



2025

INTERIM REPORT

VCREDIT Holdings Limited
維信金科控股有限公司

(registered by way of continuation in the Cayman Islands with limited liability)
Stock Code: 2003

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Ma Ting Hung (*Chairman*)
Mr. Liu Sai Wang Stephen
(*Chief Executive Officer*)
Mr. Liu Sai Keung Thomas
(*Chief Operating Officer*)
Ms. Xue Lan

Non-Executive Director

Mr. Yip Ka Kay

Independent Non-Executive Directors

Mr. Chen Derek
Mr. Chen Penghui
Mr. Fang Yuan

AUDIT COMMITTEE

Mr. Fang Yuan (*Chairman*)
Mr. Chen Derek
Mr. Chen Penghui
Mr. Yip Ka Kay

REMUNERATION COMMITTEE

Mr. Chen Penghui (*Chairman*)
Mr. Chen Derek
Mr. Fang Yuan
Mr. Liu Sai Wang Stephen

NOMINATION COMMITTEE

Mr. Ma Ting Hung (*Chairman*)
Mr. Chen Derek
Mr. Chen Penghui
Mr. Fang Yuan
Ms. Xue Lan (appointed on August 25, 2025)

AUTHORISED REPRESENTATIVES

Mr. Ma Ting Hung
Ms. Chan Wing Man

COMPANY SECRETARY

Ms. Chan Wing Man

REGISTERED OFFICE

Harneys Fiduciary (Cayman) Limited
4th Floor, Harbour Place
103 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA

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Shanghai 200085
The People's Republic of China

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Harneys Fiduciary (Cayman) Limited
4th Floor, Harbour Place
103 South Church Street
P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road, Hong Kong

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
22/F, Prince's Building
Central, Hong Kong

PRINCIPAL BANKER

China Construction Bank
(Suzhou Yuanqu Branch)

STOCK CODE

2003

WEBSITE

<https://www.vcredit.com>

Dear Shareholders,

During the six months ended June 30, 2025 (the “**Period**”), VCREDIT Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**” or “**We**”) have maintained a prudent course in our business and operations to manage ongoing uncertainties in China’s macro environment due to global trade tensions, real estate sector softness and evolving regulations. In response to these headwinds, we focused our resources on product innovation and technology-driven upgrades, bolstering our compliance framework, and building a more adaptive business ecosystem in a fast-evolving landscape. Our performance during the Period demonstrates the resilience of our business and its strong foundation.

Reflecting our solid performance, we have proposed an interim dividend of HK5 cents per ordinary share of the Company (the “**Shares**”) for the Period, subject to the approval of shareholders of the Company (“**Shareholders**”).

OPERATIONAL PERFORMANCE

Our loan origination volume in the Chinese mainland reached RMB38.00 billion for the Period, representing an increase of 40.6% compared to the six months ended June 30, 2024 (the “**Corresponding Period**”). As of June 30, 2025, our outstanding loan balance in the Chinese mainland was RMB33.55 billion, representing a 28.0% increase from RMB26.22 billion as of December 31, 2024.

During the Period, we implemented a series of strategic initiatives to enhance business resilience by systematically upgrading our risk control framework and customer portfolio structure, which allowed us to refine the quality and creditworthiness of our customer base. In addition to actively piloting exclusive new data sources for premium borrowers, we have also strengthened partnerships with several leading platforms and strategically improved the approval rate for this cohort. These initiatives are aimed at building a robust sample set of high-quality borrowers, thereby refining underwriting policies and risk models. Additionally, responding to heightened regulatory and funding partner focus on consumer protection, we have dedicated substantial resources to reducing customer complaint rate to historical low, reinforcing our ability to conduct sustainable operations. While these strategic enhancements temporarily increased early-stage risk metrics with the first payment delinquency ratio rising to 0.91% in Q2 2025 from 0.58% in Q4 2024, we nevertheless remain confident that these adjustments will substantially strengthen our business’ long-term resilience and growth. Supported by reinforced risk controls, the M3+ ratio gradually declined to 2.43% by the end of Q2 2025.

In addition to continuously optimizing risk policies and risk models, we have adopted a diversified marketing strategy for customer acquisition, actively expanding into premium scenarios and marketing channels. Over the Period, we established successful partnerships with several leading domestic lifestyle and travel platforms. By leveraging multi-dimensional user profiling to enhance precision marketing conversions, we have achieved a dual breakthrough in both user scale and user quality. Furthermore, we have integrated consumer rights protection into every stage of the process by enhancing product transparency, streamlining loan procedures and safeguarding account security, thus creating a more reassuring and secure experience for users. As of June 30, 2025, our cumulative registered users in the Chinese mainland reached 167 million, a growth of 11.7% compared to the Corresponding Period.

Letter from the CEO

As of June 30, 2025, we have established long-term partnerships with 112 external licensed funding partners in the Chinese mainland, including commercial banks, consumer finance companies, and trust funds. The total loan volume facilitated through our loan facilitation structure reached RMB29.05 billion for the Period, representing 76.4% of the total loan origination volume.

Technology is a core development driver. In the Period, we expanded Artificial Intelligence (“**AI**”) business scenarios integration through the strategic upgrading of AI 2.0. Leveraging the multi-agent collaboration capability of “金鳥大模型”(Sunbird AI Hub), we profoundly reshaped processes in intelligent marketing and customer service. For risk management, we are embedding the causal inference capability of large models into our system to automatically construct multi-dimensional user profiles, and proactively identify and push abnormal risk characteristics to risk decision nodes. This application has enhanced the accuracy and forecasting of our risk identification, effectively supporting the continuous optimization of asset quality and business security boundaries.

Simultaneously, we are actively expanding our presence in emerging technologies. Last year, we made a strategic investment in EXIO Group Limited (“**EXIO**”), one of the first eleven licensed virtual asset trading platforms approved by the Securities and Futures Commission of Hong Kong (the “**SFC**”). EXIO focuses on bridging traditional finance with the Web3.0 ecosystem, empowering global users through innovative Web3-based financial services. This investment allows us to explore the synergies between traditional finance and emerging digital asset categories, advancing sophisticated solutions that ensure superior asset safety and a trusted user experience for our customers.

We view next-generation technologies, including AI-enhanced systems, as more than tools to improve efficiency but a critical strategic imperative to pioneer new business models, create new asset classes, and fundamentally reshape our financial architecture, and a core pillar of our long-term strategy. Through our deliberate and focused deployments of AI, we are building a more efficient, secure, and sustainable financial ecosystem within a compliant framework, and unlocking new avenues for future diversification of our business.

Apart from strengthening our core consumer finance business in the Chinese mainland, we are continuing with our strategic expansion into new markets. “CreFIT”, our Hong Kong business, continues to deepen partnerships with high-quality, cross-industry platforms to widen user access. Furthermore, we remain committed to our acquisition of Banco Português de Gestão, S.A., a credit institution registered with the Bank of Portugal, and are actively expanding into the South-East Asian market. We look forward to achieving a breakthrough in these new endeavors and delivering the best returns for our Shareholders.

FINANCIAL PERFORMANCE

Our total income was RMB2,499.9 million for the Period, representing an increase of 43.8% as compared to RMB1,738.4 million for the Corresponding Period, primarily due to an increase in loan volume and loan balance through our loan facilitation structure.

Our fair value losses of loans to customers increased to RMB624.1 million for the Period, as compared to RMB592.3 million for the Corresponding Period, mainly due to growth in loan origination volume of on-balance loans and a conservative approach on provisioning given macro uncertainties. Our credit impairment losses increased to RMB214.7 million for the Period, as compared to RMB144.1 million for the Corresponding Period, due to an increase in loan volume from our credit enhancement and pure loan facilitation structures.

As our loan origination volume grew, our operating expenses, excluding share-based compensation expenses, were RMB1,379.9 million for the Period, an increase of 58.8%, as compared to RMB868.8 million for the Corresponding Period.

We recorded net profit and adjusted net profit of RMB216.0 million and RMB217.9 million, respectively, for the Period, representing increases of 79.5% and 80.5%, as compared to RMB120.3 million and RMB120.7 million, for the Corresponding Period, respectively.

OUTLOOK AND STRATEGIES

On the regulatory front, in April 2025, the National Financial Regulatory Administration issued the “Notice on Strengthening the Management of Commercial Banks’ Internet Loan Facilitation Business and Enhancing the Quality and Efficiency of Financial Services” (《關於加強商業銀行互聯網助貸業務管理提昇金融服務質效的通知》). This new notice aims to guide commercial banks in strengthening their management of online lending partnerships, standardizing business practices, promoting the sector’s healthy development, improving the quality and efficiency of financial services, and better protecting consumer rights. We believe this new regulation will drive long-term benefits for industry development and foster sustainable growth.

Looking ahead to the second half of 2025, we will remain steadfast in our commitment to the principles of robust risk management and operational excellence, while further deepening the strategic integration of AI and other advanced technologies with our core business operations. I look forward to delivering greater value to all our stakeholders, including our customers, Shareholders, employees, and the broader community.

Sincerely,

Liu Sai Wang Stephen

Executive Director and Chief Executive Officer

Hong Kong, August 25, 2025

Management Discussion and Analysis

FINANCIAL HIGHLIGHTS

	Six months ended June 30,		Change
	2025	2024	
	RMB million	RMB million	
Total Income	2,499.9	1,738.4	43.8%
Interest and similar income	1,089.5	1,068.3	2.0%
Less: interest expenses	(153.0)	(193.3)	-20.8%
Loan facilitation service fees	1,269.8	939.6	35.1%
Other income/(expenses)	293.6	(76.2)	NM ⁽³⁾
Operating Profit	279.4	154.4	81.0%
Net Profit	216.0	120.3	79.5%
Non-IFRS Adjusted Operating Profit ⁽¹⁾	281.4	154.8	81.8%
Non-IFRS Adjusted Net Profit ⁽²⁾	217.9	120.7	80.5%

Notes:

- (1) Non-IFRS Adjusted Operating Profit is defined as operating profit for the applicable period excluding share-based compensation expenses. For further details, please see the section headed "Management Discussion and Analysis – Non-IFRS Measures".
- (2) Non-IFRS Adjusted Net Profit is defined as net profit for the applicable period excluding share-based compensation expenses. For further details, please see the section headed "Management Discussion and Analysis – Non-IFRS Measures".
- (3) NM: not meaningful

BUSINESS REVIEW AND OUTLOOK

In the first half of 2025, the external environment remained complex and challenging with sluggish global trade growth, although China's gross domestic product demonstrated relative stability. However, structural issues such as insufficient domestic demand, deflationary pressures, and a subdued real estate market remained prominent. Against this backdrop, intensified regulatory scrutiny in the loan facilitation sector and tightening borrower liquidity continued to weigh on the credit market. We proactively adjusted our business strategies by strengthening risk controls and enhancing operational efficiency, while further consolidating our business framework to maintain and support a secure and compliant digital financial ecosystem. These efforts advanced our strategic roadmap to expand operations in new markets.

During the Period, we continued to optimize risk models, innovate products and services, and elevate technical standards to focus on higher-quality borrowers. Alongside fintech innovation and enhanced risk management, we prioritized protecting borrowers' consumer rights and personal data security in response to evolving industry regulations. Concurrently, we implemented measures to cultivate and retain talent, fostering sustainable and stable business growth. Our performance and results during the Period fully demonstrated the resilience and flexibility of our development strategy, business model and operations.

Business Review

In the first half of 2025, our loan origination volume in the Chinese mainland reached RMB38.0 billion. While macro policy effects gradually materialized, economic recovery lagged. We adjusted our operational strategy by strengthening risk controls to mitigate borrower credit risks and reduce asset impairments, while implementing cost control measures to improve efficiency.

During the Period, we systematically upgraded our risk-control framework and optimized our customer portfolio toward higher-quality borrowers, while simultaneously launching a suite of strategic initiatives designed to reinforce business resilience. By deepening partnerships with several leading premium platforms, piloting new data sources exclusively for prime borrowers, and strategically improving approval rates for this cohort, we have built a robust sample set of high-quality borrowers that continuously informs the refinement of our underwriting policies and risk models. Added to this, we proactively allocated substantial resources to reduce customer complaint rate to a historic low, laying a solid foundation for sustainable operations. Although the aforementioned strategic investments have modestly elevated early-stage risk metrics in the short term, the continuous accretion and enrichment of user data are steadily sharpening our ability to identify and serve high-quality borrowers, thereby underpinning a durable and long-term improvement in asset quality.

Technology is a core driver of our development. In the first half of 2025, we continued to advance the application and innovation of AI technologies across business scenarios. Through technological breakthroughs such as “蜂鳥” (*Hummingbird*) 2.0 platform upgrade, the development of the ChatBI tool, and the implementation of a multi-agent collaboration system powered by “金鳥大模型” (*Sunbird AI Hub*), we have built an intelligent ecosystem covering the entire chain of research and development (“R&D”), risk control, and business operations. The *Hummingbird* 2.0 platform upgrade introduced a dual-engine approach combining visual strategy configuration with intelligent scenario validation, significantly improving risk identification accuracy and response efficiency while providing critical technical support for the intelligent transformation of our risk control systems. The ChatBI tool enables users to query data directly via natural language, automating data retrieval processes to enhance data efficiency and decision-making quality. The multi-agent collaboration system has deeply reshaped business workflows in areas such as intelligent marketing and AI-powered customer service. By simulating specialized role allocation and efficient distributed collaboration mechanisms, the agent clusters achieve dynamic intent recognition, intelligent data feature extraction, and precise domain knowledge orchestration, ultimately driving breakthroughs in both operational efficiency and business outcomes. During the Period, we also accelerated the adoption of AI-powered programming across various work scenarios, establishing a new paradigm for technology R&D. The proportion of AI-generated code rose to 25%, significantly improving the productivity and code quality of our system development and data analysis teams, thereby effectively supporting rapid business growth. In addition to actively adopting AI technologies internally, we are also expanding outward into emerging technology fields. Last year, we made a strategic investment in EXIO, one of the first virtual asset trading platforms licensed by the SFC. This investment enables us to bridge traditional finance with the Web3.0 ecosystem and drive the development of safer, more innovative solutions.

Management Discussion and Analysis

Building on the continuous strengthening of our technological capabilities, we remain focused on expanding our premium user base through diversified marketing strategies and high-quality scenarios. In the first half of 2025, we established traffic partnerships with some of China's top-tier integrated retail e-commerce platforms, leading mobility service providers and premier travel services platforms, leveraging multi-dimensional user profiling to enhance conversion efficiency, achieving simultaneous growth in user scale and quality. Beyond acquiring new customers, we optimized services for existing clients. Repeat borrowers accounted for 77.9% of total loan volume for our business in the Chinese mainland in the first half of 2025. We adhere to an operational approach that prioritizes both risk and efficiency, actively applying a dual-dimensional strategy integrating intent-based and risk-based modeling. Balancing risk management with demand response, we implement differentiated operations for customers with different credit profiles and funding needs, providing more tailored and aligned financial solutions and interest protection. Meanwhile, our deepened user behavior insights enabled proactive personalized support at critical service touchpoints. At the same time, our customer-centric philosophy permeated the service lifecycle through enhanced product transparency, streamlined loan processes to optimize autonomous decision-making and intelligent risk controls to safeguard account security, to integrate consumer rights protection into the entire service lifecycle and create a more secure and respectful financial experience for our users. As of June 30, 2025, cumulative registered users in the Chinese mainland reached 167 million, representing an 11.7% year-on-year increase compared to the first half of 2024.

By June 30, 2025, we had achieved long and stable partnerships with 112 external funding institutions in the Chinese mainland, including commercial banks, consumer finance companies, and trust funds. Embracing open and win-win collaboration, we actively explored diversified cooperation paths to enrich cooperation models. Focusing on market demand and industry development trends, we cooperated with many partners in the technology output space. Through the efficient integration of resources and complementary strengths, we continuously enhanced the technological innovation capabilities and core competitiveness of both stakeholders, laying a solid foundation for close strategic synergy relationships. At the same time, we are collaborating with several leading financial institutions to forge a deeply innovative cooperation model in the field of traffic operations. By building joint modeling initiatives, we can precisely tap into traffic monetization opportunities and efficiently connect with more partners.

Apart from strengthening our core consumer finance business in the Chinese mainland, we are continuing with our strategic expansion into new markets and refining our operating model to align with our long-term vision. Our Hong Kong business, "CreFIT", continues to deepen partnerships with high-quality, cross-industry platforms to widen user access, and continuously optimize product operations to enhance user engagement. We remain committed to our acquisition of Banco Português de Gestão, S.A., a credit institution registered with the Bank of Portugal, and are actively expanding into the South-East Asian market.

Operating Review

During the Period, the Group's financial performance was primarily driven by its business operation in the Chinese mainland, as the Group's businesses outside the Chinese mainland were at a relatively early stage and their contribution was not material. The following review is based on our business in the Chinese mainland.

Products and Services

We primarily offer two credit products through our pure online loan origination processes: (1) credit card balance transfer products; and (2) consumption credit products, both of which are instalment-based. Interest rates payable in respect of loans to customers (inclusive, where applicable, of our funding partners' interest share and guarantee charges of credit enhancement organizations) ranged from 8.00% per annum to 35.95% per annum depending on the type of consumer loan product and factors such as credit assessment results and allocated score, loan size and loan tenor. For the Period, the average term of our credit products was approximately 9.7 months and the average loan size was approximately RMB8,896. As the Group is primarily engaged in lending to consumers, the Group did not have any concentration of loans in any single individual borrower during the Period. As at June 30, 2025, the aggregate online principal amount outstanding from the five largest borrowers of the Group was RMB1,002,500 (representing 0.003% of the total online loan balance of the Group as at June 30, 2025) and the online principal amount outstanding from the largest borrower of the Group was RMB200,500 (representing approximately 0.001% of the total online loan balance of the Group as at June 30, 2025). The total number of cumulative borrowers was 12.4 million as of June 30, 2025.

The following table sets forth a breakdown of the online loan origination volume in the Chinese mainland by funding structure for the periods indicated.

Loan Origination Volume	Six months ended June 30,			
	2025		2024	
	RMB million	%	RMB million	%
Direct Lending	600.7	1.6%	485.6	1.8%
Trust Lending	8,346.4	22.0%	6,301.7	23.3%
Credit-enhanced loan facilitation	24,129.3	63.5%	15,915.7	58.9%
Pure loan facilitation	4,920.8	12.9%	4,320.1	16.0%
Total	37,997.2	100.0%	27,023.1	100.0%

From all the loans originated by us, the outstanding loan principal is calculated using an amortisation schedule and is defined as the online consumption products outstanding balance of loans to customers. As at June 30, 2025, the Group's online consumption products outstanding balance of loans to customers in the Chinese mainland was RMB33,550.2 million.

Management Discussion and Analysis

Asset Quality

During the Period, the macroeconomic environment remained uncertain with persistent softness in the real estate sector, escalating China-U.S. trade tensions, and evolving regulations in consumer finance, adding more pressure in the credit market.

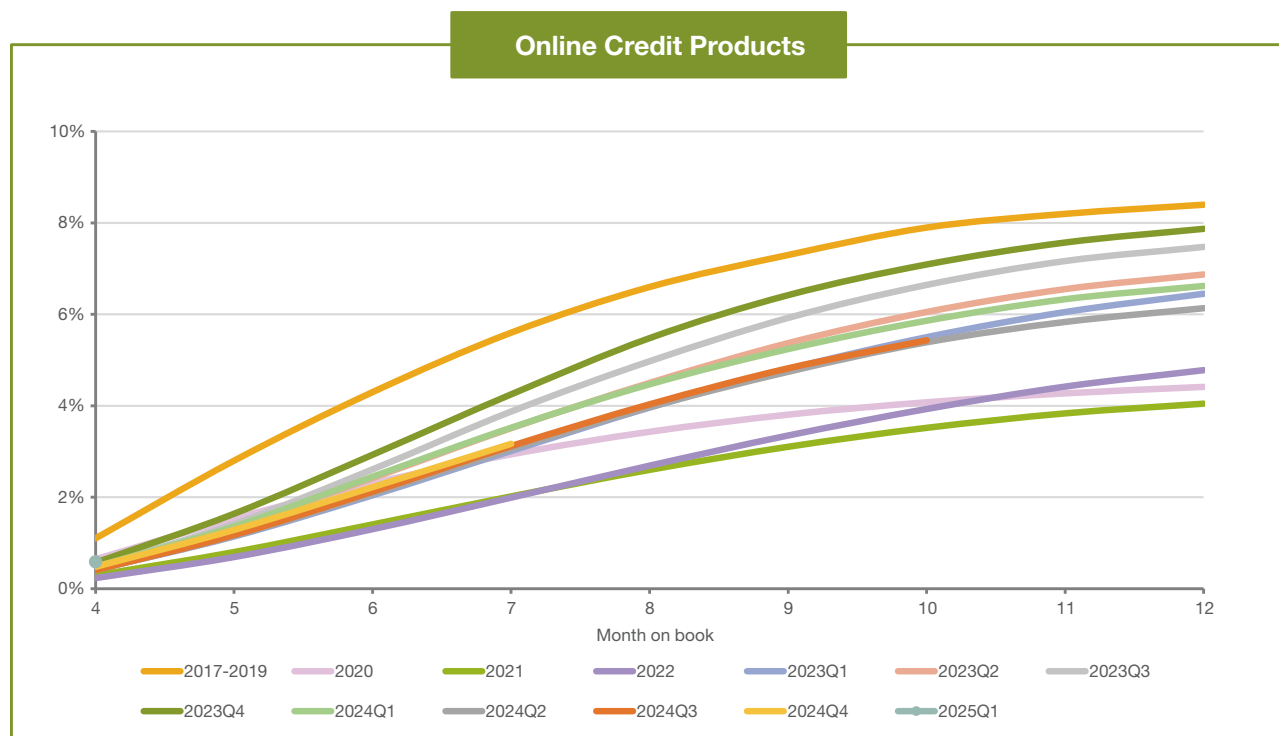
In response, we implemented a series of targeted strategic measures to enhance the resilience of our business operations. This included a systematic upgrade of our risk control framework and an optimisation of our customer portfolio structure, deliberately transitioning our customer base toward a higher-quality segment. During this process, we proactively piloted exclusive new data sources for high-quality borrowers to deepen our understanding of this segment, while also strengthening partnerships with several leading platforms to strategically improve their approval rates. These efforts have led to a consistent expansion of our robust sample pool of high-quality borrowers. Leveraging advanced large-scale models, our systems automatically generate multi-dimensional user profiles, facilitating the refinement of underwriting policies and risk models.

In parallel, we heightened focus on consumer protection and proactively allocated substantial resources to reduce the customer complaint rate to an all-time low. This has reinforced our sustainable operational capabilities and bolstered user trust in our brand.

Although these strategic adjustments temporarily impacted certain early-stage risk metrics with first payment delinquency ratio rising to 0.91% in Q2 2025 from 0.58% in Q4 2024, the long-term indicator M3+ ratio gradually declined to 2.43% by the end of Q2 2025.

	2023Q3	2023Q4	2024Q1	2024Q2	2024Q3	2024Q4	2025Q1	2025Q2
First payment delinquency ratio ⁽¹⁾	0.61%	0.71%	0.59%	0.50%	0.48%	0.58%	0.70%	0.91%
M1-M3 ratio ⁽²⁾	4.45%	5.07%	4.62%	4.47%	3.52%	3.39%	3.12%	3.57%
M3+ ratio ⁽³⁾	2.83%	2.98%	3.49%	3.82%	3.89%	3.02%	2.67%	2.43%

The following diagram sets forth our latest Cohort-Based M3+ Delinquency Ratio ⁽⁴⁾.



Notes:

- (1) First payment delinquency ratio is defined as the total balance of outstanding principal amount of the loans in the Chinese mainland we originated in the applicable period that were delinquent on their first payment due dates divided by the aggregate loan origination volume in the Chinese mainland in that period.
- (2) M1-M3 ratio is calculated by dividing (i) the outstanding balance of online loans in the Chinese mainland which have been delinquent up to 3 months, by (ii) the total outstanding balance of loans to customers that have not been written off in the Chinese mainland.
- (3) M3+ ratio is calculated by dividing (i) the outstanding balance of online loans in the Chinese mainland which have been delinquent for more than 3 months and have not been written off, by (ii) the total outstanding balance of loans to customers that have not been written off in the Chinese mainland.
- (4) Cohort-Based M3+ Delinquency Ratio is defined as (i) the total amount of principal for the online loans in the Chinese mainland in a vintage that have become delinquent for more than 3 months, less (ii) the total amount of recovered past due principal, and then divided by (iii) the total amount of initial principal for loans in such vintage in the Chinese mainland.

Outlook and Strategies

The macro environment is constantly changing and evolving, which requires us to respond promptly and effectively to remain competitive. To contribute further growth in our consumer finance business and fulfill the financial needs of high-quality customers, we will strive to refine our business strategies and enhance our technology. In addition to expanding our existing consumer finance operation in the Chinese mainland, we shall seek to broaden our business strategies by investing in, or collaborating with or acquiring similar, related or complementary businesses and industries in other jurisdictions, including Hong Kong, South-East Asia and Europe. We will continually review potential investment opportunities and business prospects and make suitable investments and acquisitions as opportunities arise.

The Group will continue to focus on leveraging our advanced expertise and knowledge and actively embrace the trends and innovation that are shaping our industry and society more broadly.

Moving forward, we intend to execute the following strategies:

- Streamline and extend our credit solutions to better serve our customers to improve brand recognition and the loyalty and creditworthiness profile of our customer base
- Enhance risk management capability by continuing to deploy evolving technology and AI
- Strengthen long-term collaborations with licensed financial institutional partners and other business partners
- Ensure our business is conducted within applicable regulatory parameters to achieve regulation-centric sustainability
- Review and assess potential business prospects and invest or collaborate in or acquire similar, related or complementary businesses and industries in the Chinese mainland and other jurisdictions
- Cultivate dynamic enterprise value and culture, grow our in-house talents

The following selected interim condensed consolidated statements of comprehensive income for the Period has been derived from our unaudited condensed consolidated interim financial information and related notes included elsewhere in this unaudited interim report.

Management Discussion and Analysis

Total Income

We derived our total income through (i) net interest and similar income; (ii) loan facilitation service fees; and (iii) other income/(expenses). Our total income increased by 43.8% to RMB2,499.9 million for the Period, compared to RMB1,738.4 million for the Corresponding Period, primarily due to an increase in loan volume and an increase in the contributions from other revenue stream.

Net Interest and Similar Income

Our net interest and similar income comprised (i) interest and similar income; and (ii) interest expenses. The following table sets forth our net interest and similar income for the periods indicated.

	Six months ended June 30,	
	2025	2024
Net Interest and Similar Income	RMB'000	RMB'000
Interest and similar income	1,089,520	1,068,276
Less: interest expenses	(153,005)	(193,290)
Total	936,515	874,986

For the Period, we recorded interest and similar income generated from loans to customers originated under direct lending and trust lending structures of RMB1,089.5 million, an increase of 2.0% compared to RMB1,068.3 million for the Corresponding Period, primarily due to an increase in the average outstanding loan balance.

Interest expenses decreased by 20.8% to RMB153.0 million for the Period, compared to RMB193.3 million for the Corresponding Period, primarily due to a decrease in the weighted average interest rate during the Period.

Loan Facilitation Service Fees

Loan facilitation service fees increased by 35.1% to RMB1,269.8 million for the Period, compared to RMB939.6 million for the Corresponding Period, primarily due to an increase in loan origination volume through our credit-enhanced and pure loan facilitation structures.

The following table sets forth a breakdown of our loan facilitation service fees for our credit-enhanced loan facilitation structure and our pure loan facilitation structure for the periods indicated.

	Six months ended June 30,	
	2025	2024
Loan Facilitation Service Fees	RMB'000	RMB'000
Credit-enhanced loan facilitation	1,172,270	866,506
Pure loan facilitation	97,541	73,118
Total	1,269,811	939,624

The following table sets forth the allocation of our upfront loan facilitation service fees and post loan facilitation service fees for the periods indicated.

	Six months ended June 30,	
	2025	2024
Loan Facilitation Service Fees	RMB'000	RMB'000
Upfront loan facilitation service fees	814,151	566,557
Post loan facilitation service fees	455,660	373,067
Total	1,269,811	939,624

Other Income/(Expenses)

We recorded other income of RMB293.6 million for the Period, compared to other expenses of RMB76.2 million for the Corresponding Period, primarily due to an increase in gains from guarantee caused by increase in loan origination and change in asset quality, and an increase in technology and platform service fees through our diverse service and growing third-party platforms.

The following table sets forth a breakdown of our other income/(expenses) for the periods indicated.

	Six months ended June 30,	
	2025	2024
Other Income/(Expenses)	RMB'000	RMB'000
Technology and platform service fees	215,253	76,456
Government grants	33,814	56,263
Gains/(losses) from guarantee	21,523	(234,706)
Penalty and other charges	17,210	16,939
Others	5,782	8,795
Total	293,582	(76,253)

Expenses

Origination and Servicing Expenses

Our origination and servicing expenses increased by 71.9% to RMB1,075.9 million for the Period, compared to RMB626.0 million for the Corresponding Period, mainly due to increased customer acquisition costs driven by our intensified efforts to target better-quality customers, and an increase in loan collection fees resulting from expanded loan origination volume, reflecting our strategic focus on enhancing our loan origination portfolio.

Management Discussion and Analysis

Sales and Marketing Expenses

Our sales and marketing expenses increased by 30.7% to RMB31.5 million for the Period, compared to RMB24.1 million for the Corresponding Period, due to an increase in branding expenses as a result of our efforts to expand our operations across various areas to establish a diversified operating model in line with our business strategy.

General and Administrative Expenses

Our general and administrative expenses increased by 33.2% to RMB216.0 million for the Period, compared to RMB162.2 million for the Corresponding Period, primarily driven by strategic investments in employee benefits and professional services, strengthening our operational foundation to support long-term sustainable growth.

R&D Expenses

Our R&D expenses increased by 2.6% to RMB58.5 million for the Period, compared to RMB57.0 million for the Corresponding Period, primarily driven by strategic investments in core technical capabilities and organizational optimization, while streamlining our procedures and improvements in efficiency.

Operating Profit

We recorded an operating profit of RMB279.4 million for the Period, an increase of 81.0% compared to RMB154.4 million for the Corresponding Period, primarily due to an increase in loan volume during the Period, which led to an increase in total income, while an increase in our operating expenses and credit impairment losses as a result of an increase in loan origination and business scale partially offset the impact of the above increase in profit.

Net Profit

We recorded a net profit of RMB216.0 million for the Period, an increase of 79.5% compared to RMB120.3 million for the Corresponding Period, which is consistent with our operating profit for the same period.

Non-IFRS Adjusted Operating Profit

Our Non-IFRS adjusted operating profit was RMB281.4 million for the Period, an increase of 81.8% compared to RMB154.8 million for the Corresponding Period.

Non-IFRS Adjusted Net Profit

Our Non-IFRS adjusted net profit was RMB217.9 million for the Period, an increase of 80.5% compared to RMB120.7 million for the Corresponding Period.

Non-IFRS Measures

To supplement our historical financial information, which is presented in accordance with International Financial Reporting Standards (“IFRS”), we also use Non-IFRS adjusted operating profit and Non-IFRS adjusted net profit as additional financial measures, which are not required by, or presented in accordance with, IFRS. We believe that these Non-IFRS measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impact of items that our management do not consider to be indicative of our operating performance. We believe that these measures provide useful information to investors and others in understanding and evaluating our consolidated results of operations and financial position in the same manner as they help our management. From time to time in the future, there may be other items that the Company may exclude in reviewing its financial results. Our presentation of the Non-IFRS adjusted operating profit and Non-IFRS adjusted net profit may not be comparable to similarly titled measures presented by other companies. The use of these Non-IFRS measures has limitations as analytical tools, and should not be considered in isolation from, or as substitutes for analysis of, our results of operations or financial position as reported under IFRS.

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Operating Profit	279,447	154,417
Add:		
Share-based compensation expenses	1,906	346
Non-IFRS Adjusted Operating Profit	281,353	154,763
Non-IFRS Adjusted Operating Profit Margin ⁽¹⁾	11.3%	8.9%
	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Net Profit	215,989	120,343
Add:		
Share-based compensation expenses	1,906	346
Non-IFRS Adjusted Net Profit	217,895	120,689
Non-IFRS Adjusted Net Profit Margin ⁽²⁾	8.7%	6.9%

Notes:

- (1) Non-IFRS Adjusted Operating Profit Margin is calculated by dividing the Non-IFRS Adjusted Operating Profit by the total income.
- (2) Non-IFRS Adjusted Net Profit Margin is calculated by dividing the Non-IFRS Adjusted Net Profit by the total income.

Management Discussion and Analysis

Loans to Customers

Our loans to customers represent the fair value and amortised cost of total balance of loans originated by us through our trust lending and direct lending structures. Our loans to customers increased by 33.8% to RMB8,360.2 million as at June 30, 2025, compared to RMB6,247.1 million as at December 31, 2024, primarily due to an increase in our trust lending and direct lending loan origination volume by 50.7% to RMB8,947.1 million for the Period, compared to RMB5,937.2 million for the six months ended December 31, 2024.

	As at June 30, 2025		As at December 31, 2024	
	RMB'000	%	RMB'000	%
Online consumption products	8,360,232	100.0%	6,247,054	100.0%

Contract Assets

Our contract assets increased by 28.6% to RMB529.3 million as at June 30, 2025, compared to RMB411.5 million as at December 31, 2024, due to an increase in our credit-enhanced and pure loan origination volume by 27.5% to RMB29,050.1 million for the Period, compared to RMB22,793.0 million for the six months ended December 31, 2024.

	As at June 30, 2025	As at December 31, 2024
	RMB'000	RMB'000
Contract assets	632,084	488,059
Less: expected credit losses ("ECL") allowance	(102,832)	(76,548)
	529,252	411,511

Guarantee Receivables and Guarantee Liabilities

Our guarantee receivables increased by 24.7% to RMB1,388.4 million as at June 30, 2025, compared to RMB1,113.1 million as at December 31, 2024. Our guarantee liabilities increased by 47.4% to RMB1,320.3 million as at June 30, 2025, compared to RMB895.8 million as at December 31, 2024. The changes in guarantee receivables and guarantee liabilities are primarily due to the increase in our credit-enhanced loan origination volume by 24.1% to RMB24,129.3 million for the Period, compared to RMB19,438.8 million for the six months ended December 31, 2024.

	Six months ended June 30, 2025	2024
	RMB'000	RMB'000
Guarantee Receivables		
Opening balance	1,113,142	1,317,024
Addition arising from new business	1,760,695	1,196,504
ECL	(127,912)	(98,607)
Reversal due to early repayment	(110,100)	(58,786)
Payment received from borrowers	(1,247,447)	(1,357,437)
Ending Balance	1,388,378	998,698

	Six months ended June 30,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Guarantee Liabilities		
Opening balance	895,801	1,533,883
Addition arising from new business	1,760,695	1,196,504
Release of the margin	(122,688)	(88,347)
ECL remeasurement	101,165	323,053
Reversal due to early repayment	(110,100)	(58,786)
Payouts during the period, net	(1,204,599)	(1,882,736)
Ending Balance	1,320,274	1,023,571

Borrowings and Notes Payable

Our total borrowings and notes payable, as recorded in our interim condensed consolidated statement of financial position, comprise (i) payable to trust plan holders; (ii) bank borrowings; (iii) borrowings from other financial institutions; and (iv) notes payable. Our payable to trust plan holders increased by 44.1% to RMB6,676.4 million as at June 30, 2025, compared to RMB4,632.4 million as at December 31, 2024, primarily due to an increase in loans originated by us through our trust lending structure for the Period.

As at June 30, 2025, the Group had secured bank borrowings with a principal amount of RMB321.0 million guaranteed by deposits of RMB332.0 million.

As at June 30, 2025, the Group had secured borrowings from other financial institutions with a principal amount of HK\$12.0 million guaranteed by way of first floating charge over a portfolio of loans to customers with an aggregate amount of HK\$15.0 million.

On June 16, 2025, we repaid the remaining principal amount of HK\$100,000,000 of the HK\$200,000,000 9.5% senior notes due 2025 issued by the Company on June 16, 2022.

Ace Effort Asia Limited (“**Ace Effort**”), an indirect wholly-owned subsidiary of the Company, issued the following senior secured guaranteed notes, secured by way of first floating charges over a portfolio of loans to customers of VCREDIT Finance Limited, a subsidiary of the Company, with an aggregate amount of HK\$96.0 million:

Series 1: an aggregate principal amount of HK\$50,000,000 with a coupon rate of 9.50% per annum, issued on July 18, 2024 and due on July 17, 2025 (the “**Series 1 Notes**”).

Series 2: an aggregate principal amount of HK\$50,000,000 with a coupon rate of 9.00% per annum, issued on October 16, 2024 and due on October 15, 2025 (the “**Series 2 Notes**”).

Series 3: an aggregate principal amount of HK\$4,500,000 with a coupon rate of 8.25% per annum, issued on February 14, 2025 and repaid upon maturity on May 15, 2025.

Series 4: an aggregate principal amount of HK\$21,000,000 with a coupon rate of 8.25% per annum, issued on April 24, 2025 and due on April 23, 2026 (the “**Series 4 Notes**”).

Management Discussion and Analysis

	As at June 30, 2025		As at December 31, 2024	
	RMB'000	%	RMB'000	%
Payable to trust plan holders	6,676,362	90.1%	4,632,391	87.8%
Secured bank borrowings	328,505	4.5%	302,426	5.8%
Unsecured bank borrowings	282,568	3.8%	143,219	2.7%
Borrowings from other financial institutions	10,961	0.1%	11,146	0.2%
	7,298,396	98.5%	5,089,182	96.5%
Notes payable	110,357	1.5%	184,840	3.5%
Total	7,408,753	100.0%	5,274,022	100.0%

Weighted Average Interest Rates of Borrowings and Notes Payable	As at June 30, 2025	As at December 31, 2024
Payable to trust plan holders	5.0%	6.3%
Bank borrowings	4.9%	5.3%
Borrowings from other financial institutions	8.8%	9.5%
Notes payable	9.3%	9.4%

Gearing ratio

As at June 30, 2025, our gearing ratio, calculated as total liabilities divided by total assets, was approximately 67.2%, representing an increase of 6.6% as compared with 60.6% as at December 31, 2024.

As at June 30, 2025, our consolidated debt to equity ratio, calculated as the sum of borrowings, notes payable, lease liabilities and guarantee liabilities divided by total equity, was approximately 1.8x, as compared with 1.3x as at December 31, 2024.

LIQUIDITY AND CAPITAL RESOURCES

We have historically funded our cash requirements principally from cash generated from operating activities and capital contribution from Shareholders.

Cash Flows

The following table sets forth our cash flows for the periods indicated.

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
Net cash (outflow)/inflow from operating activities	(2,001,280)	469,647
Net cash (outflow)/inflow from investing activities	(22,848)	13,421
Net cash inflow from financing activities	1,955,034	11,101
Net (decrease)/increase in cash and cash equivalents	(69,094)	494,169
Cash and cash equivalents at the beginning of the periods	1,693,437	896,700
Effects of exchange rate changes on cash and cash equivalents	12,042	(313)
Cash and cash equivalents at the end of the periods	1,636,385	1,390,556

Our cash inflow generated from operating activities primarily consists of principal and interest, loan facilitation service fees and other service fees received from the consumer finance products we offered. Our cash outflow used in operating activities primarily consists of loan volume originated from direct and trust lending structures, cash payment of guarantee indemnification, security deposits in financial institutions funding partners, employee salaries and benefits, taxes and surcharges, and other operating expenses. We had net cash outflow used in operating activities of RMB2,001.3 million for the Period, as compared to net cash inflow generated from operating activities of RMB469.6 million for the Corresponding Period, primarily due to (i) an increase in loan volume originated by our trust lending structure for the Period; (ii) increased payment of security deposits to financial institution funding partners as a result of an increase in loan origination volume for our credit-enhanced; and (iii) higher operating expenses associated with an increase in loan origination and business scale. These factors were partially offset by an increase in cash inflow from other income due to continued optimisation of our marketing strategy and customer operations strategy, and a decrease in cash outflow used in payment of guarantee indemnification as a result of the change in asset quality.

We had net cash outflow from investing activities of RMB22.8 million for the Period, as compared to net cash inflow of RMB13.4 million for Corresponding Period. For the Period, we had a cash outflow increase primarily due to an increase of RMB45.1 million for payments of financial investments designated at fair value through profit or loss, partially offset by a decrease of RMB10.9 million in payment of investments accounted for using the equity method.

We had net cash inflow for financing activities of RMB1,955.0 million for the Period, as compared to net cash inflow from financing activities of RMB11.1 million for the Corresponding Period, mainly because we had a net cash inflow for borrowings and trust plans of RMB2,178.2 million for the Period, as compared to a net cash inflow of RMB227.5 million for the Corresponding Period. We also had net cash outflow used in payment of interest expenses of RMB121.3 million for the Period, as compared to a net cash outflow of RMB201.4 million for the Corresponding Period. Additionally, we had a net cash outflow of RMB96.3 million for repayment of notes payable, a net cash inflow from issuance of notes payable of RMB23.2 million and a net cash outflow of RMB11.9 million for payment of Shares bought for share awards for the Period.

Management Discussion and Analysis

Capital Commitments

The Group did not have any significant capital commitments contracted for but not recognised as liabilities as at June 30, 2025.

Charges on Assets

As at June 30, 2025, the Group had cash deposits and security deposits in financial institutions with an aggregate amount of RMB332.0 million pledged to banks as securities for banking facilities. In addition, the Group had a portfolio of loans to customers with an aggregate amount of HK\$15.0 million pledged as a floating charge to secure the Group's borrowings from other financial institutions, and a portfolio of loans to customers with an aggregate amount of HK\$96.0 million pledged by way of floating charges to secure the Group's notes payable.

Contingencies

Save as disclosed in this unaudited interim report, the Group did not have any significant contingent liabilities as at June 30, 2025.

Foreign Currency Risk

Foreign currency risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between the Renminbi and other currencies in which we conduct business may affect our financial position and results of operations.

Most of the operations of the Group were carried out in the Chinese mainland in which transactions were denominated in Renminbi. The Board has been closely monitoring the Group's exposure to foreign exchange fluctuations in Renminbi and is of the view that there is no material unfavourable exposure to foreign exchange fluctuations. The Group will constantly review the economic situation, development of the Group's business and its overall foreign exchange risk profile, and will consider appropriate hedging measures in the future as and when necessary.

ACQUISITIONS AND DISPOSALS

Material Investments and Acquisitions

The Group made an additional subscription for 2,395,210 Series Angel Preferred Shares of EXIO, which wholly owns EXIO Limited (formerly known as Thousand Whales Technology (BVI) Limited), for a consideration of HK\$4.0 million on January 20, 2025. As at June 30, 2025 and December 31, 2024, the Group holds a direct 15% interest in EXIO and is entitled to nominate one director for appointment to the four-member board of directors of EXIO. The applicable percentage ratios set out in rule 14.07 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") in respect of the additional subscription are less than 5% and, therefore, the additional subscription constitutes a de minimis transaction.

Save as disclosed in this unaudited interim report, the Group did not hold any material investments or make any material acquisitions during the Period.

Future Plans for Material Investments and Capital Assets

Save as disclosed in this unaudited interim report, the Group does not have any present plans for other material investments and capital assets.

INTERIM DIVIDEND

The board (the “**Board**”) of directors of the Company (the “**Directors**”) has recommended the distribution of an interim dividend of HK5 cents per Share for the Period (for the six months ended June 30, 2024: Nil) to Shareholders on the register of members of the Company (the “**Register of Members**”) on Monday, October 20, 2025, amounting to approximately HK\$24.5 million from the share premium account of the Company, subject to the approval of Shareholders at an extraordinary general meeting expected to be held on Thursday, October 9, 2025 (the “**EGM**”). If approved by Shareholders at the EGM, the interim dividend will be payable on or around Monday, November 10, 2025.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will not be closed for the purpose of ascertaining the right of Shareholders to attend and vote at the EGM. The record date for attending and voting at the EGM will be Thursday, October 2, 2025. To be eligible and attend and vote at the EGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Thursday, October 2, 2025.

To determine the entitlement to the proposed interim dividend, the Register of Members will be closed from Friday, October 17, 2025 to Monday, October 20, 2025, both days inclusive, during which period no transfers of Shares shall be effected. The record date for determining entitlement to the interim dividend, will be Monday, October 20, 2025. To be eligible to receive the interim dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Thursday, October 16, 2025.

DIRECTORS' AND EMPLOYEES' REMUNERATION AND POLICY

The remuneration of Directors and senior management of the Company is determined by the remuneration committee of the Company and the Board. No Director has waived or agreed to waive any emoluments.

As at June 30, 2025, the Group had a total of 926 employees.

The Group seeks to attract, retain and motivate high quality staff to be able to continuously develop its business. Remuneration packages are designed to ensure comparability within the market and competitiveness with other companies engaged in the same or similar industry with which the Group competes and other comparable companies. Emoluments are also based on an individual's knowledge, skill, time commitment, responsibilities and performance and by reference to the Group's overall profits, performance and achievements.

The employees of the Group's subsidiaries which operate in the Chinese mainland are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme.

The Group operates a defined scheme under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for those employees in Hong Kong who are eligible to participate. Contributions are made based on a percentage of the employees' basic salaries. The assets of the scheme are held separately from those of the Group in independently administered funds. The Group's employer contributions vest fully with the employees when contributed into the scheme.

The Company operates a number of share incentive schemes for the purpose of providing share-based incentives and rewards to eligible persons (see section headed "Share Incentive Schemes" below).

CORPORATE GOVERNANCE CODE

The Company has, throughout the Period, applied the principles and complied with the applicable code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as the code of conduct to regulate dealings in the securities of the Company by Directors and senior management of the Company. Each Director has confirmed, following specific enquiry by the Company, that he/she has complied with the required standards set out in the Model Code throughout the Period.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND UNDERLYING SHARES

As at June 30, 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and 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 are required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which are required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code, are as follows:

Long positions in Shares and underlying Shares:

Name of Directors	Nature of interest	Number of Shares	Number of underlying Shares pursuant to share awards	Percentage of total issued Shares ⁽¹⁾
Ma Ting Hung	Personal interest	18,127,000		50.68%
	Beneficiary of a trust ⁽²⁾		300,000	
	Interest in controlled corporations ⁽³⁾	229,613,366		
Liu Sai Wang Stephen	Personal interest	1,200,000		13.74%
	Beneficiary of a trust ⁽²⁾		300,000	
	Interest in controlled corporations ⁽⁴⁾	65,742,173		
Liu Sai Keung Thomas	Personal interest	600,000		1.58%
	Beneficiary of a trust ⁽²⁾		300,000	
	Interest in controlled corporations ⁽⁵⁾	6,828,585		
Xue Lan	Beneficiary of a trust ⁽²⁾		300,000	0.06%
Yip Ka Kay	Beneficiary of a trust ⁽²⁾		300,000	0.89%
	Interest in controlled corporations ⁽⁶⁾	4,074,714		
Fang Yuan	Personal Interest	103,200		0.08%
	Beneficiary of a trust ⁽²⁾		300,000	
Chen Penghui	Beneficiary of a trust ⁽²⁾		300,000	0.06%
Chen Derek	Beneficiary of a trust ⁽²⁾		300,000	0.06%

Other Information

Notes:

- (1) The calculation is based on (i) the aggregate number of Shares and, if any, underlying Shares pursuant to share options and share awards and (ii) the total number of 489,459,789 Shares in issue as at June 30, 2025.
- (2) These interests are award shares granted under the Share Award Scheme No.1 (defined below) and held by a trustee of the Share Award Scheme No.1 pending vesting.
- (3) Ma Ting Hung controls 100%, and is a director, of each of Skyworld-Best Limited, Wealthy Surplus Limited and Glory Global International Limited, each of which has an interest in 84,719,154 Shares, 99,298,279 Shares and 45,595,933 Shares, respectively.
- (4) Liu Sai Wang Stephen controls 50%, and is a director, of Magic Mount Limited, which has an interest in 34,093,858 Shares, and controls 100% of, and is a director of, each of Perfect Castle Development Limited and Union Fair International Limited. Perfect Castle Development Limited has an interest in 27,523,810 Shares. Union Fair International Limited has an interest in 4,124,505 Shares.
- (5) Liu Sai Keung Thomas controls 100% of, and is a director of, International Treasure Limited which has an interest in 6,828,585 Shares.
- (6) Yip Ka Kay is the sole director and the sole shareholder of NM Strategic Partners, LLC which manages NM Strategic Focus Fund L.P., which has an interest in 4,074,714 Shares.

Interests in debentures of the Company or its associated corporations

Name of Directors	Nature of interest	Amount of debenture	Amount of debentures of the same class in issue
Liu Sai Keung Thomas	Beneficial owner	HK\$2,500,000 ⁽¹⁾	HK\$50,000,000
	Interest of spouse	HK\$2,000,000 ⁽²⁾	HK\$21,000,000
Liu Sai Wang Stephen	Beneficial owner	HK\$2,500,000 ⁽³⁾	HK\$50,000,000

Notes:

- (1) On July 18, 2024, Ace Effort completed the issue and placing of the Series 1 Notes.
- (2) On April 24, 2025, Ace Effort completed the issue and placing of the Series 4 Notes. Ms. Zhong Fang, the spouse of Mr. Liu Sai Keung Thomas, has subscribed for HK\$2,000,000 of the Series 4 Notes and therefore Mr. Liu Sai Keung Thomas is deemed to have an interest in the Series 4 Notes held by Ms. Zhong Fang.
- (3) On October 16, 2024, Ace Effort completed the issue and placing of the Series 2 Notes.

Save as disclosed herein and so far as is known to the Directors, as at June 30, 2025:

- (a) none of the Directors or the chief executive of the Company had an interest or a short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which are required pursuant to the Model Code to be notified to the Company and the Stock Exchange; and
- (b) none of the Directors was a director or employee of a company which had an interest or a short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

SHARE INCENTIVE SCHEMES

Share Option Schemes

Post-IPO Share Option Scheme

The Company adopted a post-IPO share option scheme which was approved by the Board on May 10, 2018 (the “**Post-IPO Share Option Scheme**”), pursuant to which the total number of Shares which may be issued upon the exercise of all outstanding share options granted under the Post-IPO Share Option Scheme is 49,730,386 Shares, being not more than 10% of the Shares in issue on June 21, 2018 (being the date of listing of the Shares on the Stock Exchange). The Post-IPO Share Option Scheme is subject to the provisions of Chapter 17 of the Listing Rules.

The purpose of the Post-IPO Share Option Scheme is to provide eligible persons, including the Group's employees, directors, officers, consultants, advisors, distributors, contractors, customers, suppliers, agents, business partners and service providers, with the opportunity to acquire proprietary interests in the Company and to encourage selected participants to work towards enhancing the value of the Company and Shares for the benefit of the Company and Shareholders as a whole. The Post-IPO Share Option Scheme provides the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to eligible persons.

No share options have been granted or agreed to be granted under the Post-IPO Share Option Scheme as at June 30, 2025.

Share Award Scheme

The Company adopted the VCREDIT No. 1 Share Award Scheme on January 11, 2019 (the “**Share Award Scheme No. 1**”), pursuant to which the Company may grant share awards (“**Awards**”) in respect of up to 24,974,369 Shares. The Company also adopted the VCREDIT No. 2 Share Award Scheme on May 27, 2021 (the “**Share Award Scheme No. 2**”, together with the Share Award Scheme No. 1, the “**Share Award Schemes**”). Pursuant to the Share Award Scheme No. 2, the Company may grant Awards in respect of up to 49,305,718 Shares. The Share Award Schemes are discretionary schemes of the Company. The purpose of the Share Award Schemes is to align the interests of eligible persons with those of the Group and to help encourage and retain eligible persons to make contributions to the long-term growth and profits of the Group. The Share Award Schemes are subject to the provisions of Chapter 17 of the Listing Rules.

During the Period, Awards in respect of a total of 5,985,000 Shares were awarded to eligible persons pursuant to the Share Award Scheme No. 1. As of June 30, 2025, Awards in respect of a total of 15,005,360 Shares (including forfeited Shares) have been awarded to eligible persons under the Share Award Scheme No. 1, and of which 4,200,000 Shares have been awarded to connected persons. As at June 30, 2025, 11,498,009 Shares (including forfeited Shares) remain available for future grants of Awards under the Share Award Scheme No. 1, representing 2.35% of the Shares in issue as at June 30, 2025.

As at June 30, 2025, the trustee of a trust established to administer the Share Award Scheme No. 1 in respect of non-connected persons held a total of 3,927,700 Shares and no Shares were held by the trustee of a trust established to administer the Share Awards Scheme No. 1 in respect of connected persons.

Other Information

The movements during the Period in the Awards granted under the Share Award Scheme No. 1 are as follows:

Grantees	Date of Award	Originally Granted	As at January 1, 2025	Granted during the Period	Vested during the Period ⁽²⁾	Forfeited/ Lapsed during the Period	As at June 30, 2025	Percentage of total issued Shares
Directors:								
Ma Ting Hung	May 13, 2025	300,000 ^{(1)(e)}	0	300,000	0	Nil	300,000	0.06%
Liu Sai Wang Stephen	May 13, 2025	300,000 ^{(1)(e)}	0	300,000	0	Nil	300,000	0.06%
Liu Sai Keung Thomas	May 13, 2025	300,000 ^{(1)(e)}	0	300,000	0	Nil	300,000	0.06%
Xue Lan	May 13, 2025	300,000 ^{(1)(e)}	0	300,000	0	Nil	300,000	0.06%
Yip Ka Kay	May 13, 2025	300,000 ^{(1)(e)}	0	300,000	0	Nil	300,000	0.06%
Chen Penghui	May 13, 2025	300,000 ^{(1)(e)}	0	300,000	0	Nil	300,000	0.06%
Chen Derek	May 13, 2025	300,000 ^{(1)(e)}	0	300,000	0	Nil	300,000	0.06%
Fang Yuan	May 13, 2025	300,000 ^{(1)(e)}	0	300,000	0	Nil	300,000	0.06%
Employees:								
Non-connected Person	July 19, 2021	400,000 ^{(1)(a)}	100,000	Nil	100,000	Nil	0	N/A
Non-connected Person	September 2, 2021	200,000 ^{(1)(b)}	50,000	Nil	0	Nil	50,000	0.01%
Non-connected Person	October 3, 2022	200,000 ^{(1)(c)}	100,000	Nil	0	Nil	100,000	0.02%
Non-connected Person	June 30, 2023	200,000 ^{(1)(d)}	150,000	Nil	0	Nil	150,000	0.03%
Non-connected Person	May 13, 2025	3,210,000 ^{(1)(e)}	0	3,210,000	0	Nil	3,210,000	0.66%
Non-connected Person	June 17, 2025	375,000 ^{(1)(f)}	0	375,000	0	Nil	375,000	0.08%

Notes:

(1) The Shares underlying Awards granted under the Share Award Scheme No. 1 vest in the tranches as follows:

No.	First Tranche	Second Tranche	Third Tranche	Fourth Tranche
(a)	one-quarter, on June 1, 2022	one-quarter, on June 1, 2023	one-quarter, on June 1, 2024	one-quarter, on June 1, 2025
(b)	one-quarter, on August 9, 2022	one-quarter, on August 9, 2023	one-quarter, on August 9, 2024	one-quarter, on August 9, 2025
(c)	one-quarter, on October 3, 2023	one-quarter, on October 3, 2024	one-quarter, on October 3, 2025	one-quarter, on October 3, 2026
(d)	one-quarter, on July 1, 2024	one-quarter, on July 1, 2025	one-quarter, on July 1, 2026	one-quarter, on July 1, 2027
(e)	one-third, on May 13, 2026	one-third, on May 13, 2027	one-third, on May 13, 2028	
(f)	one-third, on June 17, 2026	one-third, on June 17, 2027	one-third, on June 17, 2028	

(2) A total of 100,000 Shares vested during the Period. The weighted average closing price of these Shares before the relevant vesting dates during the Period is HK\$4.07.

(3) No Award was cancelled during the Period.

As of June 30, 2025, no Awards have been granted pursuant to the Share Award Scheme No. 2. A total of 49,305,718 Shares remain available for future grants of Awards under the Share Award Scheme No. 2, representing 10.07% of the Shares in issue as at June 30, 2025.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at June 30, 2025, the interests and short positions of the substantial shareholders and other persons in Shares or underlying Shares, as recorded in the register required to be kept under section 336 of the SFO, were as follows:

Name of Shareholder	Capacity/Nature of interest	Number of Shares held as Long Position	Number of underlying Shares pursuant to Awards	Percentage of total issued Shares ⁽¹⁾
Ma Ting Hung	Personal interest	18,127,000		50.68%
	Beneficiary of a trust ⁽²⁾		300,000	
	Interest in controlled corporations ⁽³⁾	229,613,366		
Skyworld-Best Limited	Beneficial interest ⁽³⁾	84,719,154		17.31%
Wealthy Surplus Limited	Beneficial interest ⁽³⁾	99,298,279		20.29%
Glory Global International Limited	Beneficial interest ⁽³⁾	45,595,933		9.32%
Liu Sai Wang Stephen	Personal interest	1,200,000		13.74%
	Beneficiary of a trust ⁽²⁾		300,000	
	Interest in controlled corporations ⁽⁴⁾	65,742,173		
Perfect Castle Development Limited	Beneficial interest ⁽⁴⁾	27,523,810		5.62%
Kwok Lim Ying	Interest in a controlled corporation ⁽⁵⁾	34,093,858		6.97%
Magic Mount Limited	Beneficial interest ^{(4) (5)}	34,093,858		6.97%
Kwok Peter Viem	Interest in a controlled corporation ⁽⁶⁾	48,746,970		9.96%
Kwok Chang Shiu Feng	Interest in a controlled corporation ⁽⁶⁾	48,746,970		9.96%
High Loyal Management Limited	Beneficial interest ⁽⁶⁾	48,746,970		9.96%
Cavamont Holdings Limited	Interest in a controlled corporation ⁽⁷⁾	41,339,885		8.45%
Cavamont Investments Limited	Interest in a controlled corporation ⁽⁸⁾	41,339,885		8.45%
Cavamont Master Fund	Beneficial interest ⁽⁸⁾	41,339,885		8.45%

Notes:

- (1) The calculation is based on (i) the aggregate number of Shares and, if any, underlying Shares pursuant to share options and share awards and (ii) the total number of 489,459,789 Shares in issue as at June 30, 2025.
- (2) These interests are award shares granted under the Share Award Scheme No.1 and are held by a trustee of the Share Award Scheme No.1 pending vesting.
- (3) Ma Ting Hung controls 100% of each of Skyworld-Best Limited, Wealthy Surplus Limited and Glory Global International Limited.
- (4) Liu Sai Wang Stephen controls 100% of each of Perfect Castle Development Limited and Union Fair International Limited, and 50% of Magic Mount Limited. Perfect Castle Development Limited has an interest in 27,523,810 Shares and Union Fair International Limited has an interest in 4,124,505 Shares.
- (5) Kwok Lim Ying, the mother of Liu Sai Wang Stephen, controls 50% of Magic Mount Limited.
- (6) Kwok Peter Viem and Kwok Chang Shiu Feng each controls 50% of High Loyal Management Limited.
- (7) Cavamont Holdings Limited controls 100% of Cavamont Investments Limited ("**Cavamont Investments**").
- (8) Cavamont Investments controls 100% of Cavamont Master Fund (previously known as Cavenham Private Equity and Directs).

Save as disclosed herein and in the section headed "Directors' and Chief Executive's Interests in Shares and Underlying Shares" above, and so far as is known to the Directors, as at June 30, 2025, no person had an interest or a short position in the Shares or underlying Shares required to be recorded in the register to be kept under section 336 of the SFO.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Period.

REVIEW OF ACCOUNTS

The audit committee has reviewed this interim report with senior management of the Company.

Report on Review of Interim Financial Information

To the Board of Directors of VCREDIT Holdings Limited

(registered by way of continuation in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 28 to 67, which comprises the interim condensed consolidated statement of financial position of VCREDIT Holdings Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) as at June 30, 2025 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting”. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, August 25, 2025

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended June 30, 2025

		Six months ended June 30,	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
		Notes	
Continuing operations			
Interest and similar income	6	1,089,520	1,068,276
Less: interest expenses	6	(153,005)	(193,290)
Net interest and similar income	6	936,515	874,986
Loan facilitation service fees	7	1,269,811	939,624
Other income/(expenses)	8	293,582	(76,253)
Total income		2,499,908	1,738,357
Origination and servicing expenses	9	(1,075,852)	(625,954)
Sales and marketing expenses	9	(31,471)	(24,082)
General and administrative expenses	9	(215,977)	(162,182)
Research and development expenses	9	(58,459)	(56,955)
Credit impairment losses	10	(214,738)	(144,149)
Fair value change of loans to customers		(624,104)	(592,304)
Other gains, net	11	140	21,686
Operating profit		279,447	154,417
Share of net loss of investments accounted for using the equity method		(3,933)	(1,876)
Profit before income tax		275,514	152,541
Income tax	12	(59,525)	(32,198)
Profit for the interim period		215,989	120,343
Profit for the interim period attributable to:			
Owners of the Company		215,990	120,345
Non-controlling interests		(1)	(2)

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended June 30, 2025

		Six months ended June 30,	
		2025	2024
	Notes	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Other comprehensive income/(loss)			
Exchange difference on translation of foreign operations		27,856	(2,087)
Total comprehensive income for the interim period, net of tax		243,845	118,256
Total comprehensive income for the interim period attributable to:			
Owners of the Company		243,846	118,258
Non-controlling interests		(1)	(2)
		243,845	118,256
Basic earnings per share (RMB yuan)	13	0.44	0.25
Diluted earnings per share (RMB yuan)	13	0.44	0.25

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Financial Position

As at June 30, 2025

	Notes	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Assets			
Cash and cash equivalents	14(a)	1,636,366	1,693,418
Restricted cash	14(b)	685,684	634,575
Loans to customers	15	8,360,232	6,247,054
Contract assets	16	529,252	411,511
Guarantee receivables	17	1,388,378	1,113,142
Financial investments at fair value through profit or loss	18	68,237	54,376
Investments accounted for using the equity method	19	21,205	21,585
Deferred tax assets		716,967	637,425
Right-of-use assets		27,499	41,087
Intangible assets		35,022	38,739
Property and equipment		91,920	96,496
Other assets	20	945,138	716,943
Total assets		14,505,900	11,706,351
Liabilities			
Current tax liabilities		186,151	238,971
Guarantee liabilities	17	1,320,274	895,801
Lease liabilities		28,366	42,453
Borrowings	21	7,298,396	5,089,182
Notes payable	22	110,357	184,840
Deferred tax liabilities		13,872	15,000
Other liabilities	23	797,071	633,177
Total liabilities		9,754,487	7,099,424
Equity			
Share capital	24	40,067	40,067
Share premium	24	5,108,773	5,198,001
Treasury shares	25	(14,461)	(3,189)
Other reserves		781,193	752,196
Accumulated losses		(1,165,569)	(1,381,559)
Non-controlling interests		1,410	1,411
Total equity		4,751,413	4,606,927
Total liabilities and equity		14,505,900	11,706,351

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2025

	Attributable to owners of the Company							Total RMB'000
	Share capital RMB'000 Note 24	Share premium RMB'000 Note 24	Treasury shares RMB'000 Note 25	Other reserves			Non- controlling interests RMB'000	
				Share-based payment reserves RMB'000	Translation reserve RMB'000	Accumulated losses RMB'000		
(Unaudited)								
Balance at January 1, 2025	40,067	5,198,001	(3,189)	673,239	78,957	(1,381,559)	1,411	4,606,927
Profit for the interim period	-	-	-	-	-	215,990	(1)	215,989
Exchange difference on translation of foreign operations	-	-	-	-	27,856	-	-	27,856
Total comprehensive income for the interim period	-	-	-	-	27,856	215,990	(1)	243,845
Transactions with owners in their capacity as owners								
Shares purchases for share awards	-	-	(11,932)	-	-	-	-	(11,932)
Share-based payment	-	-	-	1,906	-	-	-	1,906
Dividends declared	-	(89,333)	-	-	-	-	-	(89,333)
Vesting of share awards	-	105	660	(765)	-	-	-	-
Total transactions with owners in their capacity as owners	-	(89,228)	(11,272)	1,141	-	-	-	(99,359)
Balance at June 30, 2025	40,067	5,108,773	(14,461)	674,380	106,813	(1,165,569)	1,410	4,751,413

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended June 30, 2025

	Attributable to owners of the Company							
				Other reserves			Non-controlling interests	Total
	Share capital	Share premium	Treasury shares	Share-based payment reserves	Translation reserve	Accumulated losses		
	RMB'000 Note 24	RMB'000 Note 24	RMB'000 Note 25	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
(Unaudited)								
Balance at January 1, 2024	40,067	5,243,415	(5,399)	674,196	75,340	(1,859,724)	695	4,168,590
Profit for the interim period	-	-	-	-	-	120,345	(2)	120,343
Exchange difference on translation of foreign operations	-	-	-	-	(2,087)	-	-	(2,087)
Total comprehensive income for the interim period	-	-	-	-	(2,087)	120,345	(2)	118,256
Transactions with owners in their capacity as owners								
Share-based payment	-	-	-	346	-	-	-	346
Dividends declared	-	(44,672)	-	-	-	-	-	(44,672)
Vesting of share awards	-	(93)	858	(765)	-	-	-	-
Contributions from non-controlling interests	-	-	-	-	-	-	708	708
Total transactions with owners in their capacity as owners	-	(44,765)	858	(419)	-	-	708	(43,618)
Balance at June 30, 2024	40,067	5,198,650	(4,541)	673,777	73,253	(1,739,379)	1,401	4,243,228

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2025

	Notes	Six months ended June 30,	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Cash flows from operating activities			
Cash (used in)/generated from operating activities		(1,783,022)	649,390
Income tax paid		(218,258)	(179,743)
Net cash (outflow)/inflow from operating activities		(2,001,280)	469,647
Cash flows from investing activities			
Investment in associate accounted for using the equity method		(3,684)	(14,585)
Payments for property and equipment		(8,781)	(6,233)
Payments for intangible assets		(826)	(1,229)
Proceeds from sale of property and equipment		52	–
(Payments for)/proceeds from financial investments at fair value through profit or loss, net		(9,609)	35,468
Net cash (outflow)/inflow from investing activities		(22,848)	13,421
Cash flows from financing activities			
Proceeds from issuance of notes payable		23,237	–
Proceeds from borrowings, net		2,178,161	227,515
Including: proceeds from trust plan holders, net		2,021,041	163,363
Repayment for notes payable		(96,339)	–
Interest expenses paid		(121,295)	(201,396)
Payments for shares repurchased		(11,932)	–
Payments for lease liabilities		(16,798)	(15,726)
Cash received from capital contribution in subsidiary from non-controlling interests		–	708
Net cash inflow from financing activities		1,955,034	11,101
Net (decrease)/increase in cash and cash equivalents		(69,094)	494,169
Cash and cash equivalents at the beginning of the period	14(a)	1,693,437	896,700
Effects of exchange rate changes on cash and cash equivalents		12,042	(313)
Cash and cash equivalents at the end of the period	14(a)	1,636,385	1,390,556

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Interim Condensed Consolidated Financial Information

1 GENERAL INFORMATION

VCREDIT Holdings Limited (the “**Company**”) was incorporated in the British Virgin Islands (the “**BVI**”) on July 24, 2007 as an exempted company with limited liability under the laws of the BVI.

Pursuant to a shareholders’ resolution dated February 6, 2018, the Company re-domiciled to the Cayman Islands by way of continuation as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961) of the Cayman Islands, as amended or supplemented. The re-domiciliation was completed on February 26, 2018. The current address of the Company’s registered office is at Harneys Fiduciary (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

The Company is an investment holding company. The Company together with its subsidiaries (the “**Group**”) is a technology-driven consumer financial service provider in the mainland of People’s Republic of China (the “**Chinese mainland**”, or the “**PRC**”) and the Hong Kong special Administrative Region of the People’s Republic of China (“**Hong Kong**”). The Group offers tailored consumer finance products to prime and near-prime borrowers, who are underserved by traditional financial institutions, by facilitating transactions between borrowers and financial institutions or lending to borrowers.

The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since June 21, 2018 by way of its initial public offering. As at June 30, 2025, the number of ordinary shares of the Company (“**Shares**”) in issue was 489,459,789, with a par value of HK\$0.10 per Share.

The interim condensed consolidated financial information is presented in Renminbi (“**RMB**”), unless otherwise stated.

The interim condensed consolidated financial information has been approved and authorised for issue by the board of directors of the Company on August 25, 2025.

2 BASIS OF PREPARATION OF THE INTERIM REPORT

These interim condensed consolidated financial information for the sixth-month reporting period ended June 30, 2025 has been prepared in accordance with International Accounting Standard (“**IAS**”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board.

The interim condensed consolidated financial information does not include all of the notes normally included in an annual consolidated financial statements. Accordingly, the interim condensed consolidated financial information should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2024, which have been prepared in accordance with IFRS Accounting Standards, and any public announcements made by the Group during the six months ended June 30, 2025.

3 NEW STANDARDS AND AMENDMENTS

3.1 New standards and amendments adopted by the Group

Except as described below, the accounting policies and method of computation used in the preparation of the interim condensed consolidated financial information are consistent with those used in the annual financial statements for the year ended December 31, 2024.

3 NEW STANDARDS AND AMENDMENTS (continued)

3.1 New standards and amendments adopted by the Group (continued)

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after January 1, 2025:

		Effective for the annual periods beginning on or after
Amendments to IAS 21	Lack of Exchangeability	January 1, 2025

The Group adopted the above amendment on January 1, 2025 and noted no material impact on the Group's financial position or performance.

3.2 New standards and amendments that have relevance to the Group but not yet adopted by the Group

		Effective for the annual periods beginning on or after
Amendment to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027 (early adoption is permitted)

The Group does not expect that adoption of these standards will have a significant impact on the Group's financial position or performance.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the interim condensed consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2024.

5 RISK MANAGEMENT

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2024.

There have been no significant changes in the risk management policies since December 31, 2024.

Measurement of expected credit losses ("ECL")

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Group measures credit risk using Probability of Default ("PD"), Exposure at Default and Loss Given Default. This is consistent with the models applied in the consolidated financial statements for the year ended December 31, 2024.

The assessment of ECL incorporates forward-looking information in respect of PD. The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL for its credit exposures in the Chinese mainland, which is Chinese mainland Consumer Price Index ("CPI") and Chinese mainland Gross Domestic Product ("GDP").

Key economic variables	Scenario	As at June 30, 2025	As at December 31, 2024
CPI	Base	0.35%	0.57%
	Upside	0.70%	1.00%
	Downside	(0.36%)	(0.05%)
GDP	Base	4.70%	4.70%
	Upside	5.00%	5.06%
	Downside	3.86%	4.00%

The weightings assigned to base, upside and downside economic scenario at June 30, 2025 are 80%, 10% and 10%, respectively (December 31, 2024: 80%, 10% and 10%, respectively).

5 RISK MANAGEMENT (continued)

5.1 Financial risk factors (continued)

Sensitivity analysis

The ECL allowance is sensitive to the weightings assigned to each economic scenario.

For CPI and GDP in the Chinese mainland, assuming a 10% increase in the weight of the upside scenario and a 10% reduction in the weight of the base scenario, the Group's ECL allowance as at June 30, 2025 would be reduced by RMB12.36 million (December 31, 2024: RMB11.52 million); assuming a 10% increase in the weight of the downside scenario and a 10% reduction in the weight of the base scenario, the Group's ECL allowance as at June 30, 2025 would be increased by RMB31.58 million (December 31, 2024: RMB20.68 million).

5.2 Fair value measurement of financial instruments

The Group's main financial instruments carried at fair value are loans to customers at fair value through profit or loss and financial investments at fair value through profit or loss.

Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

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. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value 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.

5 RISK MANAGEMENT (continued)

5.2 Fair value measurement of financial instruments (continued)

Fair value hierarchy (continued)

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value as at June 30, 2025 and December 31, 2024, respectively, on a recurring basis:

		As at June 30, 2025			
	Valuation techniques	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
(Unaudited)					
Assets					
Loans to customers					
– Loans to customers at fair value through profit or loss	Discounted cash flow method ⁽ⁱ⁾	–	–	8,165,404	8,165,404
Financial investments at fair value through profit or loss					
– Private equity fund	Net asset value	–	–	28,131	28,131
– Unlisted equity	Market comparable companies	–	–	16,928	16,928
– Revenue based financing product	Discounted cash flow method ⁽ⁱ⁾	–	–	23,178	23,178
		–	–	8,233,641	8,233,641
(Audited)					
Assets					
Loans to customers					
– Loans to customers at fair value through profit or loss	Discounted cash flow method ⁽ⁱ⁾	–	–	6,106,530	6,106,530
Financial investments at fair value through profit or loss					
– Private equity fund	Net asset value	–	–	24,626	24,626
– Unlisted equity	Market comparable approach	–	–	13,485	13,485
– Revenue based financing product	Discounted cash flow method ⁽ⁱ⁾	–	–	16,265	16,265
		–	–	6,160,906	6,160,906

(i) The key unobservable input used in the discounted cash flow method is the risk-adjusted discount rate.

5 RISK MANAGEMENT (continued)

5.2 Fair value measurement of financial instruments (continued)

Fair value hierarchy (continued)

The following table presents the changes in level 3 asset instruments for the six months ended June 30, 2025 and 2024, respectively:

	Loans to customers RMB'000 (Unaudited)	Financial investments at fair value through profit or loss RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
At January 1, 2025	6,106,530	54,376	6,160,906
Additions	10,078,988	20,917	10,099,905
Derecognition	(7,396,010)	(11,308)	(7,407,318)
Losses recognised in profit or loss within fair value change of loans to customers	(624,104)	–	(624,104)
Gains recognised in profit or loss within other gains, net	–	4,379	4,379
Foreign exchange difference	–	(127)	(127)
At June 30, 2025 ⁽ⁱ⁾	8,165,404	68,237	8,233,641
At January 1, 2024	6,504,421	141,612	6,646,033
Additions	6,787,276	71,196	6,858,472
Derecognition	(6,062,340)	(116,610)	(6,178,950)
Losses recognised in profit or loss within fair value change of loans to customers	(592,304)	–	(592,304)
Gains recognised in profit or loss within other gains, net	–	21,519	21,519
Foreign exchange difference	–	(101)	(101)
At June 30, 2024	6,637,053	117,616	6,754,669

(i) The net unrealised losses attributable to level 3 financial instruments as at June 30, 2025 is RMB431.83 million (As at December 31, 2024: RMB215.72 million).

5 RISK MANAGEMENT (continued)

5.2 Fair value measurement of financial instruments (continued)

Fair value hierarchy (continued)

There were no transfers between the levels of the fair value hierarchy in the six months ended June 30, 2025. There were no changes made to any of the valuation techniques applied in the six months ended June 30, 2025.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Fair value measurements using significant unobservable inputs

The Group has a team that performs the valuations of financial assets required for financial reporting purposes, including level 3 fair values. The team manages the valuation exercise of the investments on a case by case basis. The team would use valuation techniques to determine the fair value of the Group's level 3 instruments once every month. External valuation experts will be involved when necessary.

As at June 30, 2025, the level 3 instruments were mainly loans to customers at fair value through profit or loss. As the loans to customers are not traded in an active market, its fair value has been determined using the discounted cash flow method whereby the discount rate adjustment technique is applied. The discount rate used to determine the present value was a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the assets as at each reporting date. The management determined the risk-free interest rates based on the yield of China Government Bonds with a maturity equal to periods from the respective reporting date to expected cash flow date. The determination of risk premiums to derive the risk-adjusted discount rates involved critical estimates and judgements.

The table below illustrates the impact on profit before income tax for the six months ended June 30, 2025 and 2024, if the risk-adjusted discount rate had increased/decreased by 100 basis points with all other variables held constant.

Expected changes in profit before income tax	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
+100 basis points	(21,922)	(19,432)
– 100 basis points	22,177	19,680

5 RISK MANAGEMENT (continued)

5.2 Fair value measurement of financial instruments (continued)

Fair values of other financial instruments

The Group also has a number of financial instruments which are not measured at fair value in the interim condensed consolidated statement of financial position such as guarantee receivables, other receivables, notes payable, borrowings and other payables. For these instruments, the fair values are not materially different from their carrying amounts, since the interest rate is close to current market rates, or the instruments are short-term in nature.

5.3 Operation risk

Operation risk is the risk of loss resulting from inadequate or failure of proper internal controls on business processes, employees and systems or from uncontrollable external events. The Group is exposed to many types of operation risks in the conduct of its business. The Group attempts to manage operation risk by establishing clear policies and requiring well documented business processes to ensure that transactions are properly authorised, supported and recorded.

The National Financial Regulatory Administration (the “**NFRA**”, formerly known as the China Banking and Insurance Regulatory Commission), jointly with other regulatory authorities, issued the Circular on Issuing Supplementary Provisions on Supervision of Financing Guarantee Companies (the “**Circular**”) on October 24, 2019 to further regulate certain financial guarantee activities. The Group has acknowledged the requirements set forth in the Circular and noted the potential non-compliance risk to the certain current business model for its trust scheme operations and loan facilitation services going forward. Such potential non-compliance could subject the Group to penalties and/or it being required to change its current business models.

The Group has established its own financial guarantee company and restructuring future credit enhancement arrangements, to cope with the implications of the Circular. Taking into consideration current market practice and the implementation status of the related regulatory requirements, the Group has assessed and does not believe that it is probable there will be a material outflow of resources during the process of complying with the new regulations. The Group will pay close attention to market developments and will continue to monitor the impact to its operations and financial position.

The NFRA issued the “Notice on Strengthening the Management of Commercial Banks’ Internet Loan Facilitation Business and Enhancing the Quality and Efficiency of Financial Services” (the “**Notice**”) on April 1, 2025 to further standardize and regulate online facilitated loan business activities of certain financial institutions, including list based management of loan facilitation services provider, monitoring on overall loan pricing and disclosing required fee information to borrowers. The Notice will come into effect on October 1, 2025. The existing and future lending operations of the Group may be subject to the implementation of such Notice and such Notice will, in turn, impact the Group’s business-volume growth and profitability. The Group has acknowledged and is fully aware of the latest regulatory requirements and is assessing the impact to its loan facilitation business and taking action to fulfill the requirements.

6 NET INTEREST AND SIMILAR INCOME

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest and similar income		
Loans to customers at fair value through profit or loss	1,067,748	1,062,989
Loans to customers at amortised cost	21,772	5,287
	<u>1,089,520</u>	<u>1,068,276</u>
Less: interest expenses		
Payable to trust plan holders	(130,117)	(173,604)
Bank borrowings	(12,771)	(15,073)
Notes payable	(9,639)	(4,613)
Borrowings from other financial institutions	(478)	—
	<u>(153,005)</u>	<u>(193,290)</u>
Net interest and similar income	<u>936,515</u>	<u>874,986</u>

7 LOAN FACILITATION SERVICE FEES

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Upfront loan facilitation service fees	814,151	566,557
Post loan facilitation service fees	455,660	373,067
	<u>1,269,811</u>	<u>939,624</u>

Note: The Group considers the upfront loan facilitation services and post loan facilitation services as distinct performance obligations. Upfront loan facilitation service fees are recognised at loan inception. Post loan facilitation service fees are recognised over the term of the loan, which approximates the pattern of when the underlying services are performed. The unsatisfied performance obligations as at June 30, 2025 were RMB452.08 million. Management expected that 99.24% of the transaction price allocated to the unsatisfied contracts as at June 30, 2025 would be recognised as revenue within the next 12 months (As at June 30, 2024: the unsatisfied performance obligations were RMB291.64 million, and management expected that 96.34% of the transaction price allocated to the unsatisfied contracts would be recognised as revenue within the next 12 months).

8 OTHER INCOME/(EXPENSES)

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Technology and platform service fees	215,253	76,456
Government grants ⁽ⁱ⁾	33,814	56,263
Gains/(losses) from guarantee	21,523	(234,706)
Penalty and other charges	17,210	16,939
Others	5,782	8,795
	293,582	(76,253)

- (i) For the six months ended June 30, 2025, RMB26.59 million was granted to support the technical innovation, RMB7.00 million was granted to support the development of digital economy, and the rest was mainly granted to encourage stable business development (for the six months ended June 30, 2024, RMB33.84 million was granted to support development of digital economy, and RMB22.42 million was granted to encourage foreign investment and business development).

9 EXPENSES BY NATURE

	Six months ended June 30,	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Loan origination and servicing expenses	(992,566)	(549,759)
Employee benefit expenses	(224,798)	(198,149)
Professional service fees	(47,639)	(38,949)
Office expenses	(40,389)	(33,258)
Depreciation and amortisation	(17,144)	(14,209)
Depreciation of right-of-use assets	(15,360)	(15,726)
Branding expenses	(15,163)	(5,886)
Tax and surcharge	(11,742)	(11,995)
Others	(16,958)	(1,242)
Total origination and servicing expenses, sales and marketing expenses, general and administrative expenses, and research and development expenses	(1,381,759)	(869,173)

10 CREDIT IMPAIRMENT LOSSES

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Guarantee receivables	(127,912)	(98,607)
Contract assets	(63,965)	(42,850)
Loans to customers at amortised cost	(18,908)	(4,879)
Other assets	(3,281)	2,672
Restricted cash	(672)	(323)
Cash and cash equivalents	—	(162)
	(214,738)	(144,149)

11 OTHER GAINS, NET

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Bank interest income	14,992	8,840
Gains from financial investments at fair value through profit or loss	4,379	21,573
Interest expense on lease liabilities	(985)	(1,605)
Bank charges	(1,097)	(405)
Exchange losses	(17,149)	(6,717)
	140	21,686

12 INCOME TAX

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current income tax	(140,195)	(165,753)
Deferred income tax	80,670	133,555
	(59,525)	(32,198)

12 INCOME TAX (continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the statutory tax rate applicable to profit of the consolidated entities as follows:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit before income tax:	275,514	152,541
Tax calculated at PRC statutory income tax rate of 25%	(68,878)	(38,135)
Tax effects of:		
– Differential income tax rates applicable to the Company and subsidiaries ⁽ⁱ⁾	20,398	11,090
– Super deduction for research and development expenses	8,779	–
– Expenses not deductible for income tax purpose	(1,935)	(622)
Share-based compensation	(477)	(87)
Others	(1,458)	(535)
– Withholding tax on distributed profits	(3,438)	–
– No recognition of deferred tax assets on tax losses	(13,821)	(4,531)
– Others	(630)	–
	(59,525)	(32,198)

(i) The Group's main applicable taxes and tax rates are as follows:

Cayman Islands

The Company re-domiciled to the Cayman Islands by way of continuation as an exempted company with limited liability from the BVI prior to listing on the Main Board of The Stock Exchange of Hong Kong Limited. The Company is governed by the laws of the Cayman Islands after completion of the continuation. Accordingly, the Company is not subject to income tax under Cayman Islands' law.

Chinese mainland

The PRC Enterprise Income Tax Law (the "EIT Law") applies an income tax rate of 25% to all enterprises but grants preferential tax treatments to certain enterprises that meet relevant requirements and qualifications.

In November 2023, Vision Credit Financial Technology Co., Ltd., an indirect wholly-owned subsidiary of the Company, was approved as High and New Technology Enterprises under the EIT Law and can enjoy the preferential income tax rate of 15% from 2023 to 2025.

From January 1, 2023 to December 31, 2025, enterprises that are established in Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone and comply with the tax preferential catalog are entitled to a preferential income tax rate of 15% according to the notices issued by State Taxation Administration of the PRC in March 2024. Guangdong Weishi Data Technology Co., Ltd., an indirect wholly-owned subsidiary of the Company, meets the above conditions and can enjoy the corresponding tax preferences from January 1, 2024.

In addition, certain indirectly owned subsidiaries of the Company are subject to "Small Low-profit Enterprise" under the EIT Law, whose preferential income tax rate was 20%. The annual taxable income amount of subsidiaries of the Company that are subject to "Small Low-profit Enterprise" was calculated at a reduced rate of 25% when it does not exceed RMB3.00 million.

12 INCOME TAX (continued)

- (i) The Group's main applicable taxes and tax rates are as follows: (Continued)

Hong Kong

Under the current Hong Kong Inland Revenue Ordinance, the Company's subsidiaries incorporated in Hong Kong are subject to 16.5% income tax on their taxable income generated from operations in Hong Kong. Additionally, payments of dividends by the subsidiaries incorporated in Hong Kong to the Company are not subject to any Hong Kong withholding tax. Commencing from the year of assessment of 2018/2019, the first HK\$2.00 million of profits earned by the Company's subsidiaries incorporated in Hong Kong will be taxed at half the current tax rate (i.e. 8.25%) while the remaining profits will continue to be taxed at the existing 16.5% tax rate.

Withholding Tax on Undistributed Profits

Under the EIT Law, dividends, interests, rent, royalties and gains on transfers of property payable by a foreign-invested enterprise in the PRC to its parent company who is a non-resident enterprise will be subject to withholding tax of 10%, unless such non-resident enterprise's jurisdiction of incorporation has a tax treaty with the PRC that provides for a reduced rate of withholding taxes. The withholding tax rate is 5% for the parent company incorporated in certain qualified jurisdictions if the parent company is the beneficial owner of the dividend and approved by the PRC tax authority to enjoy the preferential tax benefit.

The Group has investments in PRC subsidiaries where the carrying values for financial reporting exceed the tax basis. Except for the planned but yet to be distributed earnings, the Company has not provided deferred tax on the portion of the excess that the Company believe is indefinitely reinvested in PRC subsidiaries for withholding tax purposes.

Pillar Two model rules

The Organisation for Economic Co-operation and Development published Pillar Two model rules in December 2021, with the effect that a jurisdiction may enact domestic tax laws ("**Pillar Two legislation**") to implement the Pillar Two model rules on a globally agreed common approach. Pillar Two legislation applies to a member of a multinational group within the scope of the Pillar Two model rules, which the Group is reasonably expected to fall into. It imposes a top-up tax on profits arising in a jurisdiction whenever the effective tax rate determined by the Pillar Two model rules on a jurisdictional basis is below a minimum rate of 15%.

Pillar Two legislation in Hong Kong came into effect on January 1, 2025. The Group has reviewed its corporate structure in light of the introduction of Pillar Two model rules in various jurisdictions and engaged external tax specialists in assessing its tax exposure. As at June 30, 2025, the Group mainly operates in the Chinese mainland and Hong Kong. It is estimated that the Group's income tax would not be materially different. Thus, the Group does not recognise any relevant current tax or deferred tax for the interim period ended June 30, 2025.

The Group will continue to evaluate the potential impact of the Pillar Two model rules.

13 EARNINGS PER SHARE

	Six months ended June 30,	
	2025	2024
	(Unaudited)	(Unaudited)
Earnings attributable to owners of the Company (RMB'000)	215,990	120,345
Weighted average number of Shares for calculation of the basic earnings per share ('000)	487,126	488,088
Weighted average number of Shares for calculation of the diluted earnings per share ('000)	490,297	489,959
Basic earnings per share (RMB yuan)	0.44	0.25
Diluted earnings per share (RMB yuan)	0.44	0.25

- (a) Basic earnings per share is calculated by dividing the profit of the Group attributable to owners of the Company by the weighted average number of Shares outstanding during the period.
- (b) For the six months ended June 30, 2025 and 2024, respectively, diluted earnings per share is calculated by adjusting the weighted average number of Shares outstanding by the assumption of the conversion of all potential dilutive Shares arising from share awards granted by the Company (collectively forming the denominator for computing diluted earnings per share). No adjustment is made to earnings (numerator).

	Six months ended June 30,	
	2025	2024
	Number of	Number of
	Shares	Shares
	('000)	('000)
	(Unaudited)	(Unaudited)
Weighted average number of Shares for calculation of the basic earnings per share	487,126	488,088
Adjustments for share awards granted	3,171	1,871
Weighted average number of Shares for the purpose of the diluted earnings per share calculation	490,297	489,959

14 CASH AND BANK BALANCES

(a) Cash and cash equivalents

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Cash at bank	1,601,951	1,680,836
Cash held through platform ⁽ⁱ⁾	34,433	12,599
Cash on hand	1	2
Less: ECL allowance	(19)	(19)
	1,636,366	1,693,418

(i) Cash held through platform is the cash balance held by the Group in third party payment companies.

(b) Restricted cash

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Deposits to funding partners ⁽ⁱ⁾	427,850	327,629
Deposits for borrowings ⁽ⁱⁱ⁾	261,026	309,466
Less: ECL allowance	(3,192)	(2,520)
	685,684	634,575

(i) Deposits to funding partners are deposited in designated bank accounts that are restricted by the loan facilitation service contracts between the funding partners and the Group. According to these contracts, the Group cannot withdraw deposits without permission of the funding partners.

(ii) Deposits for borrowings are pledges for secured borrowings (refer to Note 21).

15 LOANS TO CUSTOMERS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Loans to customers at fair value through profit or loss (a)	8,165,404	6,106,530
Loans to customers at amortised cost (b)	194,828	140,524
	8,360,232	6,247,054

(a) Loans to customers at fair value through profit or loss

As at June 30, 2025 and December 31, 2024, all loans to customers at fair value through profit or loss are unsecured.

Contractual terms of loans to customers at fair value through profit or loss:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Within 1 year (including 1 year)	8,071,228	5,937,401
1 to 2 years (including 2 years)	94,176	169,129
	8,165,404	6,106,530

Remaining contractual maturities of loans to customers at fair value through profit or loss:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Overdue ⁽ⁱ⁾	100,999	77,296
Within 1 year (including 1 year)	8,027,057	5,933,181
1 to 2 years (including 2 years)	37,348	96,053
	8,165,404	6,106,530

- (i) As at June 30, 2025, the fair value of loans to customers which have been delinquent up to 30 days was RMB39.07 million, and the fair value of loans to customers which have been delinquent for 31–180 days was RMB61.93 million (December 31, 2024: RMB22.14 million and RMB55.16 million, respectively).

15 LOANS TO CUSTOMERS (continued)**(b) Loans to customers at amortised cost**

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Loans to customers at amortised cost	221,342	160,254
Accrued interest	2,221	1,630
	223,563	161,884
Less: ECL allowance	(28,735)	(21,360)
	194,828	140,524

As at June 30, 2025 and December 31, 2024, all loans to customers at amortised cost are unsecured.

Contractual terms of loans to customers at amortised cost:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Within 1 year (including 1 year)	145,708	111,519
1 to 2 years (including 2 years)	67,134	46,575
Over 2 years	10,721	3,790
	223,563	161,884

Remaining contractual maturities of loans to customers at amortised cost:

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Overdue	18,324	12,156
Within 1 year (including 1 year)	141,850	109,148
1 to 2 years (including 2 years)	53,304	37,092
Over 2 years	10,085	3,488
	223,563	161,884

15 LOANS TO CUSTOMERS (continued)**(b) Loans to customers at amortised cost** (continued)**Movement of gross carrying amount and ECL allowance**

Loans to customers at amortised cost	Six months ended June 30, 2025			Total RMB'000 (Unaudited)
	Stage 1 Current RMB'000 (Unaudited)	Stage 2 1-30 days past due RMB'000 (Unaudited)	Stage 3 30-180 days past due RMB'000 (Unaudited)	
Opening balance at January 1, 2025	149,727	2,699	9,458	161,884
New financial assets originated	207,883	—	—	207,883
Transfer for the period:				
From stage 1 to stage 2	(3,510)	3,510	—	—
From stage 1 to stage 3	(16,213)	—	16,213	—
From stage 2 to stage 1	540	(540)	—	—
From stage 2 to stage 3	—	(1,814)	1,814	—
From stage 3 to stage 1	167	—	(167)	—
From stage 3 to stage 2	—	7	(7)	—
Assets derecognised (including final repayment)	(130,488)	(1,100)	(364)	(131,952)
Assets written off	—	—	(11,010)	(11,010)
Foreign exchange difference	(2,867)	(42)	(333)	(3,242)
Ending balance at June 30, 2025	205,239	2,720	15,604	223,563

15 LOANS TO CUSTOMERS (continued)**(b) Loans to customers at amortised cost** (continued)**Movement of gross carrying amount and ECL allowance** (continued)

ECL allowance	Six months ended June 30, 2025			Total RMB'000 (Unaudited)
	Stage 1 Current RMB'000 (Unaudited)	Stage 2 1–30 days past due RMB'000 (Unaudited)	Stage 3 30–180 days past due RMB'000 (Unaudited)	
Opening balance at January 1, 2025	(12,036)	(881)	(8,443)	(21,360)
New financial assets originated	(18,397)	–	–	(18,397)
Transfer for the period:				
From stage 1 to stage 2	272	(1,122)	–	(850)
From stage 1 to stage 3	1,254	–	(13,893)	(12,639)
From stage 2 to stage 1	(42)	173	–	131
From stage 2 to stage 3	–	580	(1,554)	(974)
From stage 3 to stage 1	(13)	–	143	130
From stage 3 to stage 2	–	(2)	6	4
Assets derecognised (including final repayment)	10,083	352	317	10,752
Changes to risk parameters (model inputs)	3,589	38	(692)	2,935
Assets written off	–	–	11,010	11,010
Foreign exchange difference	217	13	293	523
Ending balance at June 30, 2025	(15,073)	(849)	(12,813)	(28,735)

15 LOANS TO CUSTOMERS (continued)**(b) Loans to customers at amortised cost** (continued)**Movement of gross carrying amount and ECL allowance** (continued)

Loans to customers at amortised cost	Six months ended June 30, 2024			
	Stage 1	Stage 2	Stage 3	Total
		1–30 days	30–180 days	
	Current	past due	past due	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Opening balance at January 1, 2024	18,246	716	309	19,271
New financial assets originated	57,817	–	–	57,817
Transfer for the period:				
From stage 1 to stage 2	(1,031)	1,031	–	–
From stage 1 to stage 3	(3,787)	–	3,787	–
From stage 2 to stage 1	202	(202)	–	–
From stage 2 to stage 3	–	(444)	444	–
From stage 3 to stage 1	18	–	(18)	–
Assets derecognised (including final repayment)	(18,806)	(151)	(521)	(19,478)
Foreign exchange difference	282	6	18	306
Ending balance at June 30, 2024	52,941	956	4,019	57,916

15 LOANS TO CUSTOMERS (continued)**(b) Loans to customers at amortised cost** (continued)**Movement of gross carrying amount and ECL allowance** (continued)

ECL allowance	Six months ended June 30, 2024			
	Stage 1	Stage 2	Stage 3	Total
	Current	1–30 days	30–180 days	
	past due	past due	past due	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Opening balance at January 1, 2024	(1,274)	(131)	(250)	(1,655)
New financial assets originated	(5,189)	–	–	(5,189)
Transfer for the period:				
From stage 1 to stage 2	68	(193)	–	(125)
From stage 1 to stage 3	249	–	(2,997)	(2,748)
From stage 2 to stage 1	(13)	38	–	25
From stage 2 to stage 3	–	83	(352)	(269)
From stage 3 to stage 1	(1)	–	14	13
Assets derecognised (including final repayment)	1,237	28	412	1,677
Changes to risk parameters (model inputs)	1,672	(7)	72	1,737
Foreign exchange difference	(18)	(1)	(14)	(33)
Ending balance at June 30, 2024	(3,269)	(183)	(3,115)	(6,567)

As at June 30, 2025 and December 31, 2024, a portfolio of loans to customers at amortised cost totalling HK\$15.00 million is pledged as a floating charge to secure the Group's borrowings from other financial institutions (refer to Note 21).

As at June 30, 2025, a portfolio of loans to customers at amortised cost totalling HK\$96.00 million is pledged as a floating charge to secure the Group's notes payable (refer to Note 22) (As at December 31, 2024: HK\$75.00 million).

16 CONTRACT ASSETS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Contract assets	632,084	488,059
Less: ECL allowance	(102,832)	(76,548)
	529,252	411,511

Movement of gross carrying amount and ECL allowance

Contract assets

	Six months ended June 30, 2025			
	Current	1–30 days	30–180 days	Total
	RMB'000	past due	past due	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Opening balance at January 1, 2025	451,545	7,660	28,854	488,059
New assets originated	1,025,479	–	–	1,025,479
Transfer for the period	(61,426)	5,649	55,777	–
Assets derecognised (including final repayment)	(837,448)	(908)	(5,417)	(843,773)
Assets written off	–	–	(37,681)	(37,681)
Ending balance at June 30, 2025	578,150	12,401	41,533	632,084

ECL allowance

	Six months ended June 30, 2025			
	Current	1–30 days	30–180 days	Total
	RMB'000	past due	past due	RMB'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Opening balance at January 1, 2025	(41,280)	(6,539)	(28,729)	(76,548)
New assets originated	(92,046)	–	–	(92,046)
Transfer for the period	5,636	(4,739)	(55,268)	(54,371)
Assets derecognised (including final repayment)	76,837	762	5,265	82,864
Changes to risk parameters (model inputs)	(2,385)	298	1,675	(412)
Assets written off	–	–	37,681	37,681
Ending balance at June 30, 2025	(53,238)	(10,218)	(39,376)	(102,832)

16 CONTRACT ASSETS (continued)**Movement of gross carrying amount and ECL allowance** (continued)

Contract assets	Six months ended June 30, 2024			Total <i>RMB'000</i> (Unaudited)
	Current <i>RMB'000</i> (Unaudited)	1–30 days past due <i>RMB'000</i> (Unaudited)	30–180 days past due <i>RMB'000</i> (Unaudited)	
Opening balance at January 1, 2024	498,388	11,758	42,662	552,808
New assets originated	643,046	–	–	643,046
Transfer for the period	(47,875)	(3,264)	51,139	–
Assets derecognised (including final repayment)	(681,757)	(1,493)	(854)	(684,104)
Assets written off	–	–	(57,130)	(57,130)
Ending balance at June 30, 2024	411,802	7,001	35,817	454,620

ECL allowance	Six months ended June 30, 2024			Total <i>RMB'000</i> (Unaudited)
	Current <i>RMB'000</i> (Unaudited)	1–30 days past due <i>RMB'000</i> (Unaudited)	30–180 days past due <i>RMB'000</i> (Unaudited)	
Opening balance at January 1, 2024	(38,671)	(8,447)	(40,282)	(87,400)
New assets originated	(50,981)	–	–	(50,981)
Transfer for the period	3,697	2,567	(49,471)	(43,207)
Assets derecognised (including final repayment)	52,654	1,174	826	54,654
Changes to risk parameters (model inputs)	1,643	(1,278)	(3,681)	(3,316)
Assets written off	–	–	57,130	57,130
Ending balance at June 30, 2024	(31,658)	(5,984)	(35,478)	(73,120)

Note: The Group recognises upfront loan facilitation service fees at loan inception and post loan facilitation service fees over the term of the loan. Contract assets represent the Group's right to consideration in exchange for services that the Group has provided. A substantial majority of the Group's contract assets as at June 30, 2025 would be realised within the next 12 months as the weighted average term of the arrangements where the Group is not the loan originator was less than 12 months. The Group determined there is no significant financing component for its arrangements where the Group is not the lender.

17 GUARANTEE RECEIVABLES AND GUARANTEE LIABILITIES

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Guarantee receivables	1,616,919	1,292,743
Less: ECL allowance	(228,541)	(179,601)
	1,388,378	1,113,142

A summary of the Group's guarantee receivables movement for the six months ended June 30, 2025 and 2024 is presented below:

	Six months ended June 30, 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Guarantee receivables		
Opening balance	1,113,142	1,317,024
Addition arising from new business	1,760,695	1,196,504
ECL	(127,912)	(98,607)
Reversal due to early repayment	(110,100)	(58,786)
Payment received from borrowers	(1,247,447)	(1,357,437)
Ending balance	1,388,378	998,698

17 GUARANTEE RECEIVABLES AND GUARANTEE LIABILITIES (continued)**Movement of gross carrying amount and ECL allowance****Guarantee receivables**

	Six months ended June 30, 2025			Total RMB'000 (Unaudited)
	Stage 1 Current RMB'000 (Unaudited)	Stage 2 1-30 days past due RMB'000 (Unaudited)	Stage 3 30-180 days past due RMB'000 (Unaudited)	
Opening balance at January 1, 2025	1,200,671	20,988	71,084	1,292,743
New financial assets originated	1,760,695	–	–	1,760,695
Transfer for the period:				
From stage 1 to stage 2	(31,005)	31,005	–	–
From stage 1 to stage 3	(83,355)	–	83,355	–
From stage 2 to stage 1	97	(97)	–	–
From stage 2 to stage 3	–	(17,610)	17,610	–
From stage 3 to stage 2	–	11	(11)	–
Assets derecognised (including final repayment)	(1,346,436)	(3,215)	(7,896)	(1,357,547)
Assets written off	–	–	(78,972)	(78,972)
Ending balance at June 30, 2025	1,500,667	31,082	85,170	1,616,919

ECL allowance

	Six months ended June 30, 2025			Total RMB'000 (Unaudited)
	Stage 1 Current RMB'000 (Unaudited)	Stage 2 1-30 days past due RMB'000 (Unaudited)	Stage 3 30-180 days past due RMB'000 (Unaudited)	
Opening balance at January 1, 2025	(98,920)	(16,199)	(64,482)	(179,601)
New financial assets originated	(150,282)	–	–	(150,282)
Transfer for the period:				
From stage 1 to stage 2	2,600	(23,885)	–	(21,285)
From stage 1 to stage 3	6,991	–	(82,930)	(75,939)
From stage 2 to stage 1	(8)	75	–	67
From stage 2 to stage 3	–	13,566	(15,902)	(2,336)
From stage 3 to stage 2	–	(8)	10	2
Assets derecognised (including final repayment)	112,926	2,477	7,130	122,533
Changes to risk parameters (model inputs)	(1,395)	74	649	(672)
Assets written off	–	–	78,972	78,972
Ending balance at June 30, 2025	(128,088)	(23,900)	(76,553)	(228,541)

17 GUARANTEE RECEIVABLES AND GUARANTEE LIABILITIES (continued)**Movement of gross carrying amount and ECL allowance** (continued)**Guarantee receivables**

	Six months ended June 30, 2024			
	Stage 1	Stage 2	Stage 3	Total
		1-30 days	30-180 days	
	Current RMB'000 (Unaudited)	past due RMB'000 (Unaudited)	past due RMB'000 (Unaudited)	
Opening balance at January 1, 2024	1,391,558	32,327	84,531	1,508,416
New financial assets originated	1,196,504	–	–	1,196,504
Transfer for the period:				
From stage 1 to stage 2	(20,801)	20,801	–	–
From stage 1 to stage 3	(94,418)	–	94,418	–
From stage 2 to stage 1	139	(139)	–	–
From stage 2 to stage 3	–	(26,415)	26,415	–
From stage 3 to stage 2	–	10	(10)	–
Assets derecognised (including final repayment)	(1,407,997)	(5,694)	(2,532)	(1,416,223)
Assets written off	–	–	(118,062)	(118,062)
Ending balance at June 30, 2024	1,064,985	20,890	84,760	1,170,635

ECL allowance

	Six months ended June 30, 2024			
	Stage 1	Stage 2	Stage 3	Total
		1-30 days	30-180 days	
	Current RMB'000 (Unaudited)	past due RMB'000 (Unaudited)	past due RMB'000 (Unaudited)	
Opening balance at January 1, 2024	(94,139)	(21,297)	(75,956)	(191,392)
New financial assets originated	(96,216)	–	–	(96,216)
Transfer for the period:				
From stage 1 to stage 2	1,481	(14,577)	–	(13,096)
From stage 1 to stage 3	6,721	–	(85,224)	(78,503)
From stage 2 to stage 1	(10)	97	–	87
From stage 2 to stage 3	–	18,511	(23,843)	(5,332)
From stage 3 to stage 2	–	(7)	9	2
Assets derecognised (including final repayment)	100,225	3,990	2,285	106,500
Changes to risk parameters (model inputs)	2,368	(2,233)	(12,184)	(12,049)
Assets written off	–	–	118,062	118,062
Ending balance at June 30, 2024	(79,570)	(15,516)	(76,851)	(171,937)

17 GUARANTEE RECEIVABLES AND GUARANTEE LIABILITIES (continued)**Movement of gross carrying amount and ECL allowance** (continued)

A summary of the Group's guarantee liabilities movement for the six months ended June 30, 2025 and 2024 is presented below:

	Six months ended June 30, 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Guarantee liabilities		
Opening balance	895,801	1,533,883
Addition arising from new business	1,760,695	1,196,504
Release of the margin	(122,688)	(88,347)
ECL remeasurement	101,165	323,053
Reversal due to early repayment	(110,100)	(58,786)
Payouts during the period, net	(1,204,599)	(1,882,736)
Ending balance	1,320,274	1,023,571

Note: The outstanding loan balance for which the Group provided financial guarantee in Stage 1, Stage 2 and Stage 3 were RMB14,334.38 million, RMB40.08 million and RMB692.42 million, respectively, as at June 30, 2025 (December 31, 2024: RMB15,604.60 million, RMB21.58 million and RMB488.75 million, respectively).

18 FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Private equity fund	28,131	24,626
Revenue based financing product	23,178	16,265
Unlisted equity	16,928	13,485
	68,237	54,376

19 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Set out below are the associates of the Group which, in the opinion of the directors, are material to the Group. Hong Kong are their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Country of incorporation	% of ownership interest	Investment date
Sino Genius International Limited	BVI	29.90	December 16, 2022 ⁽ⁱ⁾
EXIO Group Limited	Cayman Islands	15.00	January 19, 2024, June 21, 2024, January 20, 2025 ⁽ⁱⁱ⁾

(i) The Group acquired 29.90% interest in Sino Genius International Limited, which primarily functions as a holding company for its subsidiaries, including Opus Financial Group Limited, for a consideration of HK\$23.39 million. The Group is entitled to nominate a director for appointment to the four-member board of directors of Sino Genius International Limited.

(ii) On January 20, 2025, the Group made an additional subscription in EXIO Group Limited, which wholly owns EXIO Limited (formerly known as Thousand Whales Technology (BVI) Limited), for a consideration of HK\$4.00 million. The Group is entitled to nominate one director to the four-member board of EXIO Group Limited and has significant influence over its operations.

The following table sets forth the movement of Group's investments accounted for using the equity method:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Opening balance	21,585	13,384
Addition	3,684	14,585
Share of net loss	(3,933)	(1,876)
Foreign exchange difference	(131)	131
Ending balance	21,205	26,224

20 OTHER ASSETS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Security deposits in financial institutions	545,045	437,607
Due from business partners	321,888	219,665
Prepayments	50,300	33,525
Rental deposits	8,895	9,150
Prepayment of equity investment	7,688	7,688
Others	20,003	15,008
	953,819	722,643
Less: ECL allowance	(8,681)	(5,700)
	945,138	716,943

21 BORROWINGS

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Secured		
Bank borrowings ⁽ⁱ⁾	328,505	302,426
Borrowings from other financial institutions ⁽ⁱⁱ⁾	10,961	11,146
Unsecured		
Payable to trust plan holders	6,676,362	4,632,391
Bank borrowings ⁽ⁱⁱⁱ⁾	282,568	143,219
	7,298,396	5,089,182

- (i) As at June 30, 2025, the Group had secured bank borrowings with a principal amount of RMB321.00 million guaranteed by cash deposits and security deposits in financial institutions with an aggregate amount of RMB332.04 million (refer to Note 14(b) and Note 20). The terms of the borrowings are within 12 months and the weighted average interest rate of the borrowings during the six months ended June 30, 2025 was 4.37%.
- (ii) As at June 30, 2025, the Group had secured borrowings from other financial institutions with a principal amount of HK\$12.00 million guaranteed by way of first floating charge over a portfolio of loans to customers at amortised cost totalling HK\$15.00 million (refer to Note 15(b)). The terms of the borrowings are 6 months and the weighted average interest rate of the borrowings during the six months ended June 30, 2025 was 8.81%.
- (iii) As at June 30, 2025, the Group had drawn down a total of RMB279.23 million in principal amount of unsecured borrowings. The terms of the borrowings are within 12 months and the weighted average interest rate of the borrowings during the six months ended June 30, 2025 was 6.10%.

21 BORROWINGS (continued)**Interest rates of borrowings**

	As at June 30, 2025 (Unaudited)	As at December 31, 2024 (Audited)
Payable to trust plan holders	3.80%~5.70%	3.80%~6.50%
Bank borrowings	2.25%~6.50%	4.00%~6.60%
Borrowings from other financial institutions	6.03%~10.03%	9.20%~10.03%

Contractual maturities of borrowings

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Within 1 year (including 1 year)	2,995,926	3,001,542
1 to 2 years (including 2 years)	4,302,470	2,087,640
	7,298,396	5,089,182

Borrowings by repayment schedule

	As at June 30, 2025 RMB'000 (Unaudited)	As at December 31, 2024 RMB'000 (Audited)
Within 1 year (including 1 year)	6,819,596	4,569,702
1 to 2 years (including 2 years)	478,800	519,480
	7,298,396	5,089,182

22 NOTES PAYABLE

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Opening balance	184,840	89,989
Issuance ⁽ⁱ⁾	23,237	–
Accrued interest	9,639	4,613
Interest paid	(8,982)	(4,317)
Principal repayment ⁽ⁱⁱ⁾	(96,339)	–
Foreign exchange difference	(2,038)	644
Ending balance ⁽ⁱⁱⁱ⁾	110,357	90,929

- (i) On February 14, 2025, Ace Effort Asia Limited ("**Ace Effort**"), an indirect wholly-owned subsidiary of the Company, completed the issuance and placing of the Series 3 Senior Secured Notes (the "**Series 3 Notes**") in the aggregate principal amount of HK\$4,500,000 due 2025, with a coupon rate of 8.25% per annum and a duration of 3 months.

On April 24, 2025, Ace Effort completed the issuance and placing of the Series 4 Senior Secured Notes (the "**Series 4 Notes**", together with the Series 3 Notes, the "**Notes**") in the aggregate principal amount of HK\$21,000,000 due 2026, with a coupon rate of 8.25% per annum and a duration of 364 days.

The issuance of the Notes aims at supporting the money lending business of the Group.

The Company, as well as VCREDIT Finance Limited, a direct wholly-owned subsidiary of the Company and the immediate parent company of Ace Effort, has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by Ace Effort under the Notes. The payment obligations and the performance of all the obligation of Ace Effort under the Notes were also secured by way of first floating charge over a portfolio of loans to customers at amortised cost of the Group.

The Notes constitute direct, general, unconditional, unsubordinated and unsecured obligations of Ace Effort which will at all times rank pari passu without any preference or priority among themselves and at least pari passu with all other present and future unsecured and unsubordinated obligations of Ace Effort, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

- (ii) On June 16, 2025, the senior notes due 2025 issued on June 16, 2022 by the Company became due and the Group repaid the outstanding principal amount of HK\$100,000,000.

On May 15, 2025 the Series 3 Notes issued by Ace Effort became due and the Group repaid the outstanding principal amount of HK\$4,500,000.

- (iii) As at June 30, 2025, the outstanding principal of notes payable was HK\$121.00 million and was secured by way of floating charges over a portfolio of loans to customers at amortised cost totalling HK\$96.00 million (refer to Note 15(b)).

23 OTHER LIABILITIES

	As at June 30, 2025 <i>RMB'000</i> (Unaudited)	As at December 31, 2024 <i>RMB'000</i> (Audited)
Accrued service fees	394,370	219,688
Due to business partners	168,951	217,067
Dividend payable	89,276	–
Employee benefit liability	56,540	94,708
Repayment from borrowers to be settled	44,642	45,604
Contract liabilities	42,197	54,811
Others	1,095	1,299
	797,071	633,177

24 SHARE CAPITAL AND SHARE PREMIUM

	Number of Shares (<i>'000</i>)	Share capital <i>RMB'000</i>	Share premium <i>RMB'000</i>
(Unaudited)			
As at January 1, 2025	489,459	40,067	5,198,001
Vesting of share awards	–	–	105
Dividends declared	–	–	(89,333)
As at June 30, 2025	489,459	40,067	5,108,773
As at January 1, 2024	489,459	40,067	5,243,415
Vesting of share awards	–	–	(93)
Dividends declared	–	–	(44,672)
As at June 30, 2024	489,459	40,067	5,198,650

25 TREASURY SHARES

	As at June 30, 2025		As at December 31, 2024	
	Shares'000 (Unaudited)	RMB'000 (Unaudited)	Shares'000 (Audited)	RMB'000 (Audited)
Treasury shares	(3,928)	(14,461)	(680)	(3,189)

As at June 30, 2025 and December 31, 2024, all of the treasury shares are held by the VCREDIT No. 1 Share Award Scheme for share-based payment purpose (refer to Note 26).

Movements in treasury shares during the half-year are as follows:

	Six months ended June 30, 2025		2024	
	Shares'000 (Unaudited)	RMB'000 (Unaudited)	Shares'000 (Unaudited)	RMB'000 (Unaudited)
Opening balance	(680)	(3,189)	(1,010)	(5,399)
Vesting of share awards	100	660	130	858
Acquisition of Shares by the VCREDIT No. 1 Share Award Scheme Trusts	(3,348)	(11,932)	—	—
Ending balance	(3,928)	(14,461)	(880)	(4,541)

26 SHARE-BASED PAYMENTS

Share award schemes

Movement in the number of share awards for the six months ended June 30, 2025 and 2024 is as follows:

	Six months ended June 30, 2025		2024	
	Number of share awards (‘000)		Number of share awards (‘000)	
(Unaudited)				
Opening balance	400		1,010	
Granted	5,985		—	
Vested	(100)		(130)	
Forfeited	—		(230)	
Ending balance	6,285		650	

The fair value of each share award at its grant date, determined by reference to the market price of the Shares, is recognised over the vesting period as employee benefit expense.

27 RELATED PARTY TRANSACTIONS

All related party transactions that took place in the half-year to June 30, 2025 were similar in nature to those disclosed in the annual financial statements for the year ended December 31, 2024.

28 CONTINGENT LIABILITY

Other than as disclosed in previous notes, the Group did not have any significant contingent liabilities as at June 30, 2025.

29 CONSOLIDATED STRUCTURED ENTITIES

The Group has consolidated certain structured entities which are primarily trust plans. When assessing whether to consolidate structured entities, the Group reviews all facts and circumstances to determine whether the Group, as the manager, is acting as an agent or a principal. The factors considered include scope of the manager's decision-making authority, rights held by other parties, remuneration to which it is entitled and exposure to variability of returns. For those trust plans where the Group provides financial guarantee, the Group therefore has the obligation to fund the losses, if any, in accordance with the guarantee agreements even if the Group does not have any investment in those products. The Group concludes that these structured entities shall be consolidated.

As at June 30, 2025, remaining injected funds of the trust plans consolidated by the Group amounted to RMB7,286.50 million (December 31, 2024: RMB5,084.39 million).

Interests held by other interest holders are included in payable to trust plan holders.

30 COMMITMENTS

The Group did not have any other significant commitments as at June 30, 2025 (December 31, 2024: Nil), other than those mentioned above.

31 DIVIDENDS

During the six months ended June 30, 2025, a final dividend of HK20 cents per Share for the year ended December 31, 2024, amounting to approximately HK\$97.89 million, was declared and subsequently paid on July 9, 2025. As at June 30, 2025, the Group recognised dividends payable of approximately RMB89.28 million. The dividends were paid from the share premium account of the Company (Note 24) in accordance with articles 13(h) and 154 of the Articles of Association of the Company and the Companies Act (2021 Revision) of the Cayman Islands.

On August 25, 2025, the Board recommended the distribution of an interim dividend of HK5 cents per Share for the six months ended June 30, 2025 (for the six months ended June 30, 2024: Nil), to shareholders of the Company ("**Shareholders**"), amounting to approximately HK\$24.47 million from the share premium account of the Company, subject to the approval of the Shareholders at an extraordinary general meeting expected to be held on or around October 9, 2025 (the "**EGM**"). If approved by Shareholders at the EGM, the interim dividend will be payable on or around November 10, 2025. The recommended interim dividend for the six months ended June 30, 2025 was not recognised as a liability as at June 30, 2025.

32 SUBSEQUENT EVENTS

Since the end of the reporting period, the Board proposed an interim dividend. Further details are disclosed in Note 31.