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Join-Share 中盈盛达

共创 共享 共成长

Guangdong Join-Share Financing Guarantee Investment Co., Ltd.*

廣東中盈盛達融資擔保投資股份有限公司

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

(Stock Code: 1543)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

**HIGHLIGHT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER
2025**

- Total revenue was approximately RMB266.61 million, including revenue of approximately RMB260.95 million and other revenue of approximately RMB5.66 million, representing a decrease of approximately 25.74% as compared with last year.
- Profit for the year and net profit margin were approximately RMB27.60 million and 10.58%, respectively.
- Profit before taxation amounted to approximately RMB38.79 million, which was approximately RMB66.85 million for the same period in 2024.
- Profit for the year attributable to equitable shareholders of the Company amounted to approximately RMB10.38 million, representing a decrease of approximately 75.39% as compared with last year.

The board (the “**Board**”) of directors (the “**Directors**”) of Guangdong Join-Share Financing Guarantee Investment Co., Ltd.* (廣東中盈盛達融資擔保投資股份有限公司). (the “**Company**”) is pleased to announce the audited annual results for the year ended 31 December 2025 of the Company and its subsidiaries (collectively, the “**Group**”), along with comparative figures from the year ended 31 December 2024, which should be read in conjunction with the following management discussion and analysis.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

for the year ended 31 December 2025

(Expressed in RMB'000)

	<i>Note</i>	2025 RMB'000	2024 <i>RMB'000</i>
Guarantee fee income		165,381	229,500
Guarantee cost		(8,461)	(5,735)
Net guarantee fee income		156,920	223,765
Interest income		110,005	132,827
Interest expenses		(33,922)	(37,982)
Net interest income		76,083	94,845
Service fee and other operating income		27,948	26,177
Revenue	3	260,951	344,787
Other revenue	4	5,660	14,241
Gain/(losses) on financial instruments at FVPL		10,997	(4,510)
Share of losses of associates		(6,393)	(6,958)
Provisions reversed/(charged) for guarantees	16(a)	6,465	(3,700)
Impairment losses	5(a)	(107,394)	(134,838)
Operating expenses		(131,493)	(142,171)
Profit before taxation		38,793	66,851
Income tax	6(a)	(11,190)	(24,030)
Profit for the year		27,603	42,821
Attributable to:			
Equity shareholders of the Company		10,381	42,179
Non-controlling interests		17,222	642
Profit for the year		27,603	42,821
Earnings per share			
Basic and diluted (<i>RMB per share</i>)	7	0.01	0.03

	<i>Note</i>	2025 RMB'000	2024 <i>RMB'000</i>
Profit for the year		<u>27,603</u>	<u>42,821</u>
Other comprehensive income for the year			
Items that will not be reclassified to profit or loss:			
Equity investments measured at FVOCI-net movement in fair value reserve (non-recycling)		5,453	3,187
Income tax arises from equity investments measured at FVOCI		<u>(1,363)</u>	<u>(797)</u>
Other comprehensive income for the year		<u>4,090</u>	<u>2,390</u>
Total comprehensive income for the year		<u>31,693</u>	<u>45,211</u>
Attributable to:			
Equity shareholders of the Company		14,471	44,569
Non-controlling interests		<u>17,222</u>	<u>642</u>
Total comprehensive income for the year		<u>31,693</u>	<u>45,211</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2025

(Expressed in RMB'000)

		At 31 December 2025	At 31 December 2024
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Assets			
Cash and bank deposits	8	924,771	887,153
Pledged deposits		97,604	208,588
Trade and other receivables	9	1,294,068	1,114,437
Loans and advances to customers	10	982,067	1,002,269
Factoring receivables	11	199,193	192,497
Financial assets measured at FVOCI	12	9,576	12,558
Financial assets measured at FVPL	13	75,946	153,300
Receivable investments	14	2,122	12,625
Interests in associates		18,806	18,885
Fixed assets		40,200	48,407
Investment properties		40,537	31,860
Intangible assets		7,407	7,316
Goodwill		419	419
Deferred tax assets		215,622	194,271
Total assets		3,908,338	3,884,585
Liabilities			
Interest-bearing borrowings	15	329,233	359,852
Liabilities from guarantees	16	197,441	234,397
Customer pledged deposits	17(a)	40,068	57,415
Accruals and other payables	17(b)	295,841	185,239
Debt securities issued	18	508,854	509,325
Other financial instruments	19	151,944	149,488
Financial liabilities measured at FVPL	20	—	10,702
Lease liabilities		10,233	17,082
Total liabilities		1,533,614	1,523,500
NET ASSETS		2,374,724	2,361,085
CAPITAL AND RESERVES			
Share capital	21	1,560,793	1,560,793
Reserves		453,801	468,985
Total equity attributable to equity shareholders of the Company		2,014,594	2,029,778
Non-controlling interests		360,130	331,307
TOTAL EQUITY		2,374,724	2,361,085

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in RMB'000 unless otherwise indicated)

1 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Material accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new or amended HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting period reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates and jointly controlled trust plans.

The measurement basis used in the preparation of the financial statements is the historical cost basis except for financial assets measured at fair value through other comprehensive income (FVOCI), financial assets and liabilities measured at fair value through profit or loss (FVPL) that are stated at their fair value.

The preparation of financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 2.

(c) Changes in accounting policies

The group has applied amendments to HKAS 21, *The effects of changes in foreign exchange rates — Lack of exchangeability* issued by the HKICPA to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

This amendment has not had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this financial report.

The Group has not applied any new standard of interpretation that is not yet effective for the current accounting period.

2 ACCOUNTING JUDGEMENTS AND ESTIMATES

(a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgement:

Consolidation: whether the Group has de facto control over an investee.

(b) Sources of estimation uncertainty

(i) *Impairment of trade and other receivables, loans and advances to customers, factoring receivables and receivable investments.*

The Group reviews portfolios of trade and other receivables, loans and advances to customers, factoring receivables and receivable investments periodically to assess whether any impairment losses exist and the amount of impairment losses if there is any indication of impairment. Objective evidence for impairment includes observable data indicating that there is a measurable decrease in the estimated future cash flows for trade and other receivables, loans and advances to customers, factoring receivables and receivable investments. It also includes observable data indicating adverse changes in the repayment status of the debtors, or change in national or local economic conditions that causes the default in payment.

The impairment loss for trade and other receivables, loans and advances to customers, factoring receivables and receivable investments using the expected credit loss model is subject to a number of key parameters and assumptions, including the identification of credit-impaired stages, estimates of probability of default, loss given default, exposures at default and discount rate, adjustments for forward-looking information and other adjustment factors. The expected credit losses for trade and other receivables, loans and advances to customers, factoring receivables and receivable investments are derived from estimates whereby management takes into consideration historical data, the historical loss experience and other adjustment factors. Historical loss experience is adjusted on the basis of the relevant observable data that reflect current economic conditions and the judgment based on management's historical experience. Management reviews the selection of those parameters and the application of the assumptions regularly to reduce any difference between loss estimates and actual loss.

No impairment loss is recognised on equity investments measured at FVOCI.

(ii) *Impairment of non-financial assets*

If circumstances indicate that the carrying amount of a non-financial asset may not be recoverable, the asset may be considered "impaired", and an impairment loss may be recognised in accordance with accounting policy for impairment of non-financial assets as described in Note 1(i). The carrying amounts of non-financial assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the fair value less costs to sell and the value in use. In determining the value in use, expected future cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to the level of revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of the level of revenue and amount of operating costs. Changes in these estimates could have a significant impact on the carrying value of the assets and could result in additional impairment charge or reversal of impairment in future periods.

(c) *Depreciation and amortisation*

Fixed assets and intangible assets are depreciated and amortised using the straight-line method over their useful lives after taking into account estimated residual value. The useful lives and residual value are regularly reviewed to determine the depreciation and amortisation costs charged in each reporting period. The useful lives are determined based on historical experience of similar assets and the estimated technical changes. If there is an indication that there has been a change in the factors used to determine the depreciation, the rate of depreciation is revised.

(d) Provisions for guarantee losses

The Group makes reasonable estimate on costs required to fulfil the relevant obligation of guarantee contracts when the Group computes the provisions of guarantee losses. Such estimation is made based on the available information as of the balance sheet date and is determined by the Group's practical experience, default history of the business, taking into consideration of industry information and market data.

(e) Deferred tax assets

Deferred tax assets arising from deductible temporary differences are recognised to the extent that it is probable that future taxable income will be available against which deductible temporary differences and tax losses can be utilised. The outcome of their actual utilisation may be different.

(f) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including 3 fair values and reports directly to financial officer.

(g) Judgement on the degree of control of investment

Control means that the Group has the power over an entity, and enjoys the variable returns by participating in relative activities of the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

Where the Group acts as a service provider of or investor in structured entities, the Group makes significant judgement on whether the Group controls and should consolidate these structured entities. When performing this assessment, the Group assesses the Group's contractual rights and obligations in light of the transaction structures, and evaluates the Group's power over the structured entities, performs analysis and tests on the variable returns from the structured entities, including but not limited to direct investment income or loss and service fees earned as the asset service agency, the retention of residual income, and, if any, the liquidity and other support provided to the structured entities. The Group also assesses whether it acts as a principal or an agent through analysis of the scope of its decision-making authority over the structured entities, the remuneration to which it is entitled for asset services, the Group's exposure to variability of returns from its other interests in the structured entities, and the rights held by other parties in the structured entities.

3 REVENUE

The principal activities of the Group are provision of financing guarantee services, loans and advances to customers, factoring services, supply chain services and related consulting services in the PRC. Revenue represents net guarantee fee income, net interest income and service fee from supply chain services and consulting services. The amount of each significant category of net fee and interest income recognised in revenue is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Guarantee fee income		
Financing guarantee fee income	141,891	198,346
Performance guarantee fee income	<u>23,490</u>	<u>31,154</u>
Subtotal	<u>165,381</u>	<u>229,500</u>
Guarantee cost		
Re-guarantee expenses	(8,458)	(5,719)
Others	<u>(3)</u>	<u>(16)</u>
Subtotal	<u>(8,461)</u>	<u>(5,735)</u>
Net guarantee fee income	<u>156,920</u>	<u>223,765</u>
Interest income arising from:		
— Loans and advances to customers	84,515	96,775
— Factoring services	11,723	17,929
— Cash at banks and pledged deposits	9,526	14,307
— Trade and other receivables	<u>4,241</u>	<u>3,816</u>
Subtotal	<u>110,005</u>	<u>132,827</u>
Interest expenses arising from:		
— Debt securities issued	(16,747)	(18,427)
— Interest-bearing borrowings	(15,822)	(12,994)
— Interest expenses from other financial instruments and others	<u>(1,353)</u>	<u>(6,561)</u>
Subtotal	<u>(33,922)</u>	<u>(37,982)</u>
Net interest income	<u>76,083</u>	<u>94,845</u>
Service fee and other operating income arising from:		
— Supply chain services	21,058	16,437
— Consulting services fee	<u>6,890</u>	<u>9,740</u>
Subtotal	<u>27,948</u>	<u>26,177</u>
Revenue	<u>260,951</u>	<u>344,787</u>

4 OTHER REVENUE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Government grant	3,845	3,915
Investment income from financial assets measured at FVPL	1,815	2,735
Investment income of receivable investments	242	1,439
Foreign exchange gains	(451)	206
Others	209	5,946
	<u>5,660</u>	<u>14,241</u>

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Impairment and provision charged/(reversed)

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Receivables for default guarantee payments	9(b)(i)	96,841	85,421
Receivables from guarantee customers	9(b)(ii)	(7,581)	2,864
Loans and advances to customers	10(f)	2,577	47,658
Factoring receivables	11	6,994	(6,004)
Receivable investments		(231)	(219)
Receivables from supply chain business	9(b)(iii)	33	(1,237)
Trade debtors		47	27
Other receivables		8,491	1,392
Repossessed assets		223	4,893
Investment properties		—	43
		<u>107,394</u>	<u>134,838</u>

(b) Staff costs

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Salaries, wages, bonuses and other benefits	67,749	80,621
Contributions to retirement schemes	8,145	8,145
	<u>75,894</u>	<u>88,766</u>

The Group is required to participate in pension schemes organized by the respective local governments of the People's Republic of China (the "PRC") whereby the Group is required to pay annual contributions for PRC based employees at certain rate of the standard wages determined by the relevant authorities in the PRC during the year. The Group has no other material obligation for payment of retirement benefits to the PRC based employees beyond the annual contributions described above.

(c) **Other items**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Depreciation and amortization	14,114	13,312
Auditors' remuneration	2,990	2,985
Gains on disposal of long-term assets	—	60

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) **Taxation in the consolidated statement of profit or loss:**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax		
Provision for PRC income tax for the year	33,987	58,361
Deferred tax		
Origination of temporary differences	(22,741)	(33,637)
Under/(Over)-provision in previous year		
Under/(Over)-provision in previous year	(83)	(694)
Income tax expense	<u>11,190</u>	<u>24,030</u>

(b) **Reconciliation between tax expense and accounting profit at applicable tax rates:**

	<i>Note</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit before taxation		<u>38,793</u>	<u>66,851</u>
Notional tax on profit before taxation, calculated at 25%	(i)	9,698	16,713
Tax effect of non-deductible interest expenses arising from other financial instruments		—	1,446
Tax effect of subsidiary using different taxation rate	(ii)	261	261
Tax effect of non-deductible expenses		1,108	191
Tax effect of unused tax losses not recognised		1,431	6,900
Under/(Over)-provision in previous year		(83)	(694)
Others		(1,225)	(787)
Actual income tax expense		<u>11,190</u>	<u>24,030</u>

- (i) According to the PRC Corporate Income Tax (“CIT”) Law that took effect on 1 January 2008, the Company and the Group’s PRC subsidiaries (except for Guangdong Join-Share Digital Technology Co., Ltd.) are subject to PRC income tax at the statutory tax rate of 25%.
- (ii) Join-Share Financial Holdings Co., Limited located in Hong Kong is subject to Hong Kong Profits Tax at the statutory tax rate of 16.5% during 2025 and 2024.

Guangdong Join-Share Digital Technology Co., Ltd. incorporated in PRC mainland is subject to CIT, and it enjoys a preferential tax rate of 15% from 2023 to 2026 as a qualified high and new technology enterprise.

7 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company and the weighted average of ordinary shares in issue during the year, calculated as follows:

	2025	2024
Profit attributable to the equity shareholders of the Company (<i>RMB’000</i>)	10,381	42,179
Weighted average number of ordinary shares in issue for the purpose of basic earnings per share (<i>’000</i>)	1,560,793	1,560,793
Basic earnings per share (<i>RMB per share</i>)	<u>0.01</u>	<u>0.03</u>

(b) Weighted average number of ordinary shares

	2025	2024
Issued ordinary shares at 1 January (<i>’000</i>)	1,560,793	1,560,793
Weighted average number of new issue (<i>’000</i>)	<u>—</u>	<u>—</u>
Weighted average number of ordinary shares at 31 December (<i>’000</i>)	<u>1,560,793</u>	<u>1,560,793</u>

(c) Diluted earnings per share

There were no dilutive potential ordinary shares during the years ended 31 December 2025 and 2024, and therefore, diluted earnings per share are the same as the basic earnings per share.

8 CASH AND BANK DEPOSITS

	<i>Note</i>	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Cash in hand		9	9
Cash at banks		<u>682,672</u>	<u>559,211</u>
Cash and cash equivalents in the condensed consolidated cash flow statement		682,681	559,220
Term deposits with banks		121,350	132,000
Restricted bank deposits	(i)	<u>120,163</u>	<u>188,251</u>
Accrued interest		<u>924,194</u> <u>577</u>	879,471 <u>7,682</u>
		<u><u>924,771</u></u>	<u><u>887,153</u></u>

The Group's operation of principal activities in the PRC are conducted in RMB. RMB is not a freely convertible currency and the remittance of RMB out of the PRC is subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

For the purpose of the consolidated cash flow statement, the Group's restricted bank deposits and term deposits with banks have been excluded from cash and cash equivalents.

- (i) As at 31 December 2025, restricted bank deposits consisted of the bank deposits pledged by the Group to support its guarantee services provided to customers amounted to RMB104,960,000, as well as a deposit restricted for use due to judicial freeze amounted to RMB15,203,000 (31 December 2024: Nil).

9 TRADE AND OTHER RECEIVABLES

	<i>Note</i>	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Receivables for default guarantee payments	(i)/9(a)(i)	840,742	624,262
Less: Allowance for doubtful debts	9(b)(i)	(352,159)	(280,278)
		<u>488,583</u>	<u>343,984</u>
Receivables from guarantee customers	(ii)/9(a)(ii)	97,828	109,584
Less: Allowance for doubtful debts	9(b)(ii)	(39,218)	(46,796)
		<u>58,610</u>	<u>62,788</u>
Interest receivables		9,968	8,618
Less: Allowance for interest receivables		(5,825)	(5,787)
		<u>4,143</u>	<u>2,831</u>
Receivables from supply chain services	(iii)/9(a)(iii)	288,740	253,640
Less: Allowance for doubtful debts	9(b)(iii)	(7,441)	(7,408)
		<u>281,299</u>	<u>246,232</u>
Receivables from related parties		137,006	128,814
Loan to related parties		133,245	120,020
Receivables from debt purchased		14,895	20,115
Trade debtors	(vi)/9(a)(iv)	8,451	35,503
Input tax deduction		15,398	6,594
Other receivables		6,613	10,669
		<u>315,608</u>	<u>321,715</u>
Repossessed assets		140,834	133,376
Less: Allowance for repossessed assets		(5,116)	(4,893)
		<u>135,718</u>	<u>128,483</u>
Deposits and prepayments		10,107	8,404
		<u>145,825</u>	<u>136,887</u>
		<u>1,294,068</u>	<u>1,114,437</u>

- (i) During the year ended 31 December 2025, the Group disposed of receivables for default guarantee payments amounted to RMB11,911,000 (2024: RMB1,500,000) with no allowances for doubtful debts (2024: RMB nil), without recourse to other parties at considerations (including considerations of overdue interests and penalty interests) amounted to RMB11,911,000 (2024: RMB1,550,000).
- (ii) During the year ended 31 December 2025, the Group disposed of receivables from guarantee customers amounted to RMB6,100,000 (2024: RMB3,769,000) with no allowances for doubtful debts (2024: RMB nil), without recourse to other parties at considerations (including considerations of overdue interests and penalty interests) amounted to RMB6,100,000 (2024: RMB4,500,000).
- (iii) The interest on the loan to related parties is 3.8% to 8% per annum. As at 31 December 2025, the loan to Chuangyuan Supply Chain, one of the Group's associates, is RMB98,000,000 (2024: RMB66,180,000). Due to the excess loss incurred by Chuangyuan Supply Chain, the Group recorded a cumulative loss arising from share of loss of associates amounted to RMB7,823,000 against the loan to Chuangyuan Supply Chain.
- (iv) On 28 December 2018, the Group entered into a debt purchase contract with Guangdong Join-Share Holding Co., Ltd. such that the Group purchased the creditor's right and relevant interests, amounting to RMB41,874,000, of Foshan Zhongsheng Properties Co., Ltd. (Foshan Zhongsheng), one of the Group's associates, at a price of RMB42,094,000. The Group is entitled to 12% fixed interest on the principal of RMB26,000,000. As of 31 December 2025, Foshan Zhongsheng Properties has repaid the principal of RMB26,000,000. Due to the excess loss incurred by Foshan Zhongsheng Properties, the Group recorded an accumulated losses arising from the interest in associates amounted to RMB13,679,000 against the receivables from debt purchased, as at 31 December 2025.
- (v) Trade debtors mainly includes the receivables from Foshan Financing Guarantee Fund. According to Foshan Caijin [2023] No. 21 and Foshan Caijin [2024] No. 22 regarding the subsidy of guarantee fees for financing guarantee companies in Foshan, the Group is entitled a subsidy of 0.5% to 0.6% of the amount for eligible guarantee issued. As of 31 December 2025, the receivables from the Foshan Financing Guarantee Fund derived from the Group's eligible guarantee issued from 1 January 2025 to 30 September 2025, amounted to RMB7,285,000 (31 December 2024: RMB32,267,000).

(a) Ageing analysis:

As of the end of the reporting period, the ageing analysis of receivables for default guarantee payments and receivables from guarantee customers, based on the transaction date and net of allowance for doubtful debts, is as follows:

(i) *Receivables for default guarantee payments*

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Within 1 year	358,145	239,193
Over 1 year but less than 2 years	205,642	187,970
Over 2 years but less than 3 years	124,425	86,837
Over 3 years but less than 5 years	85,569	39,495
Over 5 years	66,961	70,767
	<hr/>	<hr/>
Subtotal	840,742	624,262
Less: Allowance for doubtful debts	(352,159)	(280,278)
	<hr/>	<hr/>
	488,583	343,984
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Receivables for default guarantee payments are due from the date of payment.

(ii) *Receivables from guarantee customers*

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Within 1 year	31,295	29,669
Over 1 year but less than 2 years	4,342	—
Over 2 years but less than 3 years	—	4,191
Over 3 years but less than 5 years	4,089	19,800
Over 5 years	58,102	55,924
	<hr/>	<hr/>
Subtotal	97,828	109,584
Less: Allowance for doubtful debts	(39,218)	(46,796)
	<hr/>	<hr/>
	58,610	62,788
	<hr/> <hr/>	<hr/> <hr/>

The ageing of receivables from guarantee customers is from the date of payment.

(iii) Receivables from supply chain services

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Within 1 year	235,211	236,404
Over 1 year but less than 2 years	49,308	15,251
Over 2 years but less than 3 years	2,239	—
Over 3 years	1,982	1,985
	<hr/>	<hr/>
Subtotal	288,740	253,640
Less: Allowance for doubtful debts	(7,441)	(7,408)
	<hr/>	<hr/>
	281,299	246,232
	<hr/> <hr/>	<hr/> <hr/>

The ageing of receivables from supply chain services is from the date of payment.

(iv) Trade debtors

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Within 1 year	13,726	40,746
Over 1 year but less than 2 years	20	—
Over 2 years but less than 3 years	—	—
Over 3 years	—	5
	<hr/>	<hr/>
Subtotal	13,746	40,751
Less: Allowance for doubtful debts	(5,295)	(5,248)
	<hr/>	<hr/>
	8,451	35,503
	<hr/> <hr/>	<hr/> <hr/>

The ageing of receivables from trade debtors is from the date of payment.

(b) Impairment of receivables for default guarantee payments, receivables from guarantee customers and receivables from supply chain services:

Impairment losses in respect of receivables for default guarantee payments and receivables from guarantee customers and receivables from supply chain services are recorded using an allowance unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against receivables for default guarantee payments, receivables from guarantee customers and receivables from supply chain services.

The movement in the allowance for receivables for default guarantee payments and receivables from guarantee customers during the years ended 31 December 2025 and 2024, are as follows:

(i) Receivables for default guarantee payments

		At 31 December 2025	At 31 December 2024
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January		280,278	200,028
Impairment losses recognised in the consolidated statement of profit or loss	5(a)	96,841	85,421
Amounts written off		(25,143)	(12,111)
Amounts recovered		183	6,940
		<u>352,159</u>	<u>280,278</u>

(ii) Receivables from guarantee customers

	2025			
	12-month ECL <i>RMB'000</i>	Lifetime ECL not credit- impaired <i>RMB'000</i>	Lifetime ECL credit-impaired <i>RMB'000</i>	Total <i>RMB'000</i>
As at 1 January 2025	—	1,326	45,470	46,796
Transfer to lifetime ECL credit-impaired	—	(483)	483	—
Net re-measurement of loss allowance	—	843	(10,049)	10,892
Receivables from guarantee customers				
newly originated	—	—	3,311	3,311
Amounts recovered	—	—	3	3
	<u>—</u>	<u>—</u>	<u>39,218</u>	<u>39,218</u>

	2024			
	12-month ECL <i>RMB'000</i>	Lifetime ECL not credit- impaired <i>RMB'000</i>	Lifetime ECL credit-impaired <i>RMB'000</i>	Total <i>RMB'000</i>
As at 1 January 2024	—	2,700	41,250	43,950
Transfer to lifetime ECL credit-impaired	—	—	—	—
Net re-measurement of loss allowance	—	(2,700)	222	(2,478)
Receivables from guarantee customers newly originated	—	1,326	4,016	5,342
Amounts recovered	—	—	10	10
Uncollectible amounts write-off	—	—	(28)	(28)
As at 31 December 2024	—	1,326	45,470	46,796

(iii) Receivables from supply chain services

	2025			
	12-month ECL <i>RMB'000</i>	Lifetime ECL not credit- impaired <i>RMB'000</i>	Lifetime ECL credit-impaired <i>RMB'000</i>	Total <i>RMB'000</i>
As at 1 January 2025	1,980	64	5,364	7,408
Receivables from supply chain services newly originated	(792)	105	720	33
As at 31 December 2025	1,188	169	6,084	7,441

10 LOANS AND ADVANCES TO CUSTOMERS

(a) Analysed by nature

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Entrusted loans	414,979	385,460
Micro-lending	673,452	727,409
Gross loans and advances to customers	1,088,431	1,112,869
Accrued interest	19,890	16,182
Total allowances for impairment losses	(126,254)	(126,782)
Net loans and advances to customers	982,067	1,002,269

(b) **Analysed by industry sector**

	At 31 December 2025		At 31 December 2024	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%
Service sector	438,397	41%	511,346	46%
Wholesale and retail	445,085	40%	390,832	35%
Manufacturing	173,649	16%	170,991	15%
Real Estate and construction	31,300	3%	39,700	4%
Gross loans and advances to customers	<u>1,088,431</u>	<u>100%</u>	<u>1,112,869</u>	<u>100%</u>

(c) **Analysed by type of collateral**

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Secured loans	371,486	459,383
Unsecured loans	289,768	177,719
Others	<u>427,177</u>	<u>475,767</u>
Gross loans and advances to customers	<u>1,088,431</u>	<u>1,112,869</u>

- Secured loans: Secured loans refer to the loan and advances which are secured by collateral that meets the following standards: (i) such collateral has been registered with the relevant governmental authorities; (ii) the market value of such collateral can be easily observed; and (iii) the Group has priorities over other beneficiaries on such collateral. Such collateral mainly includes real estates and land use rights.
- Unsecured loans: Unsecured loans refer to the loan and advances which are not secured by collateral or counter-guaranteed.
- Others: Others refer to loans and advances guaranteed by guarantors, or secured by collateral, the market value of which may be subject to depreciation or cannot be easily observed, or on which the Group does not have priorities over other beneficiaries. Such collateral includes unregistrable real properties, land use rights, and registrable account receivables, vehicles, machineries and inventories.

(d) **Overdue loans analysed by overdue period**

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Overdue within 1 year (inclusive)	51,097	155,990
Overdue more than 1 year to 2 years (inclusive)	124,464	26,328
Overdue more than 2 year to 3 years (inclusive)	22,525	4,356
Overdue more than 3 years	93,056	101,129
	<u>291,142</u>	<u>287,803</u>

(e) **Analysed by methods for assessing allowances for impairment losses**

	At 31 December 2025			
	12-month ECL <i>RMB'000</i>	Lifetime ECL not credit- impaired <i>RMB'000</i>	Lifetime ECL credit-impaired <i>RMB'000</i>	Total <i>RMB'000</i>
Entrusted loans	278,657	4,000	132,980	415,637
Micro-lending	533,520	17,887	141,277	692,684
Gross loans and advances to customers	812,177	21,887	274,257	1,108,321
Less: Allowances for impairment losses	(46,333)	(5,771)	(74,150)	(126,254)
Net loans and advances to customers (excluding accrued interest)	<u>765,844</u>	<u>16,116</u>	<u>200,107</u>	<u>982,067</u>
	At 31 December 2024			
	12-month ECL <i>RMB'000</i>	Lifetime ECL not credit- impaired <i>RMB'000</i>	Lifetime ECL credit-impaired <i>RMB'000</i>	Total <i>RMB'000</i>
Entrusted loans	262,856	—	123,152	386,008
Micro-lending	572,791	22,650	147,602	743,043
Gross loans and advances to customers	835,647	22,650	270,754	1,129,051
Less: Allowances for impairment losses	(39,184)	(4,168)	(83,430)	(126,782)
Net loans and advances to customers (excluding accrued interest)	<u>796,463</u>	<u>18,482</u>	<u>187,324</u>	<u>1,002,269</u>

(f) Movements of allowances for impairment losses

	2025			
	12-month ECL <i>RMB'000</i>	Lifetime ECL not credit- impaired <i>RMB'000</i>	Lifetime ECL credit-impaired <i>RMB'000</i>	Total <i>RMB'000</i>
As at 1 January 2025	39,184	4,168	83,430	126,782
Transfer to lifetime ECL not credit-impaired	(269)	269	—	—
Transfer to lifetime ECL credit-impaired	(684)	(125)	809	—
Net re-measurement of loss allowance	(38,231)	(3,418)	(9,502)	(51,151)
Loans and advances newly originated	46,333	4,877	2,518	53,728
Write-offs	—	—	(3,178)	(3,178)
Amounts recovered	—	—	73	73
As at 31 December 2025	<u>46,333</u>	<u>5,771</u>	<u>74,150</u>	<u>126,254</u>
	2024			
	12-month ECL <i>RMB'000</i>	Lifetime ECL not credit- impaired <i>RMB'000</i>	Lifetime ECL credit-impaired <i>RMB'000</i>	Total <i>RMB'000</i>
As at 1 January 2024	27,864	7,687	61,074	96,625
Transfer to lifetime ECL not credit-impaired	(646)	646	—	—
Transfer to lifetime ECL credit-impaired	(889)	—	889	—
Net re-measurement of loss allowance	(26,242)	(5,095)	10,818	(20,519)
Loans and advances newly originated	39,097	1,830	27,250	68,177
Write-offs	—	(900)	(16,752)	(17,652)
Amounts recovered	—	—	151	151
As at 31 December 2024	<u>39,184</u>	<u>4,168</u>	<u>83,430</u>	<u>126,782</u>

11 FACTORING RECEIVABLES

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Factoring receivables	242,709	229,019
Less: Allowances for factoring receivables	<u>(43,516)</u>	<u>(36,522)</u>
	<u>199,193</u>	<u>192,497</u>

12 FINANCIAL ASSETS MEASURED AT FVOCI

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Unlisted equity investments	<u>9,576</u>	<u>12,558</u>

13 FINANCIAL ASSETS MEASURED AT FVPL

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Wealth management products	56,652	134,161
Unlisted equity investments and others	13,576	12,719
Financial assets arising from interest in jointly controlled Trust Plans	<u>5,718</u>	<u>6,420</u>
	<u>75,946</u>	<u>153,300</u>

14 RECEIVABLE INVESTMENTS

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Certificates of deposit	—	10,734
Trust products	<u>7,000</u>	<u>7,000</u>
Subtotal	7,000	17,734
Accrued interest	1,364	1,364
Less: Allowances for impairment losses	<u>(6,242)</u>	<u>(6,473)</u>
	<u>2,122</u>	<u>12,625</u>

15 INTEREST-BEARING BORROWINGS

The interest-bearing borrowings were due for repayment as follows:

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Interest-bearing borrowings		
— Due for repayment within 1 year	305,243	359,852
— Due for repayment between 1 to 3 years	23,990	—
Total	<u>329,233</u>	<u>359,852</u>

The Group's interest-bearing borrowings are analysed as follows:

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Bank loans		
— Unsecured	328,989	250,490
— Pledged	—	40,000
Other loans	—	69,000
	<u>328,989</u>	<u>359,490</u>
Accrued interest payable	244	362
	<u>329,233</u>	<u>359,852</u>

(i) At 31 December 2025, loans bear interest at a range from 2.80% to 4.80% (2024: 3.05% to 6.5%) per annum.

16 LIABILITIES FROM GUARANTEES

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Deferred income	144,288	174,779
Provisions for guarantee losses	53,153	59,618
	<u>197,441</u>	<u>234,397</u>

(a) Provisions for guarantee issued

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
As at 1 January	59,618	55,918
(Reversal)/Charge for the year	<u>(6,465)</u>	<u>3,700</u>
As at 31 December	<u><u>53,153</u></u>	<u><u>59,618</u></u>

17 CUSTOMER PLEDGED DEPOSITS AND ACCRUALS AND OTHER PAYABLES

(a) Customer pledged deposits

Customer pledged deposits refer to deposits received from customers as collateral security for the credit issued by the Group. These deposits are interest-free, and will be returned to customers after the guarantee contracts expire.

(b) Accruals and other payables

	<i>Note</i>	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Accrued staff cost		42,490	48,503
Income tax payable	21(a)	28,142	35,955
Advance payments	(i)	89,392	42,035
Accounts payable	(ii)	86,733	33,477
Payable to customers		9,026	5,797
Contract liabilities	(iii)	2,274	3,531
Withholding income tax		4,076	4,472
Dividends payable		2,383	2,237
Capital contributions received in advance by subsidiaries from shareholders		22,000	—
Others		<u>9,325</u>	<u>9,232</u>
Total		<u><u>295,841</u></u>	<u><u>185,239</u></u>

(i) The Group receives advance payments from customers for the supply chain services. As at 31 December 2025, advance payments related to supply chain services amounted to RMB89,391,535 (31 December 2024: RMB42,035,000).

(ii) As of 31 December 2025, the amount of accounts payable is RMB86,733,487 (31 December 2024: RMB33,477,000), which mainly consisted of the Group's payment for the purchase of inventory goods from suppliers and the service fees for the delivery of goods by downstream partners;

As of 31 December 2025, accounts payable mainly represents the amount due to suppliers related to the Group's supply chain business;

As of 31 December 2025, the ageing of accounts payable (based on the invoice date) amounting to RMB84.32 million (31 December 2024: RMB31.35 million) was within 1 year (inclusive), RMB0.96 million (31 December 2024: RMB0.69 million) were over 1 year but within 3 years and the rest were over 3 years.

(iii) Contract liabilities

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Guarantee service and financing consultation service	<u>2,274</u>	<u>3,531</u>

Payment terms which impact on the amount of contract liabilities recognised are as follows:

When the Group receives a prepayment before the render of services of financing consultation service, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the project exceeds the amount of the prepayment. The amount of the prepayment, if any, was negotiated on a case by case basis with customers, where the Group generally receives a 100% prepayment on the acceptance of financing related consultation requests before work commences.

All contract liabilities are expected to be recognised as income within one year.

18 DEBT SECURITIES ISSUED

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Corporate Bonds — Par Value	500,000	500,000
Corporate Bonds — Interest Adjustment	—	(658)
Corporate Bonds — Accrued Interest	<u>8,854</u>	<u>9,983</u>
	<u>508,854</u>	<u>509,325</u>

Fixed rate corporate bonds with nominal value RMB260,000,000 and a term of five years were issued on 18 March 2021 (“**2021 Corporate Bond**”), whose coupon rate is 4.60% per annum. Another fixed rate corporate bonds with nominal value RMB240,000,000 and a term of five years were issued on 22 August 2022, whose coupon rate is 3.50% per annum. The Group has an option to adjust the coupon rate for the remaining duration at the end of the third year. After the Group announces whether to adjust the coupon rate, the investors have an option to redeem all or part of the debts held at the nominal amounts. For 2021 Corporate Bond, the Company issued an interest rate adjustment announcement on February 5, 2024, and decided to reduce the coupon rate to 3.40%, effective for 18 March 2024 to 18 March 2026. For 2022 Corporate Bond, the Company issued an interest rate adjustment announcement on July 22, 2025, and decided to reduce the coupon rate to 2.20%, effective for 22 August 2025 to 22 August 2027.

As of 31 December 2025, the fair value of corporate bonds amounted to RMB503,918,000 (31 December 2024: RMB506,483,000).

As of 31 December, 2025, the Company has paid interest of RMB8,840,000 yuan for the 2021 Corporate Bond and 8,377,458.44 yuan for the 2022 Corporate Bond.

19 OTHER FINANCIAL INSTRUMENTS

		At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
	<i>Note</i>		
Zhongshan Join-Share	(i)	100,446	108,686
Yunfu Guarantee	(ii)	10,000	10,000
Guangdong finance Guarantee	(iii)	40,560	30,000
		151,006	148,686
Accrued interest		938	802
		151,944	149,488

- (i) In September 2021, the Company entered into a series of shareholders' agreements with the nominal shareholders of Zhongshan Join-Share ("**2021 Shareholders' Agreements**"), which stipulated the rights and obligations between the shareholders. On March 15, 2023, the equity transaction was completed between Zhongshan Health and Zhongshan Huoju, and Zhongshan Huoju entered into the confirmation letter confirming the acceptance of all the rights and obligations of Zhongshan Health as agreed in the 2021 Shareholders' Agreement and a concerted action agreement. According to the above agreements, Zhongshan Huoju holds 43% equity interest of Zhongshan Join-Share and enjoys a disproportionate return of its capital contribution with a minimum of 6% per annum depending on the level of Zhongshan Join-Share's actual profitability each year. Zhongshan Join-Share is obligated to distribute all of its distributable profits to its shareholders each year, whereas if it does not generate sufficient profits to distribute the minimum return to Zhongshan Huoju, the Company shall complement the difference to Zhongshan Huoju. However, Zhongshan Huoju's capital contribution is redeemable in full or by part by the Company upon occurrence of contingent events which result in Zhongshan Join-Share's guarantee default rate over 5% in three consecutive years or Zhongshan Join-Share's net asset balance as at any balance sheet date falling below 80% of its paid-in capital. The redemption price shall equal Zhongshan Join-Share's net asset per share on the date of redemption. In the event the Company does not exercise the repurchase upon the occurrence of the relevant contingent events, Zhongshan Huoju has a right to liquidate Zhongshan Join-Share, where the Group shall inevitably deliver cash or financial assets to all other nominal shareholders of Zhongshan Join-Share at a price equal to Zhongshan Join-Share's net asset available for distribution per share on the date of its liquidation.

- (ii) In September 2022, the Company entered into a new shareholders' agreements with the nominal shareholders of Yunfu Guarantee ("**2022 Yunfu Guarantee Shareholders Agreement**"). According to the 2022 Yunfu Guarantee Shareholders Agreement, Guangdong Utrust invested RMB10,000,000 in Yunfu Guarantee as a new nominal shareholder and enjoyed a capital contribution return of 2% per annum. If the profits distributed by Yunfu Guarantee cannot meet the 2% capital contribution return requirements of Guangdong Utrust, the Company shall complement the difference to Guangdong Utrust. At the same time, if the operating conditions of Yunfu Guarantee do not meet certain criteria mentioned in 2022 Shareholders' Agreement, Guangdong Utrust has the right to require the Company to repurchase all of its capital contribution at a redemption price of RMB10,000,000. If the repurchase event arises, the Company shall inevitably deliver cash or financial assets to Guangdong Utrust.
- (iii) In April 2022, the Company entered into a shareholders' agreement with the nominal shareholders of Guangdong finance Guarantee ("**2022 Guangdong Financing Guarantee Shareholders Agreement**"). On 3 February 2023, Guangdong Finance Guarantee was established. According to the 2022 Guangdong Financing Guarantee Shareholders Agreement, Guangdong Utrust invested RMB30,000,000 in Guangdong Finance Guarantee as a nominal shareholder and enjoyed a capital contribution return of 2% per annum. If the profits distributed by Guangdong Finance Guarantee cannot meet the 2% capital contribution return requirements of Guangdong Utrust, the Company shall complement the difference to Guangdong Utrust. At the same time, if the operating conditions of Guangdong Finance Guarantee do not meet certain criteria mentioned in the 2022 Guangdong Financing Guarantee Shareholders Agreement, Guangdong Utrust has the right to require the Company to repurchase all of its capital contribution at a redemption price of RMB30,000,000. If the repurchase event arises, the Company shall inevitably deliver cash or financial assets to Guangdong Utrust. In March 2025, the Company concluded a capital-increase agreement with Guangdong Re-Guarantee (the "**2025 Guangdong FG Capital Increase Agreement**"). Under this agreement, Guangdong Re-Guarantee invested RMB10,560,000, of which RMB10,000,000 as registered capital and RMB560,000 as a capital premium and receives a fixed 2% return per annum calculated solely on its capital contribution. Guangdong Re-Guarantee does not participate in any other profit distribution. If the profits distributed by Guangdong Finance Guarantee cannot meet the 2% capital contribution return requirements of Guangdong Re-Guarantee, the Company shall complement the difference to Guangdong Re-Guarantee. At the same time, if the operating conditions of Guangdong Finance Guarantee do not meet certain criteria mentioned in the 2025 Guangdong FG Capital Increase Agreement, Guangdong Re-Guarantee has the right to require the Company to repurchase all of its capital contribution at a redemption price of RMB10,560,000. If the repurchase event arises, the Company shall inevitably deliver cash or financial assets to Guangdong Utrust or Guangdong Re-Guarantee.

In conclusion, the above three obligations recognized financial liabilities in the consolidated financial statements of the Group, which are accounted as other financial instruments.

20 FINANCIAL LIABILITIES MEASURED AT FVPL

	At 31 December 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
Financial liabilities arising from interests in jointly controlled Trust Plans	—	10,702

During the year ended 31 December 2025, the Company and a third party group (“**Third Party**”) entered into a series of contractual agreements related to certain designated collective fund trust plans (“**Trust Plans**”). Under these arrangements, the Company participates in the results with respect to the underlying investments and guarantees losses in excess of those absorbed by the Third Party. The Trust Plans are funded by designated investors. The underlying investments in the Trust Plans mainly include debts to corporate borrowers with pledged notes receivables.

The Company has determined that it shares joint control with the Third Party over the Trust Plans in relation to such matters as review and approval of the underlying investments, and management of defaults. In addition, the Company has determined that its returns from the interests in these Trust Plans are not substantially the same as an ordinary share interest and as such has accounted for these interests as financial liabilities.

Details of the Group’s interest in the Trust Plans, which is accounted for as financial liabilities in the consolidated financial statements, are as follows:

Names of ventures	Note	Form of business structure	Date and place of incorporation/ establishment	Proportion of ownership interest As at 31 December 2025					
				Registered capital <i>unaudited</i>	Paid-in capital <i>unaudited</i>	Group’s effective interest	Held by the Company	Held by a subsidiary	Principal activities
Yuecai Trust • Huijinkeji 129-1 Collective Fund Trust Plan (“ Yuecai Trust Huijinkeji 129-1 ”) (“ 粵財信託•慧金科技129-1號集合資金信託計劃 ”)	(i)	Trust plan	June 2021 the PRC	RMB 134,100,000	RMB 134,100,000	50%	50%	0%	Investment
Yunnan Trust Qingquan 48 Collective Fund Trust Plan (“ Yunnan Trust Qingquan 48 ”) (“ 雲南信託 — 清泉48號單一資金信託計劃 ”)	(ii)	Trust plan	January 2021 the PRC	RMB 50,000,000	RMB 50,000,000	50%	50%	0%	Investment
Yunnan Trust Qingquan 37 Collective Fund Trust Plan (“ Yunnan Trust Qingquan 37 ”) (“ 雲南信託 — 清泉37號單一資金信託計劃 ”)	(iii)	Trust plan	March 2021 the PRC	RMB 161,000,000	RMB 161,000,000	50%	50%	0%	Investment

- (i) As of 31 December 2025, the underlying loans of Yuecai Trust•Huijinkeji 129-1 Collective Fund have all matured. As the borrowers of the underlying loans were unable to repay the principal and interest as expected, the Group fulfilled its obligation of default guarantee payments to the Trust Plan in June 2024 according to the relevant guarantee contract, which was amounted to RMB17,829,000. During the year ended 31 December 2025, the Group recovered part of the amount from the debtors, and the balance of the default guarantee payment arising from the above matter was RMB16,137,000. The asset of aggregate carrying amount of individually immaterial jointly controlled Trust Plans in the consolidated financial statements is RMB1,126,000. Please see Note 13.
- (ii) As of 31 December 2025, the underlying loans of Yunnan Trust Qingquan 48 Collective Fund have all matured. As the borrowers of the underlying loans were unable to repay the principal and interest as expected, the Group fulfilled its obligation of default guarantee payments to the Trust Plan in October 2025 according to the relevant guarantee contract, which was amounted to RMB13,197,000. During the year ended 31 December 2025, the Group recovered part of the amount from the debtors, and the balance of the default guarantee payment arising from the above matter was RMB7,468,000. The asset of aggregate carrying amount of individually immaterial jointly controlled Trust Plans in the consolidated financial statements is RMB388,000. Please see Note 13.
- (iii) As of 31 December 2025, the underlying loan of the Yunnan Trust Qingquan 37 Collective Fund Trust Plan have all matured. As the borrowers of the underlying loans were unable to repay the principal and interest as expected, the Group fulfilled its obligation of default guarantee payments to the Trust Plan in September 2022 and October 2023 according to the relevant guarantee contract, which was amounted to RMB58,139,000 and RMB49,637,000. In 2022, the Group irrevocably assigned part of defaulted guarantee payments amounted to RMB37,289,000 arising from the above matter to Foshan Properties Management Co., Ltd. for a total consideration of RMB32,000,000. During the year ended 31 December 2025, the Group recovered part of the amount from the debtors, and the balance of the default guarantee payment arising from the above matter was RMB41,761,000 and the asset of aggregate carrying amount of individually immaterial jointly controlled Trust Plans in the consolidated financial statements is RMB4,204,000. Please see Note 13.

The asset of aggregate carrying amount of individually immaterial jointly controlled Trust Plans in the consolidated financial statements formed by the above (i) and (iii) Trust Plan, which is amounted to RMB5,718,000.

Summarised financial information of the Trust Plans, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

Aggregate information of individually immaterial jointly controlled Trust Plans:

	31 December 2025 RMB'000	31 December 2024 RMB'000
Asset of aggregate carrying amount of individually immaterial jointly controlled Trust Plans in the consolidated financial statements	5,718	6,420
Liability of aggregate carrying amount of individually immaterial jointly controlled Trust Plans in the consolidated financial statements	<u>—</u>	<u>10,702</u>
Aggregate amounts of the Group's share of profit of these jointly controlled Trust Plans in the consolidated financial statements:		
Gain/(loss) from operation and total comprehensive income	<u>12,036</u>	<u>(5,124)</u>

As of 31 December 2025, the Company's maximum potential loss in relation to the financial guarantees issued to the Trust Plans amounted to RMB0 (31 December 2024: RMB13,197,000), which would be recognised if the underlying investments of the Trust Plans default completely.

21 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

	Share capital <i>RMB'000</i>	Share premium <i>RMB'000</i>	Surplus reserve <i>RMB'000</i>	General reserve <i>RMB'000</i>	Retained earnings <i>RMB'000</i>	Total <i>RMB'000</i>
Balance at 31 December 2023	1,560,793	133,773	148,387	148,521	69,102	2,060,576
Changes in equity for 2024:						
Profit for the year	—	—	—	—	48,315	48,315
Total comprehensive income	—	—	—	—	48,315	48,315
Issue of ordinary shares	—	—	—	—	—	—
Appropriation to surplus reserve	—	—	5,574	—	(5,574)	—
Appropriation to general reserve	—	—	—	—	(31,218)	(31,218)
Dividends approved in respect of the previous year	—	—	—	5,572	(5,572)	—
Balance at 31 December 2024	<u>1,560,793</u>	<u>133,773</u>	<u>153,961</u>	<u>154,093</u>	<u>75,053</u>	<u>2,077,673</u>
	Share capital <i>RMB'000</i>	Share premium <i>RMB'000</i>	Surplus reserve <i>RMB'000</i>	General reserve <i>RMB'000</i>	Retained earnings <i>RMB'000</i>	Total <i>RMB'000</i>
Balance at 31 December 2024	1,560,793	133,773	153,961	154,093	75,053	2,077,673
Changes in equity for 2025:						
Profit for the year	—	—	—	—	30,241	30,241
Total comprehensive income	—	—	—	—	30,241	30,241
Issue of ordinary shares	—	—	—	—	—	—
Appropriation to surplus reserve	—	—	3,024	—	(3,024)	—
Appropriation to general reserve	—	—	—	3,024	(3,024)	—
Dividends approved in respect of the previous year	—	—	—	—	(29,655)	(29,655)
Balance at 31 December 2025	<u>1,560,793</u>	<u>133,773</u>	<u>156,985</u>	<u>157,117</u>	<u>69,591</u>	<u>2,078,259</u>

(b) Dividends

Pursuant to the resolution of the Board of Directors' meeting held on 27 March 2026, no dividend appropriation is proposed in respect of the financial year ended 31 December 2025.

22 GUARANTEES ISSUED:

As at the end of each reporting period, the total maximum guarantees issued (net of counter-guarantees) are as follows:

	31 December 2025 RMB'000	31 December 2024 RMB'000
Financing guarantee	3,228,655	3,988,892
Performance guarantee	3,068,500	3,603,841
Litigation guarantee	<u>55,000</u>	<u>—</u>
Subtotal	6,352,155	7,592,733
Less: Customer pledged deposits	<u>(40,068)</u>	<u>(59,483)</u>
Total	<u><u>6,312,087</u></u>	<u><u>7,533,250</u></u>

The total maximum guarantees issued represent the maximum potential loss that would be recognised if counterparties failed completely to perform as contracted.

23 COMMITMENTS AND CONTINGENT LIABILITIES

Litigation and disputes

As at 31 December 2025, the Group had no material outstanding litigation or disputes in which the Group was a defendant.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

In 2025, after navigating a complex landscape marked by sluggish global economic recovery and multiple intertwined risks and challenges, the world economy experienced a slow recovery and divergent development, generally showing a pattern of moderate rebound but insufficient momentum. Concurrently, intensified strategic rivalry among major nations, persistent geopolitical conflicts, rising trade protectionism, and increasing barriers have made the global recovery process tortuous and volatile, with instability and uncertainty markedly on the rise. Confronting mounting external pressures and intensifying domestic challenges, the Chinese government has adhered to the general principle of making progress amid stability, accelerated the establishment of a new development paradigm, vigorously promoted high-quality development, and strengthened macro regulation, thereby propelling the economy forward against the odds and towards innovation and optimization. Data from and preliminary estimates of the National Bureau of Statistics show that China's gross domestic product (GDP) reached RMB140.1879 trillion in 2025. In constant price terms, the economy expanded year-on-year by 5.0%, maintaining its position as the world's second-largest economy. From a sectoral perspective, the added value of primary industry was RMB9.3347 trillion, a 3.9% year-on-year increase; that of secondary industry was RMB49.9653 trillion, an increase of 4.5%; and that of tertiary industry was RMB80.8879 trillion, with a 5.4% growth. Quarterly performance exhibited a trajectory of stable operation, overall resilience, and remarkable stability, with Q1, Q2, Q3 and Q4 showing 5.4%, 5.2%, 4.8% and 4.5% year-on-year GDP growth, respectively.

In the past year, China's small and medium-sized enterprises (SMEs) have maintained overall stable operations, with their resilience to development continuing to emerge and business vitality steadily increasing. Supported by the sustained impact of a comprehensive policy package and the gradual improvement of the market environment, confidence among SMEs has been significantly boosted. Throughout the year, SMEs have generally accelerated their pace of innovation and upgrading with digital transformation, specialised and sophisticated development, and green and low-carbon upgrades emerged as the primary directions for transformation and development. According to data released by the China Association of Small and Medium Enterprises, the China Small and Medium Enterprises Development Index was 89.2 in December 2025, representing an increase of 0.2 point from 2024. Guangdong Join-Share Financing Guarantee Investment Co., Ltd.* (the “**Company**”, together with its subsidiaries, the “**Group**”), adhering to the core principles of “government guidance, social participation, professional operation and market-oriented management”, with credit as the foundation, industry as the anchor and the finance as the driver, set up a systematic investment and financing service platform for SMEs. Rooted in Guangdong and extending nationwide, the Group comprehensively served the high-quality development of SMEs and is committed to enhancing financing efficiency of SMEs, reducing their financing costs and effectively alleviating funding challenges of corporations.

In April 2020, the Group’s business license of financing guarantee business was approved and renewed by Guangdong Financial Supervisory Authority, and its subsidiary Guangdong Join-Share Financing Guarantee Co., Ltd.* (廣東中盈盛達融資擔保有限公司) also obtained the business license of financing guarantee business issued by the Guangdong Financial Supervisory Authority on 30 December 2022. With robust internal control and risk management systems in place, the Group is fully capable of ensuring standardized operations and sustainable development. 2025 is the 22nd anniversary of the founding of the Group, driven by the continued strength of national support policies and the steady improvement of the industry ecosystem, the Group firmly seized development opportunities, solidly fortified its fundamental operations, and continuously consolidated its market position and brand influence. At the same time, the Group adhered to a strategic orientation, proactively optimised its business structure and focused on core areas. The Group comprehensively strengthened internal control management and risk control, continuously improving operational efficiency and compliance standards. These efforts have laid a solid foundation for the Group’s high-quality and sustainable long-term development, marking a firm step forward toward the strategic vision of becoming a systematic investment and financing service provider for SMEs.

Mr. Wu Liejin, chairman of the Board (“**Chairman**”) and president of the Group (“**President**”), stated that the Group will continue to adhere to the principles of ‘stability’ and ‘transformation’ in our operations, focus on main business and deepen its core areas. Guided by market demand and high-quality development, the Group will coordinate the steady development of its business with precise risk prevention and control. Through strategic optimisation, resource integration, and innovation-driven approaches, it will continuously enhance its core competitiveness and operational quality and efficiency, laying a solid foundation for the enterprise’s long-term high-quality development and achievement of empowering it for greater effectiveness.

Business Review

The business of the Group mainly consists of two segments, namely the guarantee business and the SMEs lendings.

Guarantee Business

The Group provides guarantees on behalf of SMEs and individual business proprietors to guarantee their repayment of loans or performance of their contractual obligations. Among which, regarding the financing guarantee business, the Group and the creditors, such as banking financial institutions, agree that, in case that the warrantee fails to perform its financing debts owed to the creditors, the Group as guarantor shall bear the guarantee liabilities as agreed in the agreement in accordance with laws. The Group mainly provides the following products and services:

Financing guarantee	Non-financing guarantee
Indirect financing guarantee	Litigation preservation guarantee
Direct financing guarantee	Engineering guarantee letters and other performance guarantee letters

As at 31 December 2025, the Group's total outstanding guarantee was approximately RMB6,312.09 million (31 December 2024: RMB7,533.25 million). For the year ended 31 December 2025, the net guarantee fee income was approximately RMB156.92 million (31 December 2024: RMB223.77 million).

SMEs Lendings

The Group provides loans and advances to customers comprising entrusted loans and micro-lending*.

- (a) **Entrusted loan business.** The Group, operated through the Company, deposits its own funds into intermediary banks, which on-lend the funds to ultimate borrowers selected by the Group and charges fixed interest rate. The Group usually provides entrusted loans of relatively large amount ranging from approximately RMB1.00 million to approximately RMB35.00 million through banks, and is not subject to geographical restriction. According to Regulations on the Supervision and Administration of Financing Guarantee Companies (《融資擔保公司監督管理條例》) promulgated by the State Council of the PRC, financing guarantee companies shall not run self-operated loans or entrusted loans, and hence the Company adopted the business model of lending loans through entrusting banks qualified to operate loan businesses. During the course of entrusted loan business of the Company, related entities including the Company, the bank and the borrowers agree on their respective rights and obligations by way of contract. The Company is in charge of the provision of entrusted loan fund, receipt of entrusted loan interests from borrowers and bearing the credit risks, while the bank is responsible for charging for commission expenses, lending entrusted loans, assisting on the supervision on the usage and recovery of the loans without bearing the credit risks. For the year ended 31 December 2025, the monthly fixed interest rate charged by the Group for entrusted loans ranged from 0.5% (inclusive) to 1.15% (inclusive) (for the year ended

* Monthly interest rates for entrusted loans and small loans, top five customer terms excluding overdue items.

31 December 2024: from 0.5% (inclusive) to 1.15% (inclusive)), which was determined by the negotiation with the borrowers according to the borrowers' creditworthiness, loan amount, loan term, type of guarantee and others. As at 31 December 2025, the balance of the Group's entrusted loans was approximately RMB414.98 million (31 December 2024: RMB385.46 million). The top five customers of such business in terms of remaining balance represent approximately 37.23% of the total remaining balance of entrusted loans as at 31 December 2025 and their respective terms were as follows:

Borrower	Cooperative institutions	Loan amount (RMB'000)	Loan balance as at 31 December 2025 (RMB'000)	Loan interest rate (month, %)	Loan term	Type of guarantee
Company A	Bank a, Bank b	42,000	42,000	0.57	16 July 2024– 2 December 2026	Credit loan, Guarantee loan
Company B	Bank c	30,000	30,000	1	12 December 2025– 12 June 2026	Guarantee loan
Company C	Bank b	29,000	29,000	0.57	3 September 2025– 18 September 2026	Credit loan
Company D	Bank a	28,000	28,000	0.83	16 April 2025– 15 April 2026	Credit loan
Company E	Bank a	25,500	25,500	0.58	1 August 2025– 1 August 2026	Guarantee loan
Total		<u>154,500</u>	<u>154,500</u>			

(b) **Micro-lending business.** The Group, operated through Foshan Chancheng Join-Share Micro Credit Co., Ltd.* (“**Foshan Micro Credit**”), provides advances to SMEs, individual business proprietors and individuals in Foshan and charges fixed interest rate. According to relevant regulations, micro-lending business refers to lending business operated by micro-lending companies established subject to the approval from relevant government authorities. Lending business conducted by micro-lending companies must follow the principle of “small loans, and decentralised resource distribution”. The amount of loans and repayment term must be determined with reference to factors such as the income, overall liabilities, asset position and actual demand of the borrowers to ensure the repayment amount may not exceed the borrowers’ repayment capacity. The Group operates micro-lending business through its subsidiary Foshan Micro Credit, a limited liability company operating micro-lending business under the approval of the Guangdong Financial Supervisory Authority. Due to regulatory limits, the amount of micro-lending that the Group may provide is up to RMB15.00 million. For the year ended 31 December 2025, the monthly fixed interest rate charged by the Group for micro-lending ranged from 0.55% (inclusive) to 2.0% (inclusive) (for the year ended 31 December 2024: from 0.55% (inclusive) to 2.0% (inclusive)), which was determined by the negotiation with the borrowers according to the borrowers’ creditworthiness, loan amount, loan term, type of guarantee and others. As at 31 December 2025, the balance of the Group’s micro-lending was approximately RMB673.45 million (31 December 2024: RMB727.41 million). The top five customers of such business in terms of remaining balance represent approximately 8.92% of remaining balance of total micro-lending as at 31 December 2025 and their respective terms were as follows:

Borrower	Loan amount (RMB'000)	Loan balance as at 31 December 2025 (RMB'000)	Loan interest rate (month, %)	Loan term	Type of guarantee
Individual A	15,000	15,000	1.3	16 September 2025– 15 March 2026	Guarantee loan. Collateral guarantee
Company F	12,000	12,000	0.583	25 February 2025– 24 February 2026	Guarantee loan
Company G	12,000	12,000	1.3	23 December 2025– 22 June 2026	Guarantee loan
Company H	11,000	10,700	1.3	21 August 2025– 20 February 2026	Guarantee loan
Individual B	10,400	10,400	1.4	25 December 2025– 24 December 2026	Guarantee loan
Total	<u>60,400</u>	<u>60,100</u>			

For the year ended 31 December 2025, the Group's net interest income was approximately RMB76.08 million, representing a decrease of approximately 19.78% as compared to approximately RMB94.85 million for the year ended 31 December 2024.

Internal Control

The Group had put in place the following internal control policy and procedures to manage the risks of its businesses:

- (1) For its **guarantee business**:
 - (a) For financing guarantee business, upon receiving approval, the business department will arrange for the execution of the transaction documents with the customers and the guarantors. If any registrable collateral is provided, the Company will register its security interest in such collateral with the relevant governmental authorities first. The risk control department inspects the contract execution, the implementation of counter-guarantee measures and supplemental matters under the requirements of the approval documents. Once these steps are completed, the Company's letter of guarantee becomes effective or the bank will be notified to release the loans to the borrowers.

The Company's post-transaction inspection procedures are launched upon engaging in the guarantee business. Through its post-transaction inspection procedures, the Company aims to identify any potential repayment difficulties of its customers ahead of the guarantee due date and to take appropriate precautionary measures. The project manager, as the project supervisor, visits customers regularly to understand the customers' profile in all aspects, including daily production or operation, financial status, credit, actual use of proceeds, changes in the counter-guarantee measures, changes in the condition or value of collateral, and any other material adverse change on the borrowers, their de facto controllers or counter-guarantors. He/she will also enquire online public information of the guarantee customers through third party service providers to obtain public monitoring data.

- (b) The Company has established certain measures and procedures in order to monitor the quality of its customers and assets in respect of its financing guarantee business, which include regular post-transaction supervision, special post-transaction supervision, risk screening, procedures for storing collateral and classification of risk profiles, and the relevant details are set out below:
- (i) Regular post-transaction supervision. The project supervisor regularly monitors and assesses the project conditions and risk conditions, predicts and evaluates risks according to the supervision plan, and reports to relevant departments. The Company conducts such supervision once every half month, every month, every two months, every three months or every six months depending on the risk profile of the project.
 - (ii) Special post-transaction supervision. A special post-transaction supervisor, in addition to the project supervisor, will be introduced for post-transaction supervision when necessary, generally for: (1) projects with certain operational risks; (2) the first time guarantee projects; (3) projects with high cumulative balance of guarantee liabilities; or (4) projects with certain industry risks. The special post-transaction supervisor is generally the Company's risk control manager, an officer responsible for collection and recovery, or the head of the business department or the risk control department. The Company conducts a special post-transaction supervision every month.
 - (iii) Risk screening. According to the macro-economy and the change in market environment, the Company formulates business guidelines and opinion on risks by classification of industry from time to time with an aim to promote healthy business development and risk control. The Company conducts risk screening by adopting stricter, higher standard and more specific risk supervision or special risk investigation on companies that are in industries with greater risks or easily affected by the macro economy, or the projects for which material counter-guarantee is in abnormal condition. The risk management department and the business department develop project due date guidance based on the customers' performance and the Company's guiding opinions on such customers before maturity of each project. If there is material abnormal matter affecting repayment during the post-transaction supervision, the project supervisor should report to the business department head and the risk management department in a timely manner, and the risk management department will adjust the supervision frequency and risk category, and arrange a special post-transaction supervisor's on-site supervision or hold a risk project seminar to discuss solutions.

- (iv) Management procedures for collateral. Collaterals include both tangible and intangible assets. Normally there is no storage requirement for intangible assets. For tangible assets, subject to conditions including project risks, characteristics of the customer's business and mortgage rate, the Company may adopt different measures, such as entering into and registering a mortgage, performing regular on-site inspections and conducting regular supervision through a third party designated by the Company. For real estate that has undergone mortgage registration, the Company will occasionally arrange an asset appraisal manager to conduct appraisals, check the market price of real estate of the same type through real estate websites, or check the status of the mortgage real estate with the registration department.
 - (v) Risk profile classification. The Company conducts post-transaction risk management review and classifies guarantees or loans into five risk profiles. The Company classifies its customer's risk profile as "normal," "special-attention," "substandard," "doubtful" or "loss" based upon the customer's financial condition, profitability, repayment capability, repayment record, willingness to repay, counter-guarantee conditions and other relevant material adverse incidents. Based on such risk profile classification, the Company adjusts the project's supervision grade and the corresponding frequency of review, adopts differentiated risk management and control strategies and enhances supervision on "special-attention" projects with a focus on collections from "substandard," "doubtful" or "loss" projects.
- (c) The Company initiates its collection and recovery process if it assesses that projects have great hidden risks or risk exposure. In the case of a customer default under its guarantee business, the Company will pay to the lending bank the outstanding principal amount of the loan, plus all accrued and unpaid interest and expenses within the time frame set forth in the relevant guarantee agreement. The Company's collection efforts generally involve its collection and recovery department and its legal department. Its collection and recovery process primarily involves the following steps and procedures:
- (i) the Company will commence its collection process by calling the customer after the default occurs. After that, the Company will attempt to collect the default payment on-site at the customer's business address and residential address;
 - (ii) in most cases where a customer defaults, the Company will work with the customer to develop alternative repayment plans and urge the customer to fulfil its repayment obligations if the customer indicates an intention to repay, the fundamentals of the customer's business are found to be sound, the cash flow prospects are expected to be sufficient to assure repayment and the Company is not aware of enforcement actions being taken by other creditors; and

(iii) the Company usually enforces its rights to the collateral when it determines that the customer's business prospects or the value of the collateral have deteriorated, when the customer does not indicate any intention to make repayments or when actions taken by other creditors may compromise the Company's rights. The Company will negotiate on disposal of the collateral with customers to recover its losses with the proceeds from the disposal of such collateral. In addition, the Company may call upon the guarantees or counter-guarantees provided by the customers and other guarantors or counter-guarantors. The Company may initiate legal or arbitration proceedings against a customer if there is any dispute over the Company's right to the collateral or other assurance measures. The Company generally seeks a court order enforcing the guarantee agreement and the right of sale in relation to pledged or mortgaged collateral.

(2) For its **entrusted loan business**:

(a) For the approval of entrusted loans, the project manager is responsible for preparing the project investigation report and collecting, among others, materials in relation to collateral or other guarantee measures, financial related information, and other information about the customers for submission for approval. The legal approval officers of the Company review the investigation report and due diligence documents, mainly including the litigation of the borrowers, project operation plan, etc. During the review of compliance issues such as the borrower's qualifications, ownership of the counter-collateral, and litigation-related information, if the presiding legal officer has any questions and cannot find the relevant information in the investigation report, they will discuss the matter with the project manager and request that further on-site investigations or interviews be conducted regarding the borrower, guarantor, and collateral. They will also prepare a legal opinion letter explaining the risks involved in the transaction and the related risk assessments performed. The legal opinion will be prepared to indicate the risks involved in the transaction and the relevant risks assessment conducted. According to the articles of association of the Company (the "**Articles of Association**"), the chairman or chairlady of executive committee, which is served by the chairman of the Board, will approve the entrusted loan projects with the balance of loans to individual enterprises of not more than 6% of the net assets of the group company. Any application for entrusted loans over such threshold will be approved by the Board or general meeting.

- (b) For the collection of entrusted loans, post-loan management procedures are kick-started once the business commences, with the aim to identify whether there are any potential difficulties for the customers to repay the entrusted loans upon expiry, and take preventive measures when appropriate. As the project supervisor, the project manager visits the customers according to the supervision plan in order to understand the conditions of the customers in all aspects, to assess the project status and risk exposure, including changes in daily production or operation, financial position, credit status, actual use of loans, and guarantee measures, as well as any material adverse changes of the borrowers, de facto controllers, or guarantors (if any), and to search for online public information in relation to the customers and obtain public opinion monitoring data through third-party service providers. Any significant anomalies affecting repayment identified under the supervision shall be reported by the project manager to the head of the business department and the risk management department in a timely manner, and the risk management department will adjust the frequency of supervision and risk level, or organise risk project seminars to discuss corresponding solutions.
- (c) If a project is assessed to have a greater risk potential or is exposed to risk, the Company will initiate the recovery procedures by calling the customer after the default of such customer. The Company will then proceed with the recovery procedures at the business address and residential address of such customer. In most cases of default of customer, if the customer intends to repay the loan and the Company considers that the customer maintains a sound and stable business foundation and the expected cash flow prospect is sufficient to ensure the repayment, and the Company is not aware of any enforcement actions taken by other creditors, the Company will work with such customer to formulate a repayment plan and procure such customer to fulfil such plan. When the Company assesses that there is deterioration of the business prospects of the customer or a drop in value of the collateral, and the customer has no intention to repay the loan or the actions taken by other creditors will damage the rights of the Company, the Company will usually choose to enforce its rights to the collateral. The Company will negotiate with the customer to sell the collateral and recover the proceeds to compensate the loss of the Company. In addition, the Company may require the performance of guarantees provided by the customer and other guarantors. If there is any dispute over the Company's rights to the collateral or other guarantee measures, the Company may take legal proceedings or arbitration procedures against the customer. The Company will normally file an application with the court for an order to enforce the guarantee agreement and the right to sell the pledged or mortgaged collateral.

(3) For its **micro-lending business**:

- (a) For the approval of all micro-lending loans, the risk management department will review and examine the investigation report on pre-loan investigations and on-site inspections, and review and verify the borrower's family structure, actual income, operating conditions and repayment ability stated in the report. In addition, the risk management department will request for the investigation report on the guarantor and the valuation report of the collateral to ensure the effectiveness and reliability of the guarantee.
- (b) The principal terms and conditions of a loan, such as the principal amount, interest rate, quality and adequacy of the security and collateral (if any) and the term of the loan, are considered and approved during the approval process of a loan application. Loans in an amount of RMB1,000,000 or more shall be approved by the micro-lending review committee and loans in an amount of less than RMB1,000,000 shall be approved by the general manager of the Company. The micro-lending review committee is led by the general manager of the Company and consists of five members with veto rights over loan applications. By strictly implementing the above-mentioned authorisation mechanism, the Company ensures that the terms and conditions of loans are in line with the credit policy of the Company.
- (c) For micro-lending loans, in general, the borrowers are required to make monthly interest payments on the loan and to repay the principal amount of the loan when it is due, and the Group may sometimes accept monthly instalments of payment for partial principal amount plus interest. To ensure timely collection of the micro-lending loans, the account managers will remind the borrowers of their payment obligations in advance of the relevant due date.

- (d) The Group considers all or part of the principal amount of any loan that has been overdue for a month or more to be overdue. When the principal amount of the loan is overdue or the interest on the loan is not repaid at the end of the relevant month, the account managers will visit the customer to remind him or her of the overdue situation, assess the overdue status and reasons, make a preliminary assessment on the risk level, mitigation measures and the possibility of recovering the loan, and report to the person in charge of the customer service department, the person in charge of the risk management department and the general manager. If the overdue situation does not improve after the visit and lasts for more than 20 days, the account managers, together with the representative of the legal department, the Group will carry out another site visit to remind the defaulting customer of his or her payment obligations. If the overdue situation remains unresolved and lasts for more than 45 days, the Group may arrange on-site meetings with the defaulting customer to negotiate a repayment plan for the overdue amount. If the customer insists on not fulfilling the repayment plan, the risk management department and legal department will initiate the following steps to seek recovery:
- (i) activate recourse right against the guarantor: If loan repayment is guaranteed by the guarantor, the Group will require the guarantor to repay the principal amount of the loan and accrued interest; or
 - (ii) foreclose on collateral: For loans secured by collateral, the Group will initiate foreclosure procedures by filing a petition with the court to attach and preserve the collateral. Upon obtaining a favourable judgement, the Group will file an enforcement petition with the court to realise the value of the collateral through auction or sale and subsequently apply all or part of its value to repay the loan.

Major Business Activities Undertaken by the Group During the Year

During the year ended 31 December 2025, with an aim to strengthen the Group's overall market position, the Group has undertaken the major business activities as follows:

1. In March 2025, Yunfu Company of the Group successfully facilitated the first inter-prefecture-level city loan transfer business with the support of Yunfu City's special fund for financing SMEs, injecting strong momentum into alleviating the difficulties of local enterprises and reducing financing costs. The successful implementation of this case marked a "groundbreaking achievement" in prefecture-level city loan transfer services of Yunfu City, providing a replicable model for subsequent enterprises.
2. In April 2025, the launch ceremony for the "Urban Industrial Financing Risk Compensation Fund Project," hosted by the Shiwan Street of Chancheng District, Foshan, and organised by the Group, was successfully held at the Command Centre for Wenhua Spring Festival Flower Market. The Urban Industrial Financing Risk Compensation Fund Project was jointly promoted and established by Shiwan Street and the Group. The aim of the project is to promote the integrated development of industry and finance, provide credit enhancement support for loans to eligible industries in Shiwan Street, and further promote the high-quality development of local industries.
3. In May 2025, Yunfu Company of the Group successfully issued a land reclamation guarantee letter for a temporary land use project for a highway project in Yunfu City through a bank, which demonstrates the proactive response of the Group to the call from the CPC Yunfu Municipal Committee and People's Government of Yunfu Municipality to support the development of SMEs. By providing guarantee services, the Group has helped real economy enterprises to reduce costs, improve efficiency, release tied up securities, and effectively lower operational expenses. Through this effort, Yunfu Company of the Group has further optimised the business environment, injected new momentum into the development of SMEs, and provided strong support for the high-quality development of the local economy.
4. In May 2025, the Group's independently developed AI intelligent platform was officially launched. The platform is based on the deep integration of DeepSeek+Qwen3 and focuses on core areas such as financial services, risk prevention and control, and office efficiency, marking the Company's official entry into the era of artificial intelligence and digital intelligence. The DeepSeek large model was integrated into existing business system of the Group, leveraging its powerful semantic understanding, data analysis, and predictive capabilities to build a comprehensive solution covering "intelligent risk control, precise services, and efficient operations".

5. In May 2025, following a rigorous assessment by the Department of Industry and Information Technology of Guangdong Province, an micro-credit company of the Group was successfully included in the list of “Guangdong Innovative Small and Medium-sized Enterprises” for 2024 (Yue Gong Xin Rong Zi Han [2024] No. 33) in recognition of its outstanding technological innovation capabilities and sound operating results, and was awarded the title plaque.
6. In July 2025, the People’s Government of Chancheng District, Foshan City awarded the micro-credit company of the Group the honorary title of “Enterprise with an Outstanding Tax Contribution for 2024” in recognition of its remarkable contributions in tax payment in accordance with the law, sound operation and promotion of regional economic development.
7. In November 2025, the Guangdong Provincial Local Financial Regulatory Bureau officially announced the results of the “Model” regulatory rating for micro-credit companies for 2024. With its solid performance in serving “agriculture, rural areas, and farmers”, supporting SMEs, strengthening Party-building leadership and team development, as well as its accumulated sound social reputation, the Group’s micro-credit company was once again rated “AAA+” and ranked fifth among more than 300 participating institutions across the province, achieving a historic breakthrough. To date, the company has been awarded the “AAA+” rating for three consecutive times, which fully demonstrates the strength accumulated through its long-standing philosophy of steady development.
8. In November 2025, the Guangdong Provincial Local Financial Regulatory Bureau published the list of financing guarantee companies in the province (excluding Shenzhen) with a regulatory rating of Grade C or above for 2024, and the Group’s four financing guarantee companies were all included on the list. Among them, the Group’s guarantee company and Yunfu Company were rated Grade A in the regulatory assessment, reflecting their achievements in business development, risk control, internal control systems and other aspects. During the same year, three of the Group’s government-backed financing guarantee institutions were rated as “Excellent” in the 2024 assessment of government-backed financing guarantee institutions.
9. In November 2025, the Department of Science and Technology of Guangdong Province released the list of technology-based small and medium-sized enterprises admitted in the third batch of 2025. A digital technology company of the Group successfully passed the accreditation and became one of the technology-based small and medium-sized enterprises that have been selected for five consecutive years. This marks the official recognition of the scientific research strength and the full endorsement of the innovation capacity of the Group’s digital technology company.

Financial Review

Net Guarantee Fee Income

The Group's total guarantee fee income decreased by approximately RMB64.12 million, or approximately 27.94%, from approximately RMB229.50 million for 2024 to approximately RMB165.38 million for 2025. Such decrease was mainly due to the following reasons: (i) in terms of business scale, the outstanding guarantees issued by the Group decreased from approximately RMB7,533.25 million in 2024 to approximately RMB6,312.09 million in 2025, and the reduction in the stock of guarantee business directly narrowed the revenue base; (ii) in terms of organisational structure, due to the adjustment of the top-level structure, the parent company's guarantee business has gradually been transferred to guarantee subsidiaries, and the pace of expansion slowed during the business integration period, leading to a temporary contraction in overall scale; (iii) in terms of risk strategy, the Group adopted a more prudent risk preference, actively reducing market-oriented guarantee business and strictly controlling exposure in high-risk areas, which, while optimising asset quality, had a certain impact on revenue; and (iv) in terms of policy environment, policies related to policy-oriented guarantee business have changed, limiting new business, compressing the renewal terms of existing business to within one year, and weakening the ability for business rollovers, further restricting the space for revenue growth.

Net Interest Income

The Group's net interest income decreased to approximately RMB76.08 million for 2025, as compared with approximately RMB94.85 million for 2024, which was a combined effect of factors set out below.

- Interest income from entrusted loan business decreased by approximately RMB1.80 million or approximately 6.44% from approximately RMB27.93 million for 2024 to approximately RMB26.13 million for 2025. Although the average balance of entrusted loans increased during the reporting period, due to the interest rate cap policy of some cooperative channels, the pricing level of new business was significantly lower than that of existing business, resulting in a situation of “increased volume with declined price”, which in turn decreased the overall interest income.
- Interest income from micro-lending business decreased by approximately RMB10.46 million or approximately 15.19% from approximately RMB68.84 million for 2024 to approximately RMB58.38 million for 2025. During the reporting period, the company proactively reduced the scale of certain micro-lending business based on risk preference adjustments and asset quality optimisation considerations, leading to a decline in loan balances and a corresponding decrease in interest income. Although this adjustment had a certain impact on current period income, it helps to strengthen asset quality and enhance business stability.

- Interest income from the factoring business decreased by approximately RMB6.21 million or approximately 34.63% from approximately RMB17.93 million for 2024 to approximately RMB11.72 million for 2025. During the reporting period, the Company focused on high-quality development of its factoring business. While the balance of accounts receivable factoring steadily increased, the Company actively promoted business structure adjustment and optimization of risk appetite. Specifically, the Company moderately controlled business investments that are high-yield but relatively high-risk, increased resource allocation to high-quality clients and stable projects, making the yield of new business more prudent. Meanwhile, the revenue recognition pace of existing business changed during the orderly recovery process. The adjustment of the above operational strategies reflects the Company's overall balance between scale growth and risk prevention, providing strong support for the sustainable development of the business.
- Interest income from bank saving and pledged deposit decreased by approximately RMB4.78 million or approximately 33.40% from approximately RMB14.31 million for 2024 to approximately RMB9.53 million for 2025. During the reporting period, although the average balance of deposits and margin deposits increased, the average yield dropped significantly due to the decline in market interest rates, resulting in a year-on-year decrease in interest income.

Service Fee and other operating income

The Group's consultant service fee and other operating income slightly increased from RMB26.18 million in 2024 to approximately RMB27.95 million in 2025.

- The Group's income from consultant service fee decreased by approximately RMB2.85 million, or approximately 29.26%, from approximately RMB9.74 million in 2024 to approximately RMB6.89 million in 2025, which was mainly due to a reduction in the volume of business related to customised financing solutions and consulting services, following the lowering of financing access thresholds for commercial banks, which provided clients with a broader range of financing channels.
- The Group's revenue from supply chain business increased by approximately RMB4.62 million or approximately 28.10% from approximately RMB16.44 million in 2024 to approximately RMB21.06 million in 2025, mainly due to a year-on-year increase of the balance of supply chain receivables, reflecting the steady expansion of business scale. Building on this foundation, the Group continued to expand its portfolio of quality customer resources and enhance operational efficiency, further driving the growth in revenue from its supply chain business.

Other Revenue

The Group's other revenue decreased by approximately RMB8.58 million, or approximately 60.25%, from approximately RMB14.24 million for 2024 to approximately RMB5.66 million in 2025. The main reason was that there is a decrease in revenue from other businesses of the Group as compared to the previous year, which was affected by a decline in gains from investments in financial instruments.

Share of Losses of Associates

The Group recorded share of losses of associates of approximately RMB6.39 million for 2025 as compared with that of approximately RMB6.96 million for 2024. The decrease in share of losses of associates was mainly attributable to the improved operating performance of associates.

Provisions for Guarantee

Provisions for guarantee primarily reflect the management's estimate on the level of provisions that is adequate to the Group's guarantee business. Provision for guarantee compensation changed from approximately RMB3.70 million in 2024 to a reversal of approximately RMB6.47 million in 2025. This change was primarily attributable to: on the one hand, a year-on-year decrease in the balance of guarantee business during the reporting period, which led to a corresponding reduction in provisions required for the current period; on the other hand, after the risks of existing guarantee projects were steadily released, part of the provisions previously recognised were reversed in accordance with accounting standards, resulting in a net reversal position overall.

Impairment Losses

Impairment losses mainly include impairment and provision charged for (i) default guarantee receivables which reflect the net amount of the default guarantee that is unable to be recovered; (ii) receivables from guarantee customers which reflect the net capital portfolio that is unable to be recovered for the financing solutions provided by the Group to its customers; (iii) loans and advances to customers which reflect the net amount of loans and advances to the customers primarily in the entrusted loan and micro-lending businesses that are unable to be recovered; (iv) factoring receivables which mainly reflect the net amount of factoring financing services provided to customers that are unable to be recovered; (v) supply chain business receivables which mainly reflect the prepayments of the supply chain business of the Company that are unable to be recovered; and (vi) investment property. The Group's impairment losses decreased by approximately RMB27.45 million, or approximately 20.36%, from approximately RMB134.84 million for 2024 to approximately RMB107.39 million for 2025, primarily due to the fact that the Group further enhanced credit risk management and maintained overall stable and sound asset quality. During the reporting period, the Group effectively controlled incremental risks by strengthening pre-lending access controls, in-lending monitoring, and post-lending management.

Operating Expenses

The Group's operating expenses decreased by approximately RMB10.68 million, or approximately 7.51%, from approximately RMB142.17 million in 2024 to approximately RMB131.49 million in 2025, which reflected the Group's continuous efforts to improve operational efficiency and optimise cost structure. During the reporting period, adhering to the principle of refined management, the Group effectively controlled expense growth through a series of measures including strengthening budget controls, optimising workforce allocation and enhancing process efficiency. At the same time, in response to the trend of business portfolio adjustments, the Group allocated resources rationally, contributing to a year-on-year decrease in operating expenses.

Profit Before Taxation

As a result of the foregoing, the Group's profit before taxation decreased by approximately RMB28.06 million, or approximately 41.97%, from approximately RMB66.85 million for 2024 to approximately RMB38.79 million for 2025. The Group's profit before taxation accounted for approximately 19.39% and approximately 14.87% of the Group's revenue for 2024 and 2025, respectively.

Income Tax

Income tax decreased by approximately RMB12.84 million, or approximately 53.43%, from approximately RMB24.03 million for 2024 to approximately RMB11.19 million for 2025.

Profit for the Year

As a result of the foregoing, the Group's profit for the year decreased by approximately RMB15.22 million, or approximately 35.54%, from approximately RMB42.82 million for 2024 to approximately RMB27.60 million for 2025, and the Group's net profit margin decreased from approximately 12.42% for 2024 to approximately 10.58% for 2025.

Capital Expenditure

The Group's capital expenditures consist primarily of expenditures for the purchase of motor vehicles, office and other equipment, office decorations and purchase of software. For 2025, the Group's capital expenditures amounted to approximately RMB8.57 million (2024: RMB43.24 million), which was primarily related to purchase of intangible assets.

Capital Commitments and Contingent Liabilities

As at 31 December 2025, the Group's outstanding capital commitments relates to (i) the total maximum guarantee issued to customers for its guarantee business amounted to approximately RMB6,312.09 million (31 December 2024: RMB7,533.25 million); and (ii) the Group's leases of office premises amounted to approximately RMB10.23 million (31 December 2024: RMB17.08 million).

Charge on Assets

As at 31 December 2025, the Group had not pledged any assets to secure bank borrowings.

Prospects and Future Developments in the Business of the Group

(1) Development Trend of the Industry

Strengthened Policy Support: Directing Financial Flows to the Real Economy and Cultivating an Innovative Development Ecosystem for SMEs

As vital drivers of promoting economic growth, boosting employment, stimulating innovation and expanding opening-up, SMEs hold an irreplaceable strategic position in national economic and social development. With a large number, wide coverage and strong vitality yet relatively weak risk resistance capacity, SMEs deserve greater attention and support from financial resources. In 2025, all regions and departments in China placed stronger emphasis on supporting the development of SMEs. Adhering to a problem-oriented approach, targeted policy implementation, service priority and development as the core objective, efforts were made to strengthen policy coordination, financial empowerment, service optimisation and environmental support, so as to further expand the scale and improve the development quality of SMEs. According to data released by the Ministry of Industry and Information Technology, by the end of 2025, China's SME population exceeded 63 million, including over 600,000 technology and innovation-oriented SMEs, more than 140,000 specialised and sophisticated SMEs, 17,600 "little giant" enterprises, and distinctive SME industrial clusters had been cultivated nationwide.

On 7 May 2025, the General Office of the National Financial Regulatory Administration issued the "Notice on Effectively Providing Financial Services for Micro and Small Enterprises in 2025 (《關於做好2025年小微企業金融服務工作的通知》)", requiring deepening the coordination mechanism for supporting SMEs financing, improving the service efficiency of financial institutions, and striving to achieve "Ensure Quantity, Elevate Quality, Stabilise Prices, and Optimise Structure" of financial services for SMEs, helping to stabilise expectations, stimulate vitality, and promote the continuous recovery of the economy.

On 19 May 2025, eight departments including the National Financial Regulatory Administration, the People’s Bank of China, and the CSRC issued the “Several Measures to Support the Financing of Micro and Small Enterprises (《支援小微企業融資的若干措施》)”, focusing on the joint efforts of various policies such as supervision, currency, finance and taxation and industry, and proposed 23 work measures from eight aspects, including increasing the financing supply of SMEs, reducing the comprehensive financing costs of SMEs, improving the financing efficiency of SMEs and improving the accuracy of financial support for SMEs, aiming to further improve the financing situation of SMEs and individual business proprietors.

On 19 June 2025, the General Office of the National Financial Regulatory Administration and the General Office of the People’s Bank of China issued the “Implementation Plan for High-Quality Development of Inclusive Finance in the Banking and Insurance Industries (《銀行業保險業普惠金融高品質發展實施方案》)”, which clearly improves the inclusive credit management system, improves the quality and efficiency of credit services for SMEs, guides banks to maintain effective incremental credit supply for SMEs, actively implements the new policy of renewing loans, increases the investment of first loans, renewal loans, and credit loans, expands service coverage, strengthens credit supply in the “Three Rurals” fields, and proposes to improve the regulatory evaluation and evaluation mechanism and credit policy-oriented effect assessment mechanism. It guides banks to maintain effective incremental credit supply for SMEs, and improves the pricing and management capabilities of financing services for SMEs.

On 9 July 2025, the General Office of the State Council issued the Notice on Further Strengthening Policy Support for Stabilising Employment (《關於進一步加大穩就業政策支持力度的通知》) (the “**Notice**”). The Notice explicitly supports enterprises in stabilizing their workforce, expands the coverage of special loans for stabilising and expanding posts, deepens government-bank cooperation, optimizes business processes, and further enhances loan accessibility. The proportion of unemployment insurance premium refunds for stabilizing posts will be increased for eligible enterprises. For SMEs, the refund ratio will be raised from no more than 60% of the actual unemployment insurance premiums paid by the enterprise and its employees in the previous year to a maximum of no more than 90%. The Notice also expands the scope of social insurance subsidies. For SMEs in key industries and sectors that hire key groups and pay relevant social insurance contributions in accordance with regulations, a social insurance subsidy equivalent to 25% of the individual contribution amount will be provided.

With continued policy support and precise allocation of financial services, inclusive small and micro-enterprises loans have achieved rapid growth and structural optimization. In 2025, the balance of RMB inclusive small and micro-enterprises loans was RMB36.57 trillion, representing an increase of 11.1% as compared to the same corresponding period and 4.7 percentage points higher than that of various

loans, and increased RMB3.63 trillion in 2025. The balance of operating loans for farmers with credit lines of less than RMB5 million was RMB9.81 trillion, representing an increase of RMB241.4 billion in 2025. The balance of student loans was RMB372.5 billion, representing an increase of 32.5% as compared to the same corresponding period.

Creating a Favorable Financing Environment to Precisely Address the Financing Bottlenecks of SMEs

Improving the difficulties and high costs of financing for SMEs is a long-term task. A favorable financing environment serves as a crucial engine for unlocking the endogenous vitality of SMEs and enhancing the dynamism of market development. To better leverage the incentive effects of structural monetary policy tools and guide financial institutions in strengthening support for major strategies, key sectors, and vulnerable areas, the People's Bank of China has decided to cut the re-lending rates by 0.25 percentage point since 7 May 2025. Following the adjustment, the re-lending rates for agriculture and small businesses with maturities of three months, six months, and one year were set at 1.2%, 1.4%, and 1.5%, respectively. The interest rate for pledged supplementary lending was 2.0%, while the rate for targeted structural monetary policy tools was 1.5%. Additionally, since 15 May 2025, the deposit reserve ratio of financial institutions has been reduced by 0.5 percentage point (excluding those already maintaining a deposit reserve ratio of 5%), and the deposit reserve ratio for auto finance companies and financial leasing firms has been reduced by 5 percentage points.

On 26 April 2025, the People's Bank of China, the National Financial Regulatory Administration, the Supreme People's Court, the National Development and Reform Commission, the Ministry of Commerce, and the State Administration for Market Regulation jointly issued a notice concerning the standardisation of supply chain finance operations and guidance for supply chain information service providers to better support SMEs financing. The initiative aims to enhance the quality and efficiency of financial services for the real economy, reduce capital misappropriation and payment delays affecting SMEs, optimise the financing environment of SMEs, strengthen regulatory compliance in supply chain finance, and mitigate associated business risks.

On 9 April 2025, at the 9th SMEs Roundtable Conference convened by the Ministry of Industry and Information Technology, the Ministry announced it would further strengthen innovation empowerment, digital empowerment, talent empowerment, ecosystem empowerment, and service empowerment. These efforts aim to improve the precision of policy assistance, effectively address challenges faced by enterprises, and enable them to achieve new breakthroughs in fostering new quality productive forces and advancing new industrialization.

On 29 May 2025, the General Office of the Ministry of Industry and Information Technology issued a notice on launching the 2025 National SMEs Service Month Activity. The notice mandates that, with the objective of promoting high-quality development of SMEs, competent authorities at all levels must focus on key enterprises, including “little giant” enterprises, specialised and sophisticated SMEs, technology and innovation-oriented SMEs, and gazelle enterprises, as well as critical areas such as Distinctive SME industrial clusters and Sino-foreign SME cooperation zones to deliver targeted service initiatives.

On 1 June 2025, the Regulations on Ensuring Payment to Small and Medium Enterprises has officially come into effect. The implementation of this regulation will strongly promote timely and full payment to small and medium enterprises by government agencies, business units, and large enterprises, effectively safeguarding the legitimate rights and interests of small and medium enterprises, further optimizing the business environment, and supporting the sustainable and healthy development of small and medium enterprises.

The Board believes that financing guarantee institutions, as an important bridge connecting financial institutions and the real economy, play an irreplaceable role in alleviating financing pressures for SMEs, lowering financing thresholds, and breaking through financing bottlenecks. At the same time, under the new situation of rapid development and deep empowerment of digital technology, digital means such as big data and risk control models should be actively utilized to improve service efficiency and contribute key strength to solving financing difficulties for SMEs. The Group will, continuously strengthen professional strengths, broaden service boundaries, and innovate service models to provide SMEs with comprehensive and integrated financial services. This will effectively enhance the sense of gain in the real economy, support steady development of enterprises with professional guarantees, and contribute to the high-quality development of real economy.

(2) Development Strategies of the Group

In 2025, China’s economy pushed forward despite pressures, achieving new results in high-quality development. The main goals and tasks of economic and social development were successfully accomplished, injecting stable momentum into global development, and remaining a core engine and important pillar of world economic growth. Looking ahead to 2026, China’s economic development faces both opportunities and challenges, with a complex and ever-changing external environment and domestic structural contradictions still yet to be resolved. However, the fundamental trend of long-term economic improvement remains unchanged, and the strengths of strong potential, resilience, and broad space continue to manifest. China will adhere to the general tone of seeking progress while maintaining stability, implement more proactive and effective macro policies, empower industrial upgrading with new-quality productivity, activate development potential through expanding domestic demand, and promote sustained economic recovery and improvement, achieving effective qualitative enhancement and reasonable quantitative growth.

The Group was established in May 2003. After years of steady operation and strategic planning, it has continuously strengthened its presence in the financial services sector, steadily solidified its development foundation, and enhanced its professional capabilities and market influence. On 23 December 2015, the Company's H shares have successfully been listed on the main board in Hong Kong (Stock Code: 01543.HK), entering a new stage of international development. Over the years, the Group has closely aligned with national strategic directions and the needs of real economic development, firmly focusing on its core mission of serving small and micro enterprises. It has continuously optimized its credit product system and service model, expanded service boundaries, and extended service reach, gradually building a diversified, collaborative, efficient, and convenient comprehensive financial service system. Through professional and differentiated financial services, the Group contributes to improving the quality and efficiency of the real economy and supports high-quality, sustainable economic development.

In 2026, the Group plans to implement the following measures:

1. **Implement the Five-Year Development Plan and Promote Business Model Adjustment.** Guided by the Group's five-year development plan as its strategic blueprint, the Group will continue to deepen its presence in the inclusive finance sector. It will continuously optimise the guarantee product system, enhance service efficiency and quality, precisely address the financing needs of micro, small and medium-sized enterprises, and expand business coverage. Concurrently, it will actively respond to market changes by proactively expanding low-risk value-added businesses to build a diversified income structure. Seizing opportunities, it will initiate its layout for the "15th Five-Year Plan" period to achieve dual enhancement in both scale and quality.
2. **Strengthen Integrated Marketing and Centralised Customer Management.** The Group will promote cross-business integrated marketing and establish a unified customer data platform and analysis system. It will develop and refine a tiered and categorised customer management mechanism, creating unified customer service standards and processes. Through precise marketing and differentiated services, it aims to deepen customer value and enhance customer stickiness, fully leveraging the Group's comprehensive financial strengths to facilitate business synergy and revenue growth.
3. **Proactively Embrace Regulatory Requirements and Uphold Compliance as a Core Principle.** The Group will always regard compliant operation as the lifeline of its development. It will proactively engage with provincial and municipal financial regulatory authorities, closely monitor regulatory policy directions, and strictly implement all regulatory requirements. It will comprehensively review weak links in compliance management, improve the compliance management system, strengthen the building of a compliance culture, and ensure that all business operations are conducted in a standardised manner with compliant procedures.

It will actively cooperate with local financial regulatory authorities in various regulatory ratings, inspections and supervision tasks, continuously enhance its compliance management standards, empower the Group's high-quality development through compliant operations, and foster a positive industry image.

4. **Strengthen Group-Wide Risk Control System and Deepen AI Empowerment.** Adhering to the principle of “controllable risks and steady development”, the Group will build a full-process risk control governance framework and improve mechanisms for risk identification, assessment, early warning and disposal. It will deepen the application of technologies such as AI and big data to enhance the accuracy of risk models and real-time monitoring capabilities, achieving intelligent risk control.
5. **Intensify Talent Development and Forge a High-Quality Team.** Adhering to the strategy of “prospering the enterprise through talents”, the Group will implement a reserve talent cultivation mechanism, establish a tiered and categorised talent pipeline, and smooth career development paths. It will continue to conduct professional competence and operational management training to enhance employees' professional expertise and business capabilities. It will optimise performance appraisal and incentive mechanisms to fully mobilise employee initiative and proactivity, strengthen team conduct, build a solid ideological line of defence for the team, and forge a loyal, reliable and professionally competent core team, thereby providing robust talent support for the Group's development.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

Capital Structure

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue its operation as a going concern, so that it can continue to provide returns for the Shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure in order to maintain a balance before the higher equity holders/shareholders returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Foreign Exchange Risks

The Group operates and conducts business in the PRC, and most of the Group's transactions, assets and liabilities are denominated in RMB. Most of the Group's cash and cash equivalents and pledged deposits are denominated in RMB, while bank deposits are placed with banks in the PRC. Any remittance from the PRC is subject to the restrictions on foreign exchange control imposed by the PRC government.

The Group has some bank deposits denominated in US dollars and Hong Kong dollars which exposes the Group to foreign exchange risks. The Group does not have a foreign currency hedging policy. However, the Group will continue to monitor closely its exposure to currency movement and take proactive measures.

Liquidity and Capital Resources

The Group's liquidity and capital requirements primarily relate to capital investments in the registered capital of its operating subsidiaries, granting micro-lending and entrusted loans, making default payments, maintaining security deposits at banks and other working capital requirements. It has in the past funded its working capital and other capital requirements primarily by equity contributions from Shareholders, cash flows from operations and banks and other borrowings.

As at 31 December 2025, the Group's cash and bank deposits was approximately RMB924.77 million.

Indebtedness

As at 31 December 2025, the Group's interest-bearing borrowings which are repayable within one year amounted to approximately RMB305.24 million, and interest-bearing borrowings repayable between one and three years amounted to approximately RMB23.99 million, bearing interest ranging from 2.80% to 4.80% per annum.

As at 31 December 2025, the Group issued Corporate Bonds with a nominal value of RMB500.00 million, among which the Tranche 1 has a nominal value of RMB260.00 million with a coupon rate of 3.40% and the Tranche 2 has a nominal value of RMB240.00 million with a coupon rate of 2.20%.

In addition, as at 31 December 2025, the Group had other financial instruments of approximately RMB151.94 million and lease liabilities of approximately RMB10.23 million.

The gearing ratios of the Group as at 31 December 2025 and 31 December 2024 were 39.24% and 39.22%, respectively, which were calculated by dividing total liabilities by total assets. The gearing ratios remained stable.

Off-Balance Sheet Arrangements

The Group enters into guarantee contracts with off-balance-sheet risk in the ordinary course of its business. The contract amount reflects the extent of the Group's involvement in the financing guarantee business and represents its maximum exposure to credit loss. As at 31 December 2025, the Group's outstanding guarantee totaled approximately RMB6,312.09 million. Save as disclosed above, the Group had no other off-balance-sheet arrangements as at 31 December 2025.

Significant Investments

Save as disclosed under the paragraph headed "Major business activities undertaken by the Group during the year" in this Management Discussion and Analysis, the Group had no significant investments for the year ended 31 December 2025.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Save as disclosed under the paragraph headed "Major business activities undertaken by the Group during the year" in this Management Discussion and Analysis, there were no material acquisitions or disposals of subsidiaries, associates and joint ventures by the Group during the year ended 31 December 2025.

Future Plans for Material Investments or Capital Assets

The Group had no specific plan for material investments or capital assets as at 31 December 2025.

EVENTS AFTER REPORTING PERIOD

The Group completed the redemption of the principal and interest of Guangdong Join-Share Financing Guarantee Investment Co., Ltd. 2021 Corporate Bonds (Tranche 1) Publicly Issued to Professional Investors on 18 March 2026.

HUMAN RESOURCES

The total number of staff within the Group as at 31 December 2025 was 282 (31 December 2024: 291). As at 31 December 2025, the number of staff holding a bachelor's degree or above was 248, accounting for 88% of its total number of staff; and the number of staff holding a junior college degree or below was 34, accounting for 12% of its total number of staff. The Directors believe that employees' quality is the most important factor in sustaining the development and growth of the Group and in raising its profitability. The Group offers a base salary with bonuses based on its employees' performance and benefits and allowances to all its employees as an incentive. For the year ended 31 December 2025, the Group incurred staff costs (including salaries, wages, bonuses and other benefits and contributions to retirement schemes) of approximately

RMB75.89 million. The Group also offers trainings to its new employees once a year. The Directors believe that both the performance-based salary and staff training play an important role in recruiting and retaining talent as well as enhancing employee loyalty.

The Group is required to participate in pension schemes organised by the respective local governments of the PRC whereby the Group is required to pay annual contributions for PRC based employees at certain rate of the standard wages determined by the relevant authorities in the PRC during the year. The Group has complied with the relevant requirements during the year ended 31 December 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2025, there was no purchase, sale or redemption of any listed securities (including sale of treasury shares (as defined under the Listing Rules)) of the Company by the Company or any of its subsidiaries. As at 31 December 2025, the Company did not hold any treasury shares.

AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). As at the date of this announcement, the Audit Committee comprises five members, namely, Mr. Wu Xiangneng (Chairman), Mr. Leung Hon Man, Ms. Li Xia, Mr. Huang Weibo and Ms. Feng Qunying, three of whom are independent non-executive Directors. The Audit Committee has reviewed and discussed the annual results of the Group for the year ended 31 December 2025. The Audit Committee has also reviewed with the management, the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the audit of the consolidated financial statements for the year ended 31 December 2025.

SCOPE OF WORK OF THE AUDITOR

The Group’s annual results for the year ended 31 December 2025, including the accounting principles and practices adopted, have been reviewed by the Audit Committee. The financial figures in respect of the Group’s consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this annual results announcement have been compared by the Auditor to the amounts set out in the Group’s audited consolidated financial statements for the year ended 31 December 2025 and the amounts were found to be in agreement. The work performed by the Auditor in this respect did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review

Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the Auditor.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to achieving high standards of corporate governance in order to safeguard the interests of its Shareholders and enhance corporate value and accountability of the Company. The Company has adopted the CG Code as its own code of corporate governance. During the year ended 31 December 2025, except that Mr. Wu Liejin, an executive Director, has been performing the roles as the Chairman and the President, which deviates from provision C.2.1 of the CG Code, the Company had complied with the code provisions set out in the CG Code. The Board believes that vesting the roles of both Chairman and President in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board further believes that the balance of power and authority for the present arrangement will not be impaired and is adequately ensured by the current Board, which comprises experienced and high calibre individuals with sufficient number thereof being independent non-executive Directors. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as the code of practice for carrying out securities transactions by the Directors and supervisors of the Company. Having made specific enquiry with the Directors and supervisors of the Company, they have confirmed their compliance with the relevant standards stipulated in the Model Code during the year ended 31 December 2025.

FINAL DIVIDEND

The Board did not recommend the distribution of a cash dividend, nor the distribution of a stock dividend, nor any other form of profit distribution for the year 2025.

ANNUAL GENERAL MEETING

The Company’s 2025 annual general meeting (“**AGM**”) will be held on Friday, 5 June 2026. The notice of the AGM will be published and dispatched to Shareholders in the manner as stipulated under the Listing Rules when appropriate.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the Shareholders' eligibility to attend the AGM, the register of members of the Company will be closed from Tuesday, 2 June 2026 to Friday, 5 June 2026, both days inclusive, during which no transfer of shares will be registered. Only Shareholders whose names appear on the register of members of the Company on Friday, 5 June 2026 or their proxies or duly authorised corporate representatives are entitled to attend the AGM. In order to qualify for attending and voting at the AGM, all properly completed transfer documents accompanied with relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares), or the Company's office in the PRC at Room 4101–4110, Block 1, Join-Share International Financing Center, No. 31 Fuhua Road, Dongping Community, Lecong Town, Shunde District, Foshan, Guangdong Province, the PRC (for holders of Domestic Shares) not later than 4:30 p.m. on Monday, 1 June 2026. The record date is Friday, 5 June 2026.

ANNUAL REPORT

The annual report of the Company for the year ended 31 December 2025 will be despatched to the Shareholders in the manner in which the Shareholders have selected to receive corporate communications and made available on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.join-share.com) in April 2026.

By order of the Board
Guangdong Join-Share Financing Guarantee Investment Co., Ltd.*
Wu Liejin
Chairman

Foshan, the PRC, 27 March 2026

As of the date of this announcement, the executive director of the Company is Mr. Wu Liejin (Chairman); the non-executive directors of the Company are Mr. Huang Weibo, Mr. Zhao Wei, Mr. Pan Mingjian, Ms. Feng Qunying and Mr. Ou Weiming; and the independent non-executive directors of the Company are Mr. Wu Xiangneng, Mr. Leung Hon Man and Ms. Li Xia.

* for identification purpose only