



豐盛
FULLSHARE

Fullshare Holdings Limited 豐盛控股有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 00607

Interim Report
2025



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Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

(Expressed in Renminbi)

		For the six months ended 30 June	
		2025	2024
		(Unaudited) RMB'000	(Unaudited) RMB'000
	Note		
Revenue	6	10,265,102	10,675,171
Cost of sales and services provided	10	(8,334,913)	(9,244,682)
Gross profit		1,930,189	1,430,489
Selling and distribution expenses	10	(343,392)	(262,102)
Administrative expenses	10	(405,411)	(412,775)
Research and development costs	10	(451,528)	(410,115)
Net provision for impairment losses recognised on financial assets	3(ii)(e)	(145,534)	(1,056,193)
Other income	8	219,563	251,386
Net fair value changes in financial instruments	7	(381,876)	(31,143)
Other gains/(losses) – net	9	129,127	(600,609)
Operating profit/(loss)		551,138	(1,091,062)
Finance costs	11	(239,045)	(564,378)
Share of results of joint ventures		3,897	(33,792)
Share of results of associates		(61,107)	(5,530)
Profit/(loss) before tax		254,883	(1,694,762)
Income tax (expenses)/credit	12	(75,584)	167,822
Profit/(loss) for the period		179,299	(1,526,940)

Interim Condensed Consolidated Financial Statements

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME** (continued)*For the six months ended 30 June 2025**(Expressed in Renminbi)*

	For the six months ended 30 June 2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Other comprehensive income/(loss) for the period:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
– Exchange differences on translation of foreign operations	(1,505)	3,747
– Changes in fair value of debt instruments at fair value through other comprehensive income	4,996	(1,031)
– Income tax relating to these items	(382)	124
– Share of other comprehensive (loss)/income of associates	(868)	3,843
	2,241	6,683
<i>Items that will not be reclassified to profit or loss:</i>		
– Changes in fair value of equity instruments at fair value through other comprehensive income	30,816	(262,971)
– Income tax relating to these items	812	66,212
	31,628	(196,759)
Other comprehensive income/(loss) for the period, net of tax	33,869	(190,076)
Total comprehensive income/(loss) for the period	213,168	(1,717,016)

Interim Condensed Consolidated Financial Statements

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME** (continued)

For the six months ended 30 June 2025

(Expressed in Renminbi)

		For the six months ended 30 June 2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
	Note		
Profit/(loss) for the period attributable to:			
– Equity shareholders of the Company		(147,988)	(1,495,728)
– Non-controlling interests		327,287	(31,212)
		179,299	(1,526,940)
Total comprehensive income/(loss) for the period attributable to:			
– Equity shareholders of the Company		(124,120)	(1,647,186)
– Non-controlling interests		337,288	(69,830)
		213,168	(1,717,016)
		For the six months ended 30 June 2025 (Unaudited) RMB	2024 (Unaudited) RMB
Loss per share			
Basic and diluted loss per share	14	(0.232)	(2.349)

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION*as at 30 June 2025**(Expressed in Renminbi)*

		30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
	Note		
Non-current assets			
Property, plant and equipment	15	10,748,943	10,827,956
Investment properties		2,795,588	2,795,588
Right-of-use assets	15	1,415,298	1,288,185
Goodwill		1,503,818	1,503,817
Other intangible assets		102,251	138,731
Investments in joint ventures		134,259	143,998
Investments in associates		397,365	461,738
Financial assets at fair value through other comprehensive income	17	1,380,316	1,451,622
Financial assets at fair value through profit or loss	16	19,445	779,336
Consideration receivables	18(ii)	150,254	144,903
Loan receivables	18(i)	100,513	96,933
Deferred tax assets		649,176	666,344
		19,397,226	20,299,151

Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

as at 30 June 2025

(Expressed in Renminbi)

		30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
	Note		
Current assets			
Inventories		6,310,490	6,056,212
Trade receivables	19	7,625,526	6,180,845
Consideration receivables	18(ii)	300,521	466,889
Loan receivables	18(i)	53,955	–
Prepayments		401,444	400,608
Other receivables	18(iii)	1,233,757	1,336,050
Income tax prepaid		31,817	12,354
Financial assets at fair value through other comprehensive income	17	2,425,465	3,352,590
Financial assets at fair value through profit or loss	16	597,675	155,252
Restricted cash	20	3,309,750	2,822,958
Cash and cash equivalents	20	4,018,576	3,965,148
		26,308,976	24,748,906
Current liabilities			
Trade and bills payables	21	10,555,593	9,407,155
Other payables and accruals	22	2,972,077	3,413,945
Contract liabilities		1,156,523	1,643,709
Derivative financial instruments		17,438	34,254
Lease liabilities		36,538	47,841
Bank and other borrowings	23	5,691,250	6,359,850
Income tax payable		207,889	207,200
Warranty provision		831,550	908,794
Deferred income		86,028	69,735
		21,554,886	22,092,483

Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

as at 30 June 2025

(Expressed in Renminbi)

	Note	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Net current assets		4,754,090	2,656,423
Total assets less current liabilities		24,151,316	22,955,574
Non-current liabilities			
Bank and other borrowings	23	6,081,268	5,401,985
Deferred income		652,509	676,577
Lease liabilities		295,010	135,728
Warranty provision		1,450,042	1,260,019
Deferred tax liabilities		808,854	877,690
		9,287,683	8,351,999
Net assets		14,863,633	14,603,575
Capital and reserves			
Share capital		269,500	269,500
Reserves		7,496,936	7,633,340
Equity attributable to equity shareholders of the Company		7,766,436	7,902,840
Non-controlling interests		7,097,197	6,700,735
Total equity		14,863,633	14,603,575

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2025

(Expressed in Renminbi)

	Attributable to equity shareholders of the Company											Non-controlling interests	Total equity
	Share capital	Equity reserve	Share premium	Statutory surplus reserve	Merger reserve	Other reserve	Investment revaluation reserve	Reverse acquisition reserve	Exchange fluctuation reserve	Accumulated losses	Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (Audited)	269,500	422,833	17,760,800	959,719	9,425	973,702	(1,209,988)	(390,381)	(248,713)	(10,644,057)	7,902,840	6,700,735	14,603,575
(Loss)/profit for the period	-	-	-	-	-	-	-	-	-	(147,988)	(147,988)	327,287	179,299
Other comprehensive income/(loss) for the period	-	-	-	-	-	-	25,418	-	(1,550)	-	23,868	10,001	33,869
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	25,418	-	(1,550)	(147,988)	(124,120)	337,288	213,168
Partial disposal of interest in a subsidiary without loss of control (Note)	-	-	-	-	-	(49,784)	-	-	-	-	(49,784)	59,174	9,390
Disrecognition of a financial asset at fair value through other comprehensive income upon disposal of a subsidiary	-	-	-	-	-	-	98,300	-	-	(98,300)	-	-	-
Waiver of loan from a shareholder (Note 27)(i)(d))	-	-	-	-	-	37,500	-	-	-	-	37,500	-	37,500
At 30 June 2025 (Unaudited)	269,500	422,833	17,760,800	959,719	9,425	961,418	(1,086,270)	(390,381)	(250,263)	(10,890,345)	7,766,436	7,097,197	14,863,633

Note:

In June 2025, the Group disposed of 0.52% equity interest of China High Speed Transmissions Equipment Group Co., Ltd. ("CHS") for HK\$10,259,000 (equivalent to RMB9,390,000). At the date of the disposal, the proportionate share of 0.52% equity interest in CHS by non-controlling interests was RMB59,174,000. Accordingly, the Group recognised an increase in non-controlling interests of RMB59,174,000 and a decrease in equity attributable to equity shareholders of the Company of RMB49,784,000.

Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(continued)

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

	Attributable to equity shareholders of the Company											Non-controlling interests RMB'000	Total equity RMB'000
	Share capital RMB'000	Equity reserve RMB'000	Share premium RMB'000	Statutory surplus reserve RMB'000	Merger reserve RMB'000	Other reserve RMB'000	Investment revaluation reserve RMB'000	Reverse acquisition reserve RMB'000	Exchange fluctuation reserve RMB'000	Accumulated losses RMB'000	Total RMB'000		
At 1 January 2024 (Audited)	269,500	422,833	17,760,800	1,254,535	31,777	(2,370,073)	(1,163,902)	(390,381)	(87,555)	(4,623,505)	10,940,029	6,333,981	17,498,010
Loss for the period	-	-	-	-	-	-	-	-	-	(1,495,728)	(1,495,728)	(31,212)	(1,526,940)
Other comprehensive loss for the period	-	-	-	-	-	-	(144,338)	-	(7,120)	-	(151,458)	(38,618)	(190,076)
Total comprehensive loss for the period	-	-	-	-	-	-	(144,338)	-	(7,120)	(1,495,728)	(1,647,186)	(69,830)	(1,717,016)
Partial disposal of interest in a subsidiary without loss of control	-	-	-	-	-	(124,056)	-	-	-	-	(124,056)	145,143	21,087
At 30 June 2024 (Unaudited)	269,500	422,833	17,760,800	1,254,535	31,777	(2,494,129)	(1,308,240)	(390,381)	(94,675)	(6,319,233)	9,132,787	6,609,294	15,742,081

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS*for the six months ended 30 June 2025**(Expressed in Renminbi)*

		For the six months ended 30 June 2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
	Note		
Cash flows from operating activities			
Net cash generated from/(used in) operations		1,089,647	(737,707)
Income taxes paid		(142,926)	(117,446)
<i>Net cash generated from/(used in) operating activities</i>		946,721	(855,153)
Cash flows from investing activities			
Interest received		56,185	75,113
Disposal of subsidiaries	28	(18)	–
Placements of pledged bank deposits		(4,291,092)	(3,962,138)
Withdrawal of pledged bank deposits		3,805,345	4,002,047
Investments in structured bank deposits		–	(20,000)
Redemption of structured bank deposits		–	20,047

Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(continued)

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

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Proceeds from disposal of financial assets at fair value through profit or loss	–	3,383
Purchases of items of property, plant and equipment	(633,682)	(1,355,879)
Proceeds from disposal of items of property, plant and equipment	1,260	26,035
Proceeds from disposal of investment properties	–	34,413
Payments for right-of-use assets	–	(45,618)
Refund of land lease deposits	–	5,890
Dividend received from an associate	2,166	2,872
Other investment income received	633	3,624
Receipt of government grants	38,542	261,867
Receipt of consideration receivables	41,248	7,500
Receipt of loans and other receivables	–	4,000
<i>Net cash used in investing activities</i>	(979,413)	(936,844)

Interim Condensed Consolidated Financial Statements

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(continued)

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

		For the six months ended 30 June 2025	2024
		(Unaudited)	(Unaudited)
	Note	RMB'000	RMB'000
Cash flows from financing activities			
New bank and other borrowings raised		2,788,870	4,115,089
Repayment of bank and other borrowings		(2,470,702)	(2,388,638)
Capital element of lease rental paid		(13,926)	(3,643)
Interest element of lease rental paid		(8,717)	(296)
Interest paid		(227,241)	(427,725)
Consideration received for partial disposal of interest in a subsidiary without loss of control		9,390	21,087
<i>Net cash generated from financing activities</i>		77,674	1,315,874
Net increase/(decrease) in cash and cash equivalents		44,982	(476,123)
Cash and cash equivalents at the beginning of the period		3,965,148	5,693,844
Net effect of foreign exchange rate changes		8,446	2,914
Cash and cash equivalents at the end of the period	20	4,018,576	5,220,635

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Financial Statements

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Renminbi)

1 GENERAL INFORMATION

Fullshare Holdings Limited (the “**Company**”) was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and its principal place of business is Unit C1, 26th Floor, United Centre, 95, Queensway, Admiralty, Hong Kong. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “**SEHK**”).

The Company is an investment holding company. The Company and its subsidiaries are referred to as the “Group” hereinafter. The Group is principally engaged in the following principal activities:

- Properties – investment, development and sale of properties, and provision of construction related services;
- Tourism – hotel operations, sale of tourist goods and provision of related services;
- Investment and financial services – holding and investing in a variety of investments and financial products with potential or for strategic purposes including but not limited to listed and unlisted securities, bonds, funds, derivatives, structured and other treasury products; and rendering the investment and financial related consulting services;
- Healthcare, education and others – sale of healthcare and education products and provision of related services and sale of other products; and
- New energy – manufacture and sale of mechanical transmission equipment products and trading of goods.

The interim condensed consolidated financial statements were approved for issue by the board of directors of the Company on 31 October 2025.

Interim Condensed Consolidated Financial Statements

2 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the SEHK.

The interim condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the Group’s 2024 annual consolidated financial statements, except for the adoption of new and amendments to HKFRS Accounting Standards, as set out in Note 2.1.

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

The significant judgements made by management in applying the Group’s accounting policies and key sources of estimation uncertainty were the same as those described in the last annual consolidated financial statements.

The interim condensed consolidated financial statements contain interim 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 Group’s 2024 annual consolidated financial statements. These interim condensed consolidated financial statements and notes thereon do not include all of the information and disclosures required for a complete set of financial statements prepared in accordance with HKFRS Accounting Standards, and should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 December 2024.

Interim Condensed Consolidated Financial Statements

2 BASIS OF PREPARATION (continued)

As at 30 June 2025, the Group failed to fulfil certain financial obligations as set out in an earnest money agreement in respect of previous plan on disposal of equity interests of subsidiaries and certain assets (Note 22(ii),(iii)) and a number of loan agreements in respect of certain overdue and defaulted borrowings (Note 23). In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. The management has prepared the cash flow projections which cover a period of twelve months from 30 June 2025. The directors are of the opinion that, based on the cash flow projections and taking into account the expected operating results, the Group's assets available for realisation if necessary, the adequate collaterals of the relevant loans, and the continuing liaison and renegotiation with relevant parties in respect of timing of repayment of the Group's financial obligations, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due in the next twelve months. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the interim condensed consolidated financial statements under the going concern basis.

The interim condensed consolidated financial statements do not include any adjustments relating to the carrying amounts and reclassification of assets and liabilities that might be necessary should the Group be unable to continue as a going concern.

These interim condensed consolidated financial statements are unaudited, but have been reviewed by the audit committee.



Interim Condensed Consolidated Financial Statements

2 BASIS OF PREPARATION (continued)

2.1 New standards and amendments adopted by the Group

In the current period, the Group has applied the following amendments to HKFRS Accounting Standards (the “**Amendments**”) issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 and applicable for the preparation of the Group’s interim condensed consolidated financial statements:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
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The application of the Amendments has had no material impact on the Group’s financial position and performance for the current and prior periods and/or on the disclosures set out in these interim condensed consolidated financial statements.

A number of new and amendments to HKFRS Accounting Standards are published that are not mandatory to be adopted for annual period beginning on 1 January 2025 and early application is permitted. The Group has not early adopted any of the forthcoming new or amended HKFRS Accounting Standards in preparing these interim condensed consolidated financial statements.

Interim Condensed Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk, foreign currency risk and equity price risk), credit risk and liquidity risk. According to the Group's risk management policies, the financial risks shall be assessed continuously by the management, taking into account of the prevailing conditions of the financial market and other relevant variables to avoid excessive concentrations of risk. The Group has not used any derivatives or other instruments for hedging purpose. The most significant financial risks to which the Group is exposed are described below.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's 2024 annual consolidated financial statements.

(i) Equity price risk

The Group's equity price risk is exposed through its investments in listed equity securities and certain derivative financial instruments. The Group's equity price risk is mainly concentrated on equity instruments quoted in the SEHK, the Shanghai Stock Exchange (the "**SHSE**"), the Singapore Exchange (the "**SGX**") and the NASDAQ Stock Market ("**NASDAQ**"). The Group closely monitors the equity price risk and will consider hedging the risk exposure should the need arise.

In addition, the Group also invested in certain unquoted investments for long term strategic purposes. Their performance is assessed at least bi-annually against performance of similar listed entities, based on the limited information available to the Group, together with an assessment of their relevance to the Group's long term strategic plans.

Interim Condensed Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

(ii) Credit risk

The Group has policies to limit the credit exposure on debt instruments measured at amortised cost, fair value through other comprehensive income ("**FVOCI**"), fair value through profit or loss ("**FVPL**") and financial guarantee contracts. The Group assesses the credit quality of and sets credit limits on its customers by taking into account their financial positions, the availability of guarantees from third parties, their credit history and other factors such as current market conditions. Management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The credit history of the customers is regularly monitored by the Group. In respect of customers with a poor credit history, the Group will use written payment reminders, or shorten or cancel credit periods, to ensure the overall credit risk of the Group is limited to a controllable extent.

The Group has the following types of financial assets and other item that are subject to expected credit loss ("**ECL**") model:

- Cash and cash equivalents and restricted cash;
- Trade receivables;
- Financial assets at amortised cost (excluding trade receivables);
- Bills receivables measured at FVOCI;
- Financial assets at FVPL; and
- Financial guarantee contracts.

While cash and cash equivalents and restricted cash are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each of the reporting period.

Interim Condensed Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

(ii) Credit risk (continued)

To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at the end of the reporting period with the risk of default as at the date of initial recognition. It considers available, reasonable and supportive forward-looking information, which include:

- internal credit rating;
- external credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- significant changes in the expected performance and behavior of the debtor, including changes in the payment status of debtor in the Group and changes in the operating results of the debtor.

A financial asset is considered as credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence may include but is not limited to significant financial difficulty of the issuer or the borrower, a breach of contract, such as a default or past due over 90 days, or it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation and so on. The management would assess and examine the balance individually.

Interim Condensed Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

(ii) Credit risk (continued)

(a) Trade receivables

The Group applies the simplified approach to provide for ECL prescribed by HKFRS 9, which permits the use of lifetime ECL provision for trade receivables. To measure the ECL, trade receivables were grouped based on shared credit risk characteristics and days past due, unless for debtors that are credit-impaired, at which the collection of receivables are assessed individually.

For ECL assessed under the simplified approach, pursuant to which the expected loss rates are based on the payment profiles of sales over a period of 12 to 48 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product and producer price index in which it sells goods, properties and renders services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Interim Condensed Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)**(ii) Credit risk** (continued)**(a) Trade receivables** (continued)

On that basis, the ECL provision as at 30 June 2025 and 31 December 2024 was determined as follows:

As at 30 June 2025 (Unaudited)	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 3 years RMB'000	Between 3 and 4 years RMB'000	Over 4 years RMB'000	Total RMB'000
ECL rate	1%	18%	40%	62%	100%	6%
Gross carrying amount						
– Trade receivables assessed under provision matrix (excluding trade receivables of which 100% loss allowances specifically provided)	7,087,770	648,036	152,857	49,469	140,768	8,078,900
Loss allowances under provision matrix	(101,478)	(119,848)	(60,663)	(30,684)	(140,701)	(453,374)
100% loss allowances specifically provided						
– Business other than Relevant Trading Business (Note)	–	(13,020)	(5,264)	(808)	(179,548)	(198,640)
– Relevant Trading Business	(716,650)	(2,472,331)	–	–	–	(3,188,981)
Loss allowances	(818,128)	(2,605,199)	(65,927)	(31,492)	(320,249)	(3,840,995)
Net carrying amount	6,986,292	528,188	92,194	18,785	67	7,625,526

Interim Condensed Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)**(ii) Credit risk** (continued)**(a) Trade receivables** (continued)

On that basis, the ECL provision as at 30 June 2025 and 31 December 2024 was determined as follows: (continued)

As at 31 December 2024 (Audited)	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 3 years RMB'000	Between 3 and 4 years RMB'000	Over 4 years RMB'000	Total RMB'000
ECL rate	3%	16%	34%	66%	100%	7%
Gross carrying amount						
– Trade receivables assessed under provision matrix (excluding trade receivables of which 100% loss allowances specifically provided)	5,887,562	376,563	159,456	71,181	132,346	6,627,108
Loss allowances under provision matrix	(152,811)	(59,878)	(54,476)	(46,752)	(132,346)	(446,263)
100% loss allowances specifically provided						
– Business other than Relevant Trading Business	–	(12,643)	(1,885)	(1,765)	(182,158)	(198,451)
– Relevant Trading Business	(3,072,759)	(116,222)	–	–	–	(3,188,981)
Loss allowances	(3,225,570)	(188,743)	(56,361)	(48,517)	(314,504)	(3,833,695)
Net carrying amount	5,734,751	316,685	104,980	24,429	–	6,180,845

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3 FINANCIAL RISK MANAGEMENT (continued)

(ii) Credit risk (continued)

(a) Trade receivables (continued)

Note:

During the year ended 31 December 2024, the balances of trade receivables and prepayments relating to trading business included in new energy segment which carried out with 13 customers and 3 suppliers ("**Relevant Trading Business**") were fully impaired. During the six months ended 30 June 2025, there was no transaction carried out by the relevant subsidiaries with those customers and suppliers of Relevant Trading Business. Details of the findings and actions are set out in Note 49 of the Group's 2024 annual consolidated financial statements. Up to the date of these interim condensed consolidated financial statements, the relevant investigations were still in progress.

The provision for loss allowances were recognised in profit or loss in net impairment losses on financial assets within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

(b) Financial assets at amortised cost (excluding trade receivables)

Financial assets at amortised cost (excluding trade receivables) include loan receivables, other receivables and consideration receivables.

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3 FINANCIAL RISK MANAGEMENT (continued)

(ii) Credit risk (continued)

(b) Financial assets at amortised cost (excluding trade receivables) (continued)

The Group uses three categories for financial assets at amortised cost (excluding trade receivables) which reflect their credit risk and how the ECL provision is determined for each of those categories. The Group accounts for its credit risk by appropriately providing for ECL on a timely basis. In calculating the ECL rates, the Group considers both historical loss rates and forward-looking macroeconomic data. A summary of the assumptions underpinning the Group's ECL model is as follows:

Category	Group definition of category	Basis for recognition of expected credit loss provision	Expected credit loss rate
Stage one	Debtors have a low risk of default and a strong capacity to meet contractual cash flows, or debtors frequently repay after due dates but usually settle in full	12 month ECL. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime	0% – 20%
Stage two	There have been significant increase in credit risk since initial recognition through information developed internally or externally sources, or when contractual payments are more than 30 days past due	Lifetime ECL	20% – 50%
Stage three	There is evidence indicating the receivable is credit-impaired, or when contractual payments are more than 90 days past due	Lifetime ECL	50% – 100%

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3 FINANCIAL RISK MANAGEMENT (continued)**(ii) Credit risk** (continued)**(b) Financial assets at amortised cost (excluding trade receivables)**
(continued)

As at 30 June 2025 and 31 December 2024, the Group provided the following ECL provision against financial assets at amortised cost (excluding trade receivables):

As at 30 June 2025 (Unaudited)	ECL rate	Gross carrying amount RMB'000	ECL provision RMB'000	Carrying amount (net of provision for loss allowances) RMB'000
Loan receivables (Note)	82%	839,143	(684,675)	154,468
Consideration receivables	30%	642,750	(191,975)	450,775
Other receivables	48%	2,363,100	(1,129,343)	1,233,757
		3,844,993	(2,005,993)	1,839,000

As at 31 December 2024 (Audited)	ECL rate	Gross carrying amount RMB'000	ECL provision RMB'000	Carrying amount (net of provision for loss allowances) RMB'000
Loan receivables (Note)	88%	835,563	(738,630)	96,933
Consideration receivables	10%	678,647	(66,855)	611,792
Other receivables	44%	2,405,544	(1,069,494)	1,336,050
		3,919,754	(1,874,979)	2,044,775

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3 FINANCIAL RISK MANAGEMENT (continued)

(ii) Credit risk (continued)

(b) Financial assets at amortised cost (excluding trade receivables) *(continued)*

Note:

As at 30 June 2025 and 31 December 2024, the expected loss rate for loan receivables was relatively high due to significant increase in credit risks of certain borrowers since initial recognition. The financial condition of certain borrowers have been significantly deteriorated with certain of their loans default in repayments and remain unsettled as at the end of the reporting period.

The Group is actively liaising with the borrowers including fixing the repayment plans, requesting additional securities on these borrowings and take recovery actions, and closely monitor the financial performances and positions of the borrowers in order to protect the interests of the Group and minimise the credit risk exposures.

(c) Bills receivables measured at FVOCI

The Group expects that there is no significant credit risk associated with bills receivables since they are either held with state-owned banks or in medium to large size listed banks. Management does not expect that there will be any significant credit losses from non-performance by these counterparties.

(d) Financial assets at FVPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVOCI or designated as FVOCI are measured at FVPL.

As at 30 June 2025, the Group is also exposed to credit risk in relation to debt investments that are measured at FVPL. The debt investments which are unrated or credit rating below the pre-set levels have to be approved by the investment committee. The management regularly reviews and monitors the portfolio of debt securities.

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3 FINANCIAL RISK MANAGEMENT (continued)**(ii) Credit risk** (continued)**(d) Financial assets at FVPL** (continued)

The maximum exposure at the end of the reporting period is the carrying amount of these investments, which is RMB188,300,000 (31 December 2024: RMB101,454,000).

- (e)** For the six months ended 30 June 2025 and 2024, the summary of the net (provision for)/reversal of impairment losses on financial assets recognised in profit or loss was as follows:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
(Provision for)/reversal of impairment losses on:		
– Trade receivables	(14,422)	(572,679)
– Loan receivables	53,955	(381,605)
– Consideration receivables	(125,120)	2,603
– Other receivables	(59,947)	(104,512)
	(145,534)	(1,056,193)

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4 FAIR VALUE ESTIMATION

(i) Financial assets and liabilities

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Management has assessed that the fair values of current portion of financial assets and financial liabilities recorded at amortised cost approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the non-current portion of financial assets and financial liabilities recorded at amortised cost have been calculated by discounting the expected future cash flow using rates currently available for instruments with similar terms, credit risk and remaining maturities and are not materially different to their carrying amounts. The Group's own non-performance risk for bank and other borrowings as at the end of the reporting period was assessed to be insignificant.

(a) Fair value hierarchy

The Group categorised its financial instruments measured at fair value at the end of each reporting period by the level in the fair value hierarchy as below:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to measure the fair value of an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Interim Condensed Consolidated Financial Statements

4 FAIR VALUE ESTIMATION (continued)

(i) Financial assets and liabilities (continued)

(a) Fair value hierarchy (continued)

The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur. There were no transfers between Level 1, Level 2 and Level 3 during the six months ended 30 June 2025 and year ended 31 December 2024.

The following tables present the financial assets and liabilities that are measured at fair value at 30 June 2025 and 31 December 2024:

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 30 June 2025 (Unaudited)				
Financial assets at FVOCI:				
– Listed equity instruments	57,792	–	–	57,792
– Unlisted equity investments	–	–	1,326,911	1,326,911
– Bills receivables	–	–	2,421,078	2,421,078
Financial assets at FVPL:				
– Listed equity instruments	31,360	–	–	31,360
– Unlisted equity investments	–	–	378,015	378,015
– Trade receivables measured at FVPL	–	–	188,300	188,300
– Derivative financial instruments	–	–	19,445	19,445
Financial liability at FVPL:				
– Derivative financial instruments	–	–	(17,438)	(17,438)
	89,152	–	4,316,311	4,405,463

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4 FAIR VALUE ESTIMATION (continued)**(i) Financial assets and liabilities** (continued)**(a) Fair value hierarchy** (continued)

The following tables present the financial assets and liabilities that are measured at fair value at 30 June 2025 and 31 December 2024: (continued)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 31 December 2024 (Audited)				
Financial assets at FVOCI:				
– Listed equity instruments	68,403	–	–	68,403
– Unlisted equity investments	–	–	1,387,606	1,387,606
– Bills receivables	–	–	3,348,203	3,348,203
Financial assets at FVPL:				
– Listed equity instruments	47,111	–	–	47,111
– Unlisted equity investments	–	–	767,517	767,517
– Trade receivables measured at FVPL	–	–	101,454	101,454
– Derivative financial instruments	–	–	18,506	18,506
Financial liability at FVPL:				
– Derivative financial instruments	–	–	(34,254)	(34,254)
	115,514	–	5,589,032	5,704,546

Interim Condensed Consolidated Financial Statements

4 FAIR VALUE ESTIMATION (continued)

(i) Financial assets and liabilities (continued)

(b) Valuation techniques used to determine fair values

The fair values of listed equity investments measured as financial assets at FVPL and FVOCI were derived from quoted market prices in active markets. These investments are included in Level 1 of the fair value hierarchy.

The management obtains valuation quotations from counterparties or uses valuation techniques to determine the fair values of financial instruments except as detailed above, including the discounted cash flow analysis, net asset value and market comparison approach, etc. The fair values of these financial instruments may be based on unobservable inputs which may have significant impact on the valuation of these financial instruments, and therefore have been classified by the Group as Level 3 of the fair value hierarchy. The unobservable inputs which may have impact on the valuation included discount for lack of marketability, price-to-book multiples, share price changes multiples, discount rates and expected recovery date, etc.

(c) Valuation processes of the Group

The Group engages external, independent and qualified valuers to determine the fair values of the Group's certain financial instruments categorised as Level 3 of the fair value hierarchy, if necessary. The Group's finance department works closely with the independent valuers. Discussions of valuation processes and results were held between the finance department and the valuers at least once every six months.

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4 FAIR VALUE ESTIMATION (continued)

(i) Financial assets and liabilities (continued)

(d) Fair value measurements using significant unobservable inputs (Level 3)

The following tables present the changes in Level 3 fair value hierarchy items for the six months ended 30 June 2025 and 2024:

	Financial assets at FVPL				Financial assets at FVOCI		Total RMB'000
	Unlisted equity investments	Trade receivables	Structured bank deposits	Derivative financial instruments	Unlisted equity investments	Bills receivables	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
At 1 January 2024 (Audited)	841,586	43,262	–	27,995	1,623,329	1,804,904	4,341,076
Acquisitions	–	230,846	20,000	–	–	5,191,246	5,442,092
Disposals	(50,643)	(274,108)	(20,047)	–	(2,000)	(5,297,255)	(5,644,053)
Fair value (losses)/gains recognised in profit or loss	(43,609)	–	47	–	–	–	(43,562)
Fair value losses recognised in other comprehensive income	–	–	–	–	(261,832)	(1,031)	(262,863)
Exchange differences	10,823	–	–	(27)	–	–	10,796
At 30 June 2024 (Unaudited)	758,157	–	–	27,968	1,359,497	1,697,864	3,843,486
At 1 January 2025 (Audited)	767,517	101,454	–	18,506	1,387,606	3,348,203	5,623,286
Acquisitions	–	368,340	–	–	–	11,250,288	11,618,628
Disposals	–	(276,279)	–	–	–	(12,182,409)	(12,458,688)
Disposal of a subsidiary (Note 28)	–	–	–	–	(101,700)	–	(101,700)
Fair value losses recognised in profit or loss	(377,899)	(5,215)	–	–	–	–	(383,114)
Fair value gains recognised in other comprehensive income	–	–	–	–	41,005	4,996	46,001
Exchange differences	(11,603)	–	–	939	–	–	(10,664)
At 30 June 2025 (Unaudited)	378,015	188,300	–	19,445	1,326,911	2,421,078	4,333,749

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4 FAIR VALUE ESTIMATION (continued)**(i) Financial assets and liabilities** (continued)**(d) Fair value measurements using significant unobservable inputs (Level 3)**

The following tables present the changes in Level 3 fair value hierarchy items for the six months ended 30 June 2025 and 2024: (continued)

	Derivative financial instruments RMB'000
Financial liability at FVPL	
At 1 January 2024 (Audited)	(33,228)
Fair value gains recognised in profit or loss	16,426
Exchange differences	(880)
At 30 June 2024 (Unaudited)	(17,682)
At 1 January 2025 (Audited)	(34,254)
Fair value gains recognised in profit or loss	16,200
Exchange differences	616
At 30 June 2025 (Unaudited)	(17,438)

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4 FAIR VALUE ESTIMATION (continued)

(i) Financial assets and liabilities (continued)

(e) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements.

Financial instruments	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
Financial assets at FVPL – Unlisted equity investments – Trade receivables – Structured bank deposits – Derivative financial instruments	Level 3	Discounted cash flow with future cash flows that are estimated based on expected recoverable amounts, discounted at rates that reflect management's best estimation of the expected risk level	Expected future cash flows; expected recovery date; discount rates that correspond to the expected risk level ranging from 3.1% to 18.0% (31 December 2024: 3.1% to 18.0%)	The higher the future cash flows, the higher the fair value; the earlier the recovery date, the higher the fair value; the lower the discount rate, the higher the fair value, and vice versa
Financial assets at FVOCI – Unlisted equity investments – Bills receivables	Level 3	(i) Discounted cash flow with future cash flows that are estimated based on expected recoverable amounts, discounted at rates that reflect management's best estimation of the expected risk level	Expected future cash flows; expected recovery date; discount rate that correspond to the expected risk level at 1.1% (31 December 2024: 1.1%)	The higher the future cash flows, the higher the fair value; the earlier the recovery date, the higher the fair value; the lower the discount rate, the higher the fair value, and vice versa
		(ii) Net asset value approach	N/A	N/A
		(iii) Market comparison approach	Price-to-book multiples at 1.22 (31 December 2024: 1.22); share price changes multiples at 2% (31 December 2024: 2%); Discount for lack of marketability, at 15.7% (31 December 2024: 15.7%)	The higher the price-to-book multiples, the higher the fair value; the higher the positive share price changes multiple, the higher the fair value; the lower the discount rate, the higher the fair value, and vice versa
Financial liability at FVPL – Derivative financial instruments	Level 3	Discounted cash flow with future cash flows that are estimated based on expected recoverable amounts, discounted at rates that reflect management's best estimation of the expected risk level	Expected future cash flows; expected recovery or payment date; discount rate that correspond to the expected risk level at 7.5% (31 December 2024: 7.5%)	The higher the future cash flows, the higher the fair value; the earlier the recovery or payment date, the higher the fair value; the lower the discount rate, the higher the fair value, and vice versa

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4 FAIR VALUE ESTIMATION (continued)

(ii) Sensitivity analysis

The sensitivity analysis below has been determined based on the change of rate of return in isolation used in expected future cash flows that reflect the expected risk level of the financial assets at the end of the reporting period. If the respective rate of return had been 10% higher/lower, the total comprehensive income (net of tax) for the six months ended 30 June 2025 would have increased/decreased by approximately RMB5,496,000 (six months ended 30 June 2024: total comprehensive loss (net of tax) would have decreased/increased by RMB24,745,000) as a result of the changes in fair value of the financial assets.

5 OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has five reportable operating segments as follows:

- Properties – investment, development and sale of properties, and provision of construction related services;
- Tourism – hotel operations, sale of tourist goods and provision of related services;
- Investment and financial services – holding and investing in a variety of investments and financial products with potential or for strategic purposes including but not limited to listed and unlisted securities, bonds, funds, derivatives, structured and other treasury products; and rendering the investment and financial related consulting services;
- Healthcare, education and others – sale of healthcare and education products and provision of related services and sale of other products; and
- New energy – manufacture and sale of mechanical transmission equipment products and trading of goods.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that certain other income and gains/losses, finance costs as well as head office and corporate expenses are excluded from such measurement.

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5 OPERATING SEGMENT INFORMATION (continued)

Inter-segment sales are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Segment assets exclude deferred tax assets, certain property, plant and equipment, certain right-of-use assets, income tax and other tax prepaid, restricted cash, cash and cash equivalents, consideration receivables, certain other receivables and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude income tax and other tax payable, bank and other borrowings, deferred tax liabilities, consideration and deposit received for disposal of subsidiaries and assets, certain lease liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

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5 OPERATING SEGMENT INFORMATION (continued)

	For the six months ended 30 June 2025 (Unaudited)					
	Properties RMB'000	Tourism RMB'000	Investment and financial services RMB'000	Healthcare, education and others RMB'000	New energy RMB'000	Total RMB'000
Segment revenue:						
Sales to external customers	109,643	133,870	1,344	41,264	9,978,981	10,265,102
Fair value changes in financial instruments	–	–	41,424	–	(423,300)	(381,876)
Segment results	16,007	(18,055)	79,480	(19,843)	377,112	434,701
Reconciliation:						
Unallocated bank interest income (Note 8)						42,603
Unallocated interest income on deferred consideration (Note 8)						4,378
Gain on disposal of subsidiaries (Note 9)						105,656
Unallocated income and losses, net						(67,033)
Corporate and other unallocated expenses						(26,377)
Finance costs (Note 11)						(239,045)
Profit before tax						<u>254,883</u>
Segment assets as at 30 June 2025 (Unaudited)	3,184,946	478,368	2,005,500	260,370	31,283,729	37,212,913
Reconciliation:						
Corporate and other unallocated assets						<u>8,493,289</u>
Total assets as at 30 June 2025 (Unaudited)						<u><u>45,706,202</u></u>
Segment liabilities as at 30 June 2025 (Unaudited)	793,688	151,452	274,163	3,075	16,038,284	17,260,662
Reconciliation:						
Corporate and other unallocated liabilities						<u>13,581,907</u>
Total liabilities as at 30 June 2025 (Unaudited)						<u><u>30,842,569</u></u>

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5 OPERATING SEGMENT INFORMATION (continued)

	For the six months ended 30 June 2024 (Unaudited)					
	Properties RMB'000	Tourism RMB'000	Investment and financial services RMB'000	Healthcare, education and others RMB'000	New energy RMB'000	Total RMB'000
Segment revenue:						
Sales to external customers	125,416	135,208	1,440	253,413	10,159,694	10,675,171
Fair value changes in financial instruments	–	–	(31,143)	–	–	(31,143)
Segment results	(405,703)	(290,782)	(429,390)	(4,344)	(80,219)	(1,210,438)
Reconciliation:						
Unallocated bank interest income (Note 8)						63,263
Unallocated interest income on deferred consideration (Note 8)						4,458
Unallocated income and gains, net						39,326
Corporate and other unallocated expenses						(26,993)
Finance costs (Note 11)						(564,378)
Loss before tax						(1,694,762)
Segment assets as at 31 December 2024 (Audited)	3,058,845	490,641	2,264,246	319,663	31,050,442	37,183,837
Reconciliation:						
Corporate and other unallocated assets						7,864,220
Total assets as at 31 December 2024 (Audited)						45,048,057
Segment liabilities as at 31 December 2024 (Audited)	620,253	177,875	274,758	7,655	15,715,769	16,796,310
Reconciliation:						
Corporate and other unallocated liabilities						13,648,172
Total liabilities as at 31 December 2024 (Audited)						30,444,482

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5 OPERATING SEGMENT INFORMATION (continued)**(i) Revenue from external customers by locations of customers**

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
The People's Republic of China (the "PRC")	8,985,593	9,595,472
United States of America (the "USA")	722,901	578,531
Europe	108,380	100,133
Australia	91,865	89,013
Other countries	356,363	312,022
	10,265,102	10,675,171

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6 REVENUE

(i) Disaggregation of revenue from contracts with customers and other sources

An analysis of revenue is as follows:

	For the six months ended 30 June 2025 (Unaudited) RMB'000	2024 (Unaudited) RMB'000
Revenue from contracts with customers		
Properties segment:		
– Property development and sales	–	2,583
Tourism segment:		
– Hotel operations	133,870	130,514
– Sales of tourist goods and services	–	4,694
	133,870	135,208
New energy segment:		
– Sales of gear products	9,978,981	6,786,451
– Trading of goods	–	3,373,243
	9,978,981	10,159,694
Investment and financial services segment:		
– Investment and financial consulting services	1,344	1,440
Healthcare, education and others segment:		
– Education services	6,004	4,733
– Healthcare products and other services	679	123
– Trading of goods	34,581	248,557
	41,264	253,413
	10,155,459	10,552,338
Revenue from other sources		
Properties segment:		
– Gross rental income	109,643	122,833
	10,265,102	10,675,171

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6 REVENUE (continued)

(ii) Revenue from contracts with customers disaggregated by timing of revenue recognition as follows:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Timing of revenue recognition:		
– Recognised at a point in time	10,014,241	10,415,651
– Recognised over time	141,218	136,687
	10,155,459	10,552,338

7 NET FAIR VALUE CHANGES IN FINANCIAL INSTRUMENTS

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Fair value losses on financial assets at FVPL	(398,076)	(47,569)
Fair value gains on derivative financial instruments	16,200	16,426
	(381,876)	(31,143)

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8 OTHER INCOME

		For the six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
	Note	RMB'000	RMB'000
Bank interest income	(i)	42,603	63,263
Interest on deferred consideration		4,378	4,458
Other interest income	(ii)	2,928	6,115
Dividend income		633	3,624
Management fees income		2,197	19,781
Government grants	(iii)	78,263	90,319
Sales of scraps and materials		60,652	52,090
Others		27,909	11,736
		219,563	251,386

Note:

- (i) Bank interest income is principally derived from restricted cash and cash equivalents.
- (ii) Other interest income is principally derived from loan receivables.
- (iii) Government grants represent mainly grants from the PRC's local authority to support local companies. There are no unfulfilled conditions or contingencies attaching to these grants.

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9 OTHER GAIN/(LOSSES) – NET

		For the six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
		RMB'000	RMB'000
Note			
Gain on disposal of subsidiaries	28	105,656	–
Fair value losses on investment properties		–	(351,668)
Gains on disposal of property, plant and equipment		2,035	8,296
Loss on swap contracts		(18,081)	(18,334)
Provision for impairment losses on property, plant and equipment		(7,284)	(268,081)
Foreign exchange gains – net		50,867	29,132
Others		(4,066)	46
		129,127	(600,609)

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10 EXPENSES BY NATURE

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Note	RMB'000	RMB'000
Cost of inventories sold	7,320,775	8,264,057
Cost of properties sold	–	2,497
Amortisation of other intangible assets	39,722	35,067
Depreciation of right-of-use assets	9,315	15,079
Depreciation of property, plant and equipment	398,575	398,266
Employee benefit expenses	977,869	991,598
Write-down of inventories	129,060	11,731
Write-down of properties held for sale	–	339
Write-down of properties under development	–	5,459
Others	659,928	605,581
	9,535,244	10,329,674
Represented by:		
– Cost of sales and services provided	8,334,913	9,244,682
– Selling and distribution expenses	343,392	262,102
– Administrative expenses	405,411	412,775
– Research and development costs	451,528	410,115
	9,535,244	10,329,674

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11 FINANCE COSTS

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Interest on bank and other borrowings	230,147	436,749
Less: Interest capitalised	–	(1,667)
Interest on lease liabilities	8,898	296
Unwinding of discount on written put option liability	–	129,000
	239,045	564,378

12 INCOME TAX EXPENSES/(CREDIT)

The Group calculates the income tax expenses/(credit) for the period using the tax rates prevailing in the jurisdictions in which the Group operates.

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Current tax – charge for the period		
– The PRC	130,147	52,125
– Hong Kong	9,539	22,421
– Australia	293	303
– The USA	14,498	5,501
– Others	675	6,695
Over-provision in respect of prior years	(20,975)	(1,561)
Deferred tax	(58,593)	(253,306)
	75,584	(167,822)

Interim Condensed Consolidated Financial Statements

12 INCOME TAX EXPENSES/(CREDIT) (continued)

(a) PRC Corporate Income Tax ("CIT")

PRC CIT has been provided at the rate of 25% (six months ended 30 June 2024: 25%) on the taxable profits of the Group's PRC subsidiaries, except those listed below, for the six months ended 30 June 2025.

The following subsidiaries are qualified as high technology development enterprises and thus subject to CIT at a preferential tax rate of 15% for 3 years from the date of approval:

Name of company	Year ended during which approval was obtained
NGC (Huai'an) High Speed Gear Manufacturing Co., Ltd. ("NGC Huai'an")	31 December 2024
NGC (Baotou) Transmission Equipment Co., Ltd.	31 December 2024
Nanjing High Speed Gear Manufacturing Co., Ltd.	31 December 2023
Nanjing High Speed & Accurate Gear (Group) Co., Ltd.	31 December 2023
Nanjing High Accurate Rail Transportation Equipment Co., Ltd.	31 December 2023

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12 INCOME TAX EXPENSES/(CREDIT) (continued)

(b) PRC land appreciation tax ("LAT")

According to the requirements of the Provisional Regulations of the People's Republic of China on Land Appreciation Tax (中華人民共和國土地增值稅暫行條例) effective from 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the People's Republic of China on Land Appreciation Tax (中華人民共和國土地增值稅暫行條例實施細則) effective from 27 January 1995, all gains arising from a transfer of real estate property in the PRC effective from 1 January 1994 are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, with an exemption provided for property sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

(c) Other corporate income tax

Enterprises incorporated in other places other than the PRC are subject to income tax rates of 8.25% to 30% (six months ended 30 June 2024: 8.25% to 30%) prevailing in the places in which these enterprises operated for the six months ended 30 June 2025.

(d) Pillar Two Model Rules

The Group is within the scope of the Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development. As at 30 June 2025, Pillar Two legislation has been enacted and is in effect in certain jurisdictions where the Group operates. During the six months ended 30 June 2025, based on the information currently available, the management of the Group considers that the overall impact of Pillar Two rules on the Group's income tax position is not expected to be material. The Group will continue to monitor developments in Pillar Two legislation across relevant jurisdictions and assess the potential future impact on its financial statements.

13 DIVIDENDS

The board of directors has resolved not to declare any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

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14 LOSS PER SHARE

The basic and diluted loss per share attributable to equity shareholders of the Company is calculated as follows:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Loss attributable to equity shareholders of the Company (in RMB'000)	(147,988)	(1,495,728)
Weighted average number of ordinary shares in issue	636,763,934	636,763,934
Basic loss per share (in RMB)	(0.232)	(2.349)

No diluted earnings per share for both the six months ended 30 June 2025 and 2024 were presented as there were no potential dilutive ordinary shares in issue.

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

During the six months ended 30 June 2025, additions to property, plant and equipment and right-of-use assets amounted to RMB417,238,000 (six months ended 30 June 2024: RMB1,266,957,000) and RMB162,527,000 (six months ended 30 June 2024: RMB45,618,000) respectively.

Property, plant and equipment with a net book value of RMB3,378,000 (six months ended 30 June 2024: RMB17,739,000) were disposed of by the Group during the six months ended 30 June 2025, resulting in net gains on disposal of RMB2,035,000 (six months ended 30 June 2024: RMB8,296,000).

The management of the Group concluded there was indication for impairment and conducted impairment assessment on recoverable amounts of certain property, plant and equipment for which the technical and economic performance were lower than expected. Based on the result of the assessment, the recoverable amounts were lower than the carrying amounts, impairment losses of RMB7,284,000 (six months ended 30 June 2024: RMB268,081,000) was recognised in "Other losses – net" during the six months ended 30 June 2025.

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16 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at FVPL comprise:

- Equity investments that are held for trading;
- Equity investments for which the Group has not elected to recognise fair value gains and losses through other comprehensive income; and
- Other non-equity investments that do not qualify for measurement at either amortised cost or FVOCI.

		30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
	Note		
Non-current assets			
Derivative financial instruments	(i)	19,445	18,506
Unlisted equity investments	(ii)	–	760,830
		19,445	779,336
Current assets			
Listed equity investments	(iii)	31,360	47,111
Unlisted equity investments	(ii)	378,015	6,687
Trade receivables measured at FVPL	(iv)	188,300	101,454
		597,675	155,252
		617,120	934,588

Interim Condensed Consolidated Financial Statements

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(continued)

Note:

(i) Derivative financial instruments

Pursuant to the sale and purchase agreement entered into between Fullshare Investment Management II Limited, the general partner of Fullshare Value Fund I (A) L.P., a joint venture of the Group and the purchaser dated 30 August 2019 ("**GSH Disposal Agreement**"), details of transactions are disclosed with the Company's relevant contingent liabilities in Note 24(ii), the Company is entitled to 23% of the distributable proceeds, if any, after the qualifying transactions as specified in the GSH Disposal Agreement ("**Qualifying Transactions**") are completed. At 30 June 2025, the Qualifying Transactions have not been completed. The separate derivative associated with GSH Disposal Agreement was measured at FVPL amounting to RMB19,445,000 (31 December 2024: RMB18,506,000).

(ii) Unlisted equity investments

In December 2020, the Group entered into three limited partnership agreements in respect of the establishment of partnerships in the PRC. Pursuant to the limited partnership agreements, the Group contributed RMB120,000,000, RMB120,000,000 and RMB100,000,000 respectively as a limited partner, which had been paid up by the Group to the partnerships. As at 30 June 2025, these investments had an aggregate fair value of Nil (31 December 2024: RMB423,300,000), and an aggregate fair value loss of RMB423,300,000 (six months ended 30 June 2024: fair value gain of RMB11,900,000) was recognised in profit or loss during the six months ended 30 June 2025.

The remaining amounts include the unlisted equity investments with individual amount less than RMB500,000,000.

(iii) The balances as at 30 June 2025 and 31 December 2024 represented the fair values of equity shares of securities listed in Hong Kong, Singapore and the USA, which amounting to RMB17,485,000 (31 December 2024: RMB26,973,000), RMB742,000 (31 December 2024: RMB635,000) and RMB13,133,000 (31 December 2024: RMB19,503,000) respectively.

The fair values of equity shares are based on the closing prices of these securities quoted on the SEHK, the SGX and the NASDAQ as at the end of the reporting period. The directors of the Company consider that the closing prices of these securities are the fair values of these investments.

(iv) Trade receivables measured at FVPL

In 2021 and 2022, the Group entered into several agreements with a bank to sell all of its eligible trade receivables under certain customers and all right, title, interest and benefit the Group has in each such eligible trade receivables on a non-recourse basis without the need for any further action or documentation on the part of the Group or the bank, at a discount calculated based on the base rate and number of days for early payment as specified in the agreements.

At 30 June 2025, such trade receivables that are held solely for selling purpose amounting to RMB188,300,000 (31 December 2024: RMB101,454,000) were classified as financial assets at FVPL. For the six months ended 30 June 2025, fair value loss of RMB5,215,000 (six months ended 30 June 2024: Nil) was recognised in "Net fair value changes in financial instruments".

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17 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets at FVOCI comprise:

- Equity investments which are not held for trading, and the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant; and
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial asset.

		30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
	Note		
Non-current assets			
Listed equity investments	(i)	57,792	68,403
Unlisted equity investments	(ii)	1,322,524	1,383,219
		1,380,316	1,451,622
Current assets			
Debt investments – Bills receivables	(iii)	2,421,078	3,348,203
Unlisted equity investments	(ii)	4,387	4,387
		2,425,465	3,352,590
		3,805,781	4,804,212

Interim Condensed Consolidated Financial Statements

17 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued)

Note:

- (i) At 30 June 2025, the Group's investments represent ordinary shares of two entities listed in the PRC and one entity listed in the USA, which amounting to RMB35,556,000 (31 December 2024: RMB40,973,000) and RMB22,236,000 (31 December 2024: RMB27,430,000) respectively.
- (ii) On 17 April 2017, Nanjing High Accurate Drive Equipment Manufacturing Group Co., Ltd. (南京高精傳動設備製造集團有限公司) (a non wholly-owned subsidiary of the Group) entered into a limited partnership agreement with thirty-four other partners in respect of the establishment of an investment fund in the PRC named Zhejiang Zheshang Chanrong Equity Investment Fund L.P. (浙江浙商產融股權投資基金合夥企業(有限合夥)) (the "**Zheshang Fund**") and the subscription of interest therein. Pursuant to the limited partnership agreement, the full registered capital contribution to the investment fund is RMB65,910,000,000, among which, RMB2,000,000,000 was contributed by the Group as a limited partner, which had been fully paid up by the Group to the investment fund. The investment in Zheshang Fund was revalued on 30 June 2025 and 31 December 2024 based on valuations performed by an independent professional qualified valuer by market comparison approach. As at 30 June 2025, the fair value of the investment in Zheshang Fund amounted to RMB1,310,000,000 (31 December 2024: RMB1,269,000,000) is classified as non-current asset and a fair value gain of RMB41,000,000 (six months ended 30 June 2024: a fair value loss of RMB214,000,000) was recognised in other comprehensive income for the six months ended 30 June 2025.

The remaining amounts include the unlisted equity investments with individual amount less than RMB500,000,000.

- (iii) Bills receivables that are held for collection of contractual cash flows and for selling purpose are measured at FVOCI. Bills receivables that are held by the Group are usually collected at maturity date or discounted to banks in the PRC by a way of selling before the maturity date.

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18 FINANCIAL ASSETS AT AMORTISED COST (EXCLUDING TRADE RECEIVABLES)**(i) Loan receivables**

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Loans to third parties	738,630	738,630
Loan to an associate	100,513	96,933
Less: Loss allowance (Note)	(684,675)	(738,630)
	154,468	96,933
Represented:		
– Current portion	53,955	–
– Non-current portion	100,513	96,933
	154,468	96,933

Note:

During the six months ended 30 June 2025, the Group, a borrower, a former subsidiary and a subsidiary of the Group executed a debt assumption agreement to convert a loan from a borrower to a former subsidiary disposed of during the year ended 31 December 2024 into a subsidiary of the Group to serve as the full repayment security for offshore repayment of the loan to the borrower by the Group. Accordingly, the respective provision of ECL for this loan previously recognised was reversed.

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18 FINANCIAL ASSETS AT AMORTISED COST (EXCLUDING TRADE RECEIVABLES) (continued)**(ii) Consideration receivables**

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Consideration receivables (Note)	642,750	678,647
Less: Loss allowance	(191,975)	(66,855)
	450,775	611,792
Represented:		
– Current portion	300,521	466,889
– Non-current portion	150,254	144,903
	450,775	611,792

Note:

- (i) As at 30 June 2025 and 31 December 2024, consideration receivables include deferred consideration receivable (the **"Deferred Consideration"**) for disposal of 72.71% equity interest in Sparrow Early Learning Pty Limited (**"Sparrow"**), an associate of the Group, amounting to AUD32,000,000 (equivalent to RMB150,254,000) (31 December 2024: AUD32,000,000 (equivalent to RMB144,903,000)) and consideration receivable for disposal of equity interest of Shanghai Joyu Culture Communication Company Limited (**"Shanghai Joyu"**) amounting to RMB162,760,000 (31 December 2024: RMB162,760,000). The disposal of Sparrow was completed in March 2022. The Deferred Consideration is receivable at the 5th anniversary from the completion date of disposal and bears an interest at 6% per annum. The disposal of Shanghai Joyu was completed in October 2022, and the consideration receivable is past due as at 30 June 2025 and 31 December 2024.
- (ii) As at 30 June 2025, the balance of RMB248,094,000 (31 December 2024: RMB248,094,000) included in consideration receivables is unsettled consideration related to a loan assignment of an intragroup loan with principal of RMB250,000,000 to an independent third party, which was completed in June 2024. As at 30 June 2025, the consideration receivable of RMB250,000,000 (31 December 2024: RMB250,000,000) is unsecured, interest-free and repayable within one year.
- (iii) As at 30 June 2025, the balance of RMB79,736,000 (31 December 2024: RMB120,984,000) included in consideration receivables is unsettled consideration related to disposal of a Nanjing Fengsheng Kanglv Co., Ltd. (**"Fengsheng KL"**) which was completed in September 2024. The consideration is receivable within six months following the completion date of the disposal. The repayment term could be further extended for one year if both parties mutually agreed. The receivable is interest-free and secured by 20% equity interests of the Fengsheng KL.

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18 FINANCIAL ASSETS AT AMORTISED COST (EXCLUDING TRADE RECEIVABLES) (continued)**(iii) Other receivables**

		30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
	Note		
Amounts due from third parties			
– Deposit for land lease		75,000	75,000
– Receivables from the former subsidiaries of the bundle transaction		517,728	516,284
– Redemption receivables from an insurance company	(i)	612,600	612,600
– Refundable deposit	(ii)	65,788	65,788
– Others		1,042,927	1,081,035
		2,314,043	2,350,707
Amount due from a joint venture		858	874
Amounts due from associates		48,199	53,963
		2,363,100	2,405,544
Less: Loss allowance		(1,129,343)	(1,069,494)
		1,233,757	1,336,050

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18 FINANCIAL ASSETS AT AMORTISED COST (EXCLUDING TRADE RECEIVABLES) (continued)

(iii) Other receivables (continued)

Notes:

- (i) The balances represented redemption receivables on the insurance products purchased from an insurance company. In February 2023, the Group submitted the policy surrender requests to the insurance company to withdraw the cash value of insurance products. At the redemption date, the cash value of the insurance investments was RMB612,600,000. In November 2023, the Group initiated a legal proceeding against the insurance company at Nanjing Intermediate People's Court to enforce the insurance company's repayment obligation, as the total amount due is not yet received by the Group.

As at the date of this report, the case is still on going, currently under the second trial of the jurisdiction issue, but the judgment has not yet been rendered by the court. Based on the opinion of the legal counsel, it is expected that it is highly probable that the Group will succeed in the legal proceeding. Management does not expect this legal proceeding would have any material adverse impact on the business operations and the financial position of the Group.

- (ii) On 22 June 2022, the Group entered into a non-legally binding memorandum of understanding with an independent third party (the "**Potential Vendor**") in relation to a possible conditional voluntary cash offer for 100% equity interest in an entity (the "**Possible Sale and Purchase**"). A refundable earnest deposit of HK\$70,000,000 was paid to the Potential Vendor accordingly. On 30 September 2022, a supplemental agreement was entered into pursuant to which if, among others, no definitive agreement in respect of the Possible Sale and Purchase was entered into on or before 31 March 2023, the Potential Vendor shall refund and return in full the earnest deposit (without any income accrued thereon) to the Group within 7 business days. Up to 31 March 2023, no definitive agreement has been reached with the Potential Vendor. As at 30 June 2025 and 31 December 2024, the deposit has yet to be refunded and such amount, pursuant to the memorandum of understanding is unsecured and bears an interest at 10% per annum.

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19 TRADE RECEIVABLES

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Trade receivables		
– Relevant Trading Business	3,188,981	3,188,981
– Businesses other than Relevant Trading Business	8,273,278	6,821,633
– Amounts due from joint ventures	4,262	3,926
Less: Loss allowance		
– Relevant Trading Business	(3,188,981)	(3,188,981)
– Business other than Relevant Trading Business	(652,014)	(644,714)
	7,625,526	6,180,845

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

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Within 90 days	5,624,912	4,563,176
91 to 180 days	406,900	433,853
181 to 365 days	954,480	737,722
Over 365 days	639,234	446,094
	7,625,526	6,180,845

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19 TRADE RECEIVABLES (continued)

The Group generally allows a credit period of 45 days to 180 days (31 December 2024: 45 days to 180 days) to its trade customers and 180 days (31 December 2024: 180 days) for sales of gear products. Apart from that, the Group does not have a standardised and universal credit period granted to its customers for other sales, and the credit period of individual customers is considered on a case-by-case basis and stipulated in the relevant contracts, as appropriate.

All of the amounts due from joint ventures are unsecured, interest-free and repayable on credit terms similar to those offered to the major customers of the Group.

20 RESTRICTED CASH AND CASH AND CASH EQUIVALENTS

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Cash and bank balances	7,328,326	6,788,106
Less: Restricted cash		
– Pledged bank deposits	(3,296,512)	(2,810,765)
– Restricted bank deposits	(13,238)	(12,193)
	(3,309,750)	(2,822,958)
Cash and cash equivalents	4,018,576	3,965,148

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposit rates. Bank balances, pledged bank deposits and restricted bank deposits are deposited with creditworthy banks with no recent history of default. As at 30 June 2025, certain bank accounts with balance of RMB13,108,000 (31 December 2024: RMB10,526,000) are frozen by the court order in the PRC due to the default in repayment of an earnest deposit received for a proposed acquisition of assets upon the proposed acquisition was cancelled.

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21 TRADE AND BILLS PAYABLES

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Trade payables		
– Amounts due to third parties	5,001,385	4,323,022
– Amount due to an associate	18	18
Bills payables	5,554,190	5,084,115
	10,555,593	9,407,155

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

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Within 90 days	6,427,851	6,241,240
91 to 180 days	3,767,532	2,404,886
181 to 365 days	77,549	666,988
Over 365 days	282,661	94,041
	10,555,593	9,407,155

Amount due to an associate included in trade and bills payables is repayable within 90 days (31 December 2024: 90 days), which represents credit terms similar to those offered by the associate to its major customers.

Trade payables are normally settled on terms of 90 to 180 days (31 December 2024: 90 to 180 days).

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22 OTHER PAYABLES AND ACCRUALS

		30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
	Note		
Accruals		670,823	843,649
Amounts due to associates	(i)	24,447	65,582
Refundable deposit received	(ii)	644,000	644,000
Other tax payables		42,700	99,763
Other payables	(iii)	1,131,385	923,869
Payroll and welfare payables		129,851	278,476
Liability arising from financial guarantee contracts		–	1,928
Payables for purchase of property, plant and equipment		328,871	556,678
		2,972,077	3,413,945

Note:

- (i) All of the amounts due to associates are non-trade nature, unsecured, interest-free and repayable on demand.
- (ii) It represented refundable deposit received from Neoglory Prosperity Inc. (新光圓成股份有限公司) for the possible sale and purchase of the shares of CHS held by the Group in 2018. Details of the transaction, the legal action taken by Neoglory Prosperity Inc. to seek for the refund of the deposit and the settlement arrangement are set out in Note 37(ii) of the Group's 2024 annual consolidated financial statements. No repayment was made by the Group during the six months ended 30 June 2025. Management considers that the repayments of the outstanding balance could be fulfilled through internal funding or sale of certain non-major assets and will not have a significant impact to the Group's operations.

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22 OTHER PAYABLES AND ACCRUALS (continued)

Note: (continued)

- (iii) In June 2019, the Group and an independent third party, Jiangsu Anke Technology Development Co., Limited ("**Jiangsu Anke**") entered into a framework asset transfer agreement (the "**Asset Transfer Agreement**") to dispose of certain investment properties and received the partial consideration of RMB200,000,000 (the "**Asset Consideration**"). Pursuant to the Asset Transfer Agreement, if the transfer of the assets was not completed within a specified period, the Group shall refund the Asset Consideration as well as bear the respective penalty. The transfer had not been completed and the Group failed to refund the full amount of the Asset Consideration to Jiangsu Anke.

In 2020, Jiangsu Anke took legal action to the court in the PRC and per the court judgement in 2022, the Group had to refund the Asset Consideration, penalty and overdue interests to Jiangsu Anke based on the term of Asset Transfer Agreement. During the year ended 31 December 2022, Jiangsu Anke applied the court order to freeze certain bank accounts and investment properties. During the year ended 31 December 2023, a settlement agreement was entered into with Jiangsu Anke. However, the Group failed to meet the repayment schedule of the settlement agreement. On 5 January 2024, Jiangsu Anke reapplied the execution of court order.

As at 30 June 2025, certain bank accounts with accumulated balances of RMB13,108,000 (31 December 2024: RMB10,526,000) and the legal title of certain of investment properties with carrying value of RMB2,405,125,000 as at 30 June 2025 (31 December 2024: RMB2,405,125,000) were frozen by the court order in the PRC.

Up to the date of these interim condensed consolidated financial statements, the Group is still liaising with Jiangsu Anke to extend the repayment period. Management considers that the Asset Consideration, together with the respective default interest payable and past late penalty payable with carrying value of RMB315,890,000 (31 December 2024: RMB309,467,000) recognised in other payables as at 30 June 2025 could be repaid through internal funding or sale of certain non-major assets and will not have significant impact to the Group's operations.

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23 BANK AND OTHER BORROWINGS

	30 June 2025		31 December 2024	
	Current	Non-current	Current	Non-current
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	RMB'000	RMB'000	RMB'000	RMB'000
Secured				
– Bank loans	710,018	4,125,214	1,432,460	3,303,093
– Loans from other financial institutions	–	–	267,800	–
Total secured borrowings	710,018	4,125,214	1,700,260	3,303,093
Unsecured				
– Bank loans	3,838,967	1,706,054	3,468,569	1,848,892
– Loans from a shareholder	625,407	–	994,810	–
– Loans from a related company	324,220	–	–	–
– Loan from a joint venture	192,578	–	196,106	–
– Loans from other third parties	60	250,000	105	250,000
Total unsecured borrowings	4,981,232	1,956,054	4,659,590	2,098,892
	5,691,250	6,081,268	6,359,850	5,401,985

Bank and other borrowings carry interests ranging from 0% to 8% (31 December 2024: 0% to 15%) per annum. As at 30 June 2025, loans from a related company/shareholder of RMB949,627,000 (31 December 2024: RMB994,810,000) in aggregate are interest-free and the loan from a joint venture of RMB192,578,000 (31 December 2024: RMB196,106,000) carries an effective interest rate at 8% (31 December 2024: 8%) per annum.

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23 BANK AND OTHER BORROWINGS (continued)

Bank and other borrowings are repayable as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Within one year or on demand	5,691,250	6,359,850
Between one and two years	3,133,162	2,437,237
Between two and five years	2,376,230	2,326,768
Over five years	571,876	637,980
	11,772,518	11,761,835

Notes:

(a) Certain of the Group's bank and other borrowings are secured by:

- (i) All of the equity interests in NGC Huai'an, a subsidiary of the Group.
- (ii) 30,400,000 ordinary shares of the Company held by a company controlled by Mr. Ji Changqun ("Mr. Ji").
- (iii) The Group's assets as disclosed in Note 26.

In addition, bank and other borrowings of RMB647,215,000 (31 December 2024: RMB663,247,000) were guaranteed by Mr. Ji.

- (b) As at 30 June 2025, certain of the borrowings with principal amounting to RMB192,578,000 (31 December 2024: RMB1,048,153,000) were overdue and defaulted, and overdue interest expense of RMB7,710,000 (six months ended 30 June 2024: RMB46,698,000) was recognised during the six months ended 30 June 2025. The Group is actively liaising with the lenders to extend the repayment period and has not received any request from any lender of the borrowings for accelerated repayment up to the date of these interim condensed consolidated financial statements. Management considers that these borrowings could be repaid through internal fundings and will not have a significant impact to the Group's operations.

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23 BANK AND OTHER BORROWINGS (continued)

Notes: (continued)

- (c) Saved as disclosed above, the Group complied with the covenant as set out for its non-current loans during the six months ended 30 June 2025. Accordingly, these loans are classified as non-current liability as at 30 June 2025. The Group expects to comply with these covenants for at least 12 months after the reporting date.

24 CONTINGENT LIABILITIES

As at 30 June 2025, contingent liabilities not provided for in the interim condensed consolidated financial statements were as follows:

- (i) As at 30 June 2025 the Group provided financial guarantees to two associates (31 December 2024: three associates) and two independent third parties (31 December 2024: one independent third parties) in favour of bank loans of RMB1,494,734,000 (31 December 2024: RMB1,535,953,000) and RMB579,000,000 (31 December 2024: RMB579,000,000), respectively. These amounts represented the balances that the Group could be required to be paid if the guarantees were called upon in its entirety.

As at 30 June 2025, an amount of Nil (31 December 2024: RMB1,928,000) has been recognised in the interim condensed consolidated financial statements as liabilities for the financial guarantees.

- (ii) On 30 August 2019, a sale and purchase agreement is entered into between an independent third party (the "**Purchaser**") and the general partner of Fullshare Value Fund I (A) L.P. (the "**Vendor**"), a joint venture of the Group, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, 100% of the issued and paid-up shares of Five Seasons XXII Limited ("**BVI SPV**"), a wholly-owned subsidiary of the Vendor, subject to the terms and conditions thereof. The BVI SPV indirectly holds the interests of GSH Plaza in Singapore. The former owner of the GSH Plaza is under certain legal cases with the property builders.

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24 CONTINGENT LIABILITIES (continued)

(ii) (continued)

On the same day, in order to facilitate the conclusion of the sales, the Company entered into a deed of guarantee with the Purchaser, pursuant to which, the Company agreed to guarantee to the Purchaser the due and punctual performance and observance by the Vendor of the Vendor's obligations under the sale and purchase agreement, subject to a maximum liability of up to SGD169,822,000 (equivalent to approximately RMB954,041,000) (31 December 2024: SGD169,822,000 (equivalent to approximately RMB909,607,000)) (the "**Guarantee Money**") as at 30 June 2025. The Guarantee Money is used to compensate the Purchaser for any adverse effect of the legal cases. These Guarantee Money would be reimbursed by the former owner.

In the opinion of the directors, based on the claim history from the purchaser to the Group and the reimbursement history from the former owner to the Group, the possibility of default or inability of discharging the relevant obligations by the Group is remote. Accordingly, no provision in relation to the guarantee has been made as at 30 June 2025 and 31 December 2024

- (iii) The Group has provided guarantees in favour of China Great Wall Assets Management Company Tianjin Office (the "**Great Wall Assets**") and China CITIC Financial Asset Management Co., Ltd ("**CITIC**") (the "**Existing Guarantees**") and a subsidiary of the Company has charged certain investment properties in favor of Great Wall Assets, each as security for certain debts (the "**Debts**") owed by Nanjing Fullshare Dazhu Technology Co., Ltd.* (南京豐盛大族科技股份有限公司) ("**Fullshare Dazhu**"), a former subsidiary of the Group, and its subsidiaries (the "**Fullshare Dazhu Group**") to the above-mentioned financial institutions in an aggregate principal amount of approximately RMB966,385,000 as at 30 June 2025 (31 December 2024: RMB973,042,000) with interest rates ranging from 7.8% to 24% (31 December 2024: 7.8% to 24%) (the "**Guarantee Obligations**").

Interim Condensed Consolidated Financial Statements

24 CONTINGENT LIABILITIES (continued)

(iii) (continued)

Upon the completion of the disposal of Fengsheng KL, the former wholly owned subsidiary which held 73.33% of Fullshare Dazu, such guarantees and mortgaged assets had not been released. To ensure the Company's performance of its Guarantee Obligations, on the date of execution of the equity transfer agreement for the disposal of Fengsheng KL in August 2024, (i) the purchaser executed an equity interest pledge agreement with the Company and Fengsheng KL, pursuant to which the purchaser shall pledge 80% of the equity interests of Fengsheng KL in favor of the Company; and (ii) the purchaser and Fengsheng KL executed a counter-guarantee agreement in favor of the Company to provide counter-guarantees.

As at 30 June 2025, the total amount due from Fullshare Dazu Group to Great Wall Assets and CITIC was approximately RMB1,494,734,000 (31 December 2024: RMB1,527,565,000). Having considered that: (i) the purchaser has executed the equity interest pledge agreement and a counter-guarantee agreement to mitigate the credit risk of the Company under the Existing Guarantees as mentioned above; (ii) the value of charged assets of Fullshare Dazu Group are expected to be sufficient to cover the repayment risk of the Debts; and (iii) the strong net asset position of Fullshare Dazu indicating its ability to repay the Debts, in the opinion of the directors, the possibility of default or inability of discharging the relevant obligations by the Group is remote. Accordingly, no provision in relation to the guarantee has been made as at 30 June 2025 and 31 December 2024.

Up to the date of these interim condensed consolidated financial statements, the purchaser has yet provided replacement for the release of the Existing Guarantees. Accordingly, the Group's Guaranteed Obligations remains in force.

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25 CAPITAL COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Contracted, but not provided for property, plant and equipment	494,056	633,141

26 PLEDGE OF ASSETS

At the end of the reporting period, certain assets of the Group were pledged to secure banking and other facilities granted to the Group, an associate and independent third parties as follows:

	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
Property, plant and equipment	2,908,876	3,828,475
Investment properties	2,773,560	2,773,560
Investment in associate	116,281	152,107
Right-of-use assets	491,403	497,957
Financial assets at FVOCI	237,245	321,759
Pledged bank deposits	3,296,512	2,810,765
	9,823,877	10,384,623

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27 RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in these interim condensed consolidated financial statements, the Group also had the following significant transactions with related parties during the period:

(i) Transactions with related parties

		For the six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
	Note	RMB'000	RMB'000
Associates:			
– Interest income	(a)	2,928	3,028
– Rental paid	(b)	25,090	–
– Interest expenses on lease liabilities	(b)	8,503	–
– Dividend income		2,166	2,889
Joint ventures:			
– Interest expense	(c)	7,710	7,697
The Group's shareholder:			
– Loans received	(d)	–	700
– Repayment of loans	(d)	–	426,822
– Waiver of loans	(d)	37,500	–
The subsidiaries of the Group's substantial shareholder:			
– Management service income	(e)	144	147
– Repayment of loans	(d)	1,688	–
The Group's substantial shareholder:			
– Guarantees provided	(f)	7,304	7,446

Interim Condensed Consolidated Financial Statements

27 RELATED PARTY TRANSACTIONS (continued)

(i) Transactions with related parties (continued)

Notes:

- (a) The interest income is derived from a loan to Sparrow. During the six months ended 30 June 2025, interest income of approximately RMB2,928,000 (six months ended 30 June 2024: RMB3,028,000) was recognised and the Group received outstanding interests of RMB2,934,000 (six months ended 30 June 2024: RMB3,054,000).
- (b) The Group entered into several lease agreements with Fullshare Dazu, a former subsidiary of the Group. Upon the disposal of Fengsheng KL in September 2024, Fullshare Dazu became an associate of the Group and the Group recognised right-of-use assets and lease liabilities amounting to RMB184,044,000. During the six months ended 30 June 2025, the Group negotiated with Fullshare Dazu to modify the lease terms and rental, and remeasured the right-of-use assets and lease liabilities amounting to RMB346,571,000, based on the revised terms. During the period, the Group paid rent of RMB25,090,000, and the interest expense on the lease liabilities of RMB8,503,000 was recognised in the profit and loss.
- (c) On 13 March 2017, the Group entered into an agreement with Fullshare Value Fund I L.P. to borrow US\$53,739,000 (equivalent to RMB370,558,000) at an interest rate of 8% per annum. During the six months ended 30 June 2025, interest expense of RMB7,710,000 (six months ended 30 June 2024: RMB7,697,000) was recognised in profit or loss.
- (d) The Group entered into several loan agreements with Magnolia Wealth International Limited ("**Magnolia**"), the single largest shareholder of the Company. During the six months ended 30 June 2025, Magnolia assigned certain debts owed by the Group to Fullshare Group Pte. Ltd., an entity in which Mr. Ji also holds the entire interests. As at 30 June 2025 and 31 December 2024, amounts due to Fullshare Group Pte. Ltd and Magnolia are interest-free and repayable on demand, respectively.

During the six months ended 30 June 2025, the Group received loans of Nil (six months ended 30 June 2024: RMB700,000) and repaid loans to Fullshare Group Pte. Ltd of RMB1,688,000 (six months ended 30 June 2024: repaid loans to Magnolia of RMB426,822,000) and Magnolia granted a waiver of loan of RMB37,500,000 (six months ended 30 June 2024: Nil) and the waiver was credited directly to equity within 'other reserves'.

- (e) The management service income is derived from the transactions which are carried out on terms agreed by the Group and the counterparty, which is ultimately controlled by Mr. Ji.
- (f) During the six months ended 30 June 2025 and 30 June 2024, a guarantee of HK\$8,000,000 (equivalent to RMB7,304,000 and RMB7,446,000 respectively) at maximum was provided by Mr. Ji to a subsidiary of the Group for securing its loan portfolio.

Interim Condensed Consolidated Financial Statements

27 RELATED PARTY TRANSACTIONS (continued)

(ii) Outstanding balances arising from transactions with related parties:

The Group's outstanding balances with its related parties as at the end of the reporting period are disclosed in loan receivables (Note 18(i)), other receivables (Note 18(iii)), trade receivables (Note 19), trade and bills payables (Note 21), other payables and accruals (Note 22) and bank and other borrowings (Note 23).

(iii) Outstanding counter-guarantee provided by the related parties to the Group:

During the year ended 31 December 2018, the Group has provided guarantees to Nanjing Jiangong Industrial Group Co., Ltd. (南京建工產業集團有限公司) ("**Nanjing Jiangong Industrial**") and Nanjing Jiangong Group Co. Ltd. (南京建工集團有限公司) ("**Nanjing Jiangong**"), which were controlled by a close member of Mr. Ji's family, in favour of their bank loans of RMB440,000,000 and RMB710,000,000 respectively, by pledging a commercial property directly held by Nanjing Deying (a wholly-owned subsidiary of the Company) with gross floor areas of approximately 100,605 square meters with auxiliary facilities located at Yuhuatai District, Nanjing, Jiangsu Province, the PRC.

On 13 June 2018 and 20 September 2018, Mr. Ji, Nanjing Jiangong Industrial and Nanjing Jiangong executed two guarantee letters (collectively referred to as the "**Guarantee Letters**") in favour of the Group. Pursuant to the Guarantee Letters, Mr. Ji undertook that before the respective bank loans are fully repaid or the pledge is released, the balance of loans granted by him (and/or any companies controlled by him) to the Group (the "**Granted Loans**") shall be at least HK\$550,000,000 (equivalent to RMB483,113,000) and HK\$900,000,000 (equivalent to RMB761,293,000) respectively; Nanjing Jiangong Industrial and Nanjing Jiangong undertook that it would provide a loan to the Company with substantially the same commercial terms as the loan agreement or pledge assets with equivalent value to the Company.

On 6 July 2022, Nanjing Jiangong Industrial and Nanjing Jiangong were no longer related parties to the Group and became third parties to the Group. However, the guarantees provided to Nanjing Jiangong Industrial and Nanjing Jiangong and the Guarantee Letters remain valid as at 31 December 2023.

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27 RELATED PARTY TRANSACTIONS (continued)

(iii) Outstanding counter-guarantee provided by the related parties to the Group:(continued)

During the year ended 31 December 2024, the pledge in relation to the loan of Nanjing Jiangong Industrial was released and accordingly, the respective counter-guarantee with the Granted Loans shall be at least HK\$550,000,000 (equivalent to RMB483,113,000) provided by Mr. Ji was lapsed.

As at 30 June 2025 and 31 December 2024, since the Granted Loans exceeded the outstanding amount of the respective bank loans, no provision for the obligations due to guarantee has been made.

(iv) Compensations of key management personnel of the Group:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Short term employee benefits	5,732	4,582
Post-employment benefits	72	162
Total compensations paid to key management personnel	5,804	4,744

28 DISPOSAL OF SUBSIDIARIES

On 9 December 2024, the Group entered into an agreement with several independent third parties to dispose of its 100% equity interests in Charm Kingdom Limited at an aggregate consideration of approximately HK\$6,072,000 (equivalent to RMB5,686,000), representing the sum of the consideration for the share transfer of HK\$1,200,000 and the adjusted residual net asset value of Charm Kingdom Limited and its subsidiary ("Charm Kingdom Group") at the date of completion. The disposal was completed on 20 February 2025.

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28 DISPOSAL OF SUBSIDIARIES (continued)

In February 2025, the Group entered into an agreement with an independent third party to dispose of its 100% equity interests in Nanjing Green Goblin Business Management Co., Ltd. (南京綠魔商業管理有限公司) (“**Green Goblin**”) at a consideration of RMB1. The disposal was completed on 14 February 2025.

The assets and liabilities of the subsidiaries at the respective dates of disposal were as follows:

	Charm Kingdom Group RMB'000	Green Goblin RMB'000	Total RMB'000
Net assets (liabilities) disposed of comprised:			
– Other intangible assets	1,124	–	1,124
– Prepayments	16	–	16
– Other receivables	474	92,216	92,690
– Financial assets at FVOCI	–	101,700	101,700
– Cash and cash equivalents	5,689	15	5,704
– Other payables and accruals	(1,617)	(31,787)	(33,404)
– Bank and other borrowings	–	(267,800)	(267,800)
Net assets (liabilities) disposed of	5,686	(105,656)	(99,970)
Cash consideration	(5,686)	–	(5,686)
Gain on disposal of subsidiaries (Note 9)	–	(105,656)	(105,656)
Analysis of cash flows on disposal:			
Consideration received	5,686	–	5,686
Cash and cash equivalents disposed of	(5,689)	(15)	(5,704)
Net cash outflows from disposals	(3)	(15)	(18)

Additional Information Required by the Listing Rules

BUSINESS REVIEW

During the six months ended 30 June 2025 (the **"Period Under Review"**) and the six months ended 30 June 2024 (the **"Corresponding Period of 2024"**), the revenue of the Fullshare Holdings Limited (the **"Company"**) and its subsidiaries (collectively referred to as **"Group"**) was derived from property, tourism, investment and financial services, healthcare and education and new energy businesses.

(1) Property business

After the divestment of certain property portfolio through the disposal of a wholly-owned subsidiary last year, the Group has not held any property project for sales and involved in any property development projects. The Group now engages in the remaining investment properties project in the People's Republic of China (the **"PRC"**) and utilises its resources and experience to explore asset-light property businesses such as provision of services for commercial property management and property development.

Property investment

(i) Investment properties held by the Group

As at 30 June 2025, the investment properties of the Group included Wonder City* (虹悅城), Liuhe Happy Plaza Project* (六合歡樂廣場項目) and Weihai Project* (威海項目).

	Address	Existing use	Term of contract	Gross floor areas ("GFA") (sq.m.)	Interest attributable to the Group
Nanjing					
Wonder City (虹悅城)	No. 619 Yingtian Da Jie, Yuhuatai District, Nanjing, Jiangsu Province, the PRC	Shopping mall	Medium-term covenant	100,605	100%
Liuhe Happy Plaza Project* (六合歡樂廣場) (two floors)	No. 52-71 Longjinlu Liuhe District, Nanjing, Jiangsu Province, the PRC	Shopping mall and carparks	Medium-term covenant	18,529 ^a	100%

Additional Information Required by the Listing Rules

	Address	Existing use	Term of contract	GFA (sq.m.)	Interest attributable to the Group
Weihai					
Weihai Project (威海項目)	Block 1, No. 229, Rongshan Road, Chengshan, Rongcheng City, Weihai, Shandong Province, the PRC	Commercial	Medium-term covenant	6,472	100%
				125,606	

* GFA of carpark is not included

(ii) *Investment properties leased by the Group*

A commercial complex, located at No. 109 Ruanjian Avenue, Yuhuatai District, Nanjing, Jiangsu Province, the PRC, ("**Yuhua Salon 109**"), the previous Group's investment property, has been leased to the Group by a former subsidiary for a lease term from July 2023 to June 2027 ("**Yuhua Salon Lease**"). Upon the disposal of the then subsidiary, the Group and the purchaser agreed to continue the lease arrangement under the Yuhua Salon Lease. Subsequently, the lease term was further extended to June 2033. Accordingly, the Group continue to manage the operation of Yuhua Salon 109.

(2) **Tourism business**

During the Period Under Review, the Group gradually developed its tourism business, with an industrial layout that combines investment and businesses and an integration of long-term and short-term initiatives. The tourism property projects currently being invested and held by the Group include the Laguna project and the Sheraton project in Australia. In addition, the Group also manages the Five Seasons Hotel project in Nanjing, the PRC.

The Laguna project is located in Bloomsbury, Queensland, Australia which is a large-scale comprehensive development project adjacent to the Great Barrier Reef with a land lot site area of approximately 29,821,920 sq.m. The land is currently held for future development.

Additional Information Required by the Listing Rules

The Sheraton project is located in Port Douglas, Queensland, Australia, a globally renowned tourist resort. The project comprises the Sheraton Mirage Resort and the Golf Club and has a total of 295 guest rooms, 7 restaurants and bars, and an 18-hole golf course, with a total land lot site area of approximately 1,108,297 sq.m., and a total GFA of approximately 62,328 sq.m. During the Period Under Review, the average room price was approximately AUD423.18, with an occupancy rate of approximately 69.38%.

Nanjing Five Seasons Hotel, the Group's previous hotel property, has been leased to the Group by a former subsidiary for a lease term from March 2024 to February 2031 ("**Five Seasons Hotel Lease**"). Upon the disposal of the then subsidiary, the Group and the purchaser agreed to continue the existing lease arrangement under the Five Seasons Hotel Lease. Accordingly, the Group continue to manage the operation of the Nanjing Five Seasons Hotel. Nanjing Five Seasons Hotel is located in the Software Valley, Nanjing, Jiangsu Province, the PRC with a land lot site area of approximately 30,416.26 sq.m. and a total GFA of approximately 81,379.8 sq.m. During the Period Under Review, the hotel's Building 9 (Dongshu Lou), Building 6 (Nansheng Lou) floors and Building 8 (Beiji Lou) have been put into full operation, while Building 7 (Qinyangzhai) is not fully open yet. The project currently has a total of 272 guest rooms, 3 restaurants and 2 banquet halls. During the Period Under Review, the average room price was approximately RMB670.27 (excluding tax) with an occupancy rate of approximately 80.94%.

(3) Investment and financial services business

The Group's investment and financial services business consists of holding and investing in various listed and unlisted equities and financial assets and provision of investment and financial related services.

During the Period Under Review, this segment recorded a profit of approximately RMB 79,480,000 (2024: loss of RMB429,390,000). The profit derived during the Period Under Review was mainly due to the reversal of impairment loss and fair value gain recognised for certain investments while the loss incurred during the Corresponding Period of 2024 was mainly because in view of delayed repayments and continuous worsening financial status of certain borrowers or debtors, credit risks of certain financial assets increased since initial recognition. Accordingly, more impairment losses were recognised.

Additional Information Required by the Listing Rules

(a) Listed equity investments held for trading

The portfolio of listed equity investments of the Group held for trading as at 30 June 2025 and 31 December 2024 is set out as below:

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Hong Kong listed equities securities	17,485	26,973
Singapore listed equities securities	742	635
United States listed equities securities	13,133	19,503
	31,360	47,111

Note:

These companies are listed companies on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the Singapore Exchange, and the NASDAQ Stock Market. All of the shares held by the Group are ordinary shares of the relevant company.

Additional Information Required by the Listing Rules

(b) Other investments

Apart from the above listed equity investments, the Group also held unlisted equity investments. Certain material unlisted equity investments of the Group classified as financial assets at fair value through other comprehensive income as at 30 June 2025 and 31 December 2024 are set out as below:

As at 30 June 2025

Name of investee	Cost of investment RMB'000	Carrying amount RMB'000	Unrealised holding gain/(loss) arising on revaluation for the year RMB'000	Realised gain/(loss) arising from the disposal for the year RMB'000	Dividend received/receivable for the year RMB'000
Zhejiang Zheshang Chanrong Investment Partnership (Limited Partnership)* ("Zheshang Fund") (浙江浙商產融投資合夥企業 (有限合夥) (Note 1)	2,000,000	1,310,000	41,000	-	-
Jiangsu Minying Investment Holding Limited* ("Jiangsu Investment") (江蘇民營投資控股有限公司) (Note 1)	-	-	-	(98,300)	-
		1,310,000	41,000	(98,300)	-

Note:

1. Zheshang Fund and Jiangsu Investment are primarily engaged in, among other things, equity and debt investment, investment management and investment consultation. During the Period Under Review, Jiangsu Investment was derecognised upon disposal of a subsidiary.

Additional Information Required by the Listing Rules

As at 31 December 2024

Name of investee	Cost of investment RMB'000	Carrying amount RMB'000	Unrealised holding gain/(loss) arising on revaluation for the year RMB'000	Realised gain/(loss) arising from the disposal for the year RMB'000	Dividend received/receivable for the year RMB'000
Zheshang Fund	2,000,000	1,269,000	30,000	–	–
Jiangsu Investment	200,000	101,700	(25,748)	(25,748)	–
		1,370,700	4,252	(25,748)	–

The future performance of the investments held by the Group will be affected by the overall economic environment, market condition and the business performance of the investee company. In this regard, the Group continued to monitor the portfolio performance and adjust the investments portfolio when necessary. The diversified investment portfolio is to implement the direction of expanding the sources of the Group's investment income and stabilizing its long term investment strategies.

As at 30 June 2025 and 31 December 2024, the Group did not hold any significant investment with a value greater than 5% of the Group's total assets.

(c) Investment and financial related consulting services

The Group offers a wide range of financial services to listed companies, high net-worth individuals and institutional & corporate clients, which include corporate finance, investment management, equity capital markets and money lending services, via a well-developed group of subsidiaries.

(4) Healthcare and education business and others

During the Period Under Review, the Group continued to identify appropriate investment opportunities to inject new impetus for the sustainable development of healthcare, education and other businesses. The revenue of healthcare, education and other segment was approximately RMB41,264,000 (2024: RMB253,413,000).

Additional Information Required by the Listing Rules

(5) New Energy segment

a) Wind gear transmission equipment

As a leading enterprise of wind gear transmission equipment in China, leveraging on its outstanding research, design and development capabilities, our product technology has reached an internationally advanced level, making the Group a leader in the offshore large-megawatt wind gear transmission equipment product and technology. The wind gear transmission equipment products of the Group are widely applied in both onshore and offshore wind power, and breakthroughs have been continuously achieved in the offshore wind power business, with large megawatt offshore wind gear transmission equipment products of 13.6MW-20MW being delivered to customers in bulk. The Group is fully aware that in the face of the increasingly fierce competition in the industry, adhering to a long-term perspective is a wise and stable strategic choice, and only through continuous innovation and research and development can we remain competitive in the future. To this end, relying on the StanGear™ (sliding bearing gearbox) and NGCWinGear™ (rolling bearing gearbox) product platforms and core technology platforms, we have rapidly iterated and optimised product design and have pursued closely core technologies such as computational analysis technology, intelligent manufacturing technology, material heat control technology, and experiment and testing technology, laying a solid technical foundation to cope with the development trend of large-scale, integrated and lightweight wind turbines. At the same time, keeping up with the new trend of market development, the Group has actively developed onshore and offshore large-megawatt wind gear transmission equipment with integrated transmission chain, deeply integrated digital technology, built GearSight IoT cloud platform for gearbox health monitoring and diagnosis, and created a remote diagnosis center, realising efficient management of the entire life cycle of wind gear transmission equipment products.

Up to now, the Group has maintained a strong customer portfolio. The customers of our wind gear transmission equipment products include major wind turbine manufacturers in the PRC, as well as internationally renowned wind turbine manufacturers such as GE Vernova, Siemens Energy Wind Power, Suzlon, Adani, Nordex acciona and Enercon, etc. The Group's wind gear transmission equipment products have further expanded into international markets, driven by the Group's proactive efforts to develop overseas customers and the continuous expansion of domestic OEMs into overseas markets. Global market layout will facilitate diversification of operational risks. The Group also seeks to have closer communication, cooperation and development with existing and potential overseas customers through its subsidiaries in the United States, Canada, Germany, Singapore and India.

Additional Information Required by the Listing Rules

b) Industrial gear transmission equipment

The Group's industrial gear transmission equipment products are widely used by customers in industries such as metallurgy, construction materials, rubber and plastics, petrochemicals, electric power, aerospace, mining, ports and engineering machinery.

In recent years, the Group has always adhered to the strategy for green development of industrial gear transmission equipment. With a focus on energy conservation, environmental protection and low carbon emission, as well as in-depth exploration in the transmission technology and extended driving technology, the Group has, under the iteration and upgrading of product technology in the field of heavy-duty transmission, developed standardised, modular and intelligent products which are internationally competitive and an electromechanical control integrated driving system with high efficiency, high reliability and low energy consumption. With "complete range, clear layers and precise subdivision" as our product positioning and market positioning, the Group was able to facilitate changes in sales strategies and production models, improve comprehensive competitiveness and further consolidate market advantages. During the Period under Review, the Group demonstrated a positive development trend in the fields of high-end equipment manufacturing and the domestic production of core equipment. Additionally, with the international expansion of its industrial gear transmission equipment products, the application of the Group's industrial gear transmission equipment products in overseas markets has significantly increased. Meanwhile, the Group also strengthened its efforts to provide and sell the parts and components of relevant products as well as comprehensive system solutions to its customers, helping customers to enhance their current production efficiency and reduce energy consumption without increasing capital expenditure and satisfying the diverse and differentiated needs of customers, thereby maintaining the Group's position as a major supplier in the market of industrial gear transmission equipment products.

Additional Information Required by the Listing Rules

c) Rail transportation gear transmission equipment

The Group's rail transportation gear transmission equipment products are widely used in the rail transportation fields such as high-speed rails, metro lines, urban trains and trams. The Group has established long-term cooperative relationships with many well-known domestic and foreign companies in the industry, such as the CRRC and the Alstom. The Group has obtained ISO/TS 22163 Certificate for the Quality Management System of International Railway Industry and CRCC Certification for Railway Products for its rail transportation gear transmission equipment products, and has obtained "Silver" Certificate for IRIS System for three consecutive years, which has laid a solid foundation for further expansion in the international rail transportation market. Currently, the products have been successfully applied to rail transportation transmission equipment in many Chinese cities, such as Beijing, Shanghai, Shenzhen, Nanjing, Hong Kong and Taipei, as well as in numerous countries and regions worldwide, such as Singapore, India, Netherlands, France, Australia, Brazil, Argentina, Canada, Mexico, South Africa, Tunis and Egypt. With optimised gearbox design technology, excellent sealing technology and effective control of the production process, the Group's rail transportation gear transmission equipment products are more environmentally friendly, and the products are well received by users.

MATERIAL RISK WARNING

On 29 September 2024, the articles of association of Nanjing High Speed Gear Manufacturing Co., Ltd* (南京高速齒輪製造有限公司) ("**Nanjing High Speed**") were changed, as the result of which the Company has lost its definite control over the board of Nanjing High Speed. Nanjing High Speed, principally engaged in the manufacturing and sales of wind and industrial gear transmission equipment, is the key subsidiary of the Group, which together with its own subsidiaries generated sales revenue of approximately RMB9,802.72 million for the Period Under Review, amounting to over 98% of the total revenue of China High Speed Transmission Equipment Group Co., Ltd. ("**CHS**") and around 95% of the total revenue of the Group.

Additional Information Required by the Listing Rules

The Company understands that Nanjing Gear Enterprise Management Co., Ltd.* (南京高齒企業管理有限公司) (“**Nanjing Gear Management**”) has entered into an acting in concert agreement (the “**Concert Agreement**”) with Jinhu Shifu Corporate Management Partnership (Limited Partnership)* (金湖驪福企業管理合夥企業(有限合夥)) (“**Jinhu LP**”), both being the shareholders of Nanjing High Speed, on the same date of the amendment of the articles of association of Nanjing High Speed. Pursuant to the Concert Agreement, Jinhu LP would procure the respective directors nominated by it to vote in the same manner as those nominated by Nanjing Gear Management in the board meetings of Nanjing High Speed.

The Concert Agreement can however be terminated upon events such as Jinhu LP ceases to hold any shares in Nanjing High Speed (which CHS cannot control) or if Jinhu LP votes against (regardless of whether the relevant resolution is passed) any proposal to amend the articles of association of Nanjing High Speed. The articles of association of Nanjing High Speed will need to be amended if the directors nomination powers of shareholders (including those given to Jinhu LP) were to be changed, even if it is due to the change of any of the minority shareholders.

While CHS may have control over Nanjing High Speed based the terms of the Concert Agreement and the amended articles of association of Nanjing High Speed together, it is obvious that CHS is exposed to the whim of Jinhu LP and the other minority shareholders that did not exist prior to the such amendment.

The Company has finally obtained a copy of the Concert Agreement in connection with the preparation of the Company's 2025 interim results and sought legal and other professional advisors' view over such an arrangement. The Board has good bases to believe that (i) pursuant to the amended articles of Nanjing High Speed and without the Concert Agreement, CHS does not have the right to appoint the majority of the members of the board of Nanjing High Speed or control a majority of the votes of its board members; and (ii) if the Concert Agreement is terminated, without any other arrangements or changes to the current situation, Nanjing High Speed will no longer be a subsidiary of the Company and the results of Nanjing High Speed will no longer be consolidated into the Company's consolidated financial statements.

Therefore, the Company would like to draw highest attention to the risk that Nanjing High Speed will cease to be a subsidiary of the Company at any time. For details, please refer to the announcements of the Company dated 7 March 2025, 13 March 2025 and 31 March 2025 and the annual report of the Company for the year ended 31 December 2024.

Additional Information Required by the Listing Rules

The Company has requested the board of directors of CHS to convene an extraordinary general meeting in March 2025 to remove the core responsible persons for this matter, namely Mr. Hu Jichun and Mr. Hu Yueming. However, CHS issued two announcements to postpone such extraordinary general meeting twice, ultimately postponing it for 3 years to 30 June 2028. The Company requested the board of directors of CHS to convene another extraordinary general meeting in September 2025 to restructure the board of CHS, however, CHS also postponed such extraordinary general meeting till 30 June 2028. The Company reserves its rights to take various lawful and compliant measures, including but not limited to, filing complaints and initiating judicial proceedings, to protect the interests of the Company and all shareholders of the Company.

PROSPECT

In the second half of 2025, there are still uncertainties in the overall economic environment of the market. The Group will continue to maintain the stable development of each segment while paying attention to the market, especially major domestic high-quality healthcare projects, and invest with a cautious attitude in order to achieve a considerable comprehensive return. The Group will pay attention to and exit some low-return projects to improve the Group's business portfolio structure and cash flow. The Group firmly believes that a diversified business portfolio can bring sustainable and stable revenue, and that the synergies between the businesses will be fully utilised, thus laying a solid foundation for the Group's development.

The Group will continue to strive to maintain a prudent financial management policy, improve the effectiveness of capital utilisation, strengthen internal corporate governance, control operational and financial risks and enhance its risk resistance capability.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group is convinced that good corporate risk management is of particular importance to its sustainable development, corporate reputation and shareholder value. The Group is committed to maintaining a high standard of management based on the principle of emphasising integrity, transparency, accountability and independence, as well as conducting risk assessments and preventive measures for sustainable future development from time to time. The principal risks of the Group are summarised and managed as follows.

Additional Information Required by the Listing Rules

Macro-economic environment

At present, the Group operates real estate and healthcare tourism business and holds financial assets mainly for investment in the PRC. Changes in the economic environment may lead to adverse risks in the business environment. In 2025, the overall development of the real estate industry was not optimistic as it entered a trough period where property prices in the market were still hovering at a low level. Although local governments in various regions have loosened the restrictions on property purchase policies gradually, market response was not satisfactory. The real estate market was still under a very sluggish state.

Management's response: Currently, the Group's property assets are mainly self-owned and its shopping malls and hotels are in good operating condition. The Company believes that the overall economic environment is expected to improve in the future, which may promote the development of the property market to a certain extent and enhance the value of the Company's properties. The Group will continue to pay attention to the policy direction in the real estate and finance sectors, improve asset management level and optimise the Group's asset deployment. The Group will adjust its investment portfolios according to the actual market conditions through clear risk management policies and sound investment strategies, so as to further enhance the Group's profitability.

Market competition

China's commercial market is seeing fierce competition in areas including but not limited to service, quality, design, branding, cost control and environmental support. If competitors of the Group continue to improve their products, it may have a negative impact on the overall profitability of the Group.

Management's response: The Group will pay close attention to the policy information and the market environment, and adjust the level of commercial and hospitality services, and introduce ancillary services such as major healthcare and Chinese medicine and wellness services while also reduce the risk of competition. The Group expects to continuously improve the quality of its products and services, and effectively expand the market demand for the Group's products and services at the current stage of industry integration through accurate positioning and effective risk control.

Additional Information Required by the Listing Rules

Fluctuations in exchange rate

At present, the Group's operating currency is primarily RMB. However, the Group's export sales and equipment import are mainly denominated in US dollars and Euros. In addition, the Group's overseas corporate assets and liabilities are mainly held in foreign currencies. In 2025, RMB continued to depreciate. Therefore, the Group's operating cash flows and asset prices are subject to fluctuations in exchange rate.

Management's response: The Group will continue tracking changes in national monetary policies and the global economy and pay close attention to hedging tools of exchange rate risks in the market. It will actively manage financial assets by formulating measures and strategies to manage foreign exchange risks, so as to reduce the impact of fluctuations in exchange rate on the Group.

Loss of control risk of key subsidiaries

Please refer to the paragraph headed "MATERIAL RISK WARNING" of this report for details of the risk of losing control of a key subsidiary of the Group.

FINANCIAL REVIEW

Revenue

The revenue of the Group decreased by approximately RMB410,069,000, or 4%, from approximately RMB10,675,171,000 for the Corresponding Period of 2024 to approximately RMB10,265,102,000 for the Period Under Review. The revenue and the changes for the Period Under Review and Corresponding Period of 2024 derived from different segments are listed as below:

Segment	Period Under Review	Corresponding Period of 2024	Changes	
	RMB'000	RMB'000	RMB'000	percentage
Properties	109,643	125,416	(15,773)	(13)%
Tourism	133,870	135,208	(1,338)	(1)%
Investment and financial services	1,344	1,440	(96)	(7)%
Healthcare, education and others	41,264	253,413	(212,149)	(84)%
New Energy	9,978,981	10,159,694	(180,713)	(2) %
Total Revenue	10,265,102	10,675,171	(410,069)	(4)%

Additional Information Required by the Listing Rules

The revenue from new energy segment decreased by approximately RMB180,713,000. It was mainly due to the suspension of the trading business in bulk commodity and steel industry chain carried out by new energy segment since November 2024, resulting in a significant drop of revenue from trading business during the Period Under Review by RMB3,373,243,000 as compared with the Corresponding Period of 2024, but simultaneously, there was an enormous increase in sales of wind gear transmission equipment which greatly offset the impact from the abeyance of trading business.

The revenue from healthcare, education and others segment decreased mainly because less commodities trading were carried out in the Period Under Review.

Cost of sales and services

The cost of sales and services of the Group decreased by approximately RMB909,769,000, or 10%, from approximately RMB9,244,682,000 for the Corresponding Period of 2024 to approximately RMB8,334,913,000 for the Period Under Review. The cost and the changes for the Period Under Review and Corresponding Period of 2024 derived from different segments are listed as below:

Segment	Period Under Review	Corresponding Period of 2024	Changes	
	RMB'000	RMB'000	RMB'000	percentage
Properties	37,493	59,764	(22,271)	(37)%
Tourism	126,128	121,677	4,451	4%
Investment and financial services	31	60	(29)	(48)%
Healthcare, education and others	37,617	251,199	(213,582)	(85)%
New energy	8,133,644	8,811,982	(678,338)	(8)%
Total cost	8,334,913	9,244,682	(909,769)	(10)%

Additional Information Required by the Listing Rules

Gross profit and gross profit margin

The gross profit of the Group increased by approximately RMB499,700,000, or 35%, from approximately RMB1,430,489,000 in the Corresponding Period of 2024 to approximately RMB1,930,189,000 for the Period Under Review. The gross profit margin increased from approximately 13% in the Corresponding Period of 2024 to 18% for the Period Under Review. The gross profit of the Group was mainly derived from new energy segment. The gross profit and gross profit margin for the Period Under Review derived from new energy segment was approximately RMB1,845,337,000 and 18% (Corresponding Period of 2024: RMB1,347,712,000 and 13%) respectively. The increase in gross profit of new energy segment was mainly due to increase in gross profit generated from the wind and industrial gear transmission equipment, and the increase in gross profit margin was largely related to the result of suspension of trading business with a thin gross profit margin.

Selling and distribution expenses

Selling and distribution expenses of the Group increased by approximately RMB81,290,000, or 31%, from approximately RMB262,102,000 in the Corresponding Period of 2024 to approximately RMB343,392,000 for the Period Under Review. The selling and distribution expenses mainly comprised of product packaging expenses, transportation expenses, staff costs and business expenses. The increase in selling and distribution expenses in the Period Under Review was mainly in line with the increase in sales of wind gear transmission equipment from new energy segment.

Administrative expenses

Administrative expenses of the Group decreased by approximately RMB7,364,000, or 2%, from approximately RMB412,775,000 in the Corresponding Period of 2024 to approximately RMB405,411,000 for the Period Under Review. The administrative expenses for the Period Under Review mainly included salaries and staff welfare, depreciation and amortisation of tangible and intangible assets. The decrease in the administrative expenses during the Period Under Review was mainly due to cost reduction upon the disposal of certain operating subsidiaries in September 2024, however partly offset by the increase in professional fees of legal service and independent investigation.

Additional Information Required by the Listing Rules

Research and development costs

Research and development costs of the Group increased by approximately RMB41,413,000, or 10%, from approximately RMB410,115,000 in the Corresponding Period of 2024 to approximately RMB451,528,000 for the Period Under Review. The increased in research and development costs mainly due to increase in efforts put on research and development of new products in new energy segment.

Net provision for impairment losses on the financial assets

Net provision for impairment loss on the financial assets of the Group in the Period Under Review decreased by approximately RMB910,659,000 or 86%, from approximately RMB1,056,193,000 for the Corresponding Period of 2024 to approximately RMB145,534,000 for the Period Under Review. During the Corresponding Period of 2024, CHS, a non wholly-owned subsidiary of the Company whose shares are listed on the Main Board of the Stock Exchange, recognised an impairment loss for certain trade receivables from trading business in new energy segment in view of the deteriorated repayment records of certain customers. Subsequently, management of CHS identified some significant findings in relation to the trading business which may involve suspected embezzlement and misappropriation of the certain of CHS's subsidiaries' assets. In view of that, management of CHS considered that the recoverability over the outstanding trade receivables in relation to trading business are in doubt, and for prudent sake, a full impairment was recognised in the year ended 31 December 2024. Accordingly, no further impairment was made for those trade receivables during the Period Under Review. In addition, in view of the financial condition of certain borrowers exhibited a trend/sign of deterioration, which resulted in default in repayments in these receivables, an impairment loss was recognised during the Corresponding Period of 2024. Since the overdue and defaulted loan receivables have been fully impaired, no further impairment was made during the Period Under Review.

Other income

Other income decreased by approximately RMB31,823,000, or 13%, from approximately RMB251,386,000 in the Corresponding Period of 2024 to approximately RMB 219,563,000 for the Period Under Review. Other income for the Period Under Review mainly included bank and other interest income of approximately RMB49,909,000, government grants of approximately RMB78,263,000 and sales of scraps and materials of approximately RMB60,652,000. Other income in the Corresponding Period of 2024 mainly included bank and other interest income of approximately RMB73,836,000, government grants of approximately RMB90,319,000 and sales of scraps and material of approximately RMB52,090,000.

Additional Information Required by the Listing Rules

Net fair value change in financial instruments

The Group maintains its investment segment through possessing and investing in various investments and financial products for potential or strategic purposes. The Group recorded a loss on change in fair value of financial instruments of approximately RMB381,876,000 and RMB31,143,000 in the Period Under Review and Corresponding Period of 2024 respectively. The significant increase in fair value loss was mainly derived from three limited partnerships invested by new energy segment of which the fair value was dropped from RMB423,300,000 as at 31 December 2024 to Nil as at 30 June 2025. The fair value change mainly reflected the stock market volatility and change in the expectations on the financial status of investees.

Other gains/(losses) – net

During the Period Under Review, other gains mainly included gain on disposal of subsidiaries of approximately RMB105,656,000 and exchange gains of approximately RMB50,867,000.

During the Corresponding Period of 2024, other losses mainly included fair value losses of investment properties of approximately RMB351,668,000 and provision for impairment losses on property, plant and equipment of approximately RMB268,081,000. The decrease in the fair value of investment properties was in line with the worsening of the PRC property market while the impairment mainly related to a hotel operated in the PRC. In view of the negative impact brought by the economic downturn in the PRC, the management considered that the operating income generated from the hotel may not meet the expectation at the initial investment plan and there may be an indicator of impairment. Therefore, the management reassessed the recoverable amount of the hotel during the Corresponding Period of 2024, and found that it was lower than its carrying value. Accordingly, impairment loss was recognised.

Finance costs

Finance costs of the Group decreased by approximately RMB325,333,000, or 58%, from approximately RMB564,378,000 in the Corresponding Period of 2024 to approximately RMB239,045,000 for the Period Under Review, which was mainly due to (i) the disposal of certain operating subsidiaries with heavy debts in September 2024 which led the average borrowing amount of the Group for the Period Under Review dropped significant when compared with that in the Corresponding Period of 2024; (ii) the absence of interest expenses on put option liabilities during the Period Under Review, and (iii) a decrease in loan interest rates.

Additional Information Required by the Listing Rules

Share of result of joint ventures and associates

The Group's share of net losses from its joint ventures and associates amounted to approximately RMB57,210,000 (Corresponding Period of 2024: RMB39,322,000) The increase in share of losses was mainly due to the performances of certain investees being less satisfying during the Period Under Review.

Income tax expense/credit

For the Period Under Review, the current tax expense and the deferred tax credit of the Group amounted to approximately RMB134,177,000 and RMB58,593,000 respectively, and in the Corresponding Period of 2024, the current tax expense and the deferred tax credit of the Group amounted to approximately RMB85,484,000 and RMB253,306,000 respectively.

The increase in current tax expense in the Period Under Review was mainly because the increase in profits derived from new energy segment. The decrease in deferred tax credit during the Period Under Review was mainly due to no fair value loss of investment properties recognised and recognition of impairment losses on certain receivables during the Period Under Review was far smaller than Corresponding Period of 2024.

Profit for the Period Under Review

In the Period Under Review, the Group recorded a profit after tax of approximately RMB179,299,000 (Corresponding Period of 2024: loss after tax of approximately RMB1,526,940,000). The profits made in the Period Under Review was mainly because of the increase in operating profits from new energy segment, gain on disposal of subsidiaries, decrease in provision for impairment losses recognised on financial assets and certain properties, plant and equipment, and no significant decrease in fair value of investment properties.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

For the Period Under Review, the Group financed its operations and investments mainly by internally generated funds and debt financing.

Additional Information Required by the Listing Rules

Cash position

As at 30 June 2025, the Group had cash and cash equivalents (excluding the restricted cash) of approximately RMB4,018,576,000 (31 December 2024: RMB3,965,148,000), representing an increase by approximately RMB53,428,000 or 1% as compared to 31 December 2024. The Group's cash and cash equivalents remain stable. The Group regularly and closely monitors its funding and treasury position to meet the funding requirements of the Group.

Bank and other borrowings and corporate bonds

As at 30 June 2025, the debt profile of the Group was analysed as follows:

	As at 30 June 2025 RMB'000	As at 31 December 2024 RMB'000
Bank and other borrowings repayable:		
Within one year or on demand	5,691,250	6,359,850
Between one and two years	3,133,162	2,437,237
Between two to five years	2,376,230	2,326,768
Over five years	571,876	637,980
Total debts	11,772,518	11,761,835

As at 30 June 2025, the total debt of the Group increased by approximately RMB10,683,000 or 0.1%, as compared with 31 December 2024.

Leverage

The gearing ratio of the Group as at 30 June 2025, calculated as a ratio of the sum of bank and other borrowings to total assets, was approximately 26% (31 December 2024: 26%). The net equity of the Group as at 30 June 2025 was approximately RMB14,863,633,000 (31 December 2024: approximately RMB14,603,575,000).

Additional Information Required by the Listing Rules

As at 30 June 2025, the Group recorded total current assets of approximately RMB26,308,976,000 (31 December 2024: RMB24,748,906,000) and total current liabilities of approximately RMB21,554,886,000 (31 December 2024: RMB22,092,483,000). The current ratio of the Group, calculated by dividing total current assets by total current liabilities, was about 1.2 as at 30 June 2025 (31 December 2024: 1.1).

FOREIGN EXCHANGE EXPOSURE

The assets, liabilities and transactions of the Group are mainly denominated in RMB, Hong Kong dollars, Australian dollars, US dollars, Euros and Singaporean dollars. The Group currently does not have a foreign currency hedging policy. In order to manage and reduce foreign exchange exposure, the management will evaluate the Group's foreign exchange exposure from time to time and take actions as appropriate.

TREASURY POLICIES

As at 30 June 2025, bank and other borrowings of approximately RMB11,027,109,000, RMB512,050,000, RMB4,748,000 and RMB228,611,000 (31 December 2024: RMB11,010,298,000, RMB521,431,000, RMB6,579,000 and RMB223,527,000) were denominated in RMB, US dollars, Hong Kong dollars and Australia dollars respectively. The debts in various currencies were mainly made to finance the operation of Group's entities in different jurisdictions.

Bank and other borrowings of approximately RMB4,471,504,000 (31 December 2024: RMB4,661,763,000) were at fixed interest rates, the remaining balances were either at variable rates or non-interest bearing. Cash and cash equivalents held by the Group were mainly denominated in RMB, Hong Kong and Australia dollars. The Group currently does not have foreign exchange and interest rate hedging policies. However, the management of the Group monitors the foreign exchange and interest rate exposure from time to time and will consider hedging significant foreign exchange and interest rate exposure if needed.

PLEDGE OF ASSETS

Details of the Group's pledged assets as at 30 June 2025 are set out in note 26 to the interim condensed consolidated financial statements in this report.

Additional Information Required by the Listing Rules

OPERATING SEGMENT INFORMATION

Details of the operating segment information of the Group for the Period Under Review, are set out in note 4 to the interim condensed consolidated financial statements in this report.

CAPITAL COMMITMENTS

Details of the capital commitments of the Group as at 30 June 2025 are set out in note 25 to the interim condensed consolidated financial statements in this report.

CONTINGENT LIABILITIES

Details of contingent liabilities of the Group as at 30 June 2025 are set out in note 24 to the interim condensed consolidated financial statements in this report.

SUBSEQUENT EVENTS

The Group has no material events subsequent to 30 June 2025 as of the date of this report.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

During the Period Under Review, the Group did not have any material acquisition or disposal of subsidiaries, associates or joint ventures. The Group has no specific future plan for major investment or acquisition for major capital assets or other businesses. However, the Group will continue to identify new opportunities for business development.

THE COMPANY AND AUDIT COMMITTEE'S VIEW ON THE QUALIFIED OPINION (THE "QUALIFIED OPINION") ON THE INDEPENDENT AUDITOR'S REPORT ON THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (THE "ANNUAL REPORT 2024")

For details of the basis of the Qualified Opinion and the Company and Audit Committee's view on the Qualified Opinion, please refer to the Annual Report 2024. There are also Qualified Opinion on the interim results and interim report of CHS.

Additional Information Required by the Listing Rules

As the issues as described in the basis of Qualified Opinion remain and the Qualified Opinion only relates to the business and operations of CHS, our management and Audit Committee concur with their adopted measures. For further updated details of CHS's views and actions, please refer to the interim results announcement of CHS published on 29 August 2025 and the interim report of CHS for the six months ended 30 June 2025.

The Company's action plan to address the Qualified Opinion

The Company has made repeated requests and attempts to communicate with the current management of CHS in connection with, among others (a) the Qualified Opinion; (b) the status and findings of the independent investigation being carried out by the independent investigation committee (the "IIC") of CHS; and (c) internal control of CHS, however, as disclosed in various announcements of the Company and the Company's prior communications with the Stock Exchange, CHS has failed to provide the Company with necessary information or explanations. Despite the uncooperative attitude of CHS's current management, the Company will continue to try establishing communication with the current management of CHS.

The Company also emphasizes that despite numerous and repeated formal requests, CHS has not provided enough financial information to either the Company or the independent accountant engaged by the Company in order to complete the review of the Company's 2025 interim results. Hence, the 2025 interim results and interim report of the Company were not supported by any opinion from the independent accountant.

The Company therefore considers that the effective measure would be to restructure the board of CHS for purpose of enhancing its corporate governance, efficiency and transparency, which is expected to be achieved through a requisition to request the CHS Board to convene an extraordinary general meeting of CHS to remove and appoint directors of CHS. Details of which are stated in the announcement of the Company dated 16 September 2025.

USE OF PROCEEDS

The aggregate net proceeds received from the placing completed on 9 June 2022 was approximately HK\$294.7 million.

As disclosed in the annual report of the Company for the year ended 31 December 2024 ("**2024 Annual Report**"), HK\$224.7 million has been utilised during the year ended 31 December 2022, and HK\$70 million which was originally utilised as earnest money on an investment engaged in the e-commerce business will be refunded to the Company as the relevant memorandum of understanding has lapsed and the Company intends to apply such amount for working capital and general corporate purpose (including paying expenses for operating and financing activities and may also include repayment of indebtedness which may become due and payable).

Additional Information Required by the Listing Rules

The amount of the net proceeds brought forward in the beginning of the year ending 31 December 2025 (“**Year 2025**”) was HK\$70 million. The table below sets out the details of the revised allocation and status of utilisation of the net proceeds during the Period Under Review:

Usage of net proceeds	Amount of net proceeds brought forward in the beginning of the Year 2025 and the revised allocation of usage (HK\$ million)	Actual utilised amount of net proceeds during the Period Under Review (HK\$ million)	Unutilised amount of net proceeds as of 30 June 2025 (HK\$ million)	Expected timeline of full utilisation
Working capital and general corporate purpose (including paying expenses for operating and financing activities and may also include repayment of indebtedness which may become due and payable)	70.0	–	70.0	By 31 December 2026
Total	70.0	–	70.0	

Reasons for Delay in the Use of Proceeds

Reference is made to the 2024 Annual Report. The Board would like to provide the following supplemental information, pursuant to paragraphs 11(8)(c) and 11A of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), in relation to the use of proceeds raised from the placing completed on 9 June 2022 (the “**Placing**”) to the section headed “Use of Proceeds” in the Report of the Directors of the 2024 Annual Report.

As previously disclosed in the 2024 Annual Report, HK\$70 million of the net proceeds from the Placing, which was originally utilised as earnest money on an investment engaged in the e-commerce business, will be refunded to the Company (the “**Refund**”) as the relevant memorandum of understanding (the “**MOU**”) has lapsed and the Company intends to apply such amount for working capital and general corporate purpose (including paying expenses for operating and financing activities and may also include repayment of indebtedness which may become due and payable). For details on the change in the use of net proceeds from the Placing, please refer to the announcement of the Company dated 29 June 2022.

Additional Information Required by the Listing Rules

The amount of the net proceeds brought forward in the beginning of the year ended 31 December 2024 was HK\$70 million. The original expected timeline of full utilisation of the proceeds in respect of the Placing was 31 December 2024. The delay in the use of net proceeds arose mainly because the counterparty of the MOU has not refunded the Refund despite two demand letters respectively issued by the Company and the Group's legal advisor.

As disclosed above, the remaining net proceeds are expected to be utilized by 31 December 2026. The expected timeline of full utilization is based on the best estimation of the Directors barring unforeseen circumstances and would be subject to change depending on actual receipt of the Refund. There has been no change in the intended use of the remaining net proceeds as previously disclosed in the 2024 Annual Report if the Refund amount can be received. Up to the date of this report, the Refund is still outstanding. The Company will publish further announcement(s) for any significant developments in relation to any change or delay in the use of proceeds from the Placing.

Clarification of the Use of Proceeds for the Share Subscription in 2023

Reference is made to the annual report of the Company for the year ended 31 December 2023 (the **"2023 Annual Report"**). On 28 July 2023, the Company entered into three subscription agreements (the **"Subscription Agreements"**) with each of Ms. Zhang Hongyun (張洪雲) (**"Ms. Zhang"**), Mr. Wu Jianzhong (巫建忠) (**"Mr. Wu"**) and Ms. Dai Mengli (代夢麗) (**"Ms. Dai"**), pursuant to which, each of Ms. Zhang, Mr. Wu and Ms. Dai conditionally agreed to subscribe for and the Company conditionally agreed to allot and issue 3,000,000,000, 2,156,000,000 and 150,000,000 then ordinary shares of the Company, respectively or a total of 5,306,000,000 then ordinary shares of HK\$0.01 each (the **"2023 Subscription Share(s)"**) at a subscription price of HK\$0.03515 per 2023 Subscription Share (the **"2023 Subscription"**). The completion of the 2023 Subscription took place on 19 October 2023 with the aggregate net proceeds (after deduction of all relevant expenses) from the 2023 Subscription were approximately HK\$186.5 million. The Company intends to apply all the net proceeds for repayment of Group's loans and amounts payable.

Additional Information Required by the Listing Rules

Details of the use of proceeds of 2023 Subscription are listed as below:

	Nature	
	Repayment of loans	Repayment of amounts payable
By 31 December 2023	HK\$120,162,737.10	HK\$15,138,835.86
Sub-total for 2023		HK\$135,301,572.96
From January to March 2024	HK\$29,805,006.81	HK\$21,389,320.23
Sub-total till March 2024		HK\$51,204,327.04
Total		HK\$186,505,900.00

The Group has fully utilised the net proceeds from the 2023 Subscription by 31 March 2024 for the repayment of Group's loans and amounts payable in accordance with the designated uses as set out in the Company's announcement dated 28 July 2023.

Details of the First Subscription were set out in the announcements of the Company dated 28 July 2023, 29 September 2023 and 19 October 2023, respectively.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including sale of treasury shares (as defined in the Listing Rules)) of the Group during the Period Under Review. As at 30 June 2025, the Company did not own any treasury shares (including any treasury shares held or deposited with CCASS (as defined in the Listing Rules)).

EMPLOYEES

As at 30 June 2025, the Group had 8,911 employees (31 December 2024: 8,807 employees). The Group's total staff costs (including executive directors' remuneration) amounted to approximately RMB977,869,000 for the Period Under Review (for the six months ended 30 June 2024: approximately RMB991,598,000). Employees' remunerations are determined according to the Group's operating results, job requirements, market salary level and ability of individuals. The Group regularly reviews its remuneration policy and additional benefit programs and makes necessary adjustments to bring them in line with the industry level. In addition to basic salaries, the Group has established revenue sharing programs and performance appraisal plans to provide rewards according to the Group's results and employees' individual performance.

Additional Information Required by the Listing Rules

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (ii) were required to be recorded in the register required to be kept by the Company under Section 352 of the SFO; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules, were as follows:

Long positions in the Shares or underlying Shares

Name of Director	Nature of interests	Number of issued Shares held/underlying Shares held under equity derivatives	Approximate percentage of the total issued share capital of the Company ⁽²⁾
Mr. Ji Changqun (" Mr. Ji ")	Beneficial owner and interest in controlled corporation ⁽¹⁾	170,685,859 ⁽¹⁾	26.81%

Additional Information Required by the Listing Rules

Notes:

- (1) As at 30 June 2025, 18,190,200 Shares are held by Mr. Ji directly as the beneficial owner. In addition, by virtue of the SFO, Mr. Ji is deemed to be interested in 152,495,659 Shares held by Magnolia Wealth International Limited ("**Magnolia Wealth**"), a company incorporated in the British Virgin Islands (the "**BVI**") which is wholly-owned by Mr. Ji. Accordingly, Mr. Ji is interested in 170,685,859 Shares in total. As disclosed in the Company's announcement dated 16 November 2023, the Board received a letter informing the Company that China CITIC Bank Corporation Limited, Nanjing branch (as the chargee) appointed receivers and managers over 97,600,000 Shares (then 4,880,000,000 Shares prior to the share consolidation of the Company which took effect on 4 December 2023) which are registered and beneficially held by Mr. Ji and Magnolia Wealth. For details of the receivers, please see the section headed "Substantial Shareholders" of this report.
- (2) The approximate percentage has been calculated based on the total of 636,763,934 Shares in issue as at 30 June 2025.

Save as disclosed above, none of the Directors or chief executives of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code as at 30 June 2025.

Additional Information Required by the Listing Rules

SUBSTANTIAL SHAREHOLDERS

Based on the disclosure of interests filed on the Stock Exchange's website, as at 30 June 2025, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO:

Name of Shareholder	Nature of interests	Number of issued Shares held ⁽⁵⁾	Approximate percentage of the total issued share capital of the Company ⁽⁶⁾
Magnolia Wealth	Beneficial owner ⁽¹⁾	152,495,659 (L)	23.95%
Ms. Zhang Hongyun (張洪雲)	Beneficial owner	60,000,000 (L)	9.42%
Mr. Wu Jianzhong (巫建忠)	Beneficial owner	43,120,000 (L)	6.77%
Mr. Jiang Xiao Heng Jason (姜孝恒)	Beneficial owner	39,400,000 (L)	6.19%
Superb Colour Limited (" Superb Colour ")	Beneficial owner ⁽²⁾	19,343,569 (L)	3.04%
		19,648,843 (S)	3.09%
	Interest of controlled corporation ⁽²⁾	14,305,273 (L)	2.24%
Huarong Huaqiao Asset Management Co., Ltd. (華融華僑資產管理股份有限公司) (" Huarong Huaqiao ")	Interest of controlled corporation ⁽²⁾	33,648,842 (L)	5.28%
		19,648,843 (S)	3.09%
China Huarong Asset Management Co., Ltd. (中國華融資產管理股份有限公司) (" China Huarong Asset ")	Interest of controlled corporation ⁽²⁾	33,648,842 (L)	5.28%
		19,648,843 (S)	3.09%
China Citic Bank Corporation Limited (中信銀行股份有限公司)	Person having a security interest in shares ⁽³⁾	98,040,000 (L)	15.40%
Mr. Chan Man Hoi (陳文海)	Receiver ⁽⁴⁾	97,600,000 (L)	15.33%
Mr. Guo Xichu (郭喜初)	Receiver ⁽⁴⁾	97,600,000 (L)	15.33%

Additional Information Required by the Listing Rules

Notes:

1. The entire issued share capital of Magnolia Wealth is beneficially owned by Mr. Ji.
2. References were made to the disclosures of interests made by Huarong Huaqiao and China Huarong Asset on the Stock Exchange's website on 5 March 2020 respectively. Superb Colour has long position in 33,648,842 Shares (directly interested in 19,343,569 Shares and indirectly interested in 14,305,273 Shares through a 100% controlled corporation, namely Shanghai Asset Management LP) and short position in 19,648,843 Shares.

Superb Colour is a company incorporated under the laws of BVI which is a wholly-owned subsidiary of Pure Virtue Enterprises Limited ("**Pure Virtue**"). Pure Virtue is a company incorporated under the laws of BVI which is wholly-owned by China Huarong Overseas Investment Holdings Co., Limited ("**China Huarong Overseas**"). China Huarong Overseas is a company incorporated under the laws of Hong Kong and is a wholly-owned subsidiary of Huarong Huaqiao. Therefore, Huarong Huaqiao is deemed to be interested in the said Shares held by Superb Colour under the SFO.

Huarong Huaqiao is an enterprise established under the laws of the PRC and is beneficially owned as to 91% by Huarong Zhiyuan Investment & Management Co., Ltd. ("**Huarong Zhiyuan**"). Huarong Zhiyuan is wholly-owned by China Huarong Asset. As such, China Huarong Asset is deemed to be interested in the said Shares held by Superb Colour under the SFO.

3. China Citic Bank Corporation Limited (中信銀行股份有限公司) held 98,040,000 Shares as holder of security interest.
4. References were made to the disclosure of interests dated 24 March 2025. Mr. Chan Man Hoi (陳文海) and Mr. Guo Xichu (郭喜初) were appointed as new joint and several receivers over 97,600,000 Shares. For details, please see the section headed "Directors' and Chief Executives' Interests in Shares, Underlying Shares and Debentures" of this report.
5. The letter "L" denotes long position in the Shares; and the letter "S" denotes short position in the Shares.
6. The approximate percentage has been calculated based on the total of 636,763,934 Shares in issue as at 30 June 2025.

Save as disclosed above, the Company has not been notified of any other person (other than Directors or chief executives of the Company) who had any interests or short positions in the Shares or underlying Shares would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO as at 30 June 2025.

Additional Information Required by the Listing Rules

COMPETING BUSINESS

As disclosed in the circular of the Company dated 28 October 2013 relating to, amongst other things, the very substantial acquisition in relation to the acquisition of Nanjing Fullshare Asset Management Group Limited* (南京豐盛資產管理集團有限公司) (formerly known as Nanjing Fullshare Asset Management Limited* (南京豐盛資產管理有限公司)) (an enterprise established under the laws of the PRC with limited liability and currently a wholly-owned subsidiary of the Company) and the reverse takeover involving a new listing application (the “**RTO Circular**”), pursuant to the non-competition undertaking dated 25 October 2013 entered into between the Controlling Shareholders (as defined in the RTO Circular) and the Company (the “**Non-Competition Undertaking**”), save for continuing their engagements in the Excluded Projects (as defined in the RTO Circular) and certain exceptions relating to their holding of and/or being interested in shares and other securities in any member of the Group and any other company listed on a recognised stock exchange engaging in the restricted business (please refer to the RTO Circular for details) set out in the Non-Competition Undertaking, the Controlling Shareholders will not be allowed to engage in any residential property (including villas) and mixed-use property (as defined in the section headed “Glossary of Technical Terms” of the RTO Circular) development business in the PRC (the “**Restricted Business**”), and they will only be involved in the commercial property development business. For further details in respect of the Non-Competition Undertaking, please refer to the RTO Circular. As at 30 June 2025, the Controlling Shareholders and any of their respective associates (other than the members of the Group) did not, directly or indirectly, whether on their own or jointly with another person or company, own, invest in, participate in, develop, operate or engage in any business or company which directly or indirectly competes or may compete with the Restricted Business. Save for the Non-Competition Undertaking, as at 30 June 2025, the Controlling Shareholders did not give any other non-competition undertaking to the Company.

The Company has received the written declarations from Mr. Ji and Magnolia Wealth on their compliance with the undertaking under the Non-Competition Undertaking for the Period Under Review. Based on the declarations received from Mr. Ji and Magnolia Wealth and after review, the independent non-executive Directors considered that Mr. Ji and Magnolia Wealth had complied with the terms set out in the Non-Competition Undertaking for the Period Under Review.

Save as disclosed above, as at 30 June 2025, none of the Directors had an interest in the business, apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with the business of the Group.

Additional Information Required by the Listing Rules

DISCLOSURE PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Ms. Du Wei, executive Director, and Mr. Huang Shun, independent non-executive Director, were appointed as members of the nomination committee of the Company with effect from 30 June 2025.

Save as disclosed above, there is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Company's last published annual report.

CORPORATE GOVERNANCE CODE

The Company has applied the principles and complied with the code provisions of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules during the Period Under Review save for the following deviation:

Under the Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the Period Under Review, the positions of chairman and chief executive officer (the "**CEO**") of the Company were held by Mr. Ji. The Board believes that the holding of both positions of chairman and CEO by the same individual allows more effective planning and execution of business strategies. In addition, the Board is of the view that the balanced composition of the executive and independent non-executive Directors on the Board and the various committees of the Board in overseeing different aspects of the Company's affairs would provide adequate safeguards to ensure a balance of power and authority. The Board will review regularly to ensure that this structure will not impair the balance of power and authority between the Board and the management of the Group.

Additional Information Required by the Listing Rules

AUDIT COMMITTEE REVIEW

The Company established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with the CG Code as set out in Appendix C1 to the Listing Rules. The Audit Committee currently comprises three independent non-executive Directors. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal financial control system of the Group, and to review the Group’s interim and annual reports and financial statements. The unaudited interim condensed consolidated financial statements for the Period Under Review have been reviewed by the Audit Committee.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct regarding the securities transactions by the Directors. All Directors have confirmed that, following a specific enquiry by the Company, they have complied with the required standard as set out in the Model Code throughout the Period Under Review.

By Order of the Board
Fullshare Holdings Limited
JI CHANGQUN
Chairman

Hong Kong, 31 October 2025

As at the date of this report, the executive Directors are Mr. Ji Changqun (Chairman), Ms. Du Wei, Mr. Shen Chen and Mr. Ge Jinzhu; and the independent non-executive Directors are Mr. Lau Chi Keung, Mr. Tsang Sai Chung and Mr. Huang Shun.

* For identification purpose only