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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)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

RESULTS HIGHLIGHTS

- For the first half of 2025, revenue was approximately RMB141.46 million, representing a decrease of approximately 20.17% as compared to the corresponding period in 2024.
- For the first half of 2025, profit before taxation amounted to approximately RMB37.36 million, representing a decrease of approximately 5.44% as compared to the corresponding period in 2024.
- For the first half of 2025, profit attributable to equity shareholders of the Company amounted to approximately RMB20.76 million, representing a decrease of approximately 3.98% as compared to the corresponding period in 2024.
- The Board does not recommend any distribution of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

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 unaudited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025, along with comparative figures for the six months ended 30 June 2024, which should be read in conjunction with the following management discussion and analysis.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the six months ended 30 June 2025 — unaudited
(Expressed in Renminbi)

		Six months ended 30 June	
	<i>Note</i>	2025	2024
		RMB'000	RMB'000
Guarantee fee income		89,724	119,576
Guarantee cost		(3,687)	(2,658)
Net guarantee fee income		86,037	116,918
Interest income		63,978	63,959
Interest expenses		(19,416)	(16,837)
Net interest income		44,562	47,122
Service fee and other operating income		10,857	13,168
Revenue	3	141,456	177,208
Other revenue	4	1,117	6,104
Gains from fair value changes		8,096	4,952
Share of losses of associates		(4,091)	(6,996)
Provisions charged for guarantee losses		(3,438)	(21,200)
Impairment losses	5(a)	(45,791)	(60,061)
Operating expenses		(59,994)	(60,499)
Profit before taxation	5	37,355	39,508
Income tax	6	(10,998)	(14,623)
Profit for the period		26,357	24,885
Attributable to:			
Equity shareholders of the Company		20,757	21,619
Non-controlling interests		5,600	3,266
Profit for the period		26,357	24,885
Earnings per share			
Basic and diluted (<i>RMB per share</i>)	7	0.01	0.01

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

*for the six months ended 30 June 2025 — unaudited
(Expressed in Renminbi)*

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Profit for the period	26,357	24,885
Other comprehensive income for the period		
Items that will not be reclassified to profit or loss:		
Equity investment at fair value through other comprehensive income-net movement in fair value reserve (non-recycling)	401	(3,713)
Income tax arises from financial assets measured at FVOCI	(100)	928
Other comprehensive income for the period	301	(2,785)
Total comprehensive income for the period	26,658	22,100
Attributable to:		
Equity shareholders of the Company	21,058	18,834
Non-controlling interests	5,600	3,266
Total comprehensive income for the period	26,658	22,100

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2025 — unaudited

(Expressed in Renminbi)

		At 30 June 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
	<i>Note</i>		
Assets			
Cash and bank deposits	8	899,784	887,153
Pledged deposits		151,986	208,588
Trade and other receivables	9	1,222,410	1,114,437
Loans and advances to customers	10	948,990	1,002,269
Factoring receivables	11	201,127	192,497
Financial assets measured at FVOCI	12	12,959	12,558
Financial assets measured at FVPL	13	109,121	153,300
Receivable investments	14	12,855	12,625
Interest in associates		17,998	18,885
Fixed assets		45,388	48,407
Investment property		31,004	31,860
Intangible assets		5,985	7,316
Goodwill		419	419
Deferred tax assets		214,293	194,271
Total assets		3,874,319	3,884,585
Liabilities			
Interest-bearing borrowings	15	325,309	359,852
Debt securities issued	16	509,646	509,325
Liabilities from guarantees	17	204,337	234,397
Customer pledged deposits	18(a)	55,471	57,415
Accruals and other payables	18(b)	228,860	185,239
Other financial instrument	19	157,488	149,488
Financial liabilities measured at FVPL	20	7,157	10,702
Lease liabilities		15,400	17,082
Total liabilities		1,503,668	1,523,500
NET ASSETS		2,370,651	2,361,085

		At 30 June 2025 <i>RMB'000</i>	At 31 December 2024 <i>RMB'000</i>
	<i>Note</i>		
CAPITAL AND RESERVES	21		
Share capital		1,560,793	1,560,793
Reserves		460,388	468,985
		<hr/>	<hr/>
Total equity attributable to equity shareholders of the Company		2,021,181	2,029,778
Non-controlling interests		349,470	331,307
		<hr/>	<hr/>
TOTAL EQUITY		2,370,651	2,361,085
		<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in Renminbi unless otherwise indicated)

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (HKAS) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (HKICPA). It was authorised for issue on 28 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in Note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

2 CHANGES IN ACCOUNTING POLICIES

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

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Certain comparative figures have been adjusted to conform to current period’s presentation.

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 consulting services and supply chain services. The amount of each significant category of net fee and interest income recognised in revenue is as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Guarantee fee income		
Financing guarantee fee income	76,737	104,002
Performance guarantee fee income	12,987	15,574
Subtotal	89,724	119,576
Guarantee cost		
Re-guarantee expenses	(3,685)	(2,643)
Risk management service expense	(2)	(15)
Subtotal	(3,687)	(2,658)
Net guarantee fee income	86,037	116,918
Interest income arising from:		
— Loans and advances to customers	44,078	45,037
— Factoring service	10,197	9,967
— Cash at banks and pledged bank deposits	5,364	7,245
— Other financial instruments	2,298	—
— Trade and other receivables	2,041	1,710
Subtotal	63,978	63,959
Interest expenses arising from:		
— Debt securities issued	(9,161)	(9,650)
— Interest-bearing borrowings	(8,105)	(4,665)
— Other financial instruments	(338)	(1,208)
— Others	(1,812)	(1,314)
Subtotal	(19,416)	(16,837)
Net interest income	44,562	47,122
Service fee and other operating income arising from:		
— Supply chain services	8,419	6,275
— Consulting services fee	2,438	6,893
Subtotal	10,857	13,168
Revenue	141,456	177,208

4 OTHER REVENUE

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Government grant	2,763	1,864
Investment income from financial assets measured at FVPL	1,277	1,230
Investment income of receivable investments	129	1,154
Foreign exchange (losses)/gains	(305)	154
Investment losses from financial assets measured at FVOCI	2	(250)
Others	(2,749)	1,952
	<u>1,117</u>	<u>6,104</u>

5 PROFIT BEFORE TAXATION

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

(a) Impairment and provision charged/(reversed)

	<i>Note</i>	Six months ended 30 June	
		2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
		(unaudited)	(unaudited)
Receivables for default guarantee payments	9(b)(i)	41,657	40,118
Receivables from guarantee customers	9(b)(ii)	5,256	(1,970)
Loans and advances to customers	10(f)	(1,425)	12,653
Factoring receivables	11(b)	(188)	1,153
Trade debtors		724	67
Investment Property		25	647
Receivable investments		(230)	(10)
Repossessioned assets	9(v)	(935)	4,997
Receivables from supply chain business	9(b)(iii)	(584)	2,492
Other receivables		1,491	(86)
		<u>45,791</u>	<u>60,061</u>

(b) Staff costs

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Salaries, wages, bonuses and other benefits	30,091	33,469
Contributions to retirement schemes	4,336	3,955
	34,427	37,424

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 period. 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

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Depreciation and amortization	7,685	6,524
Auditors' remuneration	740	740

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Current tax		
Provision for PRC income tax for the period	30,258	49,705
Deferred tax		
Origination of temporary differences	(20,122)	(34,388)
Under/over-provision in previous year		
Under/over-provision in previous year	862	(694)
Income tax expense	10,998	14,623

Pursuant to the Enterprise Income Tax Law of the PRC and the respective regulations, the subsidiaries which operate in Mainland China are subject to income tax at a rate of 25% on the taxable income, except for that:

- (i) One of the subsidiaries of the Group, Guangdong Join-Share Digital Technology Co., Ltd., was recognized as high and new technology enterprises in the year of 2023, and accordingly, was entitled to a preferential income tax rate of 15% in each subsequent three years since the certified year. Thus, this subsidiary was entitled to a preferential income tax rate of 15% for the six months ended 30 June 2025 and 2024.
- (ii) Two subsidiaries of the Group are small low-profit enterprises as their annual taxable income were not greater than RMB3,000,000. Accordingly, they are entitled to a tax relief policy of a preferential income tax rate of 20% during 2023 to 2027.

Apart from the above, one of the subsidiaries of the Group, Join-Share Financial Holdings Co., Ltd operated in Hong Kong, is subject to Hong Kong profits tax at a rate of 8.25% on assessable profits up to HK\$2,000,000 and 16.5% on any part of assessable profit over HK\$2,000,000.

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 of RMB20,757,000 (six months ended 30 June 2024: RMB21,619,000) and the weighted average of 1,560,793,000 ordinary shares (30 June 2024: 1,560,793,000 shares) in issue during the interim period.

(b) Diluted earnings per share

There were no dilutive potential ordinary shares during the six months ended 30 June 2025 and 2024, therefore, diluted earnings per share are the same as the basic earnings per share.

8 CASH AND BANK DEPOSITS

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Cash in hand	10	9
Cash at banks	<u>580,691</u>	<u>559,211</u>
Cash and cash equivalents in the condensed consolidated cash flow statement	580,701	559,220
Term deposits with banks	199,515	132,000
Restricted bank deposits	<u>113,713</u>	<u>188,251</u>
Subtotal	893,929	879,471
Accrued interest	<u>5,855</u>	<u>7,682</u>
	<u><u>899,784</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.

9 TRADE AND OTHER RECEIVABLES

		At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
	<i>Note</i>		
Receivables for default guarantee payments	(i)/9(a)(i)	734,565	624,262
Less: Allowance for doubtful debts	9(b)(i)	(321,935)	(280,278)
		<u>412,630</u>	<u>343,984</u>
Receivables from guarantee customers	(ii)/9(a)(ii)	141,247	109,584
Less: Allowance for doubtful debts	9(b)(ii)	(52,055)	(46,796)
		<u>89,192</u>	<u>62,788</u>
Interest receivables		9,348	8,618
Less: Allowance for interest receivables		(5,982)	(5,787)
		<u>3,366</u>	<u>2,831</u>
Receivables from supply chain services	9(a)(iii)	258,761	253,640
Less: Allowance for doubtful debts	9(b)(iii)	(6,824)	(7,408)
		<u>251,937</u>	<u>246,232</u>
Receivables from related parties	(iii)	133,950	128,814
Loans to related parties	(iii)	109,872	122,646
Trade debtors	(iv)	42,799	35,503
Receivables from debt purchased	(iii)	16,443	20,115
Input tax deduction	(vi)	9,122	6,594
Other receivables		12,417	15,257
		<u>324,603</u>	<u>328,929</u>
Subtotal			
		324,603	328,929
Less: Allowance for doubtful debts		(6,968)	(7,214)
		<u>317,635</u>	<u>321,715</u>
Reposessed assets	(v)	144,507	133,376
Less: Allowance for doubtful debts	5(a)	(3,958)	(4,893)
		<u>140,549</u>	<u>128,483</u>
Deposits and prepayments		7,101	8,404
		<u>147,650</u>	<u>136,887</u>
		<u>1,222,410</u>	<u>1,114,437</u>

- (i) During the six months ended 30 June 2025, the Group disposed of receivables for default guarantee payments with a carrying amount of RMB10,800,000 (2024:RMB1,500,000), without recourse to other parties at considerations (including considerations of overdue interests and penalty interests) amounted to RMB10,800,000 (2024:RMB1,550,000).
- (ii) During the six months ended 30 June 2025, the Group did not dispose of receivables for default guarantee payments. During the year ended 31 December 2024, the Group disposed of receivables from guarantee customers with a carrying amount of RMB3,769,000, without recourse to other parties at considerations (including considerations of overdue interests and penalty interests) amounted to RMB4,500,000.
- (iii) As at 30 June 2025, part of receivables from related parties, loans to related parties and receivables from debt purchased associated with three of the Group's associates, amounted to RMB212,529,000(31 December 2024: RMB222,762,000). Due to the excess loss incurred by the associates mentioned, the Group recorded a cumulative loss arising from share of loss of associates amounted to RMB21,945,000 (31 December 2024: RMB18,392,000) against these receivables from the related parties.
- (iv) Trade debtors includes the grant receivable from Foshan Financing Guarantee Fund. According to relevant documents including Foshan Caijin [2023] No. 21 and Foshan Caijin [2024] No. 22, the Group is entitled to a subsidy for the eligible financing guarantees from Foshan Municipal Bureau of Finance.
- (v) The Group will dispose of repossessed assets, all of which are houses and buildings, through auction, bidding, and transfer. As of 30 June 2025, allowance for impairment loss of repossessed assets was amounted to RMB3,958,000 (31 December 2024: RMB4,893,000). Please see Note 5(a).
- (vi) As of 30 June 2025, the Group's input tax deduction related to supply chain services amounted to RMB9,122,000 (31 December 2024: RMB6,594,000) and will be used for the VAT deduction in the future.

(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, are as follows:

(i) Receivables for default guarantee payments

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Within 1 year	281,490	239,193
Over 1 year but less than 2 years	198,053	187,970
Over 2 years but less than 3 years	120,651	86,837
Over 3 years but less than 5 years	59,255	39,495
Over 5 years	75,116	70,767
	<hr/>	<hr/>
Subtotal	734,565	624,262
Less: Allowance for doubtful debts	(321,935)	(280,278)
	<hr/>	<hr/>
	412,630	343,984
	<hr/>	<hr/>

Receivables for default guarantee payments are due from the date of payment.

(ii) Receivables from guarantee customers

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Within 1 year	40,924	29,669
Over 1 year but less than 2 years	21,194	—
Over 2 years but less than 3 years	—	4,191
Over 3 years but less than 5 years	23,229	19,800
Over 5 years	55,900	55,924
	<hr/>	<hr/>
Subtotal	141,247	109,584
Less: Allowance for doubtful debts	(52,055)	(46,796)
	<hr/>	<hr/>
	89,192	62,788
	<hr/>	<hr/>

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

(iii) Receivables from supply chain services

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Within 1 year	227,103	241,099
Over 1 year but less than 2 years	27,458	10,556
Over 2 years but less than 3 years	2,231	—
Over 3 years	1,969	1,985
	<hr/>	<hr/>
Subtotal	258,761	253,640
Less: Allowance for doubtful debts	(6,824)	(7,408)
	<hr/>	<hr/>
	251,937	246,232
	<hr/>	<hr/>

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

(iv) Trade debtors

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Within 1 year	48,752	40,746
Over 1 years but less than 3 years	—	—
Over 3 years	19	5
	<hr/>	<hr/>
Subtotal	48,771	40,751
	<hr/>	<hr/>
Less: Allowance for doubtful debts	(5,972)	(5,248)
	<hr/>	<hr/>
	42,799	35,503
	<hr/>	<hr/>

(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, receivables from guarantee customers and receivables from supply chain services for the six months ended 30 June 2025 and the year ended 31 December 2024, are as follows:

(i) Receivables for default guarantee payments

		At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
	<i>Note</i>		
As at 1 January		280,278	200,028
Impairment losses recognised in the consolidated statement of profit or loss	5(a)	41,657	85,421
Amounts written off		—	(12,111)
Amounts recovered		—	6,940
		<hr/>	<hr/>
As at 30 June/31 December		<u>321,935</u>	<u>280,278</u>

(ii) Receivables from guarantee customers

	30 June 2025 (unaudited)			
	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
Net re-measurement of loss allowance	—	(224)	(689)	(913)
Receivables from guarantee customers newly originated	—	1,580	4,589	6,169
Amounts recovered	—	—	3	3
	<hr/>	<hr/>	<hr/>	<hr/>
As at 30 June 2025	<u>—</u>	<u>2,682</u>	<u>49,373</u>	<u>52,055</u>

	31 December 2024 (audited)			
	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
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	<u>—</u>	<u>1,326</u>	<u>45,470</u>	<u>46,796</u>

(iii) Receivables from supply chain services

	30 June 2025 (unaudited)			
	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
(Reversal)/charge for the period	<u>(240)</u>	<u>282</u>	<u>(626)</u>	<u>(584)</u>
As at 30 June 2025	<u>1,740</u>	<u>346</u>	<u>4,738</u>	<u>6,824</u>

	31 December 2024 (audited)			
	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	1,236	68	7,341	8,645
(Reversal)/charge for the period	<u>744</u>	<u>(4)</u>	<u>(1,977)</u>	<u>(1,237)</u>
As at 31 December 2024	<u>1,980</u>	<u>64</u>	<u>5,364</u>	<u>7,408</u>

10 LOANS AND ADVANCES TO CUSTOMERS

(a) Analysed by nature

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Entrusted loans	403,121	385,460
Micro-lending	654,057	727,409
Accrued interest	17,192	16,182
Gross loans and advances to customers	1,074,370	1,129,051
Total allowances for impairment losses	(125,380)	(126,782)
Net loans and advances to customers	948,990	1,002,269

(b) Analysed by industry sector

	At 30 June 2025 (unaudited)		At 31 December 2024 (audited)	
	<i>RMB'000</i>	%	<i>RMB'000</i>	%
Service sector	439,429	42%	511,346	46%
Wholesale and retail	429,119	40%	390,832	35%
Manufacturing	148,930	14%	170,991	15%
Real Estate and construction	39,700	4%	39,700	4%
Gross loans and advances to customers	1,057,178	100%	1,112,869	100%

(c) Analysed by type of collateral

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Secured loans	408,805	459,383
Unsecured loans	189,740	177,719
Others	458,633	475,767
Gross loans and advances to customers	1,057,178	1,112,869

- Secured Loans: Secured loans refer to loans 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 Group has priorities over other beneficiaries on such collateral. Such collateral mainly includes real estate properties and land use rights;
- Unsecured Loans: Unsecured loans refer to loans 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 on which the Group does not have priorities over other beneficiaries. Such collateral includes real estate properties that cannot be registered, land use rights, and account receivables that have been registered, vehicles, machineries, inventories and equity interests.

(d) Overdue loans analysed by overdue period

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Overdue within 1 year (inclusive)	127,949	155,990
Overdue more than 1 year to 2 years (inclusive)	56,771	26,328
Overdue more than 2 year to 3 years (inclusive)	8,969	4,356
Overdue more than 3 years	91,969	101,129
	<u>285,658</u>	<u>287,803</u>

Overdue loans represent loans and advances, of which the whole or part of the principal or interest were overdue for one day or more.

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

	30 June 2025 (unaudited)			
	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	266,863	22,998	113,822	403,683
Micro-lending	<u>517,349</u>	<u>9,000</u>	<u>144,338</u>	<u>670,687</u>
Gross loans and advances to customers	784,212	31,998	258,160	1,074,370
Less: Allowances for impairment losses	<u>(42,931)</u>	<u>(4,106)</u>	<u>(78,343)</u>	<u>(125,380)</u>
Net loans and advances to customers	<u><u>741,281</u></u>	<u><u>27,892</u></u>	<u><u>179,817</u></u>	<u><u>948,990</u></u>
	31 December 2024 (audited)			
	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	<u>572,791</u>	<u>22,650</u>	<u>147,602</u>	<u>743,043</u>
Gross loans and advances to customers	835,647	22,650	270,754	1,129,051
Less: Allowances for impairment losses	<u>(39,184)</u>	<u>(4,168)</u>	<u>(83,430)</u>	<u>(126,782)</u>
Net loans and advances to customers	<u><u>796,463</u></u>	<u><u>18,482</u></u>	<u><u>187,324</u></u>	<u><u>1,002,269</u></u>

(f) Movements of allowances for impairment losses

30 June 2025 (unaudited)				
	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	(375)	375	—	—
Transfer to lifetime ECL credit-impaired	(281)	(124)	405	—
Net re-measurement of loss allowance	(26,695)	(1,191)	(8,397)	(36,283)
Loans and advances newly originated	31,098	878	2,882	34,858
Amounts recovered	—	—	23	23
As at 30 June 2025	<u>42,931</u>	<u>4,106</u>	<u>78,343</u>	<u>125,380</u>
31 December 2024 (audited)				
	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 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Factoring receivables	237,461	229,019
Less: Allowances for factoring receivables	<u>(36,334)</u>	<u>(36,522)</u>
	<u><u>201,127</u></u>	<u><u>192,497</u></u>

(a) Ageing analysis

As at 30 June 2025, the ageing analysis of receivables for factoring business, based on the invoices date and net of allowance for doubtful debts, is as follows:

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Within 1 year	101,501	135,400
Over 1 year but less than 2 years	52,900	22,000
Over 2 years but less than 3 years	25,000	5,000
Over more than 3 years	58,060	66,619
Less: Allowances for factoring receivables	<u>(36,334)</u>	<u>(36,522)</u>
	<u><u>201,127</u></u>	<u><u>192,497</u></u>

(b) Impairment of factoring receivables

Impairment losses in respects of factoring receivables business are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against receivables for factoring business directly.

The movement in the allowance for doubtful debts during the period/year is as follows:

	30 June 2025 (unaudited)			
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January 2025	1,173	—	35,349	36,522
Transfer to lifetime ECL not credit-impaired	(83)	83	—	—
Net re-measurement of loss allowance	(22)	476	(1,630)	(1,176)
Factoring receivables newly originated	988	—	—	988
As at 30 June 2025	<u>2,056</u>	<u>559</u>	<u>33,719</u>	<u>36,334</u>

	31 December 2024 (audited)			
	12-month ECL RMB'000	Lifetime ECL not credit- impaired RMB'000	Lifetime ECL credit- impaired RMB'000	Total RMB'000
As at 1 January 2024	439	3,462	38,625	42,526
Transfer to lifetime ECL credit-impaired	—	(1,691)	1,691	—
Net re-measurement of loss allowance	(420)	(1,771)	(5,059)	(7,250)
Factoring receivables newly originated	1,154	—	92	1,246
As at 31 December 2024	<u>1,173</u>	<u>—</u>	<u>35,349</u>	<u>36,522</u>

12 FINANCIAL ASSETS MEASURED AT FVOCI

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Unlisted equity investments	<u>12,959</u>	<u>12,558</u>

13 FINANCIAL ASSETS MEASURED AT FVPL

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
	<i>Note</i>	
Wealth management products	91,090	134,161
Unlisted equity investments	12,665	12,719
Financial assets arising from interest in jointly controlled trust plans	20(i)/(iii) <u>5,366</u>	<u>6,420</u>
	<u>109,121</u>	<u>153,300</u>

14 RECEIVABLE INVESTMENTS

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Certificates of deposit	10,734	10,734
Trust products	<u>8,364</u>	<u>8,364</u>
Subtotal	19,098	19,098
Less: Allowances for impairment losses	<u>(6,243)</u>	<u>(6,473)</u>
	<u>12,855</u>	<u>12,625</u>

15 INTEREST-BEARING BORROWINGS

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

		At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
	<i>Note</i>		
Bank loans	(i)		
— Unsecured		249,990	250,490
— Pledged		—	40,000
— Others		75,000	39,000
Other loans		—	30,000
Subtotal		324,990	359,490
Accrued interest payable		319	362
		<u>325,309</u>	<u>359,852</u>

- (i) At 30 June 2025, loans bear interest at a range from 3.05% to 5.0% (31 December 2024: from 3.05% to 10.00%).

16 DEBT SECURITIES ISSUED

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
Corporate Bonds — Par Value	500,000	500,000
Corporate Bonds — Interest Adjustment	(46)	(658)
Corporate Bonds — Accrued Interest	9,692	9,983
	<u>509,646</u>	<u>509,325</u>

Fixed rate corporate bonds with nominal value RMB260,000,000 and a term of “3+2” 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 “3+2” 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.

During the six months ended 30 June 2025, the Company has paid interest of RMB8,840,000 for the 2021 Corporate Bond.

17 LIABILITIES FROM GUARANTEES

		At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
	<i>Note</i>		
Deferred income		141,281	174,779
Provisions for guarantee losses	(a)	<u>63,056</u>	<u>59,618</u>
		<u>204,337</u>	<u>234,397</u>

(a) Provisions for guarantee losses

	At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
As at 1 January	59,618	55,918
Charge for the period/year	<u>3,438</u>	<u>3,700</u>
As at 30 June/31 December	<u>63,056</u>	<u>59,618</u>

18 CUSTOMER PLEDGED DEPOSITS AND ACCRUALS AND OTHER PAYABLES

(a) Customer pledged deposits

Customer pledged deposits refer to deposits received from customers as collateral security of the credit guarantee 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

		At 30 June 2025 <i>RMB'000</i> (unaudited)	At 31 December 2024 <i>RMB'000</i> (audited)
	<i>Note</i>		
Accounts payable	(i)	57,155	33,477
Advance payments	(ii)	46,625	42,035
Accrued staff cost		35,493	48,503
Dividends payable		32,617	2,237
Income tax payable		30,668	35,955
Payable to guarantee business partners		11,223	5,797
Contract liabilities		3,674	3,531
Withholding income tax		3,433	4,472
Others		7,972	9,232
		<u>228,860</u>	<u>185,239</u>

- (i) As of 30 June 2025, accounts payable mainly represents the amount due to suppliers related to the Group's supply chain business;

As of 30 June 2025, the ageing of accounts payable (based on the invoice date) amounting to RMB54,745,000 (31 December 2024: RMB31,350,000) was within 1 year (inclusive), RMB960,000 (31 December 2024: RMB690,000) were over 1 year but within 3 years and the rest were over 3 years.

- (ii) The Group receives advance payments from customers for the supply chain services.

19 OTHER FINANCIAL INSTRUMENT

		At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
	Note		
Zhongshan Join-Share	(i)	106,388	108,686
Yunfu Guarantee	(ii)	10,000	10,000
Guangdong finance Guarantee	(iii)	40,560	30,000
Subtotal		156,948	148,686
Accrued interest		540	802
		<u>157,488</u>	<u>149,488</u>

- (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. 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 RMB 10,560,000. 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 30 June 2025 RMB'000	At 31 December 2024 RMB'000
Financial liabilities arising from interests in jointly controlled Trust Plans	<u>7,157</u>	<u>10,702</u>

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 assets and financial liabilities.

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

Names of ventures	Note	Form of business structure	Date and place of incorporation/ establishment	Registered capital unaudited	Paid-in capital unaudited	Proportion of ownership interest As at 30 June 2025		
						Group's effective interest	Held by the Company	Held by a Principal subsidiary 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 30 June 2025, the underlying loan of the Yuecai Trust • Huijinkeji 129-1 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 June 2024 according to the relevant guarantee contract which is amounted to RMB17,829,000. As of 30 June 2025, the Group has recovered part of the indemnity payments; the remaining balance of guarantee reimbursements under this trust scheme is RMB16,231,000. The asset of aggregate carrying amount of individually immaterial jointly controlled Trust Plans in the consolidated financial statements is RMB2,685,000. Please see Note 13.
- (ii) The underlying loans of the Yunnan Trust Qingquan 48 Collective Fund Trust Plan matured in January 2022. After negotiation with the trust investors, the Group does not carry out the guarantee obligation for a certain grace period. Instead, the Group pledged a deposit to the related debtor, which would be returned once the underlying borrowers of the Trust Plans repay the overdue loans. As at 30 June 2025, the balance of the Group's deposit pledged to the debtor was RMB9,570,000, and the financial liabilities at fair value through profit or loss attributable to the Group's individually non-material jointly controlled interest in the trust scheme is carried at RMB7,157,000.
- (iii) As of 30 June 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.

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 RMB5,366,000, while the liability of aggregate carrying amount of individually immaterial jointly controlled Trust Plans in the consolidated financial statements formed by the (ii) Trust Plan amounted to RMB7,157,000.

21 CAPITAL, RESERVES AND DIVIDENDS

Dividends

Dividends payable to equity shareholders attributable to the previous financial year, approved during the interim period.

	Six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Final dividend in respect of the previous financial year, approved during the following interim period, of RMB1.9 cents per share (six months ended 30 June 2024: RMB2 cents per share)	29,655	31,216

Pursuant to a resolution of the shareholder's meeting held on 6 June 2025, the Company declared cash dividends of RMB1.9 cents for per share (tax inclusive) based on 1,560,792,687 shares held and the aggregate amount was RMB29,655,000 for the year ended 31 December 2024.

Pursuant to a resolution of the shareholder's meeting held on 18 June 2024, the Company declared cash dividends of RMB2.0 cents for per share (tax inclusive) based on 1,560,792,687 shares held and the aggregate amount was RMB31,218,000 for the year ended 31 December 2023.

22 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Guarantees issued: At the end of each reporting period/year, the total maximum guarantees issued (net of counter-guarantees) are as follows:

	30 June 2025 <i>RMB'000</i> (unaudited)	31 December 2024 <i>RMB'000</i> (audited)
Financing guarantee	3,326,384	3,988,892
Performance guarantee	2,936,727	3,603,841
Subtotal	6,263,111	7,592,733
Less: Customer pledged deposits	(55,471)	(59,483)
Total	6,207,640	7,533,250

The total maximum guarantees issued (net of counter-guarantees) represent the maximum potential loss that would be recognised if counterparties failed completely to perform as contracted.

23 COMMITMENTS AND CONTINGENT LIABILITIES

Capital commitment

As at June 30, 2025 and December 31, 2024, the Group had no material capital commitment.

Litigations and disputes

As at 30 June 2025, the Group had no material outstanding litigation or disputes in which the Group was a defendant.

24 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

The Group paid the 2024 Final Dividend in cash of RMB29,655,000 on 30 July 2025 to the Shareholders whose names appear on the register of members of the Company on 17 June 2025. Further details are disclosed in Note 21.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

In the first half of 2025, unilateralism and protectionism intensified, posing a serious challenge to multilateralism and free trade, and global economic volatility increased. In the face of a complex and volatile international environment, the Chinese economy withstood pressure and rose to the challenge, maintaining overall stability with key indicators exceeding expectations. The demand for “stability” increased in multiple dimensions, the momentum for “new” accumulated, and the cycle of “smooth” flow improved, demonstrating strong resilience and vitality, and injecting more momentum and certainty into the global economy. Data released by the National Bureau of Statistics show that in the first half of the year, Gross Domestic Products (GDP) was RMB66,053.6 billion, representing an increase of 5.3% at constant prices as compared to the same corresponding period. Final consumption expenditure, gross capital formation, and net exports of goods and services “Three Driving Forces” contributed 52%, 16.8%, and 31.2% respectively to GDP. By industry, the added value of the primary industry was RMB3,117.2 billion, representing an increase of 3.7% as compared to the same corresponding period; the added value of the secondary industry was RMB23,905 billion, up 5.3%; and the added value of the tertiary industry was RMB39,031.4 billion, up 5.5%. On a quarterly basis, GDP grew by 5.4% in the first quarter and 5.2% in the second quarter, as compared to the same corresponding period. On a quarter-on-quarter basis, GDP grew by 1.1% in the second quarter.

In line with the macroeconomy, China’s SMEs demonstrated strong resilience and innovative vitality, with core indicators growing steadily and development quality and efficiency significantly improving. According to data released by the China Association of Small and Medium Enterprises, the China Small and Medium Enterprises Development Index (SMEDI) was 89.1 in the second quarter of 2025, representing a decrease of 0.4 point from the first quarter of 2025, which was still higher than the corresponding period in 2023 and 2024. Guangdong Join-Share Financing Guarantee Investment Co., Ltd.* (the “**Company**”, together with its subsidiaries, the “**Group**”) is innovation-driven, relying on our professional expertise and unique advantages accumulated in the field of finance to provide precise matching and efficient response services for SMEs, fully empowering enterprises to grow steadily and laying a solid foundation for high-quality economic development.

In April 2020, the Group obtained the business license of financing guarantee business 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. Market entities form crucial foundation for stabilizing the overall economic landscape. Maintaining the stable development of market entities not only serves as the cornerstone for enhancing economic vitality and innovation momentum but also constitutes a core element in ensuring the smooth operation of the livelihood economy. As a key driving force for

stimulating market dynamism, SMEs play an irreplaceable role in promoting steady economic growth, expanding employment opportunities, and fortifying the foundation of people’s livelihood protection. After years of intensive cultivation in the industry, the Group has successfully transformed itself into a credit-centred, industry-based and finance-driven comprehensive service platform, enabling itself to accurately identify to various challenges encountered by SMEs in the course of their growth and development, and provide personalised solutions to help enterprises break through the bottlenecks, seize market opportunities, and move forward steadily in the ever-changing business environment, to achieve their long-term sustainable operation.

Mr. Wu Liejin, chairman of the board (“**Board**”) of directors (“**Director(s)**”) (“**Chairman**”) and president of the Group (“**President**”), stated that 2025 is the 22nd anniversary of the founding of the Company, and the Group will continue to adhere to the dual principles of “stability” and “transformation” in our operations, focusing on its core business and guided by high-quality development, to strike a balance between achieving exceptional growth and risk control. Through innovative development and solid actions, the Group aims to inject long-lasting impetus into the Company’s long-term development.

Business Review

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

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 the applicable 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 30 June 2025, the Group’s total outstanding guarantee was approximately RMB6,207.64 million (31 December 2024: RMB7,533.25 million). For the six months ended 30 June 2025, the net guarantee fee income was approximately RMB86.04 million (for the six months ended 30 June 2024: RMB116.92 million).

SMEs Lending

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 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 six months ended 30 June 2025, the monthly fixed interest rate charged by the Group for entrusted loans ranged from 0.5% (inclusive) to 1.15% (inclusive) (for the six months ended 30 June 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 30 June 2025, the balance of the Group's entrusted loans was approximately RMB403.12 million (31 December 2024: RMB385.46 million).

The top five customers of such business in terms of remaining balance represent approximately 40.19% of the total remaining balance of entrusted loans as at 30 June 2025 and their respective terms were as follows:

Borrower	Cooperative institutions	As at 30 June 2025			Loan term	Type of guarantee
		Loan amount (RMB'000)	Loan balance (RMB'000)	Loan interest rate (month, %)		
Company A	Bank a	42,000	42,000	0.58	24 July 2024– 18 June 2026	Credit loan
Company B	Bank b	33,000	33,000	1	25 June 2025–24 December 2025	Guarantee loan
Company C	Bank c	30,000	30,000	1.03	7 May 2025– 7 November 2025	Collateral loan
Company D	Bank b	29,000	29,000	0.67	3 September 2024– 23 September 2025	Credit loan
Company E	Bank b	28,000	28,000	0.83	16 April 2025– 15 April 2026	Credit loan
Total		162,000	162,000			

- (b) **Micro-lending business.** The Group, operated through Foshan 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 six months ended 30 June 2025, the monthly fixed interest rate charged by the Group for micro-lending ranged from 0.55% (inclusive) to 2% (inclusive)^{Note} (for the six months ended 30 June 2024: 0.55% (inclusive) to 1.8% (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 30 June 2025, the balance of the Group’s micro-lending was approximately RMB654.06 million (31 December 2024: RMB727.41 million). The

^{Note} *Monthly interest rates for entrusted loans and micro-lending, top five customer terms excluding overdue items.*

top five customers of such business in terms of remaining balance represent approximately 11.16% of remaining balance of total micro-lending amount as at 30 June 2025 and their respective terms were as follows:

Borrower	Loan amount (RMB'000)	Loan balance (RMB'000)	Loan interest rate (month, %)	Loan term	Type of guarantee
Company A	15,000	15,000	1.25	28 April 2025– 27 October 2025	Collateral guarantee
Company B	15,000	15,000	1.08	5 June 2025– 4 February 2026	Credit loan
Company C	15,000	15,000	1.08	5 June 2025– 4 February 2026	Credit loan
Individual D	15,000	15,000	1	24 January 2025– 23 July 2025	Guarantee loan
Company E	12,980	12,980	0.55	20 September 2024– 19 September 2025	Guarantee loan
Total	<u>72,980</u>	<u>72,980</u>			

For the six months ended 30 June 2025, the Group's net interest income was approximately RMB44.56 million, representing a decrease of approximately 5.43% as compared to approximately RMB47.12 million for the six months ended 30 June 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 actual 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," "suspicious" 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 adjusted the project's supervision grade and the corresponding frequency of review, adopt differentiated risk management and control strategies and enhance supervision on "special-attention" projects with a focus on collections from "substandard," "suspicious" 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 is occurred. 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 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. The legal approval officers will discuss with the project manager and require him to carry out further on-site investigations or interviews with the borrower/guarantor/collateral when there are doubts in the process of reviewing the project compliance of borrower's subject qualification, ownership of counter-guarantee, litigation information and others, but no relevant information can be found in the investigation report. 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/general meeting.

- (b) For the collection of entrusted loans, post-loan management procedures kicks start 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 seminars to discuss corresponding solutions for the risk projects.
- (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 shall be approved by the micro-lending review committee. The micro-lending review committee consists of three to seven 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 as 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;
- (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 Period

For the six months ended 30 June 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 cross-regional 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."

Financial Review

Net Guarantee Fee Income

The Group's net guarantee fee income decreased by approximately RMB30.88 million, or approximately 26.41%, from approximately RMB116.92 million for the six months ended 30 June 2024 to approximately RMB86.04 million for the six months ended 30 June 2025. Guarantee fee income decreased period-to-period, mainly due to the following three factors: first, the outstanding financing guarantee balance decreased compared with the same period last year; second, in the face of a tightening market environment, the Company proactively tightened its guarantee admission standards and became more cautious in its business deployment; and finally, new and old entities are in a business transition phase, and the terms of existing guarantee projects are mostly one to two years, resulting in a significant reduction in guarantee fee income deferred from previous years to the current period.

Net Interest Income

The Group's net interest income decreased by approximately RMB2.56 million, or approximately 5.43%, to approximately RMB44.56 million for the six months ended 30 June 2025 from approximately RMB47.12 million for the corresponding period in 2024, which was mainly a combined effect of the following factors:

- (a) interest income from entrusted loan business increased by approximately RMB2.55 million, or approximately 22.73% from approximately RMB11.22 million for the six months ended 30 June 2024 to approximately RMB13.77 million for the six months ended 30 June 2025, which was mainly attributable to the balance of entrusted loans increased from approximately RMB38.55 million to approximately RMB40.31 million;
- (b) interest income from the micro-lending loan business decreased by approximately RMB3.52 million, or approximately 10.41% from approximately RMB33.82 million for the six months ended 30 June 2024 to approximately RMB30.30 million for the six months ended 30 June 2025;

- (c) interest income on factoring service remained stable at approximately RMB10.20 million for the six months ended 30 June 2025 as compared to approximately RMB9.97 million for the corresponding period in 2024; and
- (d) interest income from cash at banks and pledged deposits decreased by approximately RMB1.89 million or approximately 26.07% from approximately RMB7.25 million for the six months ended 30 June 2024 to approximately RMB5.36 million for the six months ended 30 June 2025, which was mainly due to the PBOC's reduction of the benchmark deposit rate for commercial banks.

Service fee and other operating income

The service fee and other operating income of the Group decreased by approximately RMB2.31 million or approximately 17.54% from approximately RMB13.17 million for the six months ended 30 June 2024 to approximately RMB10.86 million for the six months ended 30 June 2025, primarily due to the increase in revenue from supply chain business from approximately RMB6.28 million in the same period of 2024 to approximately RMB8.42 million in the same period of 2025, which was insufficient to fully offset the significant decline of approximately 64.59% in revenue from consulting business.

Other Revenue

The Group's other revenue decreased by approximately RMB4.98 million, or approximately 81.64%, to approximately RMB1.12 million for the six months ended 30 June 2025 from approximately RMB6.10 million for the corresponding period in 2024, primarily due to a decrease in investment income from debt investments.

Share of losses of associates

The Group's share of losses of associates of approximately RMB7.00 million for the six months ended 30 June 2024 decreased to approximately RMB4.09 million for the six months ended 30 June 2025, which was primarily attributable to the corresponding decrease in share of losses calculated using the equity method, resulting from the recovery of operations at some investee companies.

Provisions charged for guarantee losses

Provisions charged for guarantee losses primarily reflect the management's estimate on the level of provisions that is adequate to the Group's guarantee business. The Group made provisions charged for guarantee losses of approximately RMB3.44 million for the six months ended 30 June 2025 as compared to provisions charged for guarantee losses of approximately RMB21.20 million for the corresponding period in 2024, primarily due to a decrease in the Group's outstanding net guarantee balance compared with the same period last year.

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 are unable to be recovered; (ii) receivables from guarantee customers which reflect the net amount of the capital portfolio of financing solutions the Group provided to customers not being able to be recovered by the Group; (iii) loans and advances to customers in the Group's entrusted loan and micro-lending businesses which reflect the net amount of loans and advances to the customers not being able to be collected by the Group; (iv) factoring receivables which mainly reflect the net amount of factoring facility services provided to customers that are unable to be recovered; and (v) supply chain business receivables which mainly reflect the net amount of the supply chain business receivables of the Group for its customers that are unable to be recovered.

The Group's impairment losses decreased by approximately RMB14.27 million, or approximately 23.76%, to approximately RMB45.79 million for the six months ended 30 June 2025 from approximately RMB60.06 million for the corresponding period in 2024, primarily due to the decrease in the impairment losses on loans and advances from approximately RMB12.65 million in the same period of 2024 to a reversal of approximately RMB1.43 million as of 30 June 2025.

Operating Expenses

The Group's operating expenses remained stable at approximately RMB59.99 million for the six months ended 30 June 2025 as compared to approximately RMB60.50 million for the corresponding period in 2024.

Profit Before Taxation

As a result of the foregoing, the Group's profit before taxation decreased by approximately RMB2.15 million, or approximately 5.44%, to approximately RMB37.36 million for the six months ended 30 June 2025 from approximately RMB39.51 million for the corresponding period in 2024.

Income Tax

The Group's income tax decreased by approximately RMB3.62 million, or approximately 24.76%, to approximately RMB11.00 million for the six months ended 30 June 2025 from approximately RMB14.62 million for the corresponding period in 2024, primarily due to the decrease in assessable profits.

Profit for the Period

The Group's profit for the period increased by approximately RMB1.47 million, or approximately 5.91%, to approximately RMB26.36 million for the six months ended 30 June 2025 from approximately RMB24.89 million for the corresponding period in 2024, and the profit attributable to equity shareholders of the Company decreased by approximately RMB0.86 million, or approximately 3.98%, to approximately RMB20.76 million for the six months ended 30 June 2025 from approximately RMB21.62 million for the corresponding period in 2024. The Group's net profit margin increased to approximately 18.63% for the six months ended 30 June 2025 from approximately 14.04% for the corresponding period in 2024.

Despite the slight increase in the Group's profit for the six months ended 30 June 2025 and in view of the declining financial performance of customers of the Group under the current challenging economic environment, the Group will strictly adhere to its internal control policy and measures to manage the corresponding risks. For further details, please refer to the paragraphs headed "Business Review — Internal Control" above.

Capital Expenditure

The Group's capital expenditures consist primarily of expenditures for the purchase of relevant properties and other equipment. For the six months ended 30 June 2025, the Group's capital expenditures amounted to approximately RMB0.92 million (for the six months ended 30 June 2024: RMB0.97 million), which was primarily related to the acquisition of office equipment and the research and development expenses incurred from improving business operation systems.

Capital Commitments and Contingent Liabilities

As at 30 June 2025, the Group had no material capital commitment and no contingent liabilities.

Charge of Assets

The Group did not pledge any of its assets to secure any banking facility or bank loan as at 30 June 2025.

INTERIM DIVIDEND

The Board does not recommend any distribution of interim dividend for the six months ended 30 June 2025.

PROSPECTS AND FUTURE DEVELOPMENTS IN THE BUSINESS OF THE GROUP

(I) Development Trend of the Industry

Supporting the Real Economy to Provide High-quality Financial Services to SMEs

The financial sector is crucial for the development of the real economy, and SMEs are the “capillaries” of the national economy and an important source of economic vitality. The steady development of SMEs is directly related to the stability of the macroeconomics, the supply of jobs and the improvement of people’s livelihood and well-being, and is an important cornerstone to support economic resilience. However, due to the large differences in business models of SMEs, the non-standardization of operating flow and other information, the demand for funds shows the characteristics of “short cycle, small amount, high frequency, and urgent payment”, and it is often difficult to obtain sufficient loan support from traditional financial institutions. For a long time, the difficulty and high cost in obtaining financing have always been bottlenecks restricting the development of small businesses. The Chinese government attaches great importance to the development of SMEs, continuously enriches the policy toolbox, and solves the financing problems SMEs.

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, 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.

With the implementation and effectiveness of the policies, inclusive small and micro-enterprises loans have achieved rapid growth. At the end of the second quarter of 2025, the balance of RMB inclusive small and micro-enterprises loans was RMB35.57 trillion, representing an increase of 12.3% as compared to the same corresponding period and 5.2 percentage points higher than that of various loans, and increased RMB2.63 trillion in the first half of the year. The balance of operating loans for farmers with credit lines of less than RMB5 million was RMB9.92 trillion, representing an increase of RMB351.6 billion in the first half of the year. The balance of student loans was RMB267.7 billion, representing an increase of 28.4% as compared to the same corresponding period.

Multi-sectoral Efforts to Boost Sustained Improvement in Financing Environment for SMEs

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 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.

The Board believes that, in the macro context of financial services for the real economy, the financing guarantee industry, as a key credit intermediary connecting the supply and demand sides of funds, is undergoing a strategic transformation from “scale expansion” to “quality leap”. Financing guarantee companies are further focusing on key areas supported by the state, such as specialization and sophistication, scientific and technological innovation, and green development, contributing significantly to alleviating the financing difficulties faced by SMEs. Meanwhile, digital transformation has become a key path for financing guarantee companies to enhance their competitiveness. As a financing guarantee enterprise, the Group will continue to focus on SMEs, continuously deepen cooperation with banks, innovate guarantee methods, strengthen risk management and control, and actively promote the online transformation of business, achieve process convenience, cost reduction and efficiency improvement, and improve risk control capabilities through technology empowerment, so as to fully serve the majority of SMEs, and help the real economy increase credit and reduce the burden.

(II) Development Strategies of the Group

In the first half of 2025, under the role of positive and promising macro policies, China's economic operation will be generally stable, stable and improving, the cultivation of new quality productive forces will be accelerated, and high-quality development will be solidly promoted. Looking forward to the second half of the year, macro policies will increase the intensity of monetary and fiscal policies and their coordination to promote the steady growth of new momentum, the domestic demand market has shown strong resilience, consumption upgrading and industrial upgrading have made synergistic efforts, and the supporting effect formed by the moderately advanced layout of infrastructure investment will effectively hedge external uncertainties and provide continuous momentum for high-quality economic development. The economy is expected to maintain steady and healthy growth throughout the year, with a high degree of certainty that the annual economic growth target will be achieved.

Since its establishment in May 2003, the Group (stock code: 01543.HK) has relied on extensive industry experience and profound professional knowledge to meticulously build a sustainable business model through continuously promoting transformation and upgrading, which has propelled the Group to rapidly become a leading industry player. In 2015, the Company was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), marking a new chapter in its development. In the face of the financing difficulties of SMEs, the Group will continue to make efforts to optimise its credit products and service models, continuously innovate and expand its boundaries in its operating models, and build a comprehensive financial service system to support SMEs unleash their potential, stimulate innovation vitality, and contribute to sustainable economic development.

The Group has initially formulated the “15th Five-Year Plan” development plan in light of the new internal and external situation, clarifying the new business development pattern with ecological cooperation, collaborative sharing, industrial deep cultivation and digital intelligence as the development path, guarantee credit enhancement as the basic point, financial intermediation and value-added services as the driving point, and equity investment as the opportunity point, and is committed to building a “national leading industrial ecological comprehensive service group integrating financing, consulting and commercial services” to stimulate new vitality 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 between the higher equity holders/shareholders returns that might be possible with higher levels of borrowings, and the benefits and security brought by a sound capital position. The Group 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 all 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 HK dollars and US 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 the Shareholders, cash flows from operations and banks and other borrowings.

As at 30 June 2025, the Group's cash and bank deposits were approximately RMB899.78 million (31 December 2024: RMB887.15 million).

Indebtedness

As at 30 June 2025, the Group's interest-bearing borrowings amounted to approximately RMB325.31 million (31 December 2024: RMB359.85 million), bearing interest at a range of from 3.05% to 5.0% per annum.

As at 30 June 2025, the Group has issued Corporate Bonds of the nominal value of RMB500.00 million, among which the nominal value of the Tranche 1 and 2 was RMB260.00 million and RMB240.00 million, respectively with a coupon rate of 3.4% (adjusted) and 3.5%.

In addition, as at 30 June 2025, the Group had other financial instrument of approximately RMB157.49 million (31 December 2024: RMB149.49 million) (detailed at note 19 to the financial statements), financial liabilities measured at FVPL of approximately RMB7.16 million (31 December 2024: RMB10.70 million) and lease liabilities of approximately RMB15.40 million (31 December 2024: RMB17.08 million).

The gearing ratios of the Group as at 30 June 2025 and 31 December 2024 were approximately 38.81% and 39.22%, respectively. Such gearing ratio was calculated by dividing total liabilities by total assets. Such decrease in gearing ratio was mainly attributable to (i) the interest-bearing borrowings decreased from approximately RMB359.85 million to approximately RMB325.31 million; and (ii) fair value changes in financial liabilities arising from interests in jointly controlled Trust Plans.

Off-Balance-Sheet Arrangements

The Group enters into guarantee contracts with off-balance-sheet risk in the ordinary course of business. The contract amount reflects the extent of the Group's involvement in the financing guarantee business and also represents its maximum exposure to credit loss. As at 30 June 2025, the outstanding guarantee of the Group totaled approximately RMB6,207.64 million (31 December 2024: RMB7,533.25 million). Save as aforesaid, the Group had no other off-balance-sheet arrangements as at 30 June 2025.

Significant Investments

As at 30 June 2025, save as disclosed under the paragraphs headed "Major business activities undertaken by the Group during the period" in this Management Discussion and Analysis, the Group had no significant investments.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

The Group had no material acquisitions or disposals of subsidiaries, associates or joint ventures for the six months ended 30 June 2025.

Future Plans for Material Investments or Capital Assets

The Group had no specific plan for material investments or capital assets as at 30 June 2025.

EVENTS AFTER REPORTING PERIOD

From 30 June 2025 and up to the date of this announcement, the Group did not have any other significant events.

HUMAN RESOURCES

The total number of staff within the Group as at 30 June 2025 was 287 (31 December 2024: 291). As at 30 June 2025, the number of staff holding a bachelor's degree or above was 249, accounting for 87% of its total number of staff; and the number of staff holding a junior college degree or below was 38, accounting for 13% of its total number of staff. The Directors believe that employees' quality is the most important factor in maintaining the sustained 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 six months ended 30 June 2025, the Group incurred approximately RMB34.43 million (six months ended 30 June 2024: RMB37.42 million) as staff costs (including salaries, wages, bonuses and other benefits and contributions to retirement schemes). The Group also offers trainings to its new employees once a year. It believes 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 the 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 six months ended 30 June 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2025, there was no purchase, sale and redemption by the Company or any of its subsidiaries of any listed securities (including sale of treasury shares (as defined under the Listing Rules)) of the Company. As at 30 June 2025, the Company did not hold any treasury shares.

AUDIT COMMITTEE

The audit committee of the Board (the “**Audit Committee**”) consists of five members, being Mr. Wu Xiangneng, Mr. Leung Hon Man and Ms. Li Xia, who are independent non-executive Directors and Mr. Huang Weibo and Ms. Feng Qunying, who are non-executive Directors. Mr. Wu Xiangneng is the chairman of the Audit Committee. The unaudited consolidated interim financial statements for the six months ended 30 June 2025 and this announcement have been reviewed by the Audit Committee. This announcement has been prepared in accordance with the applicable disclosure provisions of the Listing Rules, and in compliance with Hong Kong Accounting Standard 34, Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants.

The interim consolidated financial statements for the six months ended 30 June 2025 have been reviewed by KPMG, the Company’s independent auditor, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance and has steered its development and protected the interests of the Shareholders in an enlightened and open manner. The Board has adopted the Corporate Governance Code (the “**CG Code**”) set out in Appendix C1 to the Listing Rules. For the six months ended 30 June 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.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as the code of practice for carrying out securities transactions by the Directors and the supervisors of the Company (the “**Supervisors**”). Having made specific enquiry with all the Directors and the Supervisors, they have confirmed full compliance with the relevant standards stipulated in the Model Code during the six months ended 30 June 2025.

INTERIM DIVIDEND

The Board does not recommend any distribution of interim dividend for the six months ended 30 June 2025.

INTERIM REPORT

The interim report of the Company for the six months ended 30 June 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 September 2025.

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

Foshan, the PRC, 28 August 2025

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

** for identification purpose only*