losses of RMB77,745,000 (31 December 2024: RMB86,537,000), out of which RMB58,291,000 (31 December 2024: RMB68,223,000) has not been recognised due to the unpredictability of future profit stream. Some of the unused tax losses can be carried forward up to five years from the years in which the loss was originated to offset future taxable profits.

15. DERIVATIVE FINANCIAL INSTRUMENTS/OTHER FINANCIAL ASSETS AT FVTPL/OTHER FINANCIAL LIABILITIES AT FVTPL

(a) Derivative financial instruments

	30 June 2025		31 December 2024	
	Assets RMB'000 (Unaudited)	Liabilities RMB'000 (Unaudited)	Assets RMB'000 (Audited)	Liabilities RMB'000 (Audited)
Foreign currency forward contracts	3,342	2,919	14,189	5,091
Foreign exchange swap contracts	1,044	99	–	438
	4,386	3,018	14,189	5,529
Analysed for reporting purposes as:				
Current	4,386	3,018	14,189	5,529

The above derivatives are measured at fair values at the end of the reporting period and changes in fair value are recognised in the profit or loss.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

15. DERIVATIVE FINANCIAL INSTRUMENTS/OTHER FINANCIAL ASSETS AT FVTPL/OTHER FINANCIAL LIABILITIES AT FVTPL (continued)

(b) Other financial assets at FVTPL

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Unlisted investment funds	466,646	437,077
Wealth management products	97,305	65,390
Equity tranche	96,201	230,522
Unlisted equity investments	75,550	75,550
Trust fund	3,172	1,671
	738,874	810,210
Analysed for reporting purposes as:		
Current assets	196,678	339,760
Non-current assets	542,196	470,450
	738,874	810,210

(c) Other financial liabilities at FVTPL

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Structured notes (note)	220,606	74,116
Deferred contingent consideration	98,843	494,685
	319,449	568,801
Analysed for reporting purposes as:		
Current liabilities	319,449	273,336
Non-current liabilities	—	295,465
	319,449	568,801

Note: The fair value of the structured notes are linked to the yield of supply chain assets at FVTOCI of the Group and equity tranche held by the Group which are issued by a third party. The Group irrevocably designates these financial liabilities as measured at FVTPL to eliminate an accounting mismatch.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

16. SUPPLY CHAIN ASSETS AT FVTOCI

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Supply chain assets at FVTOCI	3,166,401	4,891,307
Analysed for reporting purposes as:		
Current assets	3,165,374	4,889,258
Non-current assets	1,027	2,049
	3,166,401	4,891,307

As at 30 June 2025, the effective interest rates of the supply chain assets at FVTOCI range mainly from 6.00% to 15.50% (31 December 2024: 5.00% to 15.50%) per annum.

As at 30 June 2025, the gross carrying amount of supply chain assets of RMB1,919,000 is past due (31 December 2024: RMB9,007,000). When analysing the credit quality of supply chain assets at FVTOCI, the entire outstanding of balance of the supply chain assets is classified as past due in the event that instalments repayment of a supply chain asset at FVTOCI is past due.

17. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS AND OTHER ITEMS SUBJECT TO ECL MODEL

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Impairment losses recognised (reversed) on:		
– Financial guarantee contracts	6,732	12,388
– Loan receivables	2,696	–
– Trade and bill receivables	47	(43)
– Debt instrument at amortised cost	–	(100)
– Loans to an associate	(3)	(60)
– Receivables from guarantee customers	(22)	(5)
– Supply chain assets at FVTOCI	(19,515)	9,105
	(10,065)	21,285

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

18. TRADE AND BILL RECEIVABLES/OTHER RECEIVABLES, PREPAYMENTS AND OTHERS

(a) Trade and bill receivables

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables	50,106	50,352
Bills receivable	442	1,500
	50,548	51,852
Less: ECL allowance	(316)	(269)
	50,232	51,583
Analysed for reporting purposes as:		
Current assets	40,818	37,760
Non-current assets	9,414	13,823
	50,232	51,583

The following is an aged analysis of trade and bill receivables presented based on the date of payment.

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
0-30 days	50,548	51,852

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

18. TRADE AND BILL RECEIVABLES/OTHER RECEIVABLES, PREPAYMENTS AND OTHERS (continued)

(b) Other receivables, prepayments and others

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Prepayments for non-current assets	394,911	15,126
Security deposits for performance commitments and loan facilitation	174,053	72,949
Tax recoverable	31,494	23,579
Prepayments	6,104	2,743
Receivable for exercise of share options	5,500	–
Other receivables and deposits	5,111	4,978
Refundable rental deposits	3,219	3,496
Consideration receivable for disposal of partial interests in subsidiaries without losing control	2,000	2,000
	622,392	124,871
Analysed for reporting purposes as:		
Current assets	109,544	106,337
Non-current assets	512,848	18,534
	622,392	124,871



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

19. TRADE AND OTHER PAYABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Dividend payable to shareholders of the Company	601,489	346
Settlement payables to customers and funding providers	554,707	290,447
Security deposit for a loan receivable	210,000	–
Construction payables	65,003	41,571
Other tax payables	49,082	55,501
Accrued charges	29,156	70,435
Trade payables	2,466	2,794
Other payables and deposits	4,464	4,719
	1,516,367	465,813

20. LIABILITIES ARISING FROM GUARANTEE CONTRACTS

	30 June 2025			31 December 2024		
	Premium less accumulated amortisation RMB'000 (Unaudited)	ECL provision RMB'000 (Unaudited)	Carrying amount RMB'000 (Unaudited)	Premium less accumulated amortisation RMB'000 (Audited)	ECL provision RMB'000 (Audited)	Carrying amount RMB'000 (Audited)
Guarantee contracts in relation to:						
– third parties	23,576	46,063	46,247	35,737	46,532	50,682
– associates	896	11,463	11,687	1,647	12,338	13,432
	24,472	57,526	57,934	37,384	58,870	64,114
Analysed for reporting purposes as:						
Current	23,576	53,491	53,675	35,742	55,831	59,981
Non-current	896	4,035	4,259	1,642	3,039	4,133
	24,472	57,526	57,934	37,384	58,870	64,114

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

20. LIABILITIES ARISING FROM GUARANTEE CONTRACTS (continued)

The following is the maximum amount the Group has guaranteed under the contracts and details of liabilities arising from guarantee contracts.

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Guarantee contracts in relation to:		
– third parties	4,538,666	4,498,693
– associates	7,025,489	7,427,110
	11,564,155	11,925,803

As at 30 June 2025, the directors of the Company has assessed the past due status of the debts under guarantee, the financial position of the debtors as well as the economic outlook of the industries in which the debtors operate. An amount of RMB57,526,000 (31 December 2024: RMB58,870,000) has been estimated as a loss allowance, and an amount of RMB6,732,000 (the six months ended 30 June 2024: RMB12,388,000) loss allowance was recognised in the profit or loss because the premium received less cumulative amount of certain contracts were lower than the amount of loss allowance.

21. BORROWINGS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Bank borrowings and bills discounted	2,562,222	2,079,146
Entrusted loans	144,304	290,968
Other loans	136,896	529,406
	2,843,422	2,899,520
Secured	2,217,126	2,191,687
Unsecured	626,296	707,833
	2,843,422	2,899,520



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

21. BORROWINGS (continued)

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
The carrying amounts of the above borrowings are repayable*:		
– within one year	2,523,730	2,716,219
– within a period of more than one year but not exceeding two years	47,796	174,569
– within a period of more than two years but not exceeding five years	30,000	8,732
– Within a period of more than five years but not exceeding ten years	104,878	–
	2,706,404	2,899,520
The carrying amounts of the above borrowings that contain a repayment on demand clause (shown under current liabilities) but repayable:		
– within one year	137,018	–
	2,843,422	2,899,520
Less: Amounts due within one year shown under current liabilities	(2,660,748)	(2,716,219)
Amounts shown under non-current liabilities	182,674	183,301

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

The ranges of effective interest rates on the Group's borrowings are as follows:

	30 June 2025 % (Unaudited)	31 December 2024 % (Audited)
Range of fixed-rate borrowings interest rates (per annum)	2.24~9.00	2.80~9.20
Range of variable-rate borrowings interest rates (per annum)	2.24~6.91	2.80~8.52

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

22. SHARE CAPITAL

Details of movements of share capital of the Company are as follows:

	Number of shares	Share capital HK\$
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 January 2024, 1 January 2025 and 30 June 2025 (unaudited)	5,000,000,000	50,000,000
	Number of shares	Share capital HK\$
Issued:		
At 1 January 2024 (audited)	989,750,000	9,897,500
Repurchase and cancellation of shares	(1,343,000)	(13,430)
At 31 December 2024 (audited)	988,407,000	9,884,070
Issue of new shares from placing (note)	17,480,000	174,800
Exercise of share options	2,752,792	27,528
At 30 June 2025 (unaudited)	1,008,639,792	10,086,398
	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Shown in the condensed consolidated statement of financial position	8,735	8,547

Note: On 13 May 2025, the Company and Guotai Junan Securities (Hong Kong) Limited (referred to as the "Placing Agent") entered into a placing agreement. An aggregate of 17,480,000 ordinary shares issued by the Company have been placed by the Placing Agent on 20 May 2025 at HK\$11.99 per share with the net proceeds of HK\$209.2 million (equivalent to RMB194.2 million, net of transaction cost amount of HK\$0.4 million (equivalent to RMB0.3 million)). Details are set out in the Company's announcements dated 13 May 2025 and 20 May 2025.

All the shares issued during the period ranked pari passu in all respects with the then existing shares in issue.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

23. CAPITAL COMMITMENTS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Capital expenditure contracted for but not provided for in the condensed consolidated financial statements		
– Property and equipment	132,439	236,894
– Investment in an associate	200	200
	132,639	237,094

24. SHARE-BASED PAYMENT TRANSACTIONS

(a) Equity-settled share option scheme of the Company

The Company's share option scheme (the "Scheme"), was adopted pursuant to resolutions passed on 14 November 2018, 15 July 2020, 10 June 2022, 29 November 2024 and 24 March 2025 ("Option Grant Date") for the primary purpose of providing incentives to directors and eligible employees, and will expire on 13 November 2023, 14 July 2025, 9 June 2032, 29 November 2034 and 24 March 2035 respectively. Under the Scheme, the board of directors of the Company may grant options to eligible employees, including certain directors of the Company and the management of an associate of the Company, to subscribe for shares in the Company.

The table below discloses movement of the Scheme:

	Number of share options
As at 1 January 2025 (unaudited)	13,844,921
Granted during the period	259,580
Forfeited/lapsed during the period	(2,450,000)
Exercised during the period	(2,752,792)
Outstanding as at 30 June 2025 (unaudited)	8,901,709
Exercisable at the end of the reporting period	8,322,208

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

24. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(a) Equity-settled share option scheme of the Company (continued)

	Number of share options
As at 1 January 2024 (unaudited)	15,625,000
Forfeited/lapsed during the period	(200,000)
Outstanding as at 30 June 2024 (unaudited)	15,425,000
Exercisable at the end of the reporting period	12,225,000

The weighted average closing price of the Company's shares immediately before the dates on which the options were exercised was HK\$10.71.

In the current interim period, share options were granted on 24 March 2025. The fair values of the options related to directors and employees determined at the dates of grant were HK\$4.79 and HK\$3.40 respectively. The closing price of the Company's shares immediately before 24 March 2025, the dates of grant, was HK\$12.20.

The following assumptions were used to calculate the fair values of share options:

	24 March 2025	
	Directors	Employees
Weighted average share price	HK\$12.88	HK\$12.88
Exercise price	HK\$12.88	HK\$12.88
Expected life	10 years	10 years
Expected volatility	41.06%	41.06%
Expected dividend yield	2.01%	2.01%
Risk-free interest rate	3.53%	3.53%
Expected exercise multiple	2.80	1.63

The Group reversed the total expense of RMB668,000 for the period ended 30 June 2025 (six months ended 30 June 2024: the total expense of RMB5,091,000 was recognised) in relation to share options granted by the Company.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

24. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) RSU Scheme of the Company

The Company's RSU Scheme was adopted pursuant to a resolution passed 6 April 2022 for the primary purpose of providing incentives to eligible persons and attracting suitable personnel for further development of the Group. The RSU Scheme shall be valid and effective for a period of ten years commencing on 6 April 2022.

The following tables disclose movements of the Company's RSUs:

	Number of shares
As at 1 January 2025 (unaudited)	470,000
Granted during the period	930,000
Forfeited/lapsed during the period	(50,000)
Exercised during the period	(420,000)
Outstanding as at 30 June 2025 (unaudited)	930,000
Exercisable at the end of the reporting period	—

	Number of shares
As at 1 January 2024 (unaudited)	1,080,000
Forfeited/lapsed during the period	(80,000)
Exercised during the period	(490,000)
Outstanding as at 30 June 2024 (unaudited)	510,000
Exercisable at the end of the reporting period	—

On 17 March 2025, an aggregate of 930,000 RSUs were granted to eligible employees pursuant to the RSU Scheme. The grantees are required to pay HK\$1 for the grant of the RSUs. The grant date fair value of the RSUs was HK\$9.63, which was determined based on the grant date closing price of the Company.

The Group recognised the total expense of approximately RMB1,160,000 for the period ended 30 June 2025 (six months ended 30 June 2024: RMB925,000) for in relation to RSUs granted by the Company.

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

25. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable:

Financial assets/liabilities	Fair value	31.12.2024 RMB'000 (Audited)	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	30.6.2025 RMB'000 (Unaudited)				
Foreign currency forward contracts	Assets – 3,342 Liabilities – 2,919	Assets – 14,189 Liabilities – 5,091	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A
Foreign exchange swap contracts	Assets – 1,044 Liabilities – 99	Assets – – Liabilities – 438	Level 2	Discounted cash flow. Future cash flows are estimated based on spot exchange rates (from observable spot exchange rates at the end of the reporting period) and contracted forward rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

25. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

Financial assets/liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	30.6.2025 RMB'000 (Unaudited)	31.12.2024 RMB'000 (Audited)			
Other financial assets at FVTPL – wealth management products	Assets – 97,305	Assets – 65,390	Level 2	Based on the net asset values of the assets, determined with reference to observable (quoted) prices of underlying investment portfolio and adjustments of related expenses.	N/A
Other financial assets at FVTPL – unlisted investment funds	Assets – –	Assets – 81,433	Level 2	Recent transaction price	N/A
	Assets – 466,646	Assets – 355,644	Level 3	Based on net assets values of the funds, determined with reference to fair value of underlying investments.	The higher the net assets value, the higher fair value.
Other financial assets at FVTPL – unlisted equity investments	Assets – 44,550	Assets – 44,550	Level 2	Recent transaction price	N/A
	Assets – 31,000	Assets – 31,000	Level 3	Discounted cash flow. Discount rate and cash flows are key inputs	The higher cash flows, the higher fair value.
Other financial assets at FVTPL – equity tranche	Assets – 96,201	Assets – 230,522	Level 3	Discounted cash flow. Risk-adjusted discount rate cash flows are key inputs	The higher discount rate, the lower fair value. The higher cash flows, the higher fair value.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

25. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (continued)

Financial assets/liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	30.6.2025 RMB'000 (Unaudited)	31.12.2024 RMB'000 (Audited)			
Other financial assets at FVTPL – trust fund	Assets – 3,172	Assets – 1,671	Level 3	Discounted cash flow. Risk-adjusted discount rate and cash flow are key inputs	The higher discount rate, the lower fair value
Equity instruments at FVTOCI – unlisted equity investments	Assets – 42,977	Assets – –	Level 2	Recent transaction price	N/A
	Assets – 400	Assets – 600	Level 3	Net assets value of the underlying investments	The higher the net assets value, the higher fair value.
	Assets – 64,554	Assets – 62,111	Level 3	Market Approach Market Cap/Book value multiple	The higher implied multiple, the higher fair value
Supply chain assets at FVTOCI	Assets – 3,166,401	Assets – 4,891,307	Level 3	Discounted cash flow. Risk-adjusted discount rate and cash flow are key inputs	Discount rate (note)
Other financial liabilities at FVTPL – deferred contingent consideration	Liabilities – 98,843	Liabilities – 494,685	Level 3	Discounted cash flow. Discount rate and cash flows are key inputs	The higher discount rate, the lower fair value. The higher cash flows, the higher fair value.
Other financial liabilities at FVTPL – structured notes	Liabilities – 220,606	Liabilities – 74,116	Level 3	Discounted cash flow. Discount rate and cash flows are key inputs	The higher discount rate, the lower fair value. The higher cash flows, the higher fair value.

Note: As at 30 June 2025, the discount rates of the supply chain assets range mainly from 6.00% to 15.50% (31 December 2024: 5.00% to 15.50%). A 1% increase/decrease in the discount rate holding all other variables constant would decrease/increase the carrying amount of supply chain assets at FVTOCI by RMB8,176,000/RMB8,071,000 (31 December 2024: RMB11,969,000/RMB11,351,000).



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

25. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

Reconciliation of Level 3 fair value measurements

	Financial assets			Financial liability
	Other financial assets at FVTPL	Equity instruments at FVTOCI	Supply chain assets at FVTOCI	Other financial liability at FVTPL
	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025	618,837	62,711	4,891,307	568,801
Transfer into level 3	81,433	–	–	–
Additions	21,981	–	8,430,109	153,445
Settlements	(134,720)	–	(9,895,290)	(414,502)
Disposal	–	(200)	(278,407)	–
Fair value changes through OCI, net of reclassification adjustment to profit or loss/retained profits (note)	–	2,443	18,682	–
Fair value changes through profit or loss	9,488	–	–	11,705
At 30 June 2025	597,019	64,954	3,166,401	319,449
At 1 January 2024	289,102	61,398	7,663,344	61,208
Transfer into level 3	224,290	100	–	–
Additions	103,300	1,300	6,488,279	–
Settlements	(118,469)	–	(4,101,659)	(63,902)
Disposal	–	–	(237,425)	–
Fair value changes through OCI, net of reclassification adjustment to profit or loss/retained profits (note)	–	381	(10,163)	–
Fair value changes through profit or loss	21,148	–	–	2,694
Disposal of subsidiaries (note 27)	131,860	–	(4,082,121)	–
At 30 June 2024	651,231	63,179	5,720,255	–

All gains and losses included in OCI relate to supply chain assets at FVTOCI are reported as changes of FVTOCI reserves.

Note: Details of the amount recognised in OCI to profit and loss in relation to supply chain assets at FVTOCI derecognised during the period are set out in note 9.

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

25. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

Fair value of financial instruments that are recorded at amortised cost

The fair values of financial assets and financial liabilities of the Group are determined in accordance with generally accepted pricing models based on discounted cash flow analysis. The management considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

26. RELATED PARTY DISCLOSURES

(a) Related parties and relationship

During the reporting period, the following parties are identified as related parties to the Group and the respective relationships are set out below:

Name of Related Parties	Relationship
Bondlink Investment Limited	Related company controlled by TUNG CHI FUNG
Hong Ji Factoring (Shenzhen) Limited (弘基商業保理(深圳)有限公司) ("HJ")	Associate (before 31 July 2024)
NBGF	Associate
XXMS	Associate
QDHK	Associate
WXGJ	Associate

(b) Related party balances

(i) Loans to an associate

Name of Related Party	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NBGF	198,850	198,201

The balance of loans to the associate carries fixed-rate interest at 3% (31 December 2024: 3%) with principal amount of RMB192,500,000 (31 December 2024: RMB192,500,000) repayable within one year.



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

26. RELATED PARTY DISCLOSURES (continued)

(b) Related party balances (continued)

(ii) Trade and bill receivables

Name of Related Parties	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
QDHK	672	1,020
WXGJ	511	1,749
	1,183	2,769

(iii) Other receivables, prepayments and others

Name of Related Parties	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
WXGJ	113,937	–
NBGF	58,116	58,116
QDHK	2,000	14,833
Bondlink Investment Limited	190	192
	174,243	73,141

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

26. RELATED PARTY DISCLOSURES (continued)

(b) Related party balances (continued)

(iv) Loans from related parties

Name of Related Parties	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
WXGJ	797,889	1,223,865
QDHK	754,377	904,285
NBGF	329,642	—
XMXS	16,731	108,380
	1,898,639	2,236,530

The loans carry fixed-rate interest at the range of 6.30% to 7.56% (31 December 2024: 6.30% to 7.56%) with principal amount of RMB1,875,811,410 (31 December 2024: RMB2,190,528,000) repayable within one year repayable within one year.

(v) Liabilities arising from guarantee contracts

Name of Related Parties	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
WXGJ	5,429	6,013
QDHK	3,299	3,499
XMXS	1,670	2,238
NBGF	1,289	1,682
	11,687	13,432



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

26. RELATED PARTY DISCLOSURES (continued)

(b) Related party balances (continued)

(vi) Lease liabilities

Name of Related Party	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Bondlink Investment Limited	312	577

(c) Related party transactions

(i) Revenue and income from related parties

Name of Related Parties	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
WXGJ	1,261	263
QDHK	1,258	–
HJ	N/A	11,855
	2,519	12,118

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

26. RELATED PARTY DISCLOSURES (continued)

(c) Related party transactions (continued)

(ii) Other income

Name of Related Parties	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
NBGF	3,606	5,814
WXGJ	—	242
	3,606	6,056

(iii) Finance costs

Name of Related Parties	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
WXGJ	37,045	41,872
QDHK	28,396	20,270
NBGF	11,454	9,333
XMXS	2,026	495
Bondlink Investment Limited	17	29
	78,938	71,999



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

26. RELATED PARTY DISCLOSURES (continued)

(d) Compensation of key management personnel

During the reporting period, the remunerations of key management personnel which represent the directors of the Company and other members of key management were as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Salaries and other allowances	9,120	10,870
Performance related bonuses	1,995	298
Share-based payment	1,343	4,558
Retirement benefit scheme contributions	383	365
	12,841	16,091

The remuneration of these key executives of the Group is determined by Chairman of the Company having regard to the performance of individuals and market trends.

27. DEEMED DISPOSAL OF SUBSIDIARIES

(a) Disposal of WXGJ

On 28 February 2024, the Group entered into a collaboration agreement (the "Agreement") with Wuxi Taihu New City Assets Management Co., Ltd ("Wuxi Taihu New City") which agreed to contribute a total of RMB569,400,000 into WXGJ, an indirectly held subsidiary of the Company. Upon the completion of the transaction on 29 February 2024, the Group's equity interest in WXGJ diluted from 80% to 49% with a loss of control. On the same day, the Group's retained interest over WXGJ was remeasured to its fair value, which became the initial carrying amount for the purposes of subsequently accounting for such retained interest as investment in an associate as the Group has retained significant influence over WXGJ.

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FOR THE SIX MONTHS ENDED 30 JUNE 2025

27. DEEMED DISPOSAL OF SUBSIDIARIES (continued)

(a) Disposal of WXGJ (Continued)

Based on the assessment of the directors of the Company, in their opinions, the possibility regarding of the occurrence of the specified events as stipulated in the Agreement that would trigger the repurchase of the shares is remote, and the fair value of the put option as at 30 June 2025 and 31 December 2024 is considered as insignificant.

29/2/2024

RMB'000

Analysis of assets and liabilities over which control was lost:

Property and equipment	69
Intangible assets	113,000
Deferred tax assets	9,015
Right-of-use assets	229
Supply chain assets at FVTOCI	3,707,278
Other receivables, prepayments and others	8,866
Pledged bank deposits	236,594
Cash and cash equivalents	200,665
Derivative financial instruments	(1,940)
Amount due to CMS-SY ABSs	(376,247)
Other payables and accrued charges	(14,553)
Borrowings	(2,029,575)
Loans from related parties	(752,060)
Loans from CMS-SY ABSs	(586,215)
Lease liabilities	(312)

Net assets disposed of	514,814
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Gain on disposal of a subsidiary:

Fair value of 49% equity interest of WXGJ	734,752
Goodwill	(316,028)
Net assets disposed of	(514,814)
Non-controlling interests	101,191
Reclassification of cumulative FVTOCI reserves upon disposal of WXGJ to profit or loss	(3,966)

Gain on disposal	1,135
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Net cash outflow arising on disposal:

Cash consideration	—
Less: cash and cash equivalents disposed of	200,665

(200,665)



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

27. DEEMED DISPOSAL OF SUBSIDIARIES (continued)

- (b) **Disposal of 招商證券－盛業科技第1期資產支持專項計畫, 招商證券－盛業科技第2期資產支持專項計畫, 招商證券－盛業科技第3期資產支持專項計畫 and 招商證券－盛業科技第4期資產支持專項計畫 (collectively, the “CMS-SY ABSs”)**

As being the assets service agency of CMS-SY ABSs and held the equity tranche interests in these structured entities, the Group considers it has control over such structured entities and these structured entities are consolidated by the Group. With the deemed disposal of WXGJ, the directors of the company considered the Group has lost the control over CMS-SY ABSs as the Group has lost control over WXGJ, which being the assets service agency of these structured entities. On the same day, the Group's retained equity tranche interests over CMS-SY ABSs was remeasured to its fair value and accounted for as other financial assets at FVTPL.

29/2/2024

RMB'000

Analysis of assets and liabilities over which control was lost:

Deferred tax assets	519
Supply chain assets at FVTOCI	374,843
Loans to WXGJ	586,215
Amount due from WXGJ	376,247
Cash and cash equivalents	6,271
Borrowings	(1,215,456)

Net assets disposed of	128,639
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Gain on disposal of a subsidiary:

Fair value of equity tranche of CMS-SY ABSs	131,860
Net assets disposed of	(128,639)
Reclassification of cumulative FVTOCI reserves upon disposal CMS-SY ABSs to profit or loss	821

Gain on disposal	4,042
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Net cash outflow arising on disposal:

Cash consideration	—
Less: cash and cash equivalents disposed of	6,271

(6,271)